



# 2022-2023 ANNUAL REPORT

Moyne Health  
Services



## ***ACKNOWLEDGEMENT OF COUNTRY***

***Moyne Health Services acknowledges the Traditional Custodians of this land, the Gunditjmara People of the Eastern Maar Nation and pay our respects to their Elders, past and present.***

***We acknowledge and respect their continuing culture and the contribution they make to the life of this area.***



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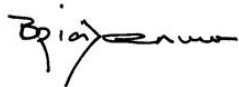
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# INTRODUCTION

It is with pleasure that Moyne Health Services' Board of Directors present the 2022/2023 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 Assistance Treasurer and Financial Reporting Directions*, (specifically FRD221) *Stand Disclosures* released in May 2018.

In accordance with the Financial Management Act 1994, I am pleased to present the report of operations for Moyne Health Services for the year ending 30 June 2023.



Brian Densem, Chair

Board of Directors



## How to contact us:

 30-36 Villiers Street, Port Fairy, VIC 3284

 (03) 5568 0100

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 [@moynehealthservices](https://www.facebook.com/moynehealthservices)

ABN 30 586 278 991



# JOINT MESSAGE FROM OUR BOARD CHAIR AND CHIEF EXECUTIVE OFFICER

## Year in Review

Welcome to the 2022-2023 Annual Report of Moyne Health Services. This report provides an account of our operations and performance over the past twelve months and an opportunity for our team to reflect and celebrate our achievements over the year.

This year we reviewed and updated our Strategic Plan 2022-2025, which was endorsed by the Moyne Health Services Board and the Department of Health. The six priority areas identified in the plan provide the framework to support and focus our work to continue to deliver Best care, Every Person, Every Time.

One of the key outputs of the Strategic Plan has been the delivery of a refreshed Master Plan. In developing this plan, we engaged broadly with our key stakeholders and sought feedback through a variety of methods. We were pleased to have over 200 community members provide feedback and attend face to face sessions in Koroit and Port Fairy. We also engaged directly with our key business stakeholders and partner health agencies and had the opportunity to work with the Deakin University Freelance hub to strengthen the research base for the plan. The result has been a Master Plan, informed by our Strategic and Service Plans to equip Moyne Health Services with a comprehensive suite of documentation to guide and support planning for the next decade.

The Board has established a subcommittee to ensure that the Master Plan is utilised proactively to seek funding and take opportunities within the construct of a well-considered strategy.

This year we have also developed a Workforce Strategy, a Partnerships Framework and strengthened our Community Engagement and Communications plans.

We have commenced our journey to support Reconciliation with the development and launch of our Reflect Reconciliation Action Plan.

We continue to actively collaborate with our neighboring health services through the Health Service Partnership to support the delivery of an evolving, effective and innovative health system.

We are thankful for the ongoing support of the local community which worked with us to raise nearly \$80,000 to refurbish the dining rooms at Moyneyana and Belfast Houses. Special thanks to the Murray to Moyne Cycle relay, the Port Fairy Community Bank and the Port Fairy Belfast Lions Club for their generous donations. Thank you also to everyone who donated as individuals or through our raffle.

## Snapshots of Success

We are now supporting 150 community members to live safely in their own homes, via their Home Care Packages.

We have fully implemented the Rural and Isolated Practice Registered Nurse (RIPRN) model in Urgent Care. We are providing care to over 87% of people who present to our Urgent Care Centre.

Our Residential Aged Care homes continue to have high occupancy rates with positive feedback from residents and families.



We have been awarded a grant of \$45,000 to establish kitchen gardens in both Moyneyana House and Belfast House.

Our vaccination rates for flu and COVID have exceeded targets- thank you to everyone who has participated to keep our residents, clients and each other safe.

To deliver on our purpose of Best Care, Every Person, Every Time, it is important to recognise the 'back office' activities that support our clinicians to provide the care. Our support services teams have professionally and diligently managed an ever increasing raft of compliance requirements, audits, and processes.

## Our Community

Our Community connection remains paramount to our values.

Our Engagement and Communications strategy has been successful as we continue to enjoy meaningful interaction and feedback through our website, Facebook page and 'Have Your Say' forms. Our newsletter, *Community Connect* – is published each quarter and is widely distributed through our local businesses, schools, staff and clients. Keep an eye out for it and please provide us with feedback about anything you would like to know about MHS and our services.

We have continued to hold community based listening posts and drop in sessions – please take the opportunity to come and say hello.

## Our Values

Our values are the foundation of everything we do, but what do they look like in action?

**Collaboration** – more we, less me. Everyday our teams work together with one purpose in mind – *Best Care, Every Person, Every Time*. We get to know our community/clients/residents/patients and understand the special things that can bring joy.

**Accountability** – own it, do it. We all have our part to play to ensure the continued success of MHS. Each role is valued, as each person contributes to the day-to-day organisational functions, reporting, support, transparency and compliance. This is the area where some will *glaze over* and sometimes not understand the critical link of accountability to ensure that we can all hold our heads up with pride. We will keep asking the questions as advocates for our people and maintain the transparency so that we can be clearly seen.

**Respect** – everyone matters. Our staff are the essence of MHS. As CEO, I am invested in knowing each person and helping them be the best version of themselves as part of the MHS family. Our greatest resource is the capability of each person. Everyone matters, everyone has a strength, everyone has the ability to grow. At MHS, everyone has that opportunity.

**Excellence** – better, best, brilliant. Excellence is a destination. The journey to excellence takes us through layers of learning and improvement. At MHS, we actively seek feedback and guidance from our community to ensure that we are on the right track. Our Community Advisory Committee and our Quality and Safety Committee report to the Board of Directors and have strong community representation to keep us focused on our purpose. We participate in many levels of benchmarking, audits and quality indicators to measure our progress along the continuum to excellence.

## Our People

At the time of this report, we have a workforce of 220+ staff/136 volunteers - thank you to each and every person for your unique contribution.



The health and wellbeing of staff is important. We conduct a staff forum each month to provide an opportunity for staff to share information and hear the latest news from the executive team. We provide an extensive Employee Assistance Program and have had a number of occasions where we have thanked staff with a special meal, coffee or breakfast cooked by the Executive team. We promote good mental health through a culture of caring for each other, promoting RUOK day each year (and every day).

This year, we have increased our allocated hours of Occupational Health and Safety and recruited a coordinator to the role for four days per week. In the spirit of developing our people, we have offered the opportunity for this role to undertake OHS studies.

Once again we provided the opportunity for staff to undertake further professional development. The Hilary Hamilton scholarship supported one of our Registered Nurses to undertake a Certificate in Infection Prevention and Control. We are pleased to acknowledge a number of RNs who have completed studies to enhance their clinical skills and offer expert services to people who attend our Urgent Care Centre.

The Victorian Public Sector People Matter Survey is conducted annually. This anonymous survey provides us with a comprehensive view of staff engagement and satisfaction. The results from the survey conducted in October 2022 have resulted in an action plan developed and implemented through consultation with staff.

We welcomed Paul Murphy, Maria Safe and Jodie Cranham as Board Directors. Unfortunately, Paul resigned from the Board in April due to other work commitments.

This year, David Leembruggen, a Board Director since 2017 retired. During his tenure, David has been the chair of our Quality and Safety Committee and has provided expert clinical stewardship at Board level. The Board and staff thank David for his service

### Our Partnerships

The Barwon South West Health Service Partnership is a collaboration of health services within our region. MHS is actively engaged to ensure that we are always informed and well positioned to ensure that our communities have access to the best health services.

We strongly support the partnership model, which allows the various health services in our region to focus on discrete services, and not try to over extend. We believe we are better together as a region, supporting each other and our communities.

MHS participates in the following workgroups:

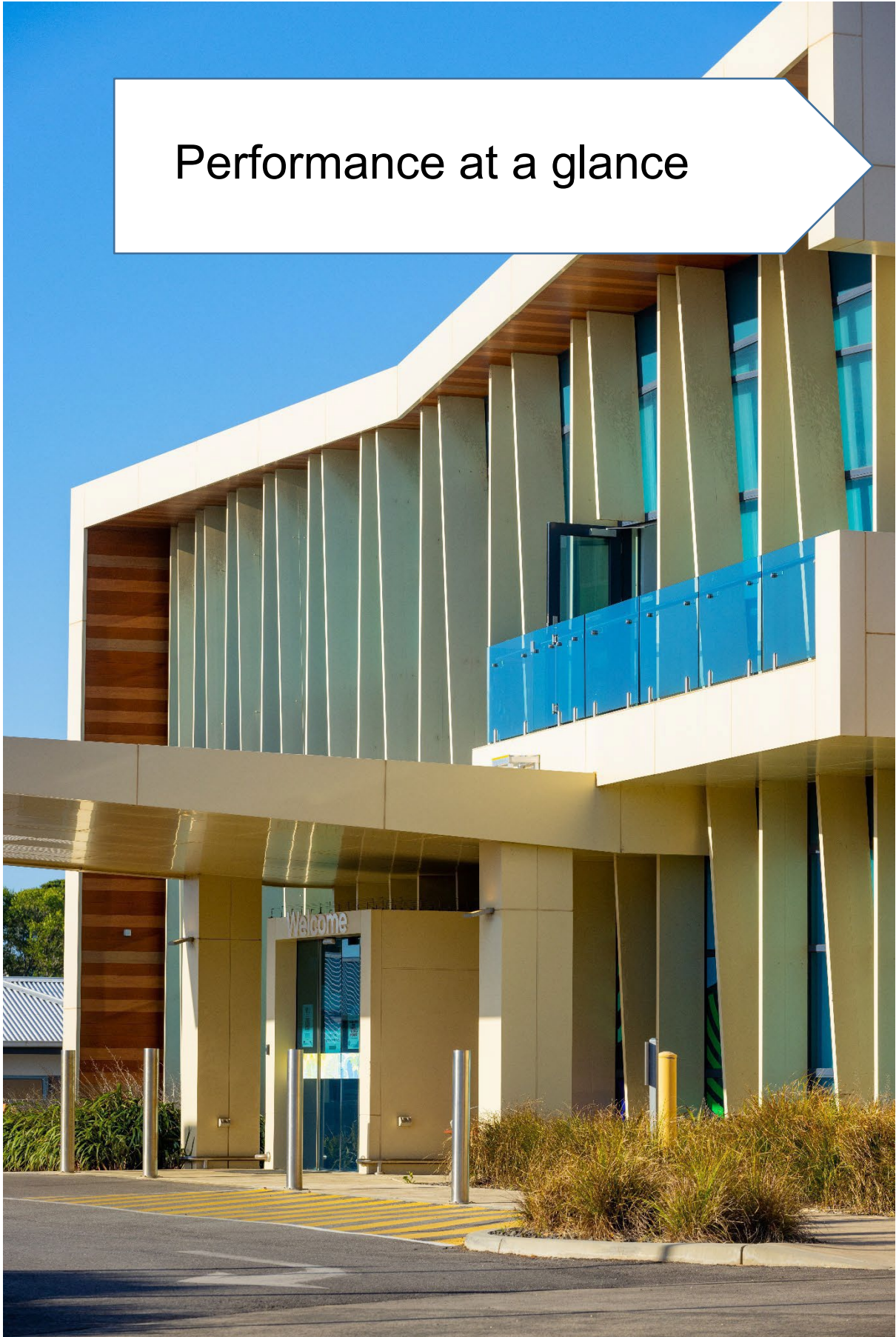
- Chair of the Regional Aged Care project to support health services through the regulations associated with the Aged Care Reforms
- Working group member of the regional clinical services tender

At a State level, MHS participates in the following work groups:

- Collaboration and Partnerships – exploring system reform regarding care and referral pathways
- Workforce Strategy – exploring system reform around current workforce challenges and future initiatives
- Victorian Rural Generalist General Practice pathways workgroup to establish pathways to support GPs in rural and regional area.



# Performance at a glance





# Performance at a glance

## Financial Information

|                                     | 2023<br>\$000 | 2022<br>\$000 | 2021<br>\$000 | 2020<br>\$000 | 2019<br>\$000 |
|-------------------------------------|---------------|---------------|---------------|---------------|---------------|
| <b>OPERATING RESULT *</b>           | <b>341</b>    | <b>-55</b>    | <b>597</b>    | <b>132</b>    | <b>-179</b>   |
| Total Revenue                       | 25,424        | 21,720        | 20,560        | 20,332        | 21,076        |
| Total Expenses                      | 24,686        | 23,356        | 21,851        | 20,575        | 19,327        |
| <b>Net Result from transactions</b> | <b>738</b>    | <b>-1,626</b> | <b>-1,291</b> | <b>-243</b>   | <b>1,749</b>  |
| Total other economic flows          | -756          | 171           | 274           | -90           | -76           |
| <b>Net Result</b>                   | <b>-18</b>    | <b>-1,455</b> | <b>-1,017</b> | <b>-333</b>   | <b>1,673</b>  |
| Total Assets                        | 57,103        | 53,697        | 52,280        | 52,750        | 51,417        |
| Total Liabilities                   | 25,816        | 25,850        | 23,706        | 23,704        | 20,291        |
| <b>Net Assets/Total Equity</b>      | <b>31,287</b> | <b>27,847</b> | <b>28,574</b> | <b>29,046</b> | <b>31,126</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).

|  | 2023<br>\$000 |
|--|---------------|
| <b>Net operating result *</b>  | <b>341</b>    |
| Capital purpose income   | 2,837         |
| COVID 19 State Supply Arrangements<br>- Assets received free of charge or for nil consideration under the State Supply | 97            |
| State supply items consumed up to 30 June 2023   | -97           |
| Assets provided free of charge   | 0             |
| Assets received free of charge   | 47            |
| Depreciation and amortisation  | -2,391        |
| <b>Net result from transactions</b>  | <b>738</b>    |

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



## Service Indicators

| Separations                   | 2023        | 2022         | 2021         | 2020         | 2019         |
|-------------------------------|-------------|--------------|--------------|--------------|--------------|
| Same day                      | 80          | 71           | 71           | 48           | 70           |
| Multi day                     | 226         | 216          | 190          | 217          | 336          |
| Total separations             | 306         | 287          | 263          | 265          | 406          |
| Public separations            | 243         | 204          | 201          | 202          | 237          |
| Total WEIS                    | 300.93      | 276.81       | 365.91       | 351.79       | 417.02       |
| Separations per available bed | 25.5        | 23.92        | 21.75        | 22.08        | 27.07        |
| <b>Total bed days</b>         | <b>1757</b> | <b>1,879</b> | <b>2,220</b> | <b>2,126</b> | <b>2,220</b> |

## Service Activity

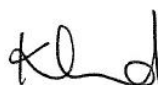
| Small Rural   | 2022-23<br>Activity achievement | Units              |
|---|---------------------------------|--------------------|
| Small Rural Acute                                   | 300.93                          | NWAU equivalents   |
| Small Rural Primary Health & HACC                   | 72 (Primary) 1973 (HACC)        | Hours              |
| Nursing (including Continence & Diabetes Education) | 5906                            | Service Hours      |
| Allied Health (total of disciplines below)          | 9150                            | Hours              |
| Counselling   | 0                               | Hours              |
| Dietetics   | 373                             | Hours              |
| Occupational Therapy                                | 2321                            | Hours              |
| Physiotherapy                                       | 5127                            | Hours              |
| Podiatry  | 1114                            | Hours              |
| Speech Therapy                                      | 215                             | Hours              |
| Small Rural Residential Care                        | 29,000                          | Bed days           |
| Health Workforce (student placements)               | 53                              | Number of students |
| Urgent Care presentations                           | 1437                            | Presentations      |
| Residential Care bed days                           |                                 | Occupied bed days  |
| • Moyneyana House                                   | 18,387                          |                    |
| • Belfast House                                     | 10,613                          |                    |

## 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 2023.



**Brian Densem**  
Chair, Board of Directors  
Moyne Health Services  
30<sup>th</sup> June 2023



**Katharina Redford**  
Chief Executive Officer  
Moyne Health Services  
30<sup>th</sup> June 2023



# About Moyne Health Services



## About Moyne Health Services

Moyne Health Services (MHS) provides an integrated health service which comprises of acute beds, primary and community health programs and aged residential care services. Our health service is incorporated under Schedule 1 of the Health Services Act 1988.

As a rural health service, MHS is an important part of the fabric of our community. Our services span across the continuum ranging from health promotion, health education, social support, developing health literacy - to delivering direct preventative, curative and supportive services. Our focus is on promoting and maintaining strength, wellbeing, independence, individuality and dignity through offering services tailored to each person and their families.

Our service profile continues to diversify, and as a result, our community has access to a wide range of specialist programs and services all able to be delivered from Moyne Health Services' campuses at Koroit and Port Fairy. 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 is our aim.

Established in 1849, we are one of Victoria's oldest hospitals. Our health service has evolved over the last 170 years to become a responsive, community-based organisation employing more than 220 staff – one of our region's largest employers. We have 130-plus dedicated volunteers who have donated more than 20,000 volunteering hours.

Passion, identity and purpose are key to a great organisation. Knowing who we are and why we exist shapes what we do and how we do it.



(Staff Awards – October 2022)



## Our Community Profile

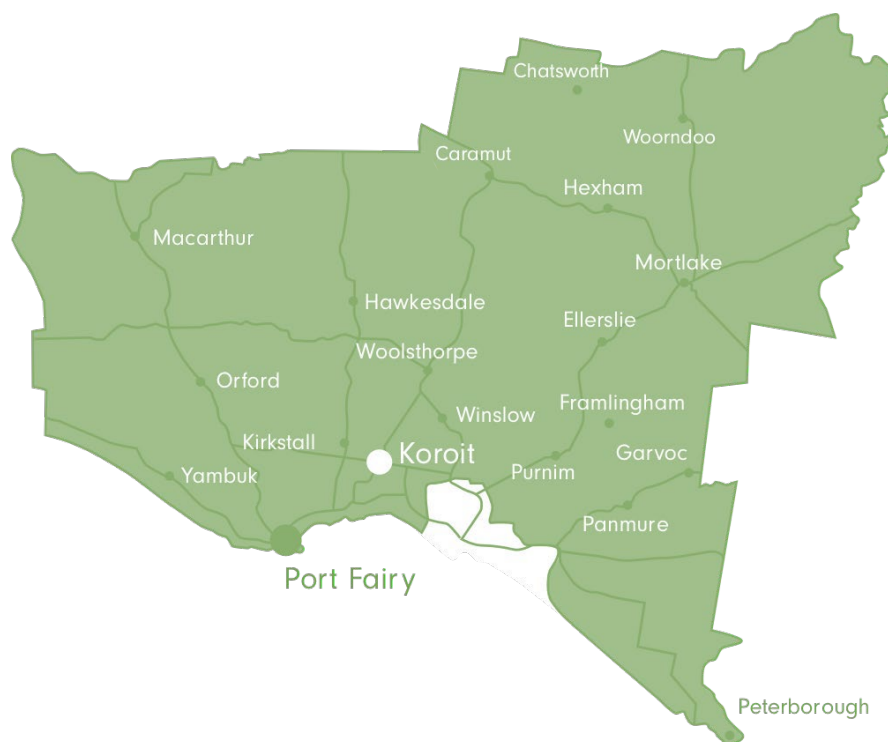
The Moyne Shire estimated resident population in the 2021 Australian Bureau of Statistics Census was 17,374<sup>1</sup> with a median age of 45 years. Of the families in Moyne Shire (Local Government Areas), 40.8% were couple families with children, 45.8% were couple families without children and 12.1% were one parent families. Indigenous Population 1.7%, median weekly household income \$1,530. The most common ancestries were Australian 41.6%, English 40.7%, Irish 19.8%, Scottish 13.3% and German 4.4%.

### Port Fairy Profile

- Coastal town, located approximately 290 km west of Melbourne.
- Population of 3,860 as per 2021 census.
- Primary industries are tourism, farming, fishing, and the arts.
- Port Fairy was established in 1843.

### Koroit Profile

- Sitting on the rim of Tower Hill, located approx. 20 kilometres from Port Fairy.
- Population of 2,184 as per 2021 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.



<sup>1</sup> <https://www.abs.gov.au/census/find-census-data/quickstats/2021/LGA25490>



## Our History

For more than 170 years Moyne Health Services (MHS) has been meeting the health needs of the local community. Our organisation is one of Victoria's oldest Health Services - 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 the 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 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
- 2021** Partial refurbishment of Moyneyana House completed.
- 2022** Previous Koroit and District Memorial Hospital building at Spring Park, Koroit demolished due to structural integrity being compromised.



## Our Services

As a small 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 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.

*Moyneyana House* – a purpose built 52-bed home offering permanent and respite 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     |
| Pathology                           | Podiatry                       | Radiology                   |
| Speech Pathology                    | District and Community Nursing | Community Home Care Package |
| Short-term Restorative Care Program |                                |                             |

### AUXILIARY SUPPORT SERVICES

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

|   |   |
|---|---|
| Integrated Health Promotion Programs in Moyne Shire | Primary School Health and Wellbeing Education Programs  |
| Social Support Group Programs                       | Physical Activity Programs  |
| Health Education and Chronic Disease Management     | Co-ordination of Moyne Shire Council's School Immunisation and Workplace Flu Vaccination Programs |



# Significant Highlights of the Year

Strategic Plan 2022 -2025 endorsed by the Department of Health

Workforce strategy developed

Master planning process completed

Community Engagement / Communications plan/partnerships framework – all strengthened

Fundraiser to refurbish dining rooms in Moyneyana and Belfast House raised \$80,000

Hilary Hamilton scholarship – supported staff to undertake studies in Infection Prevention and Control

Reconciliation Action Plan launched – on country excursions for staff and residents, cultural awareness training undertaken

Focus on OHS with the role increasing to 4 days/week

Active participation in the Health Service Partnerships

- Chair of regional Aged Care lead
- Clinical services tender workgroup
- Chair clinical systems upgrade Project Control Board

Active participation in Statewide health reforms

- Collaboration and Partnerships – exploring system reform regarding care and referral pathways
- Workforce Strategy – exploring system reform around current workforce challenges and future initiatives
- Victorian Rural Generalist General Practice pathways workgroup to establish pathways to support GPs in rural and regional areas

Community – we support 150 community members to access Home Care Packages

Sustainability – towards zero working group established

Virtual care utilised to support access to care

Rural and Isolated Practice Registered Nurses model fully operational in Urgent Care

Aged Care Reforms – Star ratings are live

RUOK Day promoted to support good mental health

Infection Prevention and Control program – successful Flu and COVID vaccination

\$45,000 grant received to establish kitchen gardens

Review and upgrade of assets/equipment including 70 new beds

Successful Acute accreditation NSQHS (September)

Learning and advisor roles (collaborative health partnership network) recruited to support non-clinical staff

Increase presence at our Koroit sites

Implemented a program of staff wellbeing





# Future Priorities & Strategic Direction

*The priority areas 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 unless specifically noted.*

We have identified six priorities that address the needs of our community. The details of the service delivery and outcomes are within the MHS Service Plan.

These priorities are focused on facilitating access to the well-being, clinical and support services needed by our changing population, to improve the health and wellbeing of our Moyne community.

## **Wellness, health promotion and self-management services for our community**

*We will lead, in partnership with other providers, to improve access to services for our community that support the health promotion, self-management and the wellness of our community.*

## **Integration and partnership across services and service providers**

*We will work to be a central enabler across care providers for people in our community to receive the comprehensive suite of health services required. We will 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.*

## **Improved equity of access and target service delivery based on need**

*We will focus on improving our community's access to health services to facilitate care provision based on clinical need and health outcomes. We will identify funding opportunities and flexible workforce models to ensure equitable and timely access to services.*

## **Healthy aging and end-of-life care**

*We will increase our capacity to access culturally appropriate, sensitive, aged and end-of-life care for our people to live, age and die in their place of choosing. We will develop a sustainable workforce to deliver home based, community-based and residential aged care services locally within the MHS communities.*

## **Workforce development and sustainability**

*We will develop a flexible, sustainable and local workforce that enables patient-centred, integrated healthcare to deliver improved health outcomes for our community. We will be innovative and flexible and target the specific needs of our community.*

## **Enabling our future health services – digitally enabled health**

*We will continue to invest in our physical environment and innovative technologies that better support us to deliver on our priorities for our staff, patients, residents and families, through information sharing, and new models of care enabled by technology and required physical infrastructure.*



# Governance Statement

During the reporting period, the Board consisted of 9 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 is chaired by independent community member Michael Gunn.

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.

### Community Advisory Committee

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 bi-monthly and is supported by MHS officers and members of the Board.

### Governance Committee

This committee's role is to assist the Board of Directors in corporate governance oversight of Moyne Health Service, 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.



## Infrastructure, Asset Management & Planning Committee

This committee is responsible for overseeing the implementation of the MHS Master Plan and to ensure sustainable planning and management of building assets. The committee is supported by MHS officers and members of the Board.



**Brian Densem**

Chair

Moyné Health Services Board of Directors

30th June 2023

### 2021-22 Board Meeting Attendance

|                      |       |
|----------------------|-------|
| Brian Densem         | 12/12 |
| Alistair McCosh      | 11/12 |
| Sophie O'Keeffe      | 12/12 |
| Dr David Leembruggen | 11/12 |
| Trevor Carr          | 10/12 |
| Gabrielle Toscan     | 11/12 |
| Paul Murphy          | 6/9   |
| Jodie Cranham        | 12/12 |
| Maria Safe           | 9/10  |



**Collaboration**

More we, less me



**Accountability**

Own it, Do it



**Respect**

Everyone matters



**Excellence**

Better, best, brilliant

# Best Care, Every Person, Every Time



# Board of Directors



**Board Chair** Brian Densem

Appointed: 1 July 2018

Term Expires: 30 June 2024

**Committees:**

**Governance Committee, Finance Committee & Audit and Risk Committee**



**Director – Deputy Chair** Alistair McCosh

Appointed 1 July 2016

Term Expires: 30 June 2024

**Committees:**

**Finance Committee & Governance Committee**



**Director - Deputy Chair** Sophie O’Keeffe

Appointed 31 October 2017

Term Expires: 30 June 2026

**Committees:**

**Quality and Safety Committee, Governance Committee, Consumer Advisory Committee and Audit & Risk Committee**



**Director** Gabrielle Toscan

Appointed 1 July 2021

Term Expires: 30 June 2024

**Governance Committee, Consumer Advisory Committee and Audit & Risk Committee**



**Director** Maria Safe

Appointed 1 August 2022

Term Expires: 30 June 2025

**Committees:**

**Quality and Safety Committee, Finance Committee and Consumer Advisory Committee**



**Director** Trevor Carr

Appointed 1 July 2019

Term Expires: 30 June 2025

**Committees:**

**Governance Committee, Finance Committee Audit and Risk Committee, Infrastructure Asset Management & Planning Committee Board Representative – Project Control Group**



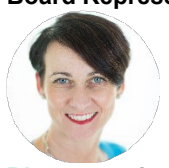
**Director** Dr David Leembruggen

Appointed 1 July 2017

Term Expires: 30 June 2023

**Committee:**

**Quality and Safety Committee**



**Director** Jodie Cranham

Appointed 1 July 2022

Term Expires: 30 June 2025

**Committees:**

**Quality and Safety Committee & Finance Committee**



**Director** Paul Murphy

Appointed 1 July 2022

Resigned: 25 April 2023



**Independent Chair of Audit & Risk Committee**

(Non- Director) Michael Gunn

Appointed 1 June 2021



## Executive Team

The Executive Team is the executive leadership body of Moyne Health Services. The Team's primary objective is to determine matters, or make recommendations to the Chief Executive Officer and through the Chief Executive to the Board, regarding the direction and operations of Moyne Health Services.



### Chief Executive Officer

#### Katharina Redford

Katharina 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.



### General Manager Quality and Risk

#### Julieanne Crow

Julieanne is responsible for implementation & maintenance of Quality Management Systems across the organisation including Clinical Governance, Risk Management, Health Information and Infection Prevention and Control.



### General Manager Care Services

#### Ingrid Wynd

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



### General Manager People and Culture

#### Roselie Morey

Roselie is responsible for the management of the People and Culture Department which includes human resources, payroll, return to work, occupational health and safety, education and volunteers.



### General Manager Support Services

#### Greg Meldrum

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

## Manner of Establishment and Responsible Minister

We are a public health service established under the Health Services Act 1988 (Vic). The responsible Minister is the Minister for Health:

The Hon Mary-Anne Thomas  
Minister for Health  
Minister for Health Infrastructure  
Minister for Medical Research  
1 July 2022 – 30 June 2023

### External Auditors:

Victorian Auditor General's Office  
RSD Audit

**Accountant:** Accounting and Audit Solutions Bendigo

### Banks:

National Australia Bank (NAB)  
Westpac Banking Corporation



## Visiting Medical Officers

Dr C McPherson – MBBS (Hons), BN, Dip RANZCOG, FACRRM, FARGP, FRACGP  
Dr S Lu – MBBS B.Sci: MD, MRACGP  
Dr A Gault – MBBS, FRACGP, Grad Dip Family Med  
Dr I Sutherland – MBBS, FRACGP, Dip RANZCOG  
Dr R Reynolds – MBBS, DCH, EMC B. Pharm (Hons), FRACGP  
Dr E Donelan – MBBS, FRACGP, BA Dip MusPrac  
Dr J Borgelt – MBBS (Hons), FRACGP  
Dr R Mudarikwa – MBBS (Hons), B. Biomed SC., MA, DRANZCOG, DCH  
Dr P Dhillon – BSc, MD  
Dr R Craciunescu – BSc (Hons), MD  
Dr A Umbers - MBBS, BSci (Hons), PhD  
Dr Brooke Healey - MBBS, BSci  
Dr Anna Grove-Jones - MBBS, BSci  
Dr Aaron Donovan: MBBS (Hons), BSci

## 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:

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

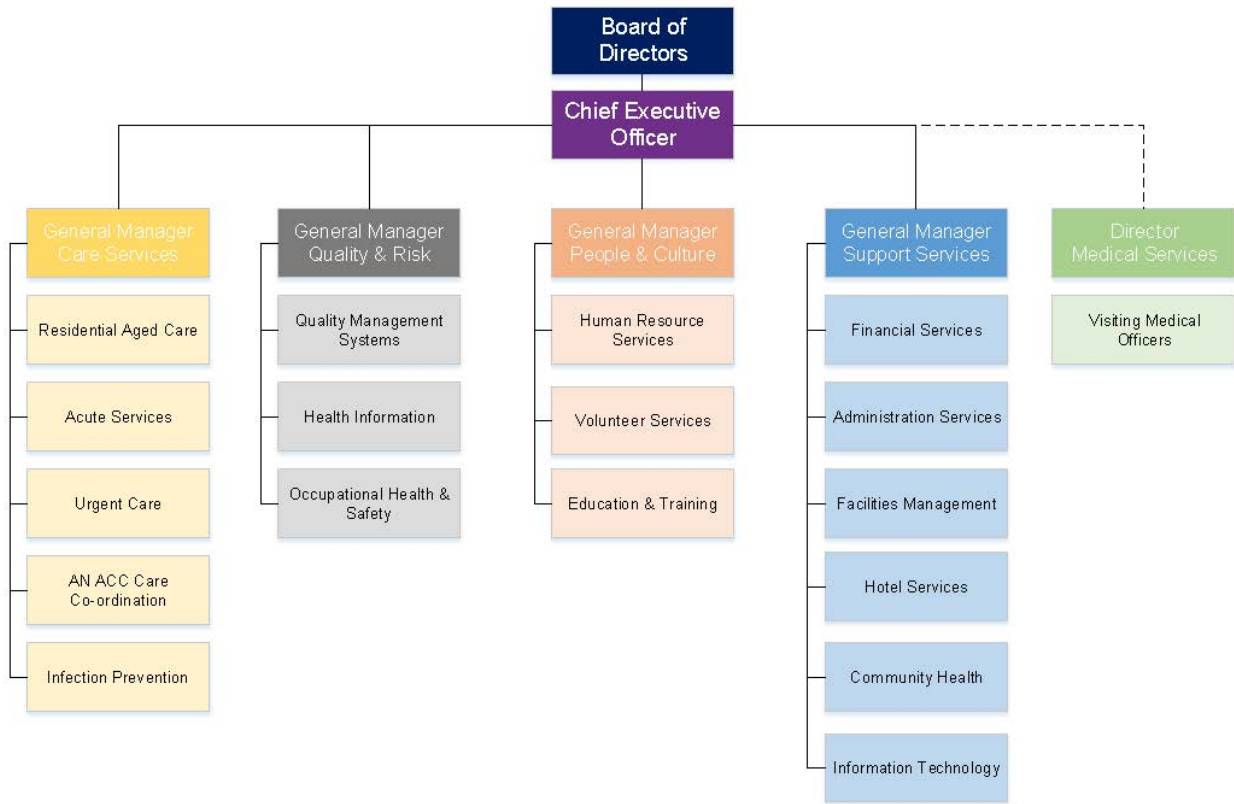
## Gender Equality Act 2020

MHS Gender Equality Action Plan 2021 to 2025 Gender Equality Indicators (GEI), have been implemented across the organisation. Seven of the ten objectives set the Commission for Gender Equality have already been achieved. A further review will be undertaken to update achievement and explore future opportunities to grow in this area.

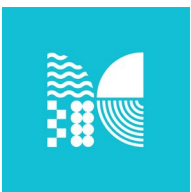
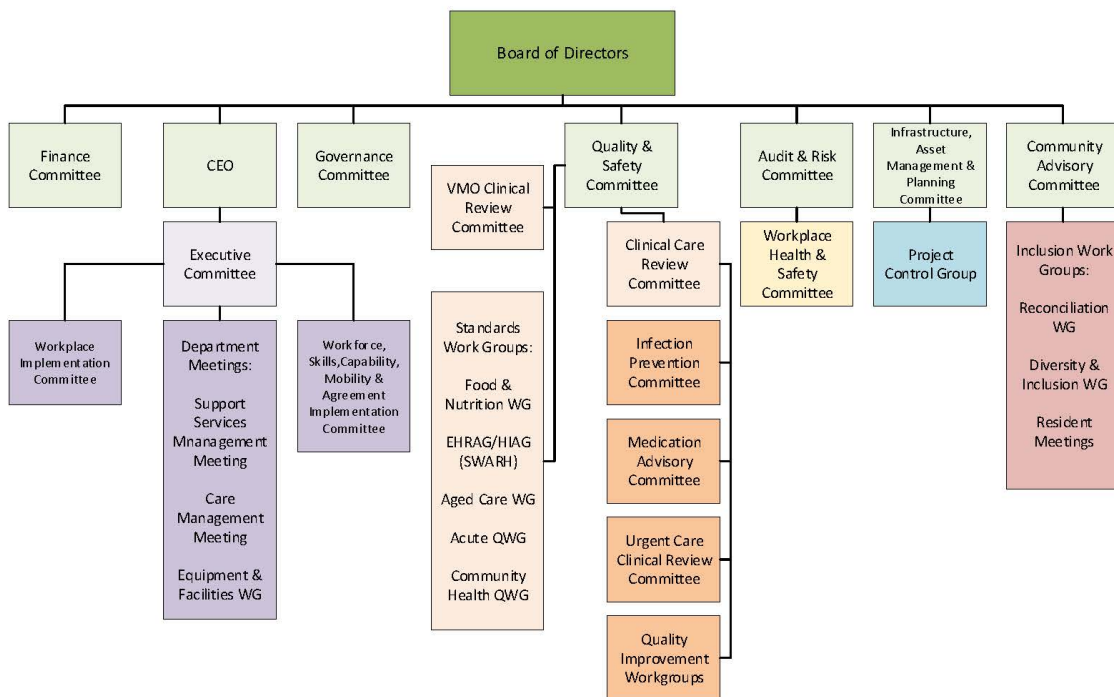


# Organisational Chart

## Moyne Health Services



## Governance Reporting Structure



# Recognising Our Employees

## Staff Years of Service

### 35 Years +

Debbie Wright - 38  
Kevan McNamara - 36

### 30 Years +

Mary Ewen - 34  
Susan Lane - 33

### 20 Years +

Shelley Coffey - 27  
Tricia Gloury - 26  
Sue Haas - 25  
Carole Duncan - 24  
Clare Van Der Aa - 24  
Heather Jenkins - 24  
Colleen Quinn - 23  
Kathryn Hawke - 23  
Rachael Fechete - 23  
Donna Todd - 23  
Donna Kelly - 22  
Michelle Arnold - 22  
Anita Ward - 22  
Noeleen Brown - 22  
Julie Howard - 21  
Sonya Gibson - 20  
Virginia Peterson - 20  
Louise Dempsey - 20

### 15 Years +

Helen Lynch - 19  
Glenys Murray - 19  
Cassie Atkins - 19  
Kathleen Brodie - 19  
Deanna Bankier - 18  
Tracey Fitzgibbon - 18  
Julie Ryan - 18  
Jacquie Sutcliffe - 18  
Lyn Leddin - 17  
Robbie Lee - 17  
Lillian Serong - 17  
Sandra Sproal - 17  
Melinda Pulham - 17  
Trudi Baxter - 17  
Rebecca Keane - 17  
Marilyn Smith - 16  
Donna Parsons - 16  
Vikki Hull - 16  
Suzanne Polson - 15  
Ilona Carson - 15  
Tatiana Crothers - 15

### 10 Years +

Amanda Kearney - 14  
Marita Dobson - 14  
Debbie Sheehan - 14  
Holly Henderson - 14  
Karen Tanner - 13  
Johanna Keane - 13  
Sharon Riddle - 12  
Lucia Finnigan - 12  
Jillian Huisman - 12  
Sally Elliott - 12  
Sally Harrison - 11  
Judith Astbury - 11  
Joanne Coomber - 11  
Joanne O'Brien - 11  
Joanne Guthrie - 11  
Bernice Moroney - 11  
Charity Nyinyal - 11  
Raquel Casey - 11  
Sharon Lenehan - 10  
Cynthia Lane - 10  
Joanne Hoey - 10  
Julian McElgunn - 10  
David Ross - 10  
Margaret Leutton - 10  
Jennifer Coutts - 10  
Stacey Cowland - 10  
Maria Smith - 10  
Ayesha Plant - 10  
Jodi Dumesny - 10

### 5 Years +

Marian Cornett - 9  
Donna Sharkey - 9  
James Owens-Brownbill - 9  
Suzanne Carter - 9  
Jacqueline Doueal - 9  
Jane Weir - 8  
Margaret Hearn - 8  
Suzanne Carmichael - 8  
Helena Weston - 8  
Robyn Wiederman - 7  
Mary Nally - 7  
Sherryn Barber - 7  
Louise Kelly - 7  
Lisa Worden - 7  
Hannah Matthews - 6  
Janelle Wilson - 6  
Penelope Mather - 6  
Ashley Wright - 5





# Recognising Our Employees

Staff Years of Service (Cont.)

Kathleen Ball - 5  
Karen Can Andel - 5  
Cheree McKean - 5  
Sarah McNamara – 5  
June Tesoriero – 5  
Lynn Marr – 5  
Claire Hynes – 5

Kathryn Weatherly - 5  
Katharina Redford - 5  
Genoveva Carreon - 5  
Andrea Smith – 5  
Katelyn Reilly - 5  
Marie Leddin – 5  
Linda Paton - 5



# Recognising Our Life Governors

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



## Recognising Our Donors

Mr Ian Scutcheon  
Mrs Katharina Redford  
Mrs Pam Nolte  
Mrs Alyson Glare  
MHS Staff  
Mr Graeme Poynton  
Murray to Moyne Teams 1A & 1B  
Mr Mark Grimshaw  
Mr Leon Piterman  
Mr John Lampard  
Port Fairy Belfast Lions Club  
Ms Maureen Nicholls  
Ms Karen Peterson  
Mr Osmon Le Marquand  
Ms Kate Sloan  
Ms Jennifer Phillip  
Ms Debbie Carter  
Robin Phillips  
Miss Polly Newton  
Port Fairy Traders  
Estate of Thelma Bristol  
Paddock Stitches  
Star Printing  
Bendigo Bank Port Fairy Community Bank  
Ms Judy Handby  
Ms Lynda Tieman  
Guyetts Funerals  
Ray and Judy Nayler  
Old St. Andrews  
Averil Major and John Mullany  
Rotary of Port Fairy Inc  
Woody's Murray to Moyne Cycle Relay Inc  
Port Fairy IGA  
Sheehan's Meats Port Fairy  
Alexo's Pizza  
Port Fairy Tennis Club



## Workplace 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 Workplace Health and Safety management through the provision and maintenance of a safe working environment and act 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 organisations. 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

Zero time was lost to industrial action during 2022-2023.

### Number of Registered WorkCover Claims

Moyne Health Services registered 3 new registered WorkCover claims during 2022-2023 and 4 active claims.

### Workforce Data

| Labour Award by Category        | JUNE current month FTE* |               | Average Monthly FTE* |               |
|---------------------------------|-------------------------|---------------|----------------------|---------------|
|                                 | 2022                    | 2023          | 2022                 | 2023          |
| Nursing                         | 50.98                   | 49.88         | 52.32                | 49.71         |
| Administration & clerical       | 24.16                   | 24.86         | 17.47                | 23.23         |
| Medical support                 | 0.71                    | 0.71          | 0.71                 | 0.75          |
| Hotel and Allied Services       | 55                      | 52.94         | 55.37                | 54.83         |
| Ancillary staff (Allied Health) | 10.82                   | 10.04         | 11.78                | 10.30         |
| <b>TOTAL</b>                    | <b>141.68</b>           | <b>138.43</b> | <b>137.66</b>        | <b>138.82</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 Medical Officers) who are not regarded as employees.

### People Matter Survey

62% of staff provided a positive response to safety culture in the People Matters Survey.



## Occupational Violence Statistics

| Occupational Violence Statistics   | 2022-23 |
|--|---------|
| WorkCover-accepted claims with an occupational violence cause per 100 FTE  | 0       |
| Number of accepted WorkCover claims with lost time injury with an occupational violence cause per 1,000,000 hours worked | 0       |
| Number of occupational violence incidents reported   | 0       |
| Number of occupational violence incidents reported per 100 FTE   | 0.00    |
| Percentage of occupational violence incidents resulting in staff injury, illness or condition                            | 0       |

### Definitions of Occupational Violence

- **Occupational violence** – any incident where an employee is abused, threatened or assaulted in circumstances arising out of, or in the course of their employment.
- **Incident** – an event or circumstance that could have resulted in, or did result in, harm to an employee. Incidents of all severity rating must be included. Code Grey reporting is not included, however, if an incident occurs during the course of a planned or unplanned Code Grey, the incident must be included.
- **Accepted Workcover claims** – accepted Workcover claims that were lodged in 2022-2023.
- **Lost time** – is defined as greater than one day.
- **Injury, illness or condition** – this includes all reported harm as a result of the incident, regardless of whether the employee required time off work or submitted a claim.

## Workplace Health and Safety Data

| Workplace Health and Safety Statistics                                       | 2022-2023 | 2021-2022 | 2020-21 |
|--|-----------|-----------|---------|
| The number of reported hazards/incidents for the year per 100 FTE            | 55.77     | 76.64     | 48.78   |
| The number of 'lost time' standard WorkCover claims for the year per 100 FTE | 0.69      | 2.91      | 4.06    |
| The average cost per WorkCover claim for the year ('000)                     | \$1.1     | \$1.4     | \$3.2   |



## 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.

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 2022/23 include:

- All vehicles are hybrid
- Sustainable Management Plan implemented
- Active member of regional sustainability & waste management group
- Waste segregation and management deployed

### 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 guide 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 share 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 120+ 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 Leisure and Lifestyle 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 Hamilton Education Scholarship continues to support a number of staff to actively pursue their professional and career development through educational opportunities. During the reporting period, one staff member was awarded the Hilary Hamilton Education Scholarship, Stacey Cowland who was studying Infection Prevention Control.

## Port Fairy Medical Clinic & Shearwater Medical Clinic

The Port Fairy Medical Clinic and Shearwater Medical Clinic are independent medical practices co-located with Moyne Health Services. General Practitioners operate from these practices, providing a comprehensive range of services to the Port Fairy community. This professional collaboration with General Practitioners provides our residents and patients with access to on-call medical support 24/7.

## 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 Service Plan and Master Plan. These include:

- Kitchen fire proofing project
- Generator and electrical upgrade project
- New nurse call system
- Upgrade of fire suppression system
- Vocera upgrade



## Attestations - Legislative Compliance

### Data Integrity

I, Katharina Redford, 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, Katharina Redford, 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 and board meeting.

### Integrity, Fraud and Corruption

I, Katharina Redford, 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 addressed at Moyne Health Services during the year.

### Attestation on Statistical Data Accuracy

I, Katharina Redford 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.

### Compliance with Health Share Victorian (HSV) Purchasing Policies

I, Katharina Redford certify that Moyne Health Services, has put in place appropriate internal controls and processes to ensure that it has materially complied with all requirements set out in the HSV Purchasing Policies including mandatory HSV collective agreements as required by the Health Services Act 1988 (Vic) and has critically reviewed these controls and processes during the year, except for the following material non-compliance issues:

- Policy 4 Section 2.2b - Health services to include the following minimum clauses within contracts:
  - i. Transition clause
  - ii. Confidentiality clause
  - iii. Supplier code of conduct

Actions taken: Moyne Health Service is always striving for compliance with the new HSV Purchasing Policies. MHS is committed to updating the Contract Management Strategy to include mandatory clauses before 31 Dec 2023.



**Katharina Redford**

Chief Executive Officer Moyne Health Services 30th June 2023

### Financial Management Compliance Attestation

I, Brian Densem, on behalf of the Responsible Body, certify that Moyne Health Services has no Material Compliance Deficiency with respect to the applicable Standing Directions under the *Financial Management Act 1994* and Instructions.

**Brian Densem**



Chair  
Moyne Health Services Board of Directors 30th June 2023





## 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                             | 2      |
| Occupancy permits   | 1      |
| Maintenance   | Number |
| Notices issued for rectification of sub-standard buildings requiring urgent attention | 0      |
| Involving major expenditure and urgent attention                                      | 0      |
| Conformity  | Number |
| Number of buildings conforming with standards brought into conformity this year       | 0      |

### 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 2023, MHS received four applications for access to documents under the *Act*.

*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)

### Public Interest Disclosure Act 2012

Moyne Health Services has in place appropriate procedures for disclosures in accordance with the *Public Interest Disclosure Act 2012* (formally known as the Protected Disclosures Act 2012). There were no public interest disclosures made under the *Act* in 2022/2023.

### Safe Patient Care Act 2015

Moyne Health Services has zero matters to report in relation to its obligations under section 40 of the *Safe Patient Care 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

The environmental data presented in this report covers Moyne Health Services as a single entity which is located in the Moyne Shire Council with campuses in Port Fairy and Koroit. Best efforts have been made to collect environmental data for activities that are relevant to Moyne Health Services.

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.

### Public Environment Report 2022/2023

#### GREENHOUSE GAS EMISSIONS

| Total greenhouse gas emissions (tonnes CO <sub>2</sub> e) | 2020/2021  | 2021/2022  | 2022/2023  |
|---|------------|------------|------------|
| Scope 1   | 233        | 188        | 188        |
| Scope 2   | 546        | 530        | 505        |
| <b>Total</b>  | <b>799</b> | <b>718</b> | <b>693</b> |

| Normalised greenhouse gas emissions   | 2020/2021  | 2021/2022  | 2022/2023  |
|---|------------|------------|------------|
| Emissions per unit of floor space (kgCO <sub>2</sub> e/m <sup>2</sup> )     | 81.1632    | 72.9651    | 71.3712    |
| Emissions per unit of Separations (kgCO <sub>2</sub> e/Separations)         | 3,036.6745 | 2,301.6399 | 2,438.9335 |
| Emissions per unit of bed-day (LOS+Aged Care OBD) (kgCO <sub>2</sub> e/OBD) | 26.0850    | 23.6371    | 162.7866   |

#### STATIONARY ENERGY

| Total stationary energy purchased by energy type (GJ) | 2020/2021    | 2021/2022    | 2022/2023    |
|---|--------------|--------------|--------------|
| Diesel Oil in Buildings                               | N/A          | 12           | 27           |
| Electricity   | 2,005        | 2,097        | 2,138        |
| Natural Gas   | 4,147        | 2,872        | 2,849        |
| <b>Total</b>  | <b>6,152</b> | <b>4,981</b> | <b>5,014</b> |

| Normalised stationary energy consumption                | 2020/2021 | 2021/2022 | 2022/2023 |
|---|-----------|-----------|-----------|
| Energy per unit of floor space (GJ/m <sup>2</sup> )     | 0.6252    | 0.3062    | 0.3166    |
| Energy per unit of Separations (GJ/Separations)         | 23.3908   | 17.3548   | 17.6333   |
| Energy per unit of bed-day (LOS+Aged Care OBD) (GJ/OBD) | 0.2009    | 0.1640    | 1.1783    |

#### EMBEDDED GENERATION

| Total embedded stationary energy generated by energy type (GJ) | 2020/2021  | 2021/2022  | 2022/2023  |
|--|------------|------------|------------|
| Solar Power  | 497        | 479        | 454        |
| <b>Total</b>   | <b>497</b> | <b>479</b> | <b>454</b> |

| Normalised embedded generation                                       | 2020/2021 | 2021/2022 | 2022/2023 |
|--|-----------|-----------|-----------|
| Embedded generation per unit of floor space (GJ/m <sup>2</sup> )     | 0.0505    | 0.0487    | 0.0468    |
| Embedded generation per unit of Separations (GJ/Separations)         | 1.8907    | 1.6686    | 1.3987    |
| Embedded generation per unit of bed-day (LOS+Aged Care OBD) (GJ/OBD) | 0.0162    | 0.0138    | 0.1067    |



## WATER

| Total water consumption by type (kL) | 2020/2021     | 2021/2022     | 2022/2023     |
|--------------------------------------|---------------|---------------|---------------|
| Class A Recycled Water               | N/A           | N/A           | N/A           |
| Potable Water                        | 10,327        | 12,624        | 13,767        |
| Reclaimed Water                      | N/A           | N/A           | N/A           |
| <b>Total</b>                         | <b>10,327</b> | <b>12,624</b> | <b>13,767</b> |

| Normalised water consumption (Potable + Class A)       | 2020/2021 | 2021/2022 | 2022/2023 |
|--|-----------|-----------|-----------|
| Water per unit of floor space (kL/m <sup>2</sup> )     | 1.0495    | 1.2829    | 1.4185    |
| Water per unit of Separations (kL/Separations)         | 39.2680   | 43.9868   | 48.4752   |
| Water per unit of bed-day (LOS+Aged Care OBD) (kL/OBD) | 0.3373    | 0.4156    | 3.2355    |

| Water re-use and recycling   | 2020/2021 | 2021/2022 | 2022/2023 |
|--|-----------|-----------|-----------|
| Re-use or recycling rate % (Class A + Reclaimed / Potable + Class A + Reclaimed) | N/A       | N/A       | N/A       |

## WASTE AND RECYCLING

| Waste  | 2020/2021 | 2021/2022 | 2022/2023 |
|--|-----------|-----------|-----------|
| Total waste generated (kg clinical waste+kg general waste+kg recycling waste)          | 49,335    | 67,395    | 38,174    |
| Total waste to landfill generated (kg clinical waste+kg general waste)                 | 42,900    | 43,370    | 32,564    |
| Total waste to landfill per patient treated ((kg clinical waste+kg general waste)/PPT) | 1.3893    | 1.4145    | 7.1742    |
| Recycling rate % (kg recycling / (kg general waste+kg recycling))                      | 13.3520   | 36.8123   | 15.1909   |

## PAPER

| Paper                              | 2020/2021 | 2021/2022 | 2022/2023 |
|------------------------------------|-----------|-----------|-----------|
| Total reams of paper               | N/A       | 20        | 60        |
| Reams of paper per FTE             | N/A       | 0.1415    | N/A       |
| Rate recycled paper % (0% - 49%)   | N/A       | 100.0000  | 100.0000  |
| Rate recycled paper % (50% - 74%)  | N/A       | N/A       | N/A       |
| Rate recycled paper % (75% - 100%) | N/A       | N/A       | N/A       |

## TRANSPORT

| Corporate Transport                                    | 2020/2021 | 2021/2022 | 2022/2023 |
|--|-----------|-----------|-----------|
| Reported vehicle kilometres (1000km)                   | N/A       | N/A       | N/A       |
| Tonnes CO <sub>2</sub> -e Corporate transport          | 7.9922    | 7.9925    | 7.9922    |
| Tonnes CO <sub>2</sub> -e per 1000 reported kilometres | N/A       | N/A       | N/A       |

| Non-emergency Transport                                | 2020/2021 | 2021/2022 | 2022/2023 |
|--|-----------|-----------|-----------|
| Reported vehicle kilometres (1000km)                   | N/A       | N/A       | N/A       |
| Tonnes CO <sub>2</sub> -e Non-emergency transport      | 31.1417   | 31.1471   | 31.1473   |
| Tonnes CO <sub>2</sub> -e per 1000 reported kilometres | N/A       | N/A       | N/A       |

| Other Transport (tonnes CO <sub>2</sub> e) | 2020/2021 | 2021/2022 | 2022/2023 |
|--|-----------|-----------|-----------|
| Short Haul Air Travel (average)            | N/A       | N/A       | N/A       |
| Medium Haul Air Travel (average)           | N/A       | N/A       | N/A       |
| Medium Haul Air Travel (economy)           | N/A       | N/A       | N/A       |
| Medium Haul Air Travel (business)          | N/A       | N/A       | N/A       |
| Long Haul Air Travel (average)             | N/A       | N/A       | N/A       |
| Long Haul Air Travel (economy)             | N/A       | N/A       | N/A       |
| Long Haul Air Travel (premium economy)     | N/A       | N/A       | N/A       |
| Long Haul Air Travel (business)            | N/A       | N/A       | N/A       |
| Long Haul Air Travel (first class)         | N/A       | N/A       | N/A       |
| Taxi Travel                                | N/A       | N/A       | N/A       |



#### OTHER EMISSIONS

| Medical Gases                       | 2020/2021 | 2021/2022 | 2022/2023 |
|-------------------------------------|-----------|-----------|-----------|
| Kilograms CO2-e per patient treated | N/A       | N/A       | N/A       |

| Refrigerants           | 2020/2021 | 2021/2022 | 2022/2023 |
|------------------------|-----------|-----------|-----------|
| Kilograms CO2-e per M2 | N/A       | N/A       | N/A       |

#### EXPENDITURE

| Expenditure Rates (\$ thousand) | 2020/2021  | 2021/2022  | 2022/2023  |
|---------------------------------|------------|------------|------------|
| Diesel Oil in Buildings         | N/A        | 0.6162     | 1.3839     |
| Electricity                     | 120.8843   | 128.3018   | 129.0726   |
| Natural Gas                     | 67.2209    | 46.5897    | 47.9706    |
| Potable Water                   | 53.9660    | 62.7574    | 67.1671    |
| <b>Total</b>                    | <b>242</b> | <b>238</b> | <b>246</b> |

| Normalised expenditure rates (Electricity, Natural Gas, Potable Water, Steam, Diesel Oil in Buildings) | 2020/2021 | 2021/2022 | 2022/2023 |
|--|-----------|-----------|-----------|
| Expenditure per unit of floor space (\$ thousand/m2)   | 0.025     | 0.024     | 0.025     |
| Expenditure per unit of Separations (\$ thousand/separation)   | 0.920     | 0.830     | 0.865     |
| Expenditure per unit of bed-day (\$ thousand/(LOS+Aged Care OBD))                                      | 0.008     | 0.008     | 0.008     |
| Expenditure per unit of Aged Care Bed Day (\$ thousand/Aged Care OBD)                                  | 0.009     | 0.008     | 0.101     |

#### NOTES AND CONTEXTUAL INFORMATION

MHS is focused on the electrification of our facilities, recent replacement plant included a dryer and a multi room heater.

MHS hopes to transition to electric vehicles at the end of our current lease.

Facilities has arranged cleaning of our solar panels to maximise power generation.

Waste reporting has improved due to direct upload from the contractor.

| Normalisers (for information only) | 2020/2021 | 2021/2022 | 2022/2023 |
|------------------------------------|-----------|-----------|-----------|
| Area M2                            | 9,840     | 9,840     | 9,705     |
| 1000km (Corporate)                 | N/A       | N/A       | N/A       |
| 1000km (Non-emergency)             | N/A       | N/A       | N/A       |
| Aged Care OBD                      | 28,397    | 28,731    | 2,431     |
| ED Departures                      | 0         | 0         | 0         |
| FTE                                | 136       | 141       | N/A       |
| LOS                                | 2,220     | 1,644     | 1,824     |
| OBD                                | 30,617    | 30,375    | 4,255     |
| PPT                                | 30,880    | 30,662    | 4,539     |
| Separations                        | 263       | 287       | 284       |

## Local Jobs First Act 2003

There were no contracts in 2022/2023 to which the *Local Jobs First 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 0% local content by nature. There were no local firms of small and medium sized businesses engaged as either the principal contractor or as part of the supply chain. There were no local contracts that commenced and/or completed in the reporting period to which a VIPP Plan was required split by projects were regionally based.

There were no conversations with the Industry Capability Network that correspond with the registration and issue of an Interaction Reference Number.

## Victorian Disability Act 2006

Moyn 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.

## Additional Information available on Request

Details in respect of 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 Moyne Health Services;
- (e) Details of any major external reviews carried out on Moyne Health Services;
- (f) Details of major research and development activities undertaken by Moyne Health Services;
- (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 Moyne Health Services to develop community awareness of Moyne Health Services 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 Moyne Health Services 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 Moyne Health Services, the purposes of each committee and the extent to which those purposes have been achieved; and
- (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 2022-23, there was one consultancy where the total fees payable to the consultants were less than \$10,000. The total expenditure incurred during 2022-2023 in relation to this consultancy was \$5,610.

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

In 2022-23, there was one consultancy where the total fees payable to the consultant was \$10,000 or greater.

| Consultant                | Purpose of Consultancy | Total Approved Project Fee (ex GST) | Expenditure 2022-23 (ex GST) | Future Expenditure (ex GST) |
|---------------------------|------------------------|-------------------------------------|------------------------------|-----------------------------|
| Billard Leece Partnership | Master Planning        | \$175,750                           | \$175,750                    | 0                           |

## Information and Communication Technology (ICT) Expenditure

The total ICT expenditure incurred during 2022-2023 is \$858,149 (excluding GST) with the details shown below:

| Business As Usual (BAU) ICT expenditure | Non-Business As Usual (non-BAU) ICT expenditure  |  |  |
|---|--|--|--|
| Total (excluding GST) \$,000            | Total = Operational expenditure and Capital Expenditure (excluding GST) (a) + (b) \$,000 | Operational expenditure (excluding GST) (a) \$,000 | Capital expenditure (excluding GST) (b) \$,000 |
| <b>0.858</b>                            | <b>\$0.024</b>   | <b>\$0.00</b>                                      | <b>\$0.024</b>                                 |

## Social Procurement

MHS endeavours to promote social procurement practices where possible, using our buying power to generate social value above and beyond the value of the goods, services, or construction being procured.

|   |             |   |            |
|---|-------------|---|------------|
| Number of social benefit suppliers  | 6           | Number of Victorian social enterprises (led by a social mission for one of the five disadvantaged cohorts) engaged (Group 1)                | 3          |
| Total spent with social benefit suppliers   | \$11,495.00 | Total expenditure with Victorian social enterprises (led by a social mission for one of the five disadvantaged cohorts; excl GST) (Group 1) | \$5,652.00 |
| Number of Victorian Aboriginal businesses engaged   | 1           | Number of Victorian social enterprises (led by a social mission for one of the five disadvantaged cohorts) engaged (Group 2)                | 1          |
| Total expenditure with Victorian Aboriginal businesses (excl. GST)  | \$3,500.00  | Total expenditure with Victorian social enterprises (led by a social mission for one of the five disadvantaged cohorts; excl GST) (Group 2) | \$4,852.00 |
| Number of Victorian social enterprises (led by a mission for people with disability) and Australian Disability Enterprises engaged (Group 1)                  | 1           | Number of Victorian social enterprises engaged (Group 1)  | 5          |
| Total expenditure with Victorian social enterprises (led by a mission for people with disability) and Australian Disability Enterprises (excl. GST) (Group 1) | \$4,852.00  | Total expenditure with Victorian social enterprises (excl. GST) (Group 1)   | \$7,995.00 |
| Number of Victorian social enterprises (led by a mission for people with disability) and Australian Disability Enterprises engaged (Group 2)                  | 2           |   |            |
| Total expenditure with Victorian social enterprises (led by a mission for people with disability) and Australian Disability Enterprises (excl. GST) (Group 2) | \$800.00    |   |            |



# Statutory Requirements

## Statement of Priorities – Strategic Priorities Part A

The Moyne Health Service Statement of Priorities signed by the Board of Directors includes these key strategic areas to support system wide readiness and reform.

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

### **Outcomes:**

Moyne Health Services has continued to refine and operationalise our COVID response framework (established in 2020) in line with Public Health Unit (PHU) directions.

The key elements of the framework are:

- education and communication
  - ongoing staff, volunteer and visitor education to support the correct use of Personal Protective Equipment (PPE).
  - regular communication through a variety of platforms with our staff, families, consumers to ensure that they are aware of current best practice, restrictions and any other relevant information to support best practice Infection Prevention practices
- prevention
  - all eligible staff and residents are vaccinated (for COVID and Influenza) as per Department of Health recommendations. 100% of eligible staff and residents vaccinated
  - staff and visitor attestations continue
  - PPE stocks are managed and readily available
  - Infection prevention practices are continuously aligned with best practice
- early detection
  - all staff are performing Rapid Antigen Tests (RAT) twice weekly before attending site
  - all visitors to our Residential Aged Care homes must produce a negative RAT on the day of visit
- caring for people with symptoms or disease
  - Moyne Health Services has a robust outbreak management plan to ensure minimisation of potential for harm to residents, patients and staff
  - antiviral agents have been utilised according to best proactive recommendations

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

### **Outcomes:**

Moyne Health Services continues to be actively engaged with the Barwon South West Health Services Partnership to support the health system reform priorities.

Some of the key activities include:

- Chair of the electronic health record upgrade Project Control Board
- Chair of the Regional Aged Care project to support health services through the regulations associated with the Aged Care Reforms
- member of the Virtual Care Steering group



- member of workforce strategy working group
- Working group member of the regional clinical services tender
- ongoing development of relationships with neighbouring health services to align service demand
- At a State level, MHS participates in the following work groups:
  - Collaboration and Partnerships – exploring system reform regarding care and referral pathways
  - Workforce Strategy – exploring system reform around current workforce challenges and future initiatives
  - Victorian Rural Generalist General Practice pathways workgroup to establish pathways to support GPs in rural and regional areas

*Engage with your community to address the needs of patients, especially our vulnerable Victorians whose care has been delayed due to the pandemic and provide the necessary “catch-up” care to support them to get back on track. Work collaboratively with your Health Service Partnership to:*

- *implement the Better at Home initiative to enhance in-home and virtual models of patient care when it is safe, appropriate and consistent with patient preference.*
- *improve elective surgery performance and ensure that patients who have waited longer than clinically recommended for treatment have their needs addressed as a priority.*

**Outcomes:**

- Better at Home
  - Moyne Health Services supports telehealth access for all services and supports clients to access virtual care through appropriate technology platforms
  - Moyne Health Services continues to utilise technology to connect clinicians with clients; clinicians with clinicians and families with loved ones in care
  - Partnership with South West Healthcare to deliver pre-hospital assessment and management of people at risk of re-admission
- Improve elective surgery performance
  - Moyne Health Services continues to provide stepdown from South West Healthcare to Moyne Health Services to ensure optimal use of Acute based beds

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

**Outcomes:**

- Moyne Health Services does not offer specialist Mental Health and Wellbeing services, however, we continue to be a referral source for South West Healthcare to ensure optimal use of specialist services

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

**Outcomes:**

- Moyne Health Services has launched our Reflect Reconciliation Action Plan
- Staff have attended cultural training and on-country experiences to enhance awareness of local Aboriginal culture
- We are continuing to refine our strategies to support meaningful and appropriate service provision





## Statement of Priorities Part B: Performance Priorities

### High Quality and Safe Care

| Key Performance measure                                  | Target | 2022 – 2023 Actuals |
|--|--------|---------------------|
| <b>Infection prevention and control</b>                  |        |                     |
| Compliance with the Hand Hygiene Australia program       | 85%    | 93%                 |
| Percentage of healthcare workers immunised for influenza | 92%    | 99%                 |

| Key Performance measure  | Target | 2022 – 2023 Actuals |
|--|--------|---------------------|
| <b>Patient Experience</b>  |        |                     |
| Victorian Healthcare Experience Survey – percentage of positive patient experience responses – Quarter 1 | 95%    | NA*                 |
| Victorian Healthcare Experience Survey – percentage of positive patient experience responses – Quarter 2 | 95%    | NA*                 |
| Victorian Healthcare Experience Survey – percentage of positive patient experience responses – Quarter 3 | 95%    | NA*                 |

\* Less than 10 responses were received for the period due to the relative size of the Health Service

### Strong Governance, Leadership and Culture

| Key Performance measure   | Target | 2022 – 2023 Actuals |
|---|--------|---------------------|
| <b>Organisational Culture</b>   |        |                     |
| People matter survey – Percentage of staff with an overall positive response to | 62%    | 62%                 |

### Effective Financial Management

| Key performance measure   | Target  | 2022-23 Result      |
|---|---|---------------------|
| <b>Finance</b>  |   |                     |
| Operating result (\$m)  | \$0.0   | \$0.341             |
| Average number of days to paying trade creditors  | 60  | 33                  |
| Average number of days to receiving patient fee debtors   | 60  | 35                  |
| Adjusted current asset ratio  | 0.7 or 3% improvement from health service base target | 0.79                |
| Actual number of days a health service can maintain its operations with unrestricted available cash (based on end of year forecast) | 14  | 6.4<br>Not Achieved |
| Variance between forecast and actual Net result from transactions (NRFT) for the current financial year ending 30 June.             | Variance ≤\$250,000                                   | \$0.83              |



## Statement of Priorities – Strategic Priorities Part C

| Funding Type                        | Activity Achievement 2022-2023<br>\$'000 |
|-------------------------------------|--|
| <b>Small Rural</b>                  |  |
| Small Rural Acute                   | 4,994                                    |
| Small Rural Residential Care        | 252                                      |
| Small Rural Primary Health and HACC | 1,135                                    |
| Small Rural Other specified funding | 51                                       |
| Small Rural Health Workforce        | 772                                      |
| <b>Total Funding</b>                | <b>7,205</b>                             |



## 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 22                   | Manner of establishment and the relevant Ministers                       | 20             |
| FRD 22                   | Purpose, functions, powers and duties                                    | 11-13          |
| FRD 22                   | Nature and range of services provided                                    | 14             |
| FRD 22                   | Activities, programs and achievements for the reporting period           | 15             |
| FRD 22                   | Significant changes in key initiatives and expectations for the future   | 16             |
| Management and Structure |  |                |
| FRD 22                   | Organisational structure   | 22             |
| FRD 22                   | Workforce data/ employment and conduct principles                        | 27-28          |
| FRD 22                   | Occupational Health and Safety   | 27-28          |
| Financial Information    |  |                |
| FRD 22                   | Summary of the financial results for the year                            | 8              |
| FRD 22                   | Significant changes in financial position during the year                | 8              |
| FRD 22                   | Operational and budgetary objectives and performance against objectives  | 8              |
| FRD 22                   | Subsequent events  |                |
| FRD 22                   | Details of consultancies under \$10,000                                  | 37             |
| FRD 22                   | Details of consultancies over \$10,000                                   | 37             |
| FRD 22                   | Disclosure of ICT expenditure  | 37             |
| Legislation              |  |                |
| FRD 22                   | Application and operation of Freedom of Information Act 1982             | 32             |
| FRD 22                   | Compliance with building and maintenance provisions of Building Act 1993 | 32             |
| FRD 22                   | Application and operation of Public Interest Disclosures Act 2012        | 32             |
| FRD 22                   | Statement on National Competition Policy                                 | 36             |
| FRD 22                   | Application and operation of Carers Recognition Act 2012                 | 33             |
| FRD 22                   | Additional information available on request                              | 36             |
| FRD 24                   | Environmental data reporting   | 33-35          |
| FRD 25                   | Local Jobs First Act disclosures   | 35             |
| SD 5.1.                  | Financial Management Compliance attestation                              | 31             |
| SD 5.2.                  | Declaration in report of operations                                      | 9              |



| Legislation                         | Requirement  | Page Reference |
|-------------------------------------|--|----------------|
| <b>Attestations</b>                 |  |                |
|                                     | Attestation on Data Integrity                                  | 31             |
|                                     | Attestation on managing Conflicts of Interest                  | 31             |
|                                     | Attestation on Integrity, fraud and corruption                 | 31             |
|                                     | Compliance with HealthShare Victoria (HSV) Purchasing Policies | 31             |
| <b>Other reporting requirements</b> |  |                |
|                                     | • Reporting of outcomes from Statement of Priorities 2022–23   | 38-40          |
|                                     | • Occupational Violence reporting                              | 28             |
|                                     | • Gender Equality Act 2020                                     | 21             |
|                                     | • Reporting obligations under the Safe Patient Care Act 2015   | 32             |





# Financial Compliance



# Financial Statements

## Financial Year ended 30 June 2023

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

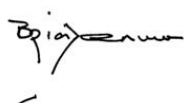
The attached financial statements for Moyne Health Services and the consolidated entity have been prepared in accordance with Direction 5.2 of the Standing Directions of the Assistant Treasurer under the *Financial Management Act 1994*, applicable Financial Reporting Directions, Australian Accounting 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 2023 and the financial position of Moyne Health Services and consolidated entity at 30 June 2023.

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 26th September, 2023.

#### **Board member**



Mr Brian Densem

Chair

Port Fairy  
26th September, 2023

#### **Accountable Officer**



Mrs Katharina Redford

Chief Executive Officer

Port Fairy  
26th September, 2023

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



Ms Katie Wright

Chief Finance and Accounting Officer

Port Fairy  
26th September, 2023



# Independent Auditor's Report

## To the Board of Moyne Health Services

|  |   |
|--|---|
| <b>Opinion</b>   | <p>I have audited the financial report of Moyne Health Services (the health service) which comprises the:</p> <ul style="list-style-type: none"> <li>• balance sheet as at 30 June 2023</li> <li>• comprehensive operating statement for the year then ended</li> <li>• statement of changes in equity for the year then ended</li> <li>• cash flow statement for the year then ended</li> <li>• notes to the financial statements, including significant accounting policies</li> <li>• Board member's, accountable officer's and chief finance &amp; accounting officer's declaration.</li> </ul> <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the health service as at 30 June 2023 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the <i>Financial Management Act 1994</i> and applicable Australian Accounting Standards.</p> |
| <b>Basis for Opinion</b>                                 | <p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the health service in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>  |
| <b>Board's responsibilities for the financial report</b> | <p>The Board of the health service is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Financial Management Act 1994</i>, and for such internal control as the Board determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Board is responsible for assessing the health service's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>  |

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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's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board
- conclude on the appropriateness of the Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the health service's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the health service to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

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MELBOURNE  
4 October 2023

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



**Moyne Health Services**  
**Comprehensive Operating Statement**  
**For the Financial Year Ended 30 June 2023**

|  |               | <b>Parent</b>   | <b>Parent</b>   | <b>Consolidated</b> | <b>Consolidated</b> |
|--|---------------|-----------------|-----------------|---------------------|---------------------|
|  |               | <b>2023</b>     | <b>2022</b>     | <b>2023</b>         | <b>2022</b>         |
| <b>Note</b>  | <b>\$'000</b> | <b>\$'000</b>   | <b>\$'000</b>   | <b>\$'000</b>       | <b>\$'000</b>       |
| <b>Revenue and income from transactions</b>                  |               |                 |                 |                     |                     |
| Operating activities   | 2.1           | 24,421          | 21,195          | 24,467              | 21,184              |
| Non-operating activities                                     | 2.1           | 504             | 52              | 504                 | 52                  |
| Share of revenue from joint operations                       | 8.7           | 453             | 494             | 453                 | 494                 |
| <b>Total revenue and income from transactions</b>            |               | <b>25,378</b>   | <b>21,741</b>   | <b>25,424</b>       | <b>21,730</b>       |
| <b>Expenses from transactions</b>                            |               |                 |                 |                     |                     |
| Employee expenses  | 3.1           | (17,747)        | (16,270)        | (17,747)            | (16,270)            |
| Supplies and consumables                                     | 3.1           | (1,265)         | (1,391)         | (1,265)             | (1,391)             |
| Finance costs  | 3.1           | (7)             | (8)             | (7)                 | (8)                 |
| Depreciation   | 3.1           | (2,344)         | (2,382)         | (2,345)             | (2,383)             |
| Other administrative expenses                                | 3.1           | (1,691)         | (1,442)         | (1,691)             | (1,442)             |
| Other operating expenses                                     | 3.1           | (1,141)         | (1,350)         | (1,192)             | (1,367)             |
| Other non-operating expenses                                 | 3.1           | (11)            | (4)             | (11)                | (4)                 |
| Share of expenditure from joint operations                   | 8.7           | (428)           | (491)           | (428)               | (491)               |
| <b>Total Expenses from transactions</b>                      |               | <b>(24,634)</b> | <b>(23,338)</b> | <b>(24,686)</b>     | <b>(23,356)</b>     |
| <b>Net result from transactions - net operating balance</b>  |               | <b>744</b>      | <b>(1,597)</b>  | <b>738</b>          | <b>(1,626)</b>      |
| <b>Other economic flows included in net result</b>           |               |                 |                 |                     |                     |
| Net gain/(loss) on sale of non-financial assets              | 3.2           | (727)           | 115             | (727)               | 115                 |
| Net gain/(loss) on financial instruments                     | 3.2           | -               | (2)             | -                   | (2)                 |
| Share of other economic flows from joint arrangements        | 8.7           | (1)             | (2)             | (1)                 | (2)                 |
| Other gain/(loss) from other economic flows                  | 3.2           | (28)            | 60              | (28)                | 60                  |
| <b>Total other economic flows included in net result</b>     |               | <b>(756)</b>    | <b>171</b>      | <b>(756)</b>        | <b>171</b>          |
| <b>Net result for the year</b>                               |               | <b>(12)</b>     | <b>(1,426)</b>  | <b>(18)</b>         | <b>(1,455)</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 | 4.3           | 3,458           | 728             | 3,458               | 728                 |
| <b>Total other comprehensive income</b>                      |               | <b>3,458</b>    | <b>728</b>      | <b>3,458</b>        | <b>728</b>          |
| <b>Comprehensive result for the year</b>                     |               | <b>3,446</b>    | <b>(698)</b>    | <b>3,440</b>        | <b>(727)</b>        |

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

**Moyne Health Services**  
**Balance Sheet**  
**As at 30 June 2023**

|   |             | Parent<br>2023<br>\$'000 | Parent<br>2022<br>\$'000 | Consolidated<br>2023<br>\$'000 | Consolidated<br>2022<br>\$'000 |
|---|-------------|--------------------------|--------------------------|--------------------------------|--------------------------------|
|   | <b>Note</b> |                          |                          |                                |                                |
| <b>Current assets</b>                             |             |                          |                          |                                |                                |
| Cash and cash equivalents                         | 6.2         | 17,087                   | 15,351                   | 17,098                         | 15,367                         |
| Receivables                                       | 5.1         | 565                      | 592                      | 565                            | 592                            |
| Contract assets                                   | 5.2         | 356                      | 400                      | 356                            | 400                            |
| Prepaid expenses                                  |             | 56                       | 180                      | 56                             | 180                            |
| Share of assets in joint operations               | 8.7         | 494                      | 698                      | 494                            | 698                            |
| <b>Total current assets</b>                       |             | <b>18,558</b>            | <b>17,221</b>            | <b>18,569</b>                  | <b>17,237</b>                  |
| <b>Non-current assets</b>                         |             |                          |                          |                                |                                |
| Receivables                                       | 5.1         | 1,807                    | 1,414                    | 1,807                          | 1,414                          |
| Property, plant and equipment                     | 4.1(a)      | 36,019                   | 34,415                   | 36,019                         | 34,416                         |
| Right of use assets                               | 4.2(a)      | 428                      | 446                      | 428                            | 446                            |
| Share of assets in joint operations               | 8.7         | 280                      | 184                      | 280                            | 184                            |
| <b>Total non-current assets</b>                   |             | <b>38,534</b>            | <b>36,459</b>            | <b>38,534</b>                  | <b>36,460</b>                  |
| <b>Total assets</b>                               |             | <b>57,092</b>            | <b>53,680</b>            | <b>57,103</b>                  | <b>53,697</b>                  |
| <b>Current liabilities</b>                        |             |                          |                          |                                |                                |
| Payables  | 5.3         | 1,144                    | 1,541                    | 1,144                          | 1,541                          |
| Contract liabilities                              | 5.4         | 759                      | 820                      | 759                            | 820                            |
| Borrowings  | 6.1         | 222                      | 259                      | 222                            | 259                            |
| Employee benefits                                 | 3.3         | 3,910                    | 3,452                    | 3,910                          | 3,452                          |
| Other liabilities                                 | 5.3         | 18,553                   | 18,458                   | 18,553                         | 18,458                         |
| Share of liabilities in joint operations          | 8.7         | 515                      | 663                      | 515                            | 663                            |
| <b>Total current liabilities</b>                  |             | <b>25,103</b>            | <b>25,193</b>            | <b>25,103</b>                  | <b>25,193</b>                  |
| <b>Non-current liabilities</b>                    |             |                          |                          |                                |                                |
| Borrowings  | 6.1         | 208                      | 221                      | 208                            | 221                            |
| Employee benefits                                 | 3.3         | 432                      | 380                      | 432                            | 380                            |
| Share of liabilities in joint operations          | 8.7         | 73                       | 56                       | 73                             | 56                             |
| <b>Total non-current liabilities</b>              |             | <b>713</b>               | <b>657</b>               | <b>713</b>                     | <b>657</b>                     |
| <b>Total liabilities</b>                          |             | <b>25,816</b>            | <b>25,850</b>            | <b>25,816</b>                  | <b>25,850</b>                  |
| <b>Net assets</b>                                 |             | <b>31,276</b>            | <b>27,830</b>            | <b>31,287</b>                  | <b>27,847</b>                  |
| <b>Equity</b>                                     |             |                          |                          |                                |                                |
| Property, plant and equipment revaluation surplus | 4.3         | 26,010                   | 22,552                   | 26,010                         | 22,552                         |
| Restricted specific purpose reserve               | SCE         | 75                       | 75                       | 75                             | 75                             |
| Contributed capital                               | SCE         | 4,386                    | 4,386                    | 4,386                          | 4,386                          |
| Accumulated surplus                               | SCE         | 805                      | 817                      | 816                            | 834                            |
| <b>Total equity</b>                               |             | <b>31,276</b>            | <b>27,830</b>            | <b>31,287</b>                  | <b>27,847</b>                  |

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

**Moyne Health Services**  
**Statement of Changes in Equity**  
**For the Financial Year Ended 30 June 2023**

|   | Property, Plant and<br>Equipment<br>Revaluation Surplus | Restricted Specific<br>Purpose Reserve | Contributed Capital | Accumulated Surplus | Total         |
|---|---|--|---------------------|---------------------|---------------|
|   | \$'000  | \$'000                                 | \$'000              | \$'000              | \$'000        |
| <b>Consolidated</b>                     |   |  |                     |                     |               |
| <b>Balance at 1 July 2021</b>           | <b>21,824</b>   | <b>75</b>                              | <b>4,386</b>        | <b>2,289</b>        | <b>28,574</b> |
| Net result for the year                 | -   | -                                      | -                   | (1,455)             | (1,455)       |
| Other comprehensive income for the year | 728   | -                                      | -                   | -                   | 728           |
| <b>Balance at 30 June 2022</b>          | <b>22,552</b>   | <b>75</b>                              | <b>4,386</b>        | <b>834</b>          | <b>27,847</b> |
| Net result for the year                 | -   | -                                      | -                   | (18)                | (18)          |
| Other comprehensive income for the year | 3,458   | -                                      | -                   | -                   | 3,458         |
| <b>Balance at 30 June 2023</b>          | <b>26,010</b>   | <b>75</b>                              | <b>4,386</b>        | <b>816</b>          | <b>31,287</b> |

|   | Property, Plant and<br>Equipment<br>Revaluation Surplus | Restricted Specific<br>Purpose Reserve | Contributed Capital | Accumulated Surplus | Total         |
|---|---|--|---------------------|---------------------|---------------|
|   | \$'000  | \$'000                                 | \$'000              | \$'000              | \$'000        |
| <b>Parent</b>                           |   |  |                     |                     |               |
| <b>Balance at 1 July 2021</b>           | <b>21,824</b>   | <b>75</b>                              | <b>4,386</b>        | <b>2,243</b>        | <b>28,528</b> |
| Net result for the year                 | -   | -                                      | -                   | (1,426)             | (1,426)       |
| Other comprehensive income for the year | 728   | -                                      | -                   | -                   | 728           |
| <b>Balance at 30 June 2022</b>          | <b>22,552</b>   | <b>75</b>                              | <b>4,386</b>        | <b>817</b>          | <b>27,830</b> |
| Net result for the year                 | -   | -                                      | -                   | (12)                | (12)          |
| Other comprehensive income for the year | 3,458   | -                                      | -                   | -                   | 3,458         |
| <b>Balance at 30 June 2023</b>          | <b>26,010</b>   | <b>75</b>                              | <b>4,386</b>        | <b>805</b>          | <b>31,276</b> |

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

**Moyne Health Services**  
**Cash Flow Statement**  
**For the Financial Year Ended 30 June 2023**

|  | Parent<br>2023<br>\$'000 | Parent<br>2022<br>\$'000 | Consolidated<br>2023<br>\$'000 | Consolidated<br>2022<br>\$'000 |
|--|--------------------------|--------------------------|--------------------------------|--------------------------------|
| <b>Cash Flows from operating activities</b>                      |                          |                          |                                |                                |
| Operating grants from State government                           | 6,979                    | 7,089                    | 6,979                          | 7,089                          |
| Operating grants from Commonwealth government                    | 11,233                   | 8,939                    | 11,233                         | 8,939                          |
| Capital grants from government - State                           | 1,435                    | 772                      | 1,435                          | 772                            |
| Patient fees received  | 2,982                    | 2,999                    | 2,982                          | 2,999                          |
| Donations and bequests received                                  | 47                       | 63                       | 47                             | 63                             |
| GST received from ATO  | 684                      | 592                      | 684                            | 592                            |
| Interest and investment income received                          | 504                      | 52                       | 504                            | 52                             |
| Commercial Income Received                                       | 236                      | 221                      | 236                            | 221                            |
| Other receipts   | 606                      | 197                      | 652                            | 186                            |
| <b>Total receipts</b>  | <b>24,706</b>            | <b>20,924</b>            | <b>24,752</b>                  | <b>20,913</b>                  |
| Payments to employees  | (16,899)                 | (15,938)                 | (16,899)                       | (15,938)                       |
| Payments for supplies and consumables                            | (1,713)                  | (839)                    | (1,713)                        | (839)                          |
| Payments for medical indemnity insurance                         | (132)                    | (98)                     | (132)                          | (98)                           |
| Payments for repairs and maintenance                             | (805)                    | (1,056)                  | (805)                          | (1,056)                        |
| Finance Costs  | (7)                      | (10)                     | (7)                            | (10)                           |
| GST paid to ATO  | (616)                    | (616)                    | (616)                          | (616)                          |
| Other payments   | (1,771)                  | (1,932)                  | (1,822)                        | (1,950)                        |
| <b>Total payments</b>  | <b>(21,943)</b>          | <b>(20,489)</b>          | <b>(21,994)</b>                | <b>(20,507)</b>                |
| <b>Net cash flows from/(used in) operating activities</b>        | <b>2,763</b>             | <b>435</b>               | <b>2,758</b>                   | <b>406</b>                     |
|  | 8.1                      |                          |                                |                                |
| <b>Cash Flows from investing activities</b>                      |                          |                          |                                |                                |
| Purchase of property, plant and equipment                        | (1,175)                  | (2,080)                  | (1,175)                        | (2,080)                        |
| Capital donations and bequests received                          | 126                      | 28                       | 126                            | 28                             |
| Other capital receipts   | -                        | 4                        | -                              | 4                              |
| Proceeds from disposal of property, plant and equipment          | 42                       | 148                      | 42                             | 148                            |
| <b>Net cash flows from/(used in) investing activities</b>        | <b>(1,007)</b>           | <b>(1,900)</b>           | <b>(1,007)</b>                 | <b>(1,900)</b>                 |
| <b>Cash flows from financing activities</b>                      |                          |                          |                                |                                |
| Repayment of borrowings  | (23)                     | (22)                     | (23)                           | (22)                           |
| Repayment of principal portion of leases                         | (93)                     | (91)                     | (93)                           | (91)                           |
| Receipt of accommodation deposits                                | 4,613                    | 5,945                    | 4,613                          | 5,945                          |
| Repayment of accommodation deposits                              | (4,517)                  | (4,378)                  | (4,517)                        | (4,378)                        |
| <b>Net cash flows from/(used in) financing activities</b>        | <b>(20)</b>              | <b>1,454</b>             | <b>(20)</b>                    | <b>1,454</b>                   |
| <b>Net increase/(decrease) in cash and cash equivalents held</b> | <b>1,736</b>             | <b>(11)</b>              | <b>1,731</b>                   | <b>(40)</b>                    |
| Cash and cash equivalents at beginning of year                   | 15,351                   | 15,362                   | 15,367                         | 15,407                         |
| <b>Cash and cash equivalents at end of year</b>                  | <b>17,087</b>            | <b>15,351</b>            | <b>17,098</b>                  | <b>15,367</b>                  |
|  | 6.2                      |                          |                                |                                |

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

**Moyne Health Services**  
**Notes to the Financial Statements**  
**For the Financial Year Ended 30 June 2023**

## **Note 1: Basis of preparation**

### **Structure**

- 1.1 Basis of preparation of the financial statements*
- 1.2 Impact of COVID-19 pandemic*
- 1.3 Abbreviations and terminology used in the financial statements*
- 1.4 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*

# Moyne Health Services

## Notes to the Financial Statements

### For the Financial Year Ended 30 June 2023

## 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 2023. 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.

### 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.

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 presented 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 26th September, 2023.

# Moyne Health Services

## Notes to the Financial Statements

### For the Financial Year Ended 30 June 2023

#### Note 1.2 Impact of COVID-19 pandemic

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

In the current reporting period, financial impacts of the pandemic were not material to Moyne Health Services.

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

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

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

#### 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.

# **Moyne Health Services**

## **Notes to the Financial Statements**

### **For the Financial Year Ended 30 June 2023**

#### **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 relate to the following disclosures:

- Note 2.1: Revenue and income from transactions
- Note 3.3: Employee benefits and related on-costs
- Note 4.1: Property, plant and equipment
- Note 4.2: Right-of-use assets
- Note 4.4: Depreciation
- Note 4.5: Impairment of assets
- Note 5.1: Receivables
- Note 5.2: Contract assets
- Note 5.3: Payables
- Note 5.4: Contract liabilities
- Note 5.5: Other liabilities
- Note 6.1(a): Lease liabilities
- Note 7.4: Fair value determination



# Moyne Health Services

## Notes to the Financial Statements

### For the Financial Year Ended 30 June 2023

#### 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

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

There are no other accounting standards and interpretations issued by the AASB that are not yet mandatorily

# **Moyne Health Services**

## **Notes to the Financial Statements**

### **For the Financial Year Ended 30 June 2023**

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

Income, expenses, assets and liabilities 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. These GST components 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.

Moyne Health Service's 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.

## 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

### Telling the COVID-19 story

Revenue recognised to fund the delivery of our services during the financial year was not materially impacted by the COVID-19 Coronavirus pandemic because the health service's response was limited to implementing COVID safe practices.

### 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>   |
| Assets and services received free of charge or for nominal consideration | <p>Moyne Health Services applies significant judgement to determine the fair value of assets and services provided free of charge or for nominal value. Where a reliable market value exists it is used to calculate the equivalent value of the service being provided. Where no reliable market value exists, the service is not recognised in the financial statements.</p>   |

## Note 2.1 Revenue and income from transactions

|   | Consolidated<br>2023<br>\$'000 | Consolidated<br>2022<br>\$'000 |
|---|--------------------------------|--------------------------------|
| <b>Operating activities</b>   |                                |                                |
| <b>Revenue from contracts with customers</b>                              |                                |                                |
| Government grants (State) - Operating                                     | 25                             | 111                            |
| Government grants (Commonwealth) - Operating                              | 10,265                         | 8,611                          |
| Patient and resident fees   | 2,999                          | 2,989                          |
| Commercial activities <sup>1</sup>  | 236                            | 221                            |
| <b>Total revenue from contracts with customers</b>                        | <b>13,525</b>                  | <b>11,932</b>                  |
| <b>Other sources of income</b>  |                                |                                |
| Government grants (State) - Operating                                     | 7,953                          | 6,823                          |
| Government grants (Commonwealth) - Operating                              | 968                            | 954                            |
| Government grants (State) - Capital                                       | 1,435                          | 772                            |
| Capital donations   | 126                            | 28                             |
| Assets received free of charge or for nominal consideration               | 144                            | 221                            |
| Other revenue from operating activities (including non-capital donations) | 316                            | 454                            |
| <b>Total other sources of income</b>                                      | <b>10,942</b>                  | <b>9,252</b>                   |
| <b>Total revenue and income from operating activities</b>                 | <b>24,467</b>                  | <b>21,184</b>                  |
| <b>Non-operating activities</b>   |                                |                                |
| <b>Income from other sources</b>  |                                |                                |
| Capital interest  | 504                            | 2                              |
| Other interest  | -                              | 50                             |
| <b>Total other sources of income</b>                                      | <b>504</b>                     | <b>52</b>                      |
| <b>Total income from non-operating activities</b>                         | <b>504</b>                     | <b>52</b>                      |
| <b>Total revenue and income from transactions</b>                         | <b>24,971</b>                  | <b>21,236</b>                  |

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

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

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

Moyne Health Services disaggregates revenue by the timing of revenue recognition.

#### Goods and services transferred to customers:

|  | Total<br>2023<br>\$'000 | Total<br>2022<br>\$'000 |
|--|-------------------------|-------------------------|
| At a point in time                                 | 236                     | 221                     |
| Over time  | 13,289                  | 11,711                  |
| <b>Total revenue from contracts with customers</b> | <b>13,525</b>           | <b>11,932</b>           |

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

##### Government operating grants

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

When both these conditions are satisfied, the health service:

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

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

- recognises the asset received in accordance with the recognition requirements of other applicable Accounting Standards (for example, AASB 9, AASB 16, AASB 116 and AASB 138)
- recognises related amounts (being contributions by owners, lease liabilities, financial instruments, provisions, revenue or contract liabilities from a contract with a customer), and
  - recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount in accordance with AASB 1058.

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

## How we recognise revenue and income from transactions

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

| Government grant  | Performance obligation   |
|---|--|
| Activity Based Funding (ABF) paid as National Weighted Activity Unit (NWAU) | <p>NWAU is a measure of health service activity expressed as a common unit against which the national efficient price (NEP) is paid.</p> <p>The performance obligations for NWAU are the number and mix of admissions, emergency department presentations and outpatient episodes, and is weighted for clinical complexity.</p> <p>Revenue is recognised over time, which is when a patient is discharged.</p>             |
| Commonwealth Residential Aged Care Grants                                   | <p>Funding is provided for the provision of care for aged care residents within facilities at Moynes 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 over time when the service is provided within the residential aged care facility.</p>  |
| Commonwealth Home Care Packages   | <p>Funding is provided to Moynes 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 over time as the funds are expended on behalf of the client.</p> |

### Capital grants

Where Moynes 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 Moynes 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 over time when the performance obligation, the provision of services, is satisfied, except where the patient and resident fees relate to accommodation charges. Accommodation charges are calculated daily and are recognised over time, to reflect the period accommodation is provided.

**Commercial activities**

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

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

**Interest Income**

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

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

|   | Consolidated<br>2023<br>\$'000 | Consolidated<br>2022<br>\$'000 |
|---|--------------------------------|--------------------------------|
| Cash donations and gifts  | 47                             | 63                             |
| Personal protective equipment   | 97                             | 158                            |
| <b>Total fair value of assets and services received<br/>free of charge or for nominal consideration</b> | <b>144</b>                     | <b>221</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 of resources

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

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



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

### Voluntary Services

Moyne Health Services receives volunteer services from members of the community to support and assist our residents in aged care and patients within the hospital setting.

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

Moyne Health Services greatly values the services contributed by volunteers but it does not depend on volunteers to deliver its services.

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

The Department of Health makes some payments on behalf of 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 with DH.   |

## Note 3: The cost of delivering our services

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

### Structure

#### 3.1 Expenses from transactions

#### 3.2 Other economic flows included in net result

#### 3.3 Employee benefits and related on-costs

#### 3.4 Superannuation

### Telling the COVID-19 story

Expenses incurred to deliver services during the financial year were not materially impacted by the COVID-19 Coronavirus pandemic and scaling down of the COVID-19 public health response during the year ended 30 June 2023.

### Key judgements and estimates

This section contains the following key judgements and estimates:

| Key judgements and estimates             | Description   |
|--|---|
| 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>  |
| Measuring employee benefit liabilities   | <p>Moyne Health Services applies significant judgment when measuring its employee benefit liabilities.</p> <p>The health service applies judgement to determine when it expects its employee entitlements to be paid.</p> <p>With reference to historical data, if the health service does not expect entitlements to be paid within 12 months, the entitlement is measured at its present value, being the expected future payments to employees.</p> <p>Expected future payments incorporate:</p> <ul style="list-style-type: none"> <li>• an inflation rate of 4.35%, reflecting the future wage and salary levels</li> <li>• durations of service and employee departures, which are used to determine the estimated value of long service leave that will be taken in the future, for employees who have not yet reached the vesting period. The estimated rates are between 22% and 86%</li> <li>• discounting at the rate of 4.063%, as determined with reference to market yields on government bonds at the end of the reporting period.</li> </ul> <p>All other entitlements are measured at their nominal value.</p> |

### Note 3.1 Expenses from transactions

|  | Note | Consolidated   | Consolidated   |
|--|------|----------------|----------------|
|  |      | 2023<br>\$'000 | 2022<br>\$'000 |
| Salaries and wages                                   |      | 14,228         | 13,125         |
| On-costs   |      | 1,405          | 1,267          |
| Agency expenses                                      |      | 1,785          | 1,605          |
| Fee for service medical officer expenses             |      | 156            | 119            |
| Workcover premium                                    |      | 173            | 154            |
| <b>Total employee expenses</b>                       |      | <b>17,747</b>  | <b>16,270</b>  |
| Drug supplies  |      | 97             | 70             |
| Medical and surgical supplies (including Prostheses) |      | 321            | 461            |
| Diagnostic and radiology supplies                    |      | 33             | 52             |
| Other supplies and consumables                       |      | 814            | 808            |
| <b>Total supplies and consumables</b>                |      | <b>1,265</b>   | <b>1,391</b>   |
| Finance costs  |      | 7              | 8              |
| <b>Total finance costs</b>                           |      | <b>7</b>       | <b>8</b>       |
| Information technology expenditure                   |      | 527            | 532            |
| Other administrative expenses                        |      | 1,164          | 910            |
| <b>Total other administrative expenses</b>           |      | <b>1,691</b>   | <b>1,442</b>   |
| Fuel, light, power and water                         |      | 255            | 213            |
| Repairs and maintenance                              |      | 766            | 981            |
| Maintenance contracts                                |      | 39             | 75             |
| Medical indemnity insurance                          |      | 132            | 98             |
| <b>Total other operating expenses</b>                |      | <b>1,192</b>   | <b>1,367</b>   |
| <b>Total operating expense</b>                       |      | <b>21,902</b>  | <b>20,478</b>  |
| Depreciation   | 4.4  | 2,345          | 2,383          |
| <b>Total depreciation</b>                            |      | <b>2,345</b>   | <b>2,383</b>   |
| Bad and doubtful debt expense                        |      | 11             | 4              |
| <b>Total other non-operating expenses</b>            |      | <b>11</b>      | <b>4</b>       |
| <b>Total non-operating expense</b>                   |      | <b>2,356</b>   | <b>2,387</b>   |
| <b>Total expenses from transactions</b>              |      | <b>24,258</b>  | <b>22,865</b>  |

## How we recognise expenses from transactions

### Expense recognition

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

### Employee expenses

Employee expenses include:

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

### Note 3.2 Other economic flows included in net result

|  | Consolidated<br>2023<br>\$'000 | Consolidated<br>2022<br>\$'000 |
|--|--------------------------------|--------------------------------|
| Net gain/(loss) on disposal of property plant and equipment        | (727)                          | 115                            |
| <b>Total net gain/(loss) on non-financial assets</b>               | <b>(727)</b>                   | <b>115</b>                     |
| Other gains/(losses) from other economic flows                     | -                              | (2)                            |
| <b>Total net gain/(loss) on financial instruments</b>              | <b>-</b>                       | <b>(2)</b>                     |
| Net gain/(loss) arising from revaluation of long service liability | (28)                           | 60                             |
| <b>Total other gains/(losses) from other economic flows</b>        | <b>(28)</b>                    | <b>60</b>                      |
| <b>Total gains/(losses) from other economic flows</b>              | <b>(755)</b>                   | <b>173</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.

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

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

- net gain/(loss) on disposal of non-financial assets, recognised at the date of disposal.

#### 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).

### Note 3.3 Employee benefits and related on-costs

|   | <b>Consolidated<br/>2023<br/>\$'000</b> | <b>Consolidated<br/>2022<br/>\$'000</b> |
|---|---|---|
| <b>Current employee benefits and related on-costs</b>                         |   |   |
| <i>Accrued days off</i>   |   |   |
| Unconditional and expected to be settled wholly within 12 months <sup>i</sup> | 61                                      | 50                                      |
|   | <b>61</b>                               | <b>50</b>                               |
| <i>Annual leave</i>   |   |   |
| Unconditional and expected to be settled wholly within 12 months <sup>i</sup> | 1,135                                   | 949                                     |
| Unconditional and expected to be settled wholly after 12 months <sup>ii</sup> | 190                                     | 190                                     |
|   | <b>1,325</b>                            | <b>1,139</b>                            |
| <i>Long service leave</i>   |   |   |
| Unconditional and expected to be settled wholly within 12 months <sup>i</sup> | 331                                     | 457                                     |
| Unconditional and expected to be settled wholly after 12 months <sup>ii</sup> | 1,745                                   | 1,445                                   |
|   | <b>2,076</b>                            | <b>1,902</b>                            |
| <i>Provisions related to employee benefit on-costs</i>                        |   |   |
| Unconditional and expected to be settled within 12 months <sup>i</sup>        | 190                                     | 179                                     |
| Unconditional and expected to be settled after 12 months <sup>ii</sup>        | 258                                     | 182                                     |
|   | <b>448</b>                              | <b>361</b>                              |
|   | <b>3,910</b>                            | <b>3,452</b>                            |
| <b>Total current employee benefits and related on-costs</b>                   |   |   |
| <b>Non-current provisions and related on-costs</b>                            |   |   |
| Conditional long service leave <sup>ii</sup>                                  | 376                                     | 336                                     |
| Provisions related to employee benefit on-costs <sup>ii</sup>                 | 56                                      | 44                                      |
| <b>Total non-current employee benefits and related on-costs</b>               | <b>432</b>                              | <b>380</b>                              |
|   | <b>4,342</b>                            | <b>3,832</b>                            |
| <b>Total employee benefits and related on-costs</b>                           | <b>4,342</b>                            | <b>3,832</b>                            |

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

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

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

|   | Consolidated<br>2023<br>\$'000 | Consolidated<br>2022<br>\$'000 |
|---|--------------------------------|--------------------------------|
| <b>Current employee benefits and related on-costs</b>           |                                |                                |
| Unconditional accrued days off                                  | 61                             | 50                             |
| Unconditional annual leave entitlements                         | 1,469                          | 1,348                          |
| Unconditional long service leave entitlements                   | 2,380                          | 2,054                          |
| <b>Total current employee benefits and related on-costs</b>     | <b>3,910</b>                   | <b>3,452</b>                   |
| <b>Non-current employee benefits and related on-costs</b>       |                                |                                |
| Conditional long service leave entitlements                     | 432                            | 380                            |
| <b>Total non-current employee benefits and related on-costs</b> | <b>432</b>                     | <b>380</b>                     |
| <b>Total employee benefits and related on-costs</b>             | <b>4,342</b>                   | <b>3,832</b>                   |
| <b>Attributable to:</b>   |                                |                                |
| Employee benefits   | 3,838                          | 3,427                          |
| Provision for related on-costs                                  | 504                            | 405                            |
| <b>Total employee benefits and related on-costs</b>             | <b>4,342</b>                   | <b>3,832</b>                   |

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

|  | Total<br>2023<br>\$'000 | Total<br>2022<br>\$'000 |
|--|-------------------------|-------------------------|
| <b>Movement in On-Costs Provision</b>                              |                         |                         |
| <b>Carrying amount at start of year</b>                            | 405                     | 390                     |
| Additional provisions recognised                                   | 247                     | 196                     |
| Net gain/(loss) arising from revaluation of long service liability | (3)                     | 6                       |
| Amounts incurred during the year                                   | (145)                   | (187)                   |
| <b>Carrying amount at end of year</b>                              | <b>504</b>              | <b>405</b>              |

## How we recognise employee benefits

### Employee benefit recognition

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

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

### Annual leave and accrued days off

Liabilities for annual leave and accrued days off are recognised in the provision for employee benefits as 'current liabilities' because 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.

### Provision for on-costs related to employee benefits

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



### Note 3.4 Superannuation

|   | Paid Contribution for the Year |              | Contribution Outstanding at Year End |              |
|---|--------------------------------|--------------|--------------------------------------|--------------|
|   | Consolidated                   | Consolidated | Consolidated                         | Consolidated |
|   | 2023                           | 2022         | 2023                                 | 2022         |
|   | \$'000                         | \$'000       | \$'000                               | \$'000       |
| <b>Defined benefit plans:<sup>i</sup></b> |                                |              |                                      |              |
| Aware Super                               | 69                             | 84           | -                                    | -            |
| <b>Defined contribution plans:</b>        |                                |              |                                      |              |
| Aware Super                               | 709                            | 681          | -                                    | -            |
| Hesta                                     | 325                            | 304          | -                                    | -            |
| Other                                     | 302                            | 198          | -                                    | -            |
| <b>Total</b>                              | <b>1,405</b>                   | <b>1,267</b> | <b>-</b>                             | <b>-</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

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

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

## Note 4: Key assets to support service delivery

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

### Structure

#### 4.1 Property, plant & equipment

#### 4.2 Right-of-use assets

#### 4.3 Revaluation surplus

#### 4.4 Depreciation

#### 4.5 Impairment of assets

### Telling the COVID-19 story

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

### Key judgements and estimates

This section contains the following key judgements and estimates:

| Key judgements and estimates                            | Description  |
|---|--|
| Estimating useful life of property, plant and equipment | Moynes Health Services assigns an estimated useful life to each item of property, plant and equipment. This is used to calculate depreciation of the asset. The health service reviews the useful life and depreciation rates of all assets at the end of each financial year and where necessary, records a change in accounting estimate.  |
| Estimating useful life of right-of-use assets           | <p>The useful life of each right-of-use asset is typically the respective lease term, except where the health service is reasonably certain to exercise a purchase option contained within the lease (if any), in which case the useful life reverts to the estimated useful life of the underlying asset.</p> <p>Moynes Health Services applies significant judgement to determine whether or not it is reasonably certain to exercise such purchase options.</p>   |
| Identifying indicators of impairment                    | <p>At the end of each year, Moynes 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> |

## Note 4.1 Property, plant and equipment

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

|   | Consolidated<br>2023<br>\$'000 | Consolidated<br>2022<br>\$'000 |
|---|--------------------------------|--------------------------------|
| Land at fair value - Freehold   | 2,881                          | 3,491                          |
| <b>Total land at fair value</b>   | <b>2,881</b>                   | <b>3,491</b>                   |
| Buildings at fair value   | 29,715                         | 34,320                         |
| Less accumulated depreciation   | -                              | (6,023)                        |
| <b>Total buildings at fair value</b>  | <b>29,715</b>                  | <b>28,297</b>                  |
| Property improvements at fair value   | 235                            | 349                            |
| Less accumulated depreciation   | -                              | (52)                           |
| <b>Total property improvements at fair value</b>                              | <b>235</b>                     | <b>297</b>                     |
| Works in progress at cost   | <b>1,647</b>                   | <b>814</b>                     |
| <b>Total buildings and improvements</b>                                       | <b>31,597</b>                  | <b>29,408</b>                  |
| Plant and equipment at fair value   | 2,696                          | 2,578                          |
| Less accumulated depreciation   | (1,435)                        | (1,263)                        |
| <b>Total plant and equipment at fair value</b>                                | <b>1,261</b>                   | <b>1,315</b>                   |
| Motor vehicles at fair value  | 53                             | 85                             |
| Less accumulated depreciation   | (44)                           | (65)                           |
| <b>Total motor vehicles at fair value</b>                                     | <b>9</b>                       | <b>20</b>                      |
| Computer equipment at fair value  | 811                            | 787                            |
| Less accumulated depreciation   | (736)                          | (681)                          |
| <b>Total computer equipment at fair value</b>                                 | <b>75</b>                      | <b>106</b>                     |
| Furniture and fittings at fair value  | 791                            | 646                            |
| Less accumulated depreciation   | (595)                          | (570)                          |
| <b>Total furniture and fittings at fair value</b>                             | <b>196</b>                     | <b>76</b>                      |
| <b>Total plant, equipment, furniture, fittings and vehicles at fair value</b> | <b>1,541</b>                   | <b>1,517</b>                   |
| <b>Total property, plant and equipment</b>                                    | <b>36,019</b>                  | <b>34,416</b>                  |

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

|                                     | Land          | Buildings & Improvements | Plant & equipment | Motor vehicles | Computer Equipment | Furniture & Fittings | Total         |
|-------------------------------------|---------------|--------------------------|-------------------|----------------|--------------------|----------------------|---------------|
| Note                                | \$'000        | \$'000                   | \$'000            | \$'000         | \$'000             | \$'000               | \$'000        |
| <b>Balance at 1 July 2021</b>       | <b>2,763</b>  | <b>30,252</b>            | <b>599</b>        | <b>78</b>      | <b>172</b>         | <b>77</b>            | <b>33,941</b> |
| Additions                           | -             | 1,233                    | 822               | -              | -                  | 24                   | 2,079         |
| Disposals                           | -             | -                        | -                 | (33)           | -                  | -                    | (33)          |
| Revaluation increments/(decrements) | 728           | -                        | -                 | -              | -                  | -                    | 728           |
| Depreciation                        | 4.4           | (2,077)                  | (106)             | (25)           | (66)               | (25)                 | (2,299)       |
| <b>Balance at 30 June 2022</b>      | <b>4.1(a)</b> | <b>3,491</b>             | <b>29,408</b>     | <b>1,315</b>   | <b>20</b>          | <b>106</b>           | <b>34,416</b> |
| Additions                           | -             | 880                      | 126               | -              | 24                 | 145                  | 1,175         |
| Disposals                           | -             | (763)                    | (2)               | (4)            | -                  | -                    | (769)         |
| Revaluation increments/(decrements) | (610)         | 4,068                    | -                 | -              | -                  | -                    | 3,458         |
| Depreciation                        | 4.4           | (1,996)                  | (178)             | (7)            | (55)               | (25)                 | (2,261)       |
| <b>Balance at 30 June 2023</b>      | <b>4.1(a)</b> | <b>2,881</b>             | <b>31,597</b>     | <b>1,261</b>   | <b>9</b>           | <b>196</b>           | <b>36,019</b> |

#### **Land and Buildings Carried at Valuation**

The Valuer-General Victoria undertook to re-value all of Moyne Health Services land and buildings to determine their fair value. The valuation, which conforms to Australian Valuation Standards, was determined by reference to the amounts for which assets could be exchanged between knowledgeable willing parties in an arm's length transaction. The valuation was based on independent assessments. The effective date of the valuation was 30 June 2019 for buildings and 30 June 2022 for land.

#### **How we recognise property, plant and equipment**

Property, plant and equipment are tangible items that are used by 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 are subsequently measured at fair value less accumulated depreciation and impairment losses where applicable.

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

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

### 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 Service's buildings was performed by the VGV on 30 June 2019 and 30 June 2022 for land. 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. As an independent valuation was not undertaken on 30 June 2023, a managerial assessment performed at 30 June 2023 which indicated an overall:

- increase in fair value of land of 2.21% (\$0.077M)
- increase in fair value of buildings of 15.62% (\$4.07M)

As the cumulative movement was less than 10% for land since the last revaluation a managerial revaluation adjustment was not required as at 30 June 2023.

As the cumulative movement was greater than 10% for buildings since the last revaluation a managerial revaluation adjustment was required as at 30 June 2023.

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

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

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

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

**Note 4.2 Right-of-use assets**

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

|  | Consolidated<br>2023<br>\$'000 | Consolidated<br>2022<br>\$'000 |
|--|--------------------------------|--------------------------------|
| Right of use motor vehicles at fair value              | 611                            | 545                            |
| Less accumulated depreciation                          | (183)                          | (99)                           |
| <b>Total right of use motor vehicles at fair value</b> | <b>428</b>                     | <b>446</b>                     |
| <b>Total right of use assets</b>                       | <b>428</b>                     | <b>446</b>                     |

## Note 4.2(b) Reconciliations of the carrying amount by class of asset

|                                | Note          | Right-of-use - MV<br>\$'000 | Total<br>\$'000 |
|--------------------------------|---------------|-----------------------------|-----------------|
| <b>Balance at 1 July 2021</b>  |               | <b>234</b>                  | <b>234</b>      |
| Additions                      |               | 296                         | 296             |
| Depreciation                   | 4.4           | (84)                        | (84)            |
| <b>Balance at 30 June 2022</b> | <b>4.2(a)</b> | <b>446</b>                  | <b>446</b>      |
| Additions                      |               | 66                          | 66              |
| Depreciation                   | 4.4           | (84)                        | (84)            |
| <b>Balance at 30 June 2023</b> | <b>4.2(a)</b> | <b>428</b>                  | <b>428</b>      |

### 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 motor vehicles       | 2 to 3 years |

### 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.

### Subsequent measurement

Right-of-use assets are subsequently measured at fair value, less accumulated depreciation and accumulated impairment losses where applicable.

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

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



### Note 4.3 Revaluation Surplus

| Note   | Consolidated<br>2023<br>\$'000 | Consolidated<br>2022<br>\$'000 |
|--|--------------------------------|--------------------------------|
| Balance at the beginning of the reporting period   | 22,552                         | 21,824                         |
| <b>Revaluation increment</b>                       |                                |                                |
| - Land   | 4.1(b) (610)                   | 728                            |
| - Buildings  | 4.1(b) 4,068                   | -                              |
| <b>Balance at the end of the Reporting Period*</b> | <b>26,010</b>                  | <b>22,552</b>                  |
| <b>* Represented by:</b>                           |                                |                                |
| - Land   | 1,861                          | 2,471                          |
| - Buildings  | 24,149                         | 20,081                         |
|  | <b>26,010</b>                  | <b>22,552</b>                  |

## Note 4.4 Depreciation

|   | Consolidated<br>2023<br>\$'000 | Consolidated<br>2022<br>\$'000 |
|---|--------------------------------|--------------------------------|
| <b>Depreciation</b>                                       |                                |                                |
| Buildings   | 1,984                          | 2,060                          |
| Land Improvements   | 12                             | 17                             |
| Plant and equipment                                       | 178                            | 106                            |
| Motor vehicles  | 7                              | 25                             |
| Computer equipment  | 55                             | 66                             |
| Furniture and fittings                                    | 25                             | 25                             |
| <b>Total depreciation - property, plant and equipment</b> | <b>2,261</b>                   | <b>2,299</b>                   |
| <b>Right-of-use assets</b>                                |                                |                                |
| Right of use - motor vehicles                             | 84                             | 84                             |
| <b>Total depreciation - right-of-use assets</b>           | <b>84</b>                      | <b>84</b>                      |
| <b>Total depreciation</b>                                 | <b>2,345</b>                   | <b>2,383</b>                   |

### How we recognise depreciation

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

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

|   | 2023          | 2022           |
|---|---------------|----------------|
| Buildings                                     |               |                |
| - Structure shell building fabric             | 5 to 48 years | 11 to 48 years |
| - Site engineering services and central plant | 7 to 38 years | 7 to 38 years  |
| Central Plant                                 |               |                |
| - Fit Out                                     | 3 to 23 years | 3 to 23 years  |
| - Trunk reticulated building system           | 5 to 28 years | 5 to 28 years  |
| Plant and equipment                           | 3 to 20 years | 3 to 7 years   |
| Computers and communication                   | 3 to 5 years  | 3 years        |
| Furniture and fitting                         | 5 to 10 years | 13 years       |
| Motor Vehicles                                | 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.

## **Note 4.5: Impairment of assets**

### **How we recognise impairment**

At the end of each reporting period, Moyne Health Services reviews the carrying amount of its tangible and intangible assets that have a finite useful life, to determine whether there is any indication that an asset may be impaired. The assessment will include consideration of external sources of information and internal sources of information.

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

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

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

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

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

Moyne Health Services did not record any impairment losses in property, plant and equipment for the year ended 30 June 2023.

## 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*

#### *5.2 Contract assets*

#### *5.3 Payables*

#### *5.4 Contract liabilities*

#### *5.5 Other liabilities*

### Telling the COVID-19 story

The measurement of other assets and liabilities were not materially impacted by the COVID-19 Coronavirus pandemic.

### Key judgements and estimates

This section contains the following key judgements and estimates:

| Key judgements and estimates                        | Description   |
|---|---|
| Estimating the provision for expected credit losses | 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             | <p>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.</p> <p>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.</p> |
| 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.  |

## Note 5.1 Receivables

|   | Consolidated<br>2023<br>\$'000 | Consolidated<br>2022<br>\$'000 |
|---|--------------------------------|--------------------------------|
| <b>Current receivables</b>  |                                |                                |
| <b>Contractual</b>  |                                |                                |
| Trade receivables   | 163                            | 56                             |
| Patient fees  | 297                            | 280                            |
| Allowance for impairment losses - Patient fees                      | (18)                           | (7)                            |
| Amounts receivable from governments and agencies                    | 27                             | 99                             |
| <b>Total contractual receivables</b>                                | <b>469</b>                     | <b>428</b>                     |
| <b>Statutory</b>  |                                |                                |
| Net GST receivable  | 96                             | 164                            |
| <b>Total statutory receivables</b>                                  | <b>96</b>                      | <b>164</b>                     |
| <b>Total current receivables</b>                                    | <b>565</b>                     | <b>592</b>                     |
| <b>Non-current receivables</b>                                      |                                |                                |
| <b>Contractual</b>  |                                |                                |
| Long service leave - Department of Health                           | 1,807                          | 1,414                          |
| <b>Total contractual receivables</b>                                | <b>1,807</b>                   | <b>1,414</b>                   |
| <b>Total non-current receivables</b>                                | <b>1,807</b>                   | <b>1,414</b>                   |
| <b>Total receivables</b>  | <b>2,372</b>                   | <b>2,006</b>                   |
| <i>(i) Financial assets classified as receivables (Note 7.1(a))</i> |                                |                                |
| Total receivables   | 2,372                          | 2,006                          |
| GST receivable  | (96)                           | (164)                          |
| Total financial assets classified as receivables                    | 7.1(a) <b>2,276</b>            | <b>1,842</b>                   |

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

|   | Consolidated<br>2023<br>\$'000 | Consolidated<br>2022<br>\$'000 |
|---|--------------------------------|--------------------------------|
| <b>Balance at the beginning of the year</b> | 7                              | 7                              |
| Amounts written off during the year         | 11                             | -                              |
| <b>Balance at the end of the year</b>       | <b>18</b>                      | <b>7</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** includes Goods and Services Tax (GST) input tax credits that are recoverable. Statutory receivables do not arise from contracts and are recognised and measured similarly to contractual receivables (except for impairment), but are not classified as financial instruments for disclosure purposes. The health service applies AASB 9 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*.

### Impairment losses of contractual receivables

Refer to Note 7.2 (a) for Moyne Health Services's contractual impairment losses.

## Note 5.2 Contract assets

|   | <b>Total<br/>2023<br/>\$'000</b> | <b>Total<br/>2022<br/>\$'000</b> |
|---|----------------------------------|----------------------------------|
| <b>Balance at the beginning of the year</b>                           | 400                              | -                                |
| Add: Additional costs incurred that are recoverable from the customer | -                                | 400                              |
| Less: Transfer to trade receivable or cash at bank                    | (44)                             | -                                |
| <b>Total contract assets</b>  | <b>356</b>                       | <b>400</b>                       |
| <b>* Represented by:</b>  |                                  |                                  |
| - Current assets  | 356                              | 400                              |
|   | <b>356</b>                       | <b>400</b>                       |

### How we recognise contract assets

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

### Note 5.3 Payables

| Note  | Consolidated<br>2023<br>\$'000 | Consolidated<br>2022<br>\$'000 |
|---|--------------------------------|--------------------------------|
| <b>Current payables and contract liabilities</b>                      |                                |                                |
| <b>Contractual</b>  |                                |                                |
| Trade creditors   | 177                            | 492                            |
| Accrued salaries and wages  | 522                            | 156                            |
| Accrued expenses  | 134                            | 125                            |
| Deferred capital grant income   | 250                            | 468                            |
| Inter hospital creditors  | 61                             | 71                             |
| Amounts payable to governments and agencies                           | -                              | 229                            |
| <b>Total contractual payables</b>                                     | <b>1,144</b>                   | <b>1,541</b>                   |
| <b>Total payables</b>   | <b>1,144</b>                   | <b>1,541</b>                   |
| <i>(i) Financial liabilities classified as payables (Note 7.1(a))</i> |                                |                                |
| Total payables  | 1,144                          | 1,541                          |
| Deferred grant income   | (250)                          | (468)                          |
| Total financial liabilities classified as payables                    | 7.1(a) <b>894</b>              | <b>1,073</b>                   |

#### How we recognise payables

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

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



**Note 5.3 (a) Deferred capital grant income**

|   | <b>Consolidated<br/>2023<br/>\$'000</b> | <b>Consolidated<br/>2022<br/>\$'000</b> |
|---|---|---|
| <b>Opening balance of deferred capital grant income</b>                         | 468                                     | 537                                     |
| Grant consideration for capital works received during the year                  | 217                                     | 683                                     |
| Deferred grant revenue recognised as revenue due to completion of capital works | (435)                                   | (752)                                   |
| <b>Closing balance of deferred capital grant income</b>                         | <b>250</b>                              | <b>468</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, nurse call system and aged care access ramps. 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 2024.

## Note 5.4 Contract liabilities

|  | Consolidated<br>2023<br>\$'000 | Consolidated<br>2022<br>\$'000 |
|--|--------------------------------|--------------------------------|
| <b>Opening balance of contract liabilities</b>   | 820                            | 1,020                          |
| Grant consideration for sufficiently specific performance obligations received during the year | 10,229                         | 8,522                          |
| Revenue recognised for the completion of a performance obligation                              | (10,290)                       | (8,722)                        |
| <b>Closing balance of contract liabilities</b>   | <b>759</b>                     | <b>820</b>                     |
| <b>* Represented by:</b>   |                                |                                |
| - Current contract liabilities   | 759                            | 820                            |
|  | <b>759</b>                     | <b>820</b>                     |

### How we recognise contract liabilities

Contract liabilities include consideration received in advance from customers in respect of activities conducted for aged care residents and clients supported by Commonwealth funding packages. The balance of contract liabilities was lower than the previous reporting period due to ongoing utilisation of funding provided and changes in the timing of funding for aged care packages.

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 maturity analysis of payables.

## Note 5.5 Other liabilities

|   | <b>Consolidated</b> | <b>Consolidated</b> |
|---|---------------------|---------------------|
|   | <b>2023</b>         | <b>2022</b>         |
| <b>Note</b>                               | <b>\$'000</b>       | <b>\$'000</b>       |
| <b>Current monies held in trust</b>       |                     |                     |
| Patient monies                            | 8                   | 9                   |
| Refundable accommodation deposits         | 18,545              | 18,449              |
| <b>Total current monies held in trust</b> | <b>18,553</b>       | <b>18,458</b>       |
| <b>Total other liabilities</b>            | <b>18,553</b>       | <b>18,458</b>       |
| <b>Represented by:</b>                    |                     |                     |
| - Cash assets                             | 6.2 15,771          | 14,487              |
| - Land and Buildings                      | 2,782               | 3,971               |
|   | <b>18,553</b>       | <b>18,458</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*.

## 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.

## 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> <p>For leased vehicles, the implicit interest rate is between 1.27% and 2.28%.</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> |

## Note 6.1 Borrowings

|  | Consolidated<br>2023<br>\$'000 | Consolidated<br>2022<br>\$'000 |
|--|--------------------------------|--------------------------------|
| <b>Current borrowings</b>                |                                |                                |
| Lease liability <sup>(i)</sup>           | 222                            | 236                            |
| Advances from government <sup>(ii)</sup> | -                              | 23                             |
| <b>Total current borrowings</b>          | <b>222</b>                     | <b>259</b>                     |
| <b>Non-current borrowings</b>            |                                |                                |
| Lease liability <sup>(i)</sup>           | 208                            | 221                            |
| <b>Total non-current borrowings</b>      | <b>208</b>                     | <b>221</b>                     |
| <b>Total borrowings</b>                  | <b>430</b>                     | <b>480</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 other funds raised through lease liabilities and other non interest-bearing arrangements.

### Initial recognition

All borrowings are initially recognised at fair value of the consideration received, less directly attributable transaction costs.

### Subsequent measurement

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

### Maturity analysis

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

### Defaults and breaches

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

## Note 6.1 (a) Lease liabilities

Moyne Health Services's lease liabilities are summarised below:

|                                      | Consolidated<br>2023<br>\$'000 | Consolidated<br>2022<br>\$'000 |
|--------------------------------------|--------------------------------|--------------------------------|
| Total undiscounted lease liabilities | 438                            | 460                            |
| Less unexpired finance expenses      | (8)                            | (3)                            |
| <b>Net lease liabilities</b>         | <b>430</b>                     | <b>457</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<br>2023<br>\$'000 | Consolidated<br>2022<br>\$'000 |
|---|--------------------------------|--------------------------------|
| Not longer than one year                            | 228                            | 237                            |
| Longer than one year but not longer than five years | 210                            | 223                            |
| <b>Minimum future lease liability</b>               | <b>438</b>                     | <b>460</b>                     |
| Less unexpired finance expenses                     | (8)                            | (3)                            |
| <b>Present value of lease liability</b>             | <b>430</b>                     | <b>457</b>                     |
| <b>* Represented by:</b>                            |                                |                                |
| - Current liabilities                               | 222                            | 236                            |
| - Non-current liabilities                           | 208                            | 221                            |
|   | <b>430</b>                     | <b>457</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 motor vehicles | 2 to 3 years |

## **Note 6.1 (a) Lease liabilities**

### **Separation of lease and non-lease components**

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

### **Initial measurement**

The lease liability is initially measured at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease if that rate is readily determinable or 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.

### **Subsequent measurement**

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

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



## Note 6.2 Cash and Cash Equivalents

|   | Consolidated<br>2023<br>\$'000 | Consolidated<br>2022<br>\$'000 |
|---|--------------------------------|--------------------------------|
| Note  |                                |                                |
| Cash on hand (excluding monies held in trust) | 1                              | 1                              |
| Cash at bank (excluding monies held in trust) | 1,317                          | 879                            |
| <b>Total cash held for operations</b>         | <b>1,318</b>                   | <b>880</b>                     |
| Cash at bank - CBS (monies held in trust)     | 15,771                         | 14,478                         |
| Deposits at call (monies held in trust)       | 9                              | 9                              |
| <b>Total cash held as monies in trust</b>     | <b>15,780</b>                  | <b>14,487</b>                  |
| <b>Total cash and cash equivalents</b>        | <b>17,098</b>                  | <b>15,367</b>                  |

### How we recognise cash and cash equivalents

Cash and cash equivalents recognised on the balance sheet comprise cash on hand and in banks and deposits at call.

### Note 6.3 Commitments for expenditure

There are no capital or operating requirements at 30 June 2023 (2022 \$Nil).

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

Acquisition of vehicles by means of Leases

**Total non-cash financing and investing activities**

| <b>Consolidated<br/>2023<br/>\$'000</b> | <b>Consolidated<br/>2022<br/>\$'000</b> |
|---|---|
| 66                                      | 296                                     |
| <b>66</b>                               | <b>296</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*

#### *7.4 Fair value determination*

### Key judgements and estimates

This section contains the following key judgements and estimates:

| Key judgements and estimates                 | Description  |
|--|--|
| Measuring fair value of non-financial assets | <p>Fair value is measured with reference to highest and best use, that is, the use of the asset by a market participant that is physically possible, legally permissible, financially feasible, and which results in the highest value, or to sell it to another market participant that would use the same asset in its highest and best use.</p> <p>In determining the highest and best use, Moyne Health Services has assumed the current use is its highest and best use. Accordingly, characteristics of the health service's assets are considered, including condition, location and any restrictions on the use and disposal of such assets.</p> |

| Key judgements and estimates                 | Description   |
|--|---|
| Measuring fair value of non-financial assets | <p>Moynes Health Services uses a range of valuation techniques to estimate fair value, which include the following:</p> <ul style="list-style-type: none"> <li>▪ Market approach, which uses prices and other relevant information generated by market transactions involving identical or comparable assets and liabilities. The fair value of Moynes Health Services's specialised land is measured using this approach.</li> <li>▪ Cost approach, which reflects the amount that would be required to replace the service capacity of the asset (referred to as current replacement cost). The fair value of Moynes Health Services's specialised buildings, furniture, fittings, plant, equipment and vehicles are measured using this approach.</li> </ul> <p>The health service selects a valuation technique which is considered most appropriate, and for which there is sufficient data available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.</p> <p>Subsequently, the health service applies significant judgement to categorise and disclose such assets within a fair value hierarchy, which includes:</p> <ul style="list-style-type: none"> <li>▪ Level 1, using quoted prices (unadjusted) in active markets for identical assets that the health service can access at measurement date. Moynes Health Services does not categorise any fair values within this level.</li> <li>▪ Level 2, inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly. Moynes Health Services categorises motor vehicles in this level.</li> <li>▪ Level 3, where inputs are unobservable. Moynes Health Services categorises specialised land, specialised buildings, plant and equipment, furniture and fittings and right-of-use motor vehicles in this level.</li> </ul> |

## Note 7.1: Financial instruments

Financial instruments arise out of contractual agreements that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Due to the nature of Moyne 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   |      | Financial Assets at | Financial Liabilities | Consolidated  |
|---|------|---------------------|-----------------------|---------------|
| 30 June 2023  | Note | Amortised Cost      | at Amortised Cost     | \$'000        |
|   |      | \$'000              | \$'000                | \$'000        |
| <b>Contractual Financial Assets</b>                             |      |                     |                       |               |
| Cash and Cash Equivalents                                       | 6.2  | 17,098              | -                     | 17,098        |
| Receivables   | 5.1  | 2,276               | -                     | 2,276         |
| <b>Total Financial Assets<sup>i</sup></b>                       |      | <b>19,374</b>       | -                     | <b>19,374</b> |
| <b>Financial Liabilities</b>                                    |      |                     |                       |               |
| Payables  | 5.3  | -                   | 894                   | 894           |
| Borrowings  | 6.1  | -                   | 430                   | 430           |
| Other Financial Liabilities - Refundable Accommodation Deposits | 5.5  | -                   | 18,545                | 18,545        |
| Other Financial Liabilities - Patient monies held in trust      | 5.5  | -                   | 8                     | 8             |
| <b>Total Financial Liabilities<sup>i</sup></b>                  |      | -                   | <b>19,877</b>         | <b>19,877</b> |

Moyne Health Services  
Notes to the Financial Statements  
for the financial year ended 30 June 2023

| <b>Total</b>  |             | <b>Financial Assets at</b> | <b>Financial Liabilities</b> | <b>Consolidated</b> |
|---|-------------|----------------------------|------------------------------|---------------------|
| <b>30 June 2022</b>   | <b>Note</b> | <b>Amortised Cost</b>      | <b>at Amortised Cost</b>     | <b>\$'000</b>       |
|   |             | <b>\$'000</b>              | <b>\$'000</b>                | <b>\$'000</b>       |
| <b>Contractual Financial Assets</b>                             |             |                            |                              |                     |
| Cash and cash equivalents                                       | 6.2         | 15,367                     | -                            | 15,367              |
| Receivables   | 5.1         | 1,842                      | -                            | 1,842               |
| <b>Total Financial Assets</b> <sup>i</sup>                      |             | <b>17,209</b>              | <b>-</b>                     | <b>17,209</b>       |
| <b>Financial Liabilities</b>                                    |             |                            |                              |                     |
| Payables  | 5.3         | -                          | 1,073                        | 1,073               |
| Borrowings  | 6.1         | -                          | 480                          | 480                 |
| Other Financial Liabilities - Refundable Accommodation Deposits | 5.5         | -                          | 18,449                       | 18,449              |
| Other Financial Liabilities - Patient monies held in trust      | 5.5         | -                          | 9                            | 9                   |
| <b>Total Financial Liabilities</b> <sup>i</sup>                 |             | <b>-</b>                   | <b>20,011</b>                | <b>20,011</b>       |

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

### 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.

#### 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 and
- receivables (excluding statutory receivables).

#### **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.

#### **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.



## **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 and interest rate 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 2022-23.

### 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 2023</b>                                     |      |         |                   |            |                  |           |              |
| <b>Expected loss rate</b>                               |      | 0.0%    | 0.0%              | 0.0%       | 26.0%            | 0.0%      |              |
| Gross carrying amount of contractual receivables \$'000 | 5.1  | 835     | 24                | 30         | 70               | 0         | <b>959</b>   |
| <b>Loss allowance</b>                                   |      | -       | -                 | -          | <b>(18)</b>      | -         | <b>(18)</b>  |
|   |      |         |                   |            |                  |           |              |
|   | Note | Current | Less than 1 month | 1–3 months | 3 months –1 year | 1–5 years | Consolidated |
| <b>30 June 2022</b>                                     |      |         |                   |            |                  |           |              |
| <b>Expected loss rate</b>                               |      | 0.0%    | 0.0%              | 0.0%       | 50.0%            | 0.0%      |              |
| Gross carrying amount of contractual receivables \$'000 | 5.1  | 925     | 16                | 18         | 13               | 0         | <b>972</b>   |
| <b>Loss allowance</b>                                   |      | -       | -                 | -          | <b>(7)</b>       | -         | <b>(7)</b>   |

**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.

Moyne Health Services  
Notes to the Financial Statements  
for the financial year ended 30 June 2023

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.

|   |             | Maturity Dates  |                |                   |            |                   |            |              |
|---|-------------|-----------------|----------------|-------------------|------------|-------------------|------------|--------------|
|   |             | Carrying Amount | Nominal Amount | Less than 1 Month | 1-3 Months | 3 months - 1 Year | 1-5 Years  | Over 5 years |
|   |             | \$'000          | \$'000         | \$'000            | \$'000     | \$'000            | \$'000     | \$'000       |
| <b>Total</b>  |             |                 |                |                   |            |                   |            |              |
| <b>30 June 2023</b>   | <b>Note</b> |                 |                |                   |            |                   |            |              |
| Payables  | 5.3         | 894             | 894            | 894               | -          | -                 | -          | -            |
| Borrowings  | 6.1         | 430             | 430            | 21                | 42         | 193               | 174        | -            |
| Other Financial Liabilities - Refundable Accommodation Deposits | 5.5         | 18,545          | 18,545         | -                 | -          | 18,545            | -          | -            |
| Other Financial Liabilities - Patient monies held in trust      | 5.5         | 8               | 8              | 8                 | -          | -                 | -          | -            |
| <b>Total Financial Liabilities</b>                              |             | <b>19,877</b>   | <b>19,877</b>  | <b>923</b>        | <b>42</b>  | <b>18,738</b>     | <b>174</b> | <b>-</b>     |

|   |             | Maturity Dates  |                |                   |            |                   |            |              |
|---|-------------|-----------------|----------------|-------------------|------------|-------------------|------------|--------------|
|   |             | Carrying Amount | Nominal Amount | Less than 1 Month | 1-3 Months | 3 months - 1 Year | 1-5 Years  | Over 5 years |
|   |             | \$'000          | \$'000         | \$'000            | \$'000     | \$'000            | \$'000     | \$'000       |
| <b>Total</b>  |             |                 |                |                   |            |                   |            |              |
| <b>30 June 2022</b>   | <b>Note</b> |                 |                |                   |            |                   |            |              |
| <b>Financial Liabilities at amortised cost</b>                  |             |                 |                |                   |            |                   |            |              |
| Payables  | 5.3         | 1,073           | 1,073          | 1,073             | -          | -                 | -          | -            |
| Borrowings  | 6.1         | 480             | 480            | 23                | 69         | 167               | 221        | -            |
| Other Financial Liabilities - Refundable Accommodation Deposits | 5.5         | 18,449          | 18,449         | -                 | -          | 18,449            | -          | -            |
| Other Financial Liabilities - Patient monies held in trust      | 5.5         | 9               | 9              | 9                 | -          | -                 | -          | -            |
| <b>Total Financial Liabilities</b>                              |             | <b>20,011</b>   | <b>20,011</b>  | <b>1,105</b>      | <b>69</b>  | <b>18,616</b>     | <b>221</b> | <b>-</b>     |

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

**Note 7.2 (c) Market risk**

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

**Sensitivity disclosure analysis and assumptions**

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

- a change in interest rates of 1.5% up or down

**Interest rate risk**

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

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

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

At balance date, the Board 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.

## Note 7.4 Fair Value Determination

### How we measure fair value

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

The following assets and liabilities are carried at fair value:

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

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

### Valuation hierarchy

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

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

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

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

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

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

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

#### Note 7.4 (a) Fair value measurement hierarchy for assets

|   | Note   | Consolidated carrying amount | Fair value measurement at end of reporting period using: |                                |                                |
|---|--------|------------------------------|--|--------------------------------|--------------------------------|
|   |        | 30 June 2023<br>\$'000       | Level 1 <sup>i</sup><br>\$'000                           | Level 2 <sup>i</sup><br>\$'000 | Level 3 <sup>i</sup><br>\$'000 |
| Specialised land  |        | 2,881                        | -  | -                              | 2,881                          |
| <b>Total land at fair value</b>                                 | 4.1(a) | <b>2,881</b>                 | -  | -                              | <b>2,881</b>                   |
| Specialised buildings   |        | 29,950                       | -  | -                              | 29,950                         |
| <b>Total buildings at fair value</b>                            | 4.1(a) | <b>29,950</b>                | -  | -                              | <b>29,950</b>                  |
| Plant and equipment   | 4.1(a) | 1,261                        | -  | -                              | 1,261                          |
| Motor vehicles  | 4.1(a) | 9                            | -  | 9                              | -                              |
| Computer equipment  | 4.1(a) | 75                           | -  | -                              | 75                             |
| Furniture and fittings  | 4.1(a) | 196                          | -  | -                              | 196                            |
| <b>Total plant, equipment, furniture, fittings and vehicles</b> |        | <b>1,541</b>                 | -  | 9                              | <b>1,532</b>                   |
| Right of use assets   | 4.2(a) | 428                          | -  | -                              | 428                            |
| <b>Total right-of-use assets at fair value</b>                  |        | <b>428</b>                   | -  | -                              | <b>428</b>                     |
| <b>Total non-financial physical assets at fair value</b>        |        | <b>34,800</b>                | -  | 9                              | <b>34,791</b>                  |

|   | Note    | Consolidated carrying amount | Fair value measurement at end of reporting period using: |                                |                                |
|---|---------|------------------------------|--|--------------------------------|--------------------------------|
|   |         | 30 June 2022<br>\$'000       | Level 1 <sup>i</sup><br>\$'000                           | Level 2 <sup>i</sup><br>\$'000 | Level 3 <sup>i</sup><br>\$'000 |
| Specialised land  |         | 3,491                        | -  | -                              | 3,491                          |
| <b>Total land at fair value</b>                                 | 4.1(a)  | <b>3,491</b>                 | -  | -                              | <b>3,491</b>                   |
| Specialised buildings   |         | 28,594                       | -  | -                              | 28,594                         |
| <b>Total buildings at fair value</b>                            | 4.1(a)  | <b>28,594</b>                | -  | -                              | <b>28,594</b>                  |
| Plant and equipment   | 4.1(a)  | 1,315                        | -  | -                              | 1,315                          |
| Motor vehicles  | 4.1(a)  | 20                           | -  | 20                             | -                              |
| Computer equipment  | 4.1(a)  | 106                          | -  | -                              | 106                            |
| Furniture and fittings  | 4.1(a)  | 76                           | -  | -                              | 76                             |
| <b>Total plant, equipment, furniture, fittings and vehicles</b> |         | <b>1,517</b>                 | -  | 20                             | <b>1,497</b>                   |
| Right of use assets   | 4.2 (a) | 446                          | -  | -                              | 446                            |
| <b>Total right-of-use assets at fair value</b>                  |         | <b>446</b>                   | -  | -                              | <b>446</b>                     |
| <b>Total non-financial physical assets at fair value</b>        |         | <b>34,048</b>                | -  | 20                             | <b>34,028</b>                  |

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



## **Note 7.4 (a) Fair value measurement hierarchy for assets**

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

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

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

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

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

### **Specialised land and specialised buildings**

Specialised land includes Crown and freehold 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.

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 for buildings and 30 June 2022 for land.

**Vehicles**

The 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 (current replacement cost).

**Furniture, fittings, plant and equipment**

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

There were no changes in valuation techniques throughout the period to 30 June 2023.

#### 7.4 (b) Reconciliation of level 3 fair value measurement

| Total  | Note    | Land<br>\$'000 | Buildings<br>\$'000 | Plant, equipment,<br>vehicles, furniture<br>& fittings<br>\$'000 | Right-of-use<br>motor vehicles<br>\$'000 |
|--|---------|----------------|---------------------|--|--|
| <b>Balance at 1 July 2021</b>                  |         | 2,763          | 26,383              | 1,088  | 234                                      |
| Additions/(Disposals)                          |         | -              | 4,288               | 846  | 296                                      |
| Gains/(Losses) recognised in net result        |         |                |                     |  |  |
| - Depreciation                                 |         | -              | (2,077)             | (254)  | (84)                                     |
| Items recognised in other comprehensive income |         |                |                     |  |  |
| - Revaluation increment/(decrement)            |         | 728            | -                   | -  | -  |
| <b>Balance at 30 June 2022</b>                 | 7.4 (a) | <b>3,491</b>   | <b>28,594</b>       | <b>1,680</b>   | <b>446</b>                               |
| Additions/(Disposals)                          |         | -              | (716)               | 293  | 66                                       |
| Net Transfers between classes                  |         | -              | -                   | -  | -  |
| Gains/(Losses) recognised in net result        |         |                |                     |  |  |
| - Depreciation                                 |         | -              | (1,996)             | (258)  | (84)                                     |
| Items recognised in other comprehensive income |         |                |                     |  |  |
| - Revaluation increment/(decrement)            |         | (610)          | 4,068               | -  | -  |
| <b>Balance at 30 June 2023</b>                 | 7.4 (a) | <b>2,881</b>   | <b>29,950</b>       | <b>1,715</b>   | <b>428</b>                               |

<sup>i</sup> Classified in accordance with the fair value hierarchy, refer Note 7.4

| 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             | Current replacement cost approach | - Cost per square metre<br>- Useful life                 |
| Right-of-use motor vehicles       | Current replacement cost approach | - Cost per unit<br>- Useful life                         |
| Plant and equipment               | Current replacement cost approach | - Cost per unit<br>- Useful life                         |

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

## Note 8: Other disclosures

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

### Structure

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

***8.2 Responsible persons disclosure***

***8.3 Remuneration of executives***

***8.4 Related parties***

***8.5 Remuneration of auditors***

***8.6 Events occurring after the balance sheet date***

***8.7 Jointly arrangements***

***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.

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

|  | Consolidated<br>2023<br>\$'000 | Consolidated<br>2022<br>\$'000 |
|--|--------------------------------|--------------------------------|
| Note   |                                |                                |
| <b>Net result for the year</b>                           | (18)                           | (1,455)                        |
| <b>Non-cash movements:</b>                               |                                |                                |
| (Gain)/Loss on sale or disposal of non-financial assets  | 3.2<br>727                     | (115)                          |
| Depreciation and amortisation of non-current assets      | 4.4<br>2,345                   | 2,383                          |
| Movement in doubtful debt expense                        | 5.1(a)<br>11                   | -                              |
| Share of net results in associates                       | 8.7<br>(23)                    | (1)                            |
| Discount (interest) / expense on loan                    | -                              | 2                              |
| Less cash inflow from investing and financing activities | (126)                          | (32)                           |
| <b>Movements in Assets and Liabilities:</b>              |                                |                                |
| (Increase)/Decrease in receivables and contract assets   | (333)                          | (472)                          |
| (Increase)/Decrease in prepaid expenses                  | 124                            | (63)                           |
| Increase/(Decrease) in payables and contract liabilities | (458)                          | (184)                          |
| Increase/(Decrease) in employee benefits                 | 510                            | 351                            |
| Increase/(Decrease) in other liabilities                 | (1)                            | (8)                            |
| <b>Net cash inflow from operating activities</b>         | <b>2,758</b>                   | <b>406</b>                     |

## Note 8.2 Responsible person disclosures

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

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

|   | Period                   |
|---|--------------------------|
| The Honourable Mary-Anne Thomas MP:               |                          |
| Minister for Health                               | 1 Jul 2022 - 30 Jun 2023 |
| Minister for Health Infrastructure                | 5 Dec 2022 - 30 Jun 2023 |
| Minister for Medical Research                     | 5 Dec 2022 - 30 Jun 2023 |
| Former Minister for Ambulance Services            | 1 Jul 2022 - 5 Dec 2022  |
| The Honourable Gabrielle Williams MP:             |                          |
| Minister for Mental Health                        | 1 Jul 2022 - 30 Jun 2023 |
| Minister for Ambulance Services                   | 5 Dec 2022 - 30 Jun 2023 |
| The Honourable Lizzy Blandthorn MP:               |                          |
| Minister for Disability, Ageing and Carers        | 5 Dec 2022 - 30 Jun 2023 |
| The Honourable Colin Brooks MP:                   |                          |
| Former Minister for Disability, Ageing and Carers | 1 Jul 2022 - 5 Dec 2022  |
| <b>Governing Board</b>                            |                          |
| Mr B. Densem                                      | 1 Jul 2022 - 30 Jun 2023 |
| Mr A. McCosh                                      | 1 Jul 2022 - 30 Jun 2023 |
| Ms S. O'Keeffe                                    | 1 Jul 2022 - 30 Jun 2023 |
| Dr D. Leembruggen                                 | 1 Jul 2022 - 30 Jun 2023 |
| Mr T. Carr  | 1 Jul 2022 - 30 Jun 2023 |
| Mr P. Murphy                                      | 1 Jul 2022 - 25 Apr 2023 |
| Ms G. Toscan                                      | 1 Jul 2022 - 30 Jun 2023 |
| Ms J. Cranham                                     | 1 Jul 2022 - 30 Jun 2023 |
| Ms M. Safe  | 1 Aug 2022 - 30 Jun 2023 |
| <b>Accountable Officers</b>                       |                          |
| Katharina Redford (Chief Executive Officer)       | 1 Jul 2022 - 30 Jun 2023 |

### Remuneration of Responsible Persons

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

#### Income Band

\$0 - \$9,999

\$80,000 - \$89,999

\$130,000 - \$139,999

\$210,000 - \$219,999

#### Total Numbers

| Consolidated<br>2023<br>No | Consolidated<br>2022<br>No |
|----------------------------|----------------------------|
| 9                          | 9                          |
| -                          | 1                          |
| -                          | 1                          |
| 1                          | -                          |
| <b>10</b>                  | <b>11</b>                  |

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

| Consolidated<br>2023<br>\$'000 | Consolidated<br>2022<br>\$'000 |
|--------------------------------|--------------------------------|
| 254                            | 261                            |

Amounts relating the Governing Board Members and Accountable Officer of Moyne Health Service's controlled entities are disclosed in their own financial statements. Amounts relating to Responsible Ministers are reported within the State's Annual Financial Report.

### Note 8.3 Remuneration of executives

#### Remuneration of executive officers

(including Key Management Personnel disclosed in Note 8.4)

Short-term benefits

Post-employment benefits

Other long-term benefits

**Total remuneration<sup>i</sup>**

Total number of executives

Total annualised employee equivalent<sup>ii</sup>

| Total Remuneration |                |
|--------------------|----------------|
| 2023<br>\$'000     | 2022<br>\$'000 |
| 534                | 525            |
| 54                 | 49             |
| 14                 | 17             |
| <b>602</b>         | <b>591</b>     |
| 5                  | 5              |
| 4.0                | 4.0            |

<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.

## Note 8.4 Related Parties

Moynes 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 Moynes 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 Moynes Health Services are deemed to be KMPs.

| Entity                 | KMPs              | Position Title                                   |
|------------------------|-------------------|--|
| Moynes Health Services | Mr B. Densem      | Board Chair                                      |
| Moynes Health Services | Mr A. McCosh      | Board Member                                     |
| Moynes Health Services | Ms S. O'Keefe     | Board Member                                     |
| Moynes Health Services | Dr D. Leembruggen | Board Member                                     |
| Moynes Health Services | Mr T. Carr        | Board Member                                     |
| Moynes Health Services | Ms J. Cranham     | Board Member                                     |
| Moynes Health Services | Ms G. Toscan      | Board Member                                     |
| Moynes Health Services | Mr P. Murphy      | Board Member                                     |
| Moynes Health Services | Ms M Safe         | Board Member                                     |
| Moynes Health Services | Mrs K. Redford    | Chief Executive Officer                          |
| Moynes Health Services | Ms R. Morey       | General Manager People & Culture                 |
| Moynes Health Services | Mr G. Meldrum     | General Manager Support Services                 |
| Moynes Health Services | Dr S. Denney      | General Manager Quality and Risk (to Mar 2023)   |
| Moynes Health Services | Ms J. Crow        | General Manager Quality and Risk (from Mar 2023) |
| Moynes 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 State's Annual Financial Report.

|   | Consolidated<br>2023<br>\$'000 | Consolidated<br>2022<br>\$'000 |
|---|--------------------------------|--------------------------------|
| <b>Compensation - KMPs</b>                |                                |                                |
| Short-term Employee Benefits <sup>i</sup> | 759                            | 758                            |
| Post-employment Benefits                  | 77                             | 72                             |
| Other Long-term Benefits                  | 20                             | 22                             |
| <b>Total<sup>ii</sup></b>                 | <b>856</b>                     | <b>852</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.



## Note 8.4: Related Parties

### Significant transactions with government related entities

Moyne Health Services received funding from the Department of Health of \$8.9 m (2022: \$7.4 m) and indirect contributions of \$0.486 m (2022: \$0.306 m). Balances recallable as at 30 June 2023 are \$0.073 m (2022 \$0.229m).

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 2023 (2022: 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 2023 (2022: none).

## Note 8.5 Remuneration of Auditors

**Victorian Auditor-General's Office**  
Audit of the financial statements  
**Total remuneration of auditors**

| <b>Consolidated</b> | <b>Consolidated</b> |
|---------------------|---------------------|
| <b>2023</b>         | <b>2022</b>         |
| <b>\$'000</b>       | <b>\$'000</b>       |
| 33                  | 32                  |
| <b>33</b>           | <b>32</b>           |

## Note 8.6 Events occurring after the balance sheet date

There are no events occurring after the Balance Sheet date.

## Note 8.7 Joint arrangements

|   | Principal Activity              | Ownership Interest |           |
|---|---------------------------------|--------------------|-----------|
|   |                                 | 2023<br>%          | 2022<br>% |
| South West Alliance of Rural Health (SWARH) | Information Technology Services | 1.95               | 2.45      |

Moyne 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<br>\$'000 | Consolidated<br>\$'000 |
|--------------------------------------|------------------------|------------------------|
| <b>Current assets</b>                |                        |                        |
| Cash and cash equivalents            | 342                    | 522                    |
| Receivables                          | 116                    | 137                    |
| Inventories                          | -                      | 1                      |
| Prepaid expenses                     | 36                     | 38                     |
| <b>Total current assets</b>          | <b>494</b>             | <b>698</b>             |
| <b>Non-current assets</b>            |                        |                        |
| Property, plant and equipment        | 280                    | 184                    |
| <b>Total non-current assets</b>      | <b>280</b>             | <b>184</b>             |
| <b>Total assets</b>                  | <b>774</b>             | <b>882</b>             |
| <b>Current liabilities</b>           |                        |                        |
| Payables                             | 168                    | 236                    |
| Other Liabilities                    | 262                    | 321                    |
| Lease Liability                      | 33                     | 39                     |
| Employee Provisions                  | 52                     | 67                     |
| <b>Total current liabilities</b>     | <b>515</b>             | <b>663</b>             |
| <b>Non-current liabilities</b>       |                        |                        |
| Other Liabilities                    | 2                      | 4                      |
| Lease Liability                      | 62                     | 47                     |
| Employee Provisions                  | 9                      | 5                      |
| <b>Total non-current liabilities</b> | <b>73</b>              | <b>56</b>              |
| <b>Total liabilities</b>             | <b>588</b>             | <b>719</b>             |
| <b>Net assets</b>                    | <b>186</b>             | <b>163</b>             |
| <b>Equity</b>                        |                        |                        |
| Accumulated surplus                  | 186                    | 163                    |
| <b>Total equity</b>                  | <b>186</b>             | <b>163</b>             |

## Note 8.7 Joint arrangements

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

|   | Consolidated<br>\$'000 | Consolidated<br>\$'000 |
|---|------------------------|------------------------|
| <b>Revenue</b>                            |                        |                        |
| Operating Activities                      | 391                    | 456                    |
| Non Operating Activities                  | -                      | 35                     |
| Capital Purpose Income                    | 62                     | 4                      |
| <b>Total revenue</b>                      | <b>453</b>             | <b>495</b>             |
| <b>Expenses</b>                           |                        |                        |
| Employee Benefits                         | 206                    | 227                    |
| Other Expenses from Continuing Operations | 175                    | 207                    |
| Finance Lease Charges                     | 1                      | 1                      |
| Depreciation                              | 47                     | 57                     |
| <b>Total expenses</b>                     | <b>429</b>             | <b>492</b>             |
| <b>Other economic flows</b>               |                        |                        |
| Revaluation of Long Service Leave         | (1)                    | (2)                    |
| <b>Net result</b>                         | <b>23</b>              | <b>1</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<br>Incorporation | Ownership Interest % | Equity Holding |
|---|-----------------------------|----------------------|----------------|
| Woody's Murray 2 Moyne Cycle Relay Inc. | Australia                   | 100%                 | 100%           |

### Controlled entities contribution to the consolidated results:

|   | 2023<br>\$'000 | 2022<br>\$'000 |
|---|----------------|----------------|
| Woody's Murray 2 Moyne Cycle Relay Inc. | (6)            | (29)           |

The net result for the year includes a contribution of \$30K (2022 \$70K) to the parent entity Moyne Health Services.

### Contingent liabilities and capital commitments

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

## **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.



[moynehealth.vic.gov.au](http://moynehealth.vic.gov.au)

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