GV Health

ANNUAL REPORT
2017/18

OUR VISION

Healthy communities

OUR MISSION

Goulburn Valley Health will:

- provide the highest quality care and service in prevention, diagnosis and treatment of injury, disease and other clinical conditions;
- support integrated healthcare;
- drive innovation in healthcare provision;
- work in partnership with others to promote healthy communities;
- provide leadership in healthcare to the region;
- provide opportunities for teaching, training and research in healthcare;
- attract healthcare professionals as an employer of choice.

OUR VALUES

COMPASSION

We are caring and considerate in our dealings with others.

RESPECT

We acknowledge, value, and protect the diversity of beliefs, and support the rights of others in delivering health services.

EXCELLENCE

We act with professionalism to bring the highest quality of care to meet the needs of our patients.

ACCOUNTABILITY

We will be responsible for the care and patient outcomes provided by GV Health, and the consequences of our actions.

TEAMWORK

We work constructively and collaboratively within GV Health as well as with external partners to deliver integrated care to our patients.

ETHICAL BEHAVIOUR

We act with integrity, professionalism, transparency, honesty and fairness to earn the trust of those we care for.

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CEO REPORT

MATT SHARP
INTERIM CEO

I am pleased to present the Annual Report for 2017–18, which reflects the outstanding achievements of GV Health during the year.

HIGH QUALITY SERVICES

All of our services are accredited to the highest standards and we continue to strive for excellence in healthcare and safety. GV Health has enhanced a number of services to respond to patient needs.

This year we commenced the Rapid Access Planning Unit on the Medical Ward at the Shepparton campus to enhance care, improve patient flow across the hospital, reduce hospital stays and improve wait times for patients transferring from the Emergency Department.

GV Health joined forces with 18 other health services and launched 'Community Interlink' in February 2018, to provide locally governed Home Care Package coordination from their local health service. This enables people to remain in their own home, with services such as domestic support, transport, personal care, allied health, medication management, home nursing, and social outings.

We have continued to provide a range of quality services and improvements across all areas including mental health, dental, maternity services, allied health, Emergency Department, children's services, oncology and aged care.

ACKNOWLEDGING OUR STAFF AND VOLUNTEERS

GV Health is an employer of choice and we are one of the largest employers in the region with more than 2,200 staff. We are focused on maintaining a positive organisational culture and providing employees with opportunities for development. This year we developed a Recruitment and Retention Strategy to further enhance our capabilities.

We are also proud to be an organisation focused on training staff through our education partnerships and graduate positions. A total of 32 Medical Graduates and 35 Graduate Nurses commenced work with us this year.

GV Health recognised staff for their years of service at the Annual Service Recognition Awards in 2017, with employees achieving the milestones 10, 15, 20, 25, 30, 35 and 40 years of service.

Several GV Health staff were recognised at the Annual General Meeting with the following awards for their excellence in service delivery:

- Nurse Kate Threlfall – *Board Chair Award for Excellence in Customer Service*
- Midwife Alison Marsh – *CEO Award for Living the Values*
- Physiotherapist Sian Hudson – *Patient Centred Care Award*
- Glycaemic Gazette Newsletter's Barbara Kitto and Gloria Kilmartin – *Consumer Participation in Quality Improvement Award.*

I would like to take this opportunity to thank our staff, who continually strive to provide excellent patient care.

Our volunteer team also continues to provide valuable services each day across all of our campuses. I would like to thank our 48 volunteers for their dedication to the organisation and for enhancing the experiences of patients and visitors each day. We appreciate the work that you do and the generous time you donate to the community.

I also thank each member of the Board for your commitment and leadership at GV Health.

I look forward to an exciting year ahead working in close partnership with our community, Board, Executive Team and staff to deliver great outcomes.

FINANCE AND PERFORMANCE

I am pleased to report that we are in a strong financial position and continue to perform well across all areas of service delivery, despite increasing demand, cost increases and infrastructure challenges.

REDEVELOPMENT PROJECTS

The redevelopment of GV Health's Graham Street, Shepparton campus is taking shape with works now underway, following extensive planning, preparation, and community and staff consultation. Preparation works have begun on the Emergency Department which will expand the facility to double the current capacity. The redevelopment will also include new and expanded operating theatres, surgical ward, intensive care unit, kitchen, imaging, dialysis unit, and women's and children's precinct. The project is due for completion in 2020.

A Master Plan for the Graham Street, Shepparton site and feasibility study for a comprehensive cancer centre is underway and will be completed by the end of 2018.

The Waranga campus redevelopment will result in a significant improvement in facilities at Rushworth by co-locating the Waranga Memorial Hospital, Waranga Community Health, Waranga Nursing Home and Waranga Aged Care Hostel into one campus at High Street, Rushworth. This will result in consolidated, integrated and greatly improved facilities to broaden and enhance services for the community and catchment. Construction has commenced and the first stage of works was completed in July 2018. Further stages are due for completion mid-2019.

This is a very exciting time for GV Health. The new facilities are much awaited and will help to meet the growing needs of the community.

MATT SHARP
Interim CEO

CHAIR REPORT

REBECCA WOOLSTENCROFT
BOARD CHAIR

This year has been a significant year for GV Health with work commencing on the $169.5 million Graham Street, Shepparton redevelopment as well as the Waranga campus redevelopment.

The redevelopment projects mean more beds, state of the art facilities and equipment, increased capability, new employment opportunities and better health outcomes for local communities. The projects are well underway and on schedule.

We look forward to delivering exceptional facilities and ensuring that more people will be able to access the high quality healthcare they need close to home.

I am pleased to see work progressing on the development of the next stage of GV Health's Master Plan, and a feasibility study underway on a Cancer Centre in Shepparton, which would enable people to access more services locally.

Strategic planning for our future is underway. GV Health has been working with Cube Group to develop a new five year Strategic Plan for 2019–2023, in consultation with the community and staff. A draft of our strategic outcomes and priorities has now been developed. The new plan will outline the direction for future service delivery.

The $1.64 million expansion of the Wanyarra Mental Health Unit was completed and officially opened this year. The refurbishment was funded through State Government grants, with upgrades including reconfigured spaces, new entrance and reception, expanded facilities, a female wing with a separate lounge to improve gender safety, a new secure courtyard and sensory area. The design allows for improvement in workflow, patient privacy and comfort.

GV Health is partnering with a range of other organisations and health services to enhance service delivery including a surgery program, urgent care centre project, telehealth, education/training, community interlink services, drug and alcohol services, mental health and cancer services.

A Community Engagement Plan was developed in 2018, which focuses on enhancing engagement with consumers and our community to create better healthcare. The plan includes actions that will improve communications and recognises that participation in the provision of healthcare extends beyond consultation. It requires decision making, problem solving, service planning and service delivery to be shared with the community.

The financial result for the 2017–18 year for GV Health is an operating surplus of $0.05m (net result before capital and specific items).

GV Health hosted its second annual research fair on October 19 and 20 at Shepparton's Eastbank Centre. The event titled "Health Research in the Bush" covered a diverse range of topics and themes related to rural and regional health and healthcare. It provided attendees with an overview of the diverse and inspirational research projects being undertaken in the region, and other exceptional studies, programs and findings from researchers, academics and clinicians across Victoria.

GV Health continued to receive generous support from the GV Health Foundation, donors, auxiliaries, local community organisations and individuals who provided funding or undertook fundraising activities to support those in need at the hospital. We thank you for your valued contributions.

At our Annual General Meeting we were delighted to acknowledge the outstanding efforts of prominent obstetrician gynaecologist Dr John Hetherington and Board contributor Mr Graham Hill OAM, who received a Companion of GV Health Award. Both Dr Hetherington and Mr Hill are former presidents of the Committee of Management, now known as the Board of Directors.

I would like to take this opportunity to thank staff, who continually strive to provide excellent patient care, and our volunteers, who generously donate their valuable time to assist GV Health and the community.

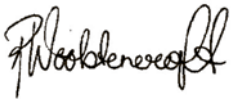
I wish to recognise the contribution of GV Health's former CEO, Trevor Saunders, who led the organisation over the past 18 months and delivered a range of service improvements during his leadership.

I also welcome our Interim CEO, Matt Sharp, who brings significant executive leadership experience having worked in a range of rural, regional and metropolitan health services. Matt has had an outstanding and diverse career in healthcare, having worked at Eastern Health, Rochester and Elmore District Health Service, and Echuca Regional Health in executive and CEO positions.

This year we welcomed new Board Directors Trevor Carr and Michael Tehan. After three years and just over two years respectively, Dr Roger Coates and Natalie Goodall completed their terms as directors. On behalf of the Board and all at GV Health, I would like to thank both Roger and Natalie for their contributions to the Board and wish them well in the future.

I would like to thank all Board Directors for your commitment to the organisation, leadership and expert advice. It has been a pleasure working together with you all as a cohesive team.

GV Health is positioned well for further success in the year ahead and I look forward to sharing these outcomes with the communities across GV Health's catchment.

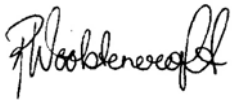


REBECCA WOOLSTENCROFT
Board Chair

INTRODUCTION

RESPONSIBLE BODIES DECLARATION

In accordance with the Financial Management Act 1994, I am pleased to present the Report of Operations for Goulburn Valley Health, for the year ended 30 June 2018.



REBECCA WOOLSTENCROFT
Chair - Board of Directors
13 August 2018

RELEVANT MINISTERS

The responsible Ministers during the reporting period were:

The Honourable Jill Hennessy MP, Minister for Health and Human Services, Minister for Ambulance Services.

The Honourable Martin Foley MP, Minister for Housing, Disability and Ageing, Minister for Mental Health.

REPORT OF OPERATIONS

GV Health reports on its annual performance in two separate documents each year.

This annual report fulfils the statutory reporting requirements for government by way of an Annual Report, and the Quality of Care Report reports on quality, risk management and performance improvement matters.

Both documents are presented at the Annual General Meeting and then made available to the community.

GV Health is a designated Public Health Service under the Health Services Act 1988 and is the main referral health service for people in the Goulburn Valley.

The purpose, functions, powers and duties of GV Health are described in the Operations Practices and By-laws of the organisation.

NATURE AND RANGE OF SERVICES

GV Health is a multi campus health service, providing a broad range of hospital and community-based health services throughout the Goulburn Valley.

The main campus is located at Graham Street, Shepparton, providing emergency services, intensive care, outpatients, medical, surgical, paediatric, obstetric, dental, palliative, oncology, mental health, aged care, rehabilitation, medical imaging, pathology, pharmacy and related allied health and community healthcare services.

A community health facility in Corio Street, Shepparton provides a range of wellbeing programs aimed at preventative and community based care.

The Tatura campus includes the Tatura Hospital and Parkvilla Aged Care residential facility.

The Rushworth campus includes Waranga Memorial Hospital, Waranga Nursing Home, Waranga Community Health and Waranga Aged Care Hostel.

Total number of beds	2015/16	2016/17	2017/18
All acute (includes Shepparton, Tatura and Waranga)	180	180	185
Acute (Shepparton campus only)	160	160	165
Aged Care Residential	77	77	77
Mental Health - Acute Mental Health - Community	20	20	20
Based Beds (PARC & SRRP)	20	20	20
Sub-acute	48	48	48

BOARD DIRECTORS

GV HEALTH BOARD OF DIRECTORS

Rebecca Woolstencroft (Chair)

Dr Richard King

Trevor Carr

Jo Breen

Natalie Goodall

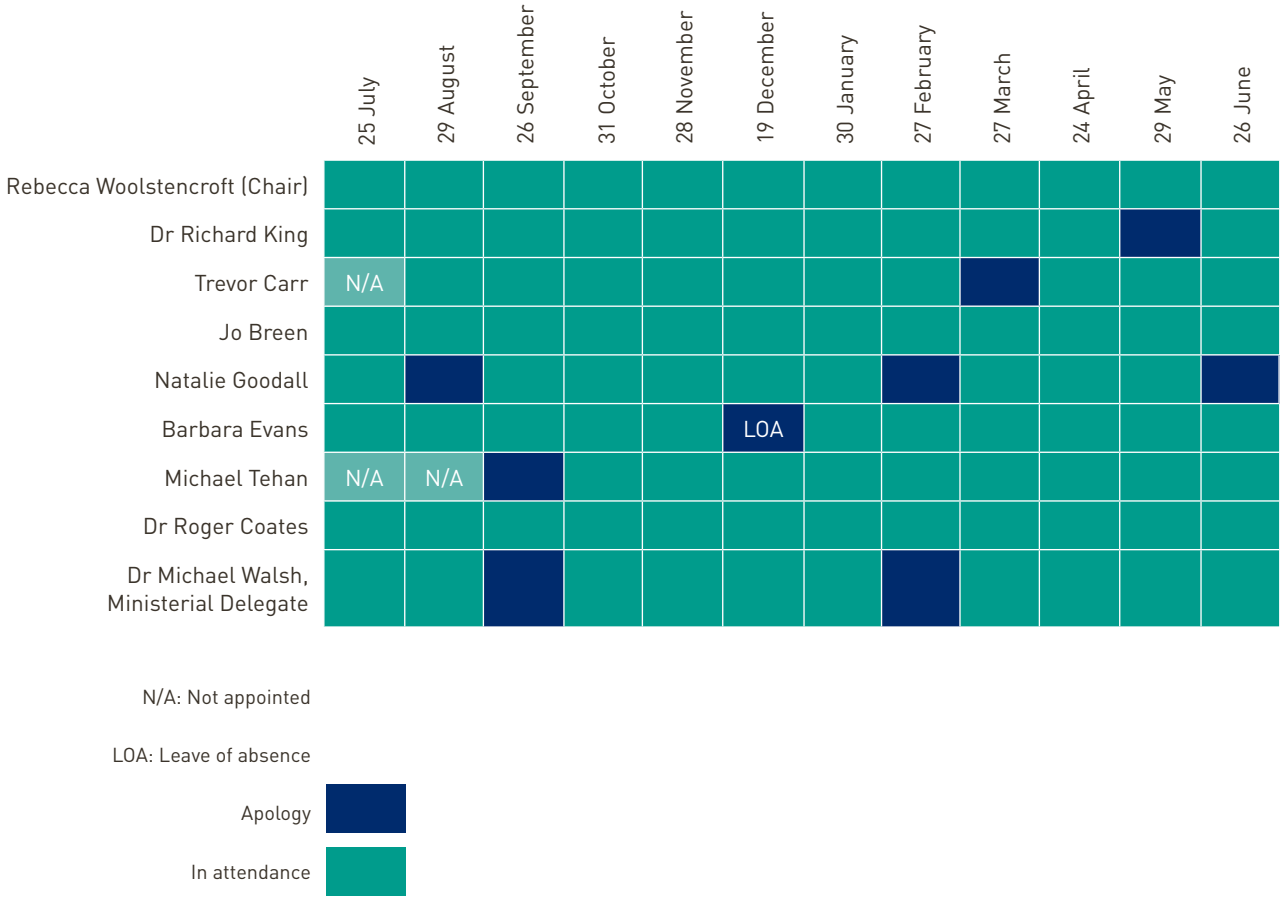
Barbara Evans

Michael Tehan

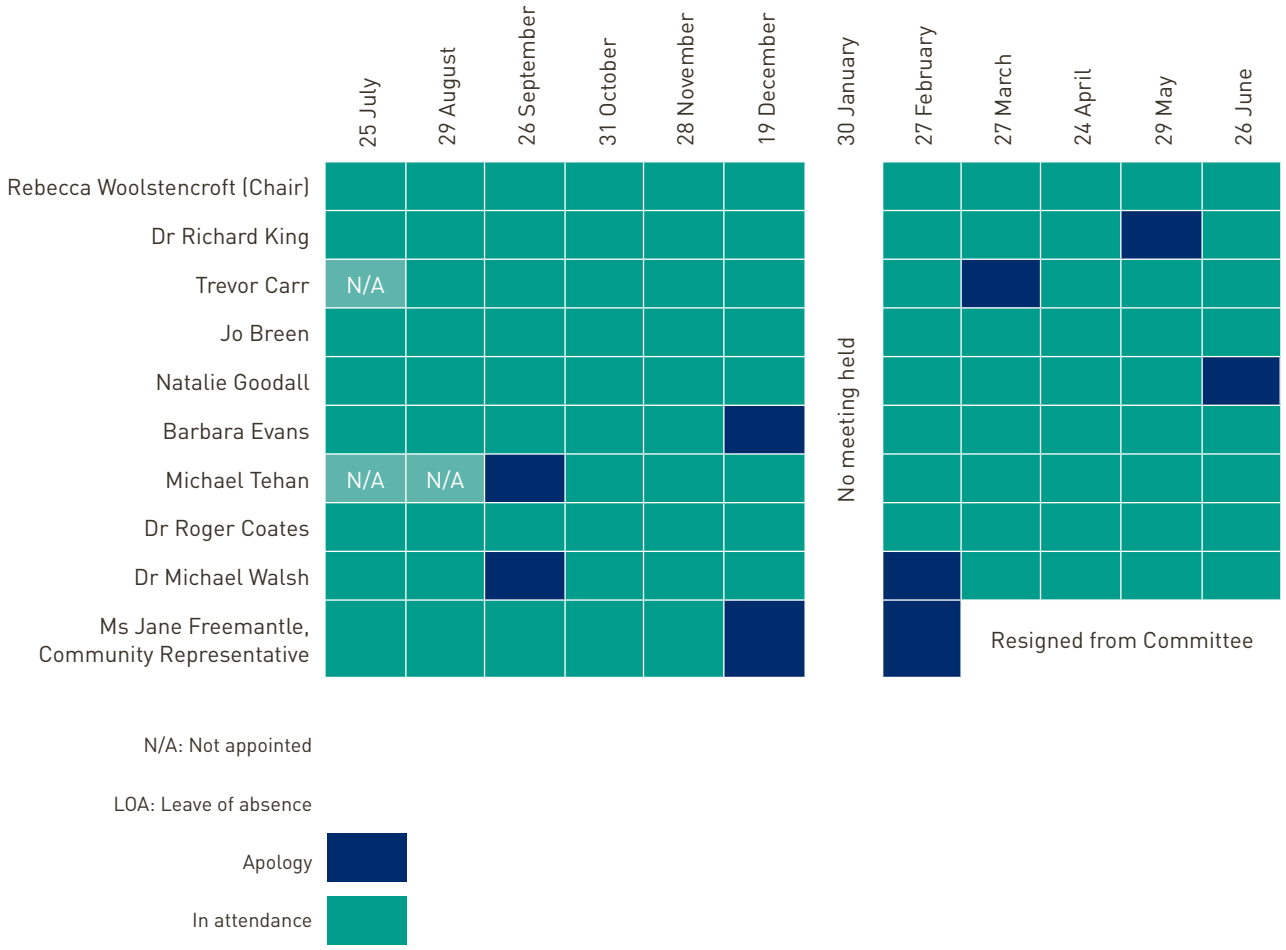
Dr Roger Coates

Dr Michael Walsh, Ministerial Delegate

GV HEALTH BOARD ATTENDANCE



GV HEALTH QUALITY COMMITTEE ATTENDANCE



SENIOR OFFICERS

MATT SHARP

INTERIM CEO

B. Nursing (Hons), Post Grad Dip (Critical Care Nursing), Masters of Business, GAICD, FACHSM

As Interim CEO of GV Health, Matt Sharp leads one of the main health services in the Hume region of Victoria, with more than 2,200 employees and multiple campuses. He is passionate about public health and takes pride in being able to improve the safety, quality and access to healthcare at both an individual or organisational level.

Mr Sharp joined GV Health from Eastern Health in Melbourne, where he held the position of Executive Director of Clinical Operations for over four years. He has a clinical background in nursing and has held various management and executive positions in rural, regional and metropolitan health services. Mr Sharp understands the opportunities and challenges that come with working in a regional health service, having worked at Rochester and Elmore District Health Service, initially as the Director Clinical Services before holding the CEO position for three years. He has also held an executive role at Echuca Regional Health.

Mr Sharp is excited to lead GV Health in an interim capacity through this important time in the health service's history, and is committed to continually improving the quality of care and services provided to patients, clients and residents.

Mr Sharp joined GV Health in June 2018.

Trevor Saunders was Chief Executive Officer of GV Health from February 2017 to June 2018.

RICK GAROTTI

CHIEF FINANCE OFFICER

CPA, Dip Chartered Accounting, B Commerce

As Chief Finance Officer, Rick Garotti is responsible for the finances of the health service, including financial planning, budgeting and reporting, risk management, record keeping and revenue services. Mr Garotti oversees the finance, revenue services, payroll, information and communication technology and health information management portfolios and is the responsible executive for the Finance and Infrastructure, and Audit and Risk Board Committees.

Outside of GV Health, Mr Garotti serves as the Grimshaw Ward Councillor on the Banyule City Council. Mr Garotti is the senior Council representative on the Audit and Risk Committee and the Chair of the Finance and Corporate Services Portfolio.

Prior to joining GV Health, Mr Garotti held a range of senior finance roles across the public and private sectors. Most recently he was the Director Corporate Finance at Northern Health with responsibility for financial management governance, budget control, and financial and commercial analysis and reporting. Prior to this Mr Garotti was an Associate Director in global accounting firm KPMG.

Mr Garotti has professional qualifications in accounting, finance and economics and brings a strong understanding of the workings of government through previous roles in the Department of the Prime Minister and Cabinet and the Office of the Victorian Government Whip.

Mr Garotti joined GV Health in March 2018.

Sam Costanzo previously managed the finance portfolio in his role as Executive Director Business and Resources.

DR NADARAJAH RAMESH

CHIEF MEDICAL OFFICER

FRCS (Glas), FRCS (A&E) (Edn), FCEM, FRACMA, MHA (UNSW)

Dr Nadarajah Ramesh is the Chief Medical Officer and joined GV Health in May 2017 from the Hawkesbury District Health Service in Sydney, having worked in the United Kingdom, American Hospital in the Gulf, and Sydney for the past 15 years.

Dr Ramesh worked in a dual directorship as the Director of Emergency and Medical Services and has been instrumental in successfully pioneering Hawkesbury District Health Service's public-private partnership model with the New South Wales Government for the Nepean Blue Mountains Local Health District.

His previous work commitment to providing quality healthcare services for the local community contributed to Hawkesbury District Health Service evolving from a rural hospital to a well-respected teaching district hospital. Dr Ramesh has also directed the transfer of myocardial infarct patients to Westmead Hospital for stenting, overseen the introduction of the Hawkesbury After Hours General Practitioner Clinic and an At Home General Practitioner service and overseen the implementation of a mental health nurse consultant in the Emergency Department. He also presided over the establishment of a Model Rehabilitation Team, supporting improved health outcomes for patients. In addition, he was involved in developing models of care projects for Western Australia Country Health Service.

ALISON PATRICK

CHIEF NURSE AND MIDWIFERY OFFICER

RN, Bachelor Health Science, RM, MACHSM, MACN, MBA (CSU)

Alison Patrick is the Chief Nurse and Midwifery Officer. Ms Patrick grew up and attended school in Echuca before general nurse training at Royal Melbourne Hospital, and midwifery training at Bendigo Base Hospital.

Ms Patrick has a Bachelor of Health Science (Nursing), Masters in Business Administration and a professional certificate in Health Systems Management. She has worked at a number of Victorian health services including Peninsula Private and Peninsula Health (Frankston Hospital), Royal Women's Hospital and St Vincent's Private before relocating to New South Wales with her family in 2003.

In New South Wales, Ms Patrick worked at Wagga Base Hospital in a range of roles before being appointed as Deputy Area Director of Nursing and Midwifery (DONM) for Greater Southern Area Health Service. After three years, the family relocated back to Melbourne and Ms Patrick moved to Eastern Health undertaking a range of roles including site DONM for Angliss, Program Director for Emergency, General Medicine and Critical Care, Site Manager for Angliss and acting Executive DONM.

In 2010, Ms Patrick moved to Mercy Hospital for Women (MHW) as DONM then in 2012 was appointed as the Executive DONM for Mercy Public Hospitals. This role included MHW Werribee, Mercy Hospital and a range of smaller facilities. She also led the electronic medical record project and redevelopment for WMH before being appointed to the Chief Nurse and Midwifery Officer role at GV Health in 2017.

DONNA SHERRINGHAM

EXECUTIVE DIRECTOR, CLINICAL OPERATIONS

RN, Dip App Sci, B Nursing, MHA, FACSHM

As Executive Director Clinical Operations, Ms Sherringham leads all aspects of clinical operations at GV Health, incorporating medical, surgical, critical care, women's and children's, pathology, pharmacy and radiology.

As a member of the Executive Management Team, Ms Sherringham plays a key role in guiding GV Health's delivery of care and future direction. Her role involves developing and implementing clinical strategy to support the provision of high quality care and treatment.

Ms Sherringham is passionate about the delivery of healthcare in regional communities, having grown up in country New South Wales. She commenced her career as a Division 1 nurse at Westmead Hospital, Sydney, before holding several nursing positions at hospitals in Melbourne. Ms Sherringham earned a Bachelor of Nursing from Monash University and later graduated with a Diploma of Applied Science from Mitchell College of Advanced Education in Bathurst.

Ms Sherringham made the transition to work in rural health at Echuca Regional Health from 2004 to 2008. From 2008 to 2013, she served as Director of Nursing and Manager of Clinical Operations of Medicine and Critical Care at Bendigo Health. Ms Sherringham possesses a Master of Health Services Administration from Monash University and is a Fellow of the Australian College of Health Service Executives. Ms Sherringham joined the GV Health team in early 2013 as Executive Director Clinical Operations. She is a representative on the Health Minister's State Trauma Committee.

JOSHUA FREEMAN

EXECUTIVE DIRECTOR COMMUNITY CARE, EXECUTIVE DIRECTOR MENTAL HEALTH (INTERIM)

BPharm, PGCertPharm (Otago), MBA (UniSA), GAICD, FIML, MPS, MSHP

Joshua Freeman is the Executive Director of Community Care and Interim Executive Director Mental Health. He has a background in public and not for profit leadership roles. Mr Freeman holds a Master of Business Administration degree through the University of South Australia. Having trained as a pharmacist he also holds a Bachelor of Pharmacy and Post Graduate Certificate in Pharmacy qualifications, both from the University of Otago (New Zealand).

He has held leadership positions in pharmacy and allied health in New Zealand and Australia. Mr Freeman has an understanding of governance structures in large organisations, after serving as a member of the University of Otago Senate and Health Sciences Divisional Board. He also provided leadership as Board Chair of a regional sporting authority in New Zealand. Mr Freeman is passionate about transformational leadership and has interests in organisational culture.

Mr Freeman is a Graduate of the Australian Institute of Company Directors, a Fellow of the Australian Institute of Managers and Leaders, has finished the Queensland Health Emerging Clinical Leaders Program and was selected to attend the 2015 European Summer School for Advanced Management through Loughborough University in the United Kingdom.

SENIOR OFFICERS

GAYLE SAMMUT

CHIEF ALLIED HEALTH OFFICER AND DIRECTOR AMBULATORY CARE DIVISION

Chief Allied Health Officer and Director Ambulatory Care, DipPhys, DipFrontlineMgt, DipProjMgt, GradCert(Health Systems Mgt), MAPA

Gayle Sammut is the Chief Allied Health Officer and Director Ambulatory Care Division.

Ms Sammut began her career as a physiotherapist at The Sydney Hospital in New South Wales where she undertook a graduate internship year, after gaining her qualification. At the time, this involved a four month rotation in Broken Hill in far western New South Wales. Since then, Ms Sammut has gained extensive experience working in rural, remote and regional areas of New South Wales, Victoria and Queensland where she has held a range of clinical and leadership roles in acute, ambulatory, community and aged care services in the public, private and not for profit sectors.

Ms Sammut's interest in rural health and a love of travel led her to take up a permanent position in Broken Hill where her skills as a clinical physiotherapist were consolidated, before pursuing physiotherapy management and allied health leadership roles at Mildura Base Hospital in north west Victoria.

Ms Sammut then worked in an executive management position with a non-government aged and community care provider on the Gold Coast, before relocating to Shepparton in 2005 to take up a newly created allied health leadership position with GV Health. Since this time, Ms Sammut has developed the Director of Allied Health role at GV Health, prior to taking up the Chief Allied Health Officer role in 2017. This position is managed concurrently with the Director Ambulatory Care Division.

Ms Sammut, who has worked in health management for many years, has post graduate management qualifications and recently completed the University of Melbourne's Professional Certificate in Health Systems Management. During her career, Ms Sammut has taken a specific interest in developing the allied health assistant workforce, and allied health educator and leadership roles in rural public health.

A passion for developing allied health professionals in rural and regional areas was piqued after attending the inaugural National Allied Health conference in the early 1990s. Ms Sammut is a current executive member of the Victorian Allied Health Leaders Council, a member of the Ovens, Murray-Goulburn Allied Health Leaders Council and a current member of the Australian Physiotherapy Association.

DR RAVI BHAT

DIVISIONAL CLINICAL DIRECTOR, GV AREA MENTAL HEALTH SERVICE

MBBS, DPM, MD, FRANZCP, Cert Adv Tr POA

Dr Ravi Bhat is the Divisional Clinical Director, GV Area Mental Health Service. He is also Associate Professor of Psychiatry with the Department of Rural Health, Melbourne Medical School, The University of Melbourne.

Dr Bhat graduated in medicine from India and completed his specialist training in psychiatry in India from Christian Medical College, Vellore and Central Institute of Psychiatry, Ranchi.

Dr Bhat moved to Australia to take up a position as consultant psychiatrist with Goulburn Valley Health in 1999. He became a Fellow of the Royal Australian and New Zealand College of Psychiatrists (RANZCP) in 2002. He completed the RANZCP Advanced Training in Psychiatry of Old Age in 2005. His research interests are delirium in older adults, suicide and mental health service delivery in rural and regional areas.

Dr Bhat has published nearly 40 articles and papers in peer-reviewed journals and books. He has been member of Victorian statewide and national committees; most recently he was member of the Mental Health Expert Taskforce in Victoria and the Topic Working Group, Delirium Clinical Care Standard of the Australian Commission on Safety and Quality in Healthcare.

DR ARUP BHATTACHARYA

DIVISIONAL CLINICAL DIRECTOR OF MEDICINE

MBBS, MRCP(UK), FRCP, FRACP

Dr Arup Bhattacharya is the Divisional Clinical Director of Medicine. He graduated in Medicine from India and completed his postgraduate studies in the United Kingdom. He obtained the Membership of the Royal College of Physicians (United Kingdom) and went on to be a Consultant Physician and Geriatrician in South Yorkshire, United Kingdom.

Dr Bhattacharya had developed a subspecialty interest in Movement Disorders, particularly Parkinson's Disease and became a graduate of the Parkinson's Masterclass.

Dr Bhattacharya moved with his family from the United Kingdom to Shepparton, Australia in 2011 and started working at GV Health. He gained the Fellowship of the Royal Australasian College of Physicians (RACP) in 2012 and

also holds the Fellowship of the Royal Colleges of London, Edinburgh and Glasgow. He was an honorary Senior Lecturer in the University of Sheffield (2010) and has continued to teach medical students of the University of Melbourne with excellent feedback from students.

In Shepparton, Dr Bhattacharya has set up a regional Movement Disorder service which cares for about 300 patients in the Goulburn Valley. This service provides comprehensive care for Parkinson's sufferers including advanced therapies for Parkinson's Disease. Dr Bhattacharya also runs a regional Cognitive, Dementia and Memory Service with other health professionals.

Dr Bhattacharya is a member of the Movement Disorder Society of Australia and New Zealand and is a Fellowship examiner of the Adult Medicine Division of the RACP. Dr Bhattacharya won the Victorian Rural Health award for outstanding contribution (Medical Specialist Award) in 2017. Arup has given several invited lectures for Parkinson's Victoria.

Dr Bhattacharya has been a Divisional Clinical Director of Medicine since 2013. He continues to have a keen interest in development of medical services in regional Victoria and is a proud member of the Shepparton community.

DR MARK HARRIS

CHIEF MEDICAL INFORMATION OFFICER

MBBS FRACP

Dr Mark Harris is the Chief Medical Information Officer. Dr Harris underwent his medical training at the University of Melbourne and completed his internship with The Royal Melbourne Hospital. He then went on to complete four years of additional medical training in the UK and, upon returning to Australia, gained employment with GV Health. Dr Harris marks his 25th year with GV Health this year, after joining the health service as a locum in 1993 and later being appointed as a permanent General Physician. During his time here, he has become a well-respected respiratory specialist as well as playing a pivotal role in the clinical information technology system development and the GV Health clinical informatics. Dr Harris also developed and established the respiratory services available today and developed outreach, sleep-NIB program and the lung function testing services.

KELLIE THOMPSON

DIRECTOR OF QUALITY AND CLINICAL SERVICE PLANNING

MQS (Master Quality Services – Health and Safety) RN, B.HlthSc (Nursing), MACN, Grad Dip Gerontic Nursing, Dip Management, Grad Cert Health Systems Management

Kellie Thompson is the Director of Quality and Clinical Service Planning. Ms Thompson joined GV Health in 1999 as the Aged Care Quality Manager, bringing with her extensive experience in quality and as a member of the Aged Care Accreditation agency. She has held various senior positions across GV Health in mental health, occupational health and safety, disaster management, education and quality. Ms Thompson has a nursing background and is a member of Australian College of Nursing.

Ms Thompson has built upon her early career in quality to become the Director of Quality and Clinical Service Planning, managing all the quality functions across the organisation. The clinical service planning function is particularly relevant to the redevelopment of GV Health over the next three years.

SANDY CHAMBERLIN

EXECUTIVE DIRECTOR OF INFRASTRUCTURE AND BUSINESS SERVICES, CHIEF PROCUREMENT OFFICER

MBA, Grad Dip Bus Admin, Grad Dip Ultrasonography, BApSc (Medical Imaging)

Sandy Chamberlin is the Executive Director of Infrastructure and Business Services and has more than 30 years' experience in the healthcare industry. She is passionate about regional healthcare, having lived and worked in regional Victoria for 18 of the past 21 years.

Her current role incorporates infrastructure, biomedical engineering, redevelopment, emergency management responsibilities and other projects.

Prior to her appointment at GV Health, Ms Chamberlin was a group director in the Epworth team. This wide ranging leadership role involved membership of the Epworth group strategic workforce committee, chairing the group Radiation Safety Committee and completing a strategic group project on 'Hospital in the Home'. While in this role, she was also a member of Epworth's workforce recruitment and retention project team, and was a member of the Richmond and Epworth commissioning teams.

Ms Chamberlin also spent eight years as General Manager for Bendigo Radiology, overseeing the operation of sites from Robinvale to Portland. She holds a Master of Business Administration, post graduate ultrasound and medical imaging undergraduate qualifications as well as certificates in project management.

Board appointments have included Central Victorian Medical Recruitment Taskforce and Women's Health Loddon Mallee. Ms Chamberlin is always an active member of the community she lives in.

STACEY WEEKS

EXECUTIVE DIRECTOR WORKFORCE

BBus, Grad Cert IR

Stacey Weeks is the Executive Director of Workforce and attended La Trobe University in Bendigo where she earned a Bachelor of Business Majoring in Human Resources. Ms Weeks then completed a Graduate Certificate in Industrial Relations at Charles Sturt University in 2012.

Ms Weeks starter her career in Human Resources at Kyabram Health in 2001, then in November 2001 commenced at GV Health as an Assistant Human Resources Officer and during her time at GV Health has held various positions within the Human Resources function, including employee/industrial relations, recruitment and management roles.

Ms Weeks was appointed as Executive Director Workforce in October 2017 and is responsible for the functions ranging from employee relations, organisational development, employment services and medical workforce.

Her professional affiliations over the years have included the Industrial Relations Society of Victoria and the Australian Human Resources Institute.

Ms Weeks is passionate about attracting and retaining quality staff, ensuring GV Health is an employer of choice and enhancing the capability of managers and the broader workforce to assist with future growth strategic objectives.

DIRECTORATE REPORTS

CLINICAL OPERATIONS

The Clinical Operations Directorate had a number of key achievements during the year, including the following:

- The expansion of the surgical program at small rural health services, with over 1000 patients treated both at GV Health and through partnerships with other hospitals in the region.
- Building the workforce to meet increasing demand and to prepare for the increased services and facilities generated through the redevelopment project. Key appointments have occurred in the following specialities: nephrologist, anaesthetics, medical, Emergency Department, oncology and general surgery positions.
- The specialist clinics waiting time was reduced significantly through enhanced processes and patient flow improvements, ensuring that patients have quicker access to specialist review.
- The Rapid Access Planning Unit (RAPU) opened, which ensures patients are seen by the multidisciplinary team within 12 hours of admission.
- The bed capacity was expanded in the medical and surgical wards.
- The Health Assistant in Nursing program was expanded.

CHIEF MEDICAL OFFICER

This year, GV Health strengthened the clinical governance framework to enhance safety, quality and patient experience through education programs for senior doctors which included supervision modules running in conjunction with the University of Melbourne Rural Clinical School.

The Emergency Department was funded to run the emergency medicine education training program by the Australian College for Emergency Medicine. This improved emergency care to our community. This program included evidence based practice guidelines, case discussions, patient stories, and morbidity and mortality.

GV Health is pleased to lay the foundation of education and training for interns, Postgraduate Year 2 and Postgraduate Year 3 by offering them employment in critical care areas and laying foundation for future rotations within Goulburn Valley among regional hospitals.

Strengthening our research and ethics governance including quality improvement projects has been given priority to enhance evidence based practice and addressing any gaps in the current care process.

GV Health successfully participated in the postgraduate education accreditation program including anesthesia and mental health. It was a good year with 100% of all mental health trainees passing the fellowship examination after being trained at GV Health. Two of the trainees in Orthopaedics completed their final fellowship exams.

Looking ahead, GV Health is working on recruiting senior medical staff and mid-level medical staff on a permanent basis to our Emergency Department and in the Department of Medicine. GV Health is achieving success in recruitment compared to prior years.

This year, GV Health saw the introduction of special services in the area of Foetal Alcohol Spectrum Disorder (FASD) and RAPU to improve patient access and experience.

CHIEF NURSE AND MIDWIFERY OFFICER

The Chief Nurse and Midwifery Office has had a number of changes in the past 12 months, including the appointment of a new Chief Nurse and Midwifery Officer, Alison Patrick, in September 2017.

Since this appointment, the focus has been on re-establishing and developing a number of governance and communication structures to better support the nurses and midwives at GV Health. These have included the senior Nursing and Midwifery Executive Group, Monthly communication forums for all Nursing and Midwifery staff, and Nurse Practitioner and Clinical Nurse Midwife Specialist steering groups. These structures assist GV Health's nurses and midwives to access information and support around current nursing and midwifery news, issues and professional development opportunities.

The other focus of the Chief Nurse and Midwifery Office has been recruitment, retention and workforce planning to ensure GV Health is prepared for the building expansion planned to open in 2021. Working closely with the Director of Nursing and Midwifery Education, Ms Cathy Scott, this work has included increasing the number of nursing and midwifery student placements at GV Health, increasing both graduate and post graduate positions in areas with substantial need such as critical care, emergency, perioperative and maternity services, developing an enrolled nurse graduate program and increasing the number of health assistants in nursing. This work is in addition to the ongoing education and support provided for existing nursing and midwifery staff in routine refreshing of clinical skills, emergency response training and clinical leadership.

The Shepparton launch of Community Interlink in February 2018.

COMMUNITY CARE

The Community Care Directorate has continued to strengthen its partnership arrangements.

The Directorate has a significant partnership footprint involving, but not limited to, Commonwealth Home Care Packages (HCP), Hospital in the Home (HITH), Goulburn Valley Alcohol and Drugs Service (GVADS), and Transition and Restorative Care.

The Directorate leads the Community Interlink consortia involving 18 public health service partners who work to deliver on Commonwealth supported Home Care Packages ensuring there is a sustainable model to service the wider community. The collaborative has gone from strength to strength, growing its share of Home Care Packages to over 300.

The appointment of a new Addiction Medicine Specialist has strengthened the GVADS model of care provided under a partnership between GV Health, Odyssey House Victoria and SalvoCare. Professor Edward Ogden PSM has been appointed to the position and is providing medical oversight and clinical governance approaches to help drive better drug and alcohol addiction recovery outcomes in the community.

The West Hume Partnership is facilitated in the Community Care Directorate. During the year an appointment was made to the Rural and Regional Partnership Manager position to drive collaborative partnerships between GV Health and neighbouring rural hospitals. A strategy is being developed to continue to drive this work to engrain greater collaboration and clinical governance leadership in the region.

The GV Health Dental Service team continues to deliver an exceptional level of service provision aligned with ensuring no patient is waiting over the clinically acceptable waiting period of two years for general level dental treatment. The service works in partnership with Cobram District Health service to provide public dental services along with a training rotation site for dental students. The service offers dental students comprehensive generalist placements.

GV Centre Against Sexual Assault (CASA) has had seven service agreements in place with rural hospitals as part of the Hume region to deliver the Strengthening Hospital Responses to Family Violence.

In all, it has been a busy but productive year for the Directorate, cementing a reputation that is committed to partnering with other services to augment health provision to residents within the catchment area.

ALLIED HEALTH EDUCATION AND RESEARCH

Allied Health Education and Research at GV Health is supported through the role of the Allied Health Therapy Education and Research Coordinator (AHTERC), and allied health discipline or program managers.

In 2017, GV Health successfully applied for one of 10 allied health science clinical educator positions in Victoria as part of new Enterprise Bargaining Agreement arrangements. This full-time role commenced in March 2018.

The AHTERC has provided input to update the GV Health Education Framework and is actively involved in Best Practice Clinical Learning Environment implementation, self-evaluations and action plans. AHTERC covers areas of work experience, professional entry level student placements, early graduate support, staff education including mandatory training, careers workshops support and research support.

2017/18 ACHIEVEMENTS

Work Experience:

Allied Health partnered with workforce and nursing colleagues to align the work experience program and process. Eleven work experience students from years 10–12 attended in Allied Health. Allied Health offered one Allied Health student placement in each block offered by other services at GV Health, as well as two additional placements.

Professional Entry Level Student Placements:

A total of 1117 placement days and 55 student placements were provided with an increase of placements offered in social work, speech pathology and occupational therapy in the second half of the year.

Early Graduate Support:

The 2017 program was conducted monthly. This targeted staff in the second year of practice due to the low numbers of first year graduates. The 2018 program targeted first year graduates, with at least six graduates attending each session. We received positive feedback from graduates on the education offered.

Staff Education:

- No Lift Module 5 Therapeutic Transfers was developed by senior physiotherapy staff in collaboration with the Manual Handling Coordinator and was implemented for physiotherapy, occupational therapy and allied health staff.
- Managing Change workshops were developed and implemented by AHTERC, open to all allied health staff.

Research Support:

AHTERC presented a general paper at the National Rural Health Conference. Three first time poster presentations were also supported by AHTERC at the GV Health Research Fair Day.

CHIEF FINANCE OFFICER

The Finance Directorate has had a number of changes in the past 12 months including the appointment of a new Chief Finance Officer, Rick Garotti, in March 2018.

The Directorate has delivered successfully on its key accountabilities to the organisation, including high quality financial planning, budgeting and reporting, risk management, record keeping, payroll and revenue services.

Looking forward into 2018-19 the key priorities for the Directorate are to:

- Implement a new business partnership structure to provide managers and leaders in the health service with the business advice and support they need to lead the organisation.
- Deliver a financial sustainability strategy that will enable GV Health to meet budget and support self-generated capital funding to invest in new equipment, research and innovation.
- Enhance and streamline data, reporting and information management across the organisation.
- Consolidate and build project management capability and capacity.
- Implement the new Information and Communications Technology Strategy which includes positioning the health service for future Electronic Medical Record (EMR) compatibility.
- Implement a new Patient Administration System (PAS) to replace the current ViTAL PAS.
- Continue to efficiently and reliably deliver core financial services to the organisation.

QUALITY AND CLINICAL SERVICE PLANNING

The Quality and Clinical Service Planning Unit has been busy working with the clinical teams to constantly improve the quality of care provided at GV Health. GV Health has achieved accreditation across a range of programs that provides the community with reassurance that the organisation is meeting best practice standards.

The unit has been helping with the work being undertaken in the Emergency Department together with initiatives being completed to improve access to services in the Shepparton hospital site. This includes providing project and administrative support to the clinicians to ensure that their time is spent caring for patients.

A key focus for the unit has been the development of a Model of Care to help GV Health navigate the way we provide services during the redevelopment and into the future when the redevelopment is complete. This is an exciting opportunity to evaluate the way care is provided and to put in place new processes and systems that will ensure that the organisation is at the forefront of service delivery for the community.

Feedback from patients, clients, their families and carers is a critical element in improvement. The team spends time working together to constantly improve the way services are provided. Consumers provide vital feedback to the health service, which assists in shaping the delivery of care.

Artist's impression - GV Health Redevelopment.

INFRASTRUCTURE AND BUSINESS SERVICES

The Infrastructure directorate oversees the responsibilities of engineering, bio-medical engineering, capital projects, and redevelopment projects in construction at both Rushworth and Shepparton campuses. From 11 June, an extended role to include the Business directorate occurred as part of an organisational alignment. The Capital Planning and Procurement Committee and the Emergency Management Committee are also chaired by the Executive Director of Infrastructure.

The Master Plan has been reopened to add a feasibility study for a cancer centre and to rework future stages for GV Health Shepparton. The Master Plan is due for completion in December 2018.

Minor capital works completed during the 12 months have included upgrades to the following:

- Grutzner House bathrooms, additional security swipes and a new patient falls alert system;
- Medical ward conversion of soft space back to bedrooms and an additional nurses station to support the Rapid Access Planning Unit model;
- Palliative Care area refurbishment;
- Installation of x-ray rooms at Tatura and Shepparton;
- Multiple minor refurbishment projects at Tatura; and
- Additional security swipes added to Wanyarra.

Successful funding applications include the following projects in progress:

- Duress alarms to be installed in fleet cars; and
- CCTV to be upgraded to the whole of Shepparton site including a control centre.

Applications for funding have been submitted to the Regional Health Infrastructure Fund, the Health Violence Prevention Fund and the High Value Medical Equipment Infrastructure Replacement Fund.

Additional resources have been recruited to assist in managing the redevelopment projects and to progress the Asset Management Framework requirements. Both the Shepparton and Rushworth Waranga redevelopment projects are progressing on time and a further report on both projects is included in the highlights section of this annual report.

WORKFORCE

RECRUITMENT AND RETENTION

A Recruitment Strategy was developed during the year identifying a number of innovative actions to improve staff development and enhance recruitment, particularly in specialty areas where recruitment has proven difficult in the past.

GV Health's partnerships with local business and council continued to develop through participation in the Greater Shepparton City Council "Shepp Square" event at Federation Square; hosting, coordinating and attending a number of Careers Expos; and partnering with the University of Melbourne in an Allied Health Worker Recruitment and Retention research project.

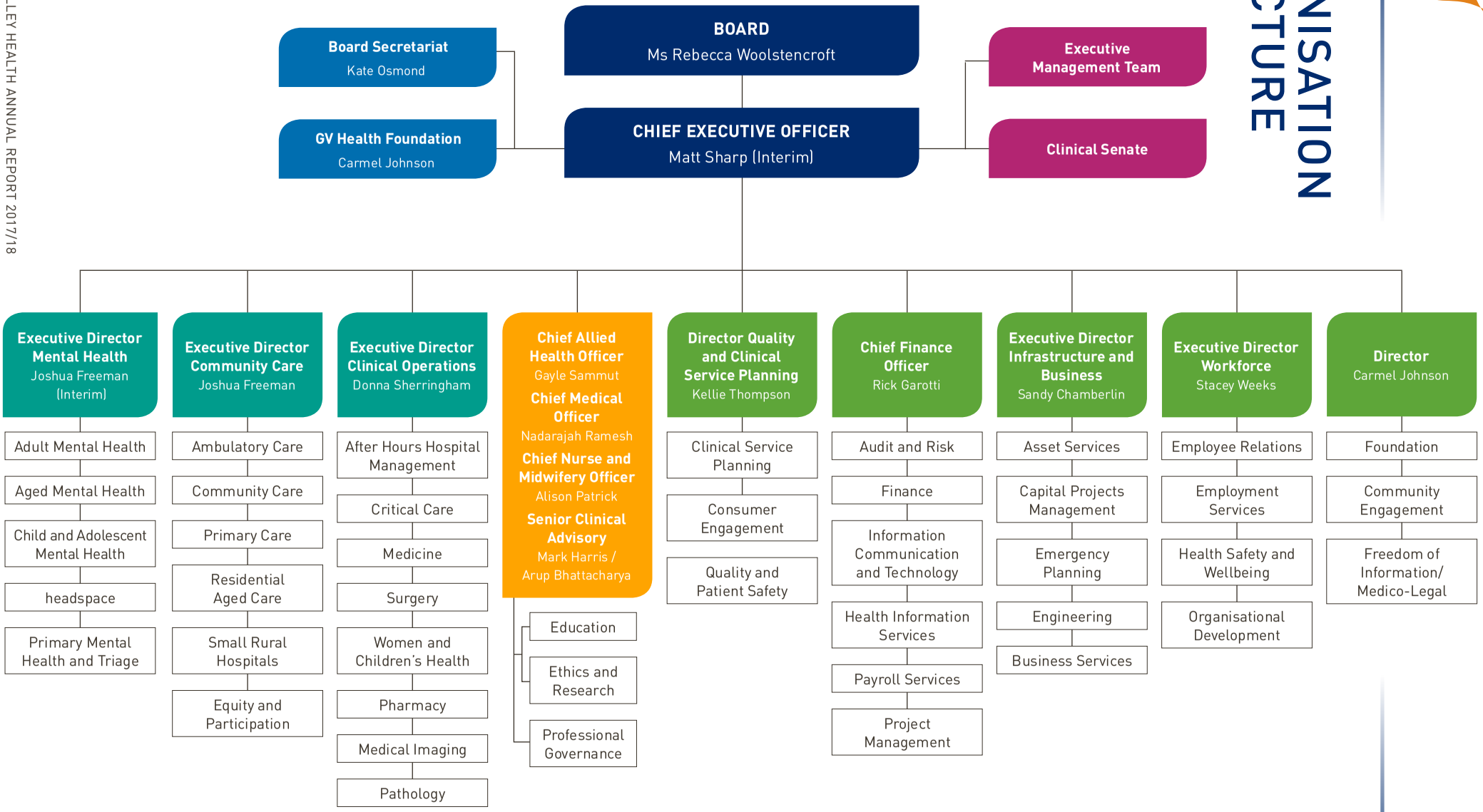
There has also been some exciting work undertaken around improving GV Health's digital presence including the production of a number of promotional videos which focus on recruitment and values.

GV Health has also improved its recruitment experience for potential medical interns by introducing group interviews and activities facilitated by our medical workforce, medical education and nursing education teams.

HEALTH, SAFETY AND WELLBEING

A core focus over the last 12 months has been on improving GV Health's injury management and workers compensation services. With an increase in the number of WorkCover claims and associated costs, there were great opportunities for GV Health to look at strategies for improvement. An early intervention program was introduced with a collaborative approach to returning injured employees back to work sooner. With the change in focus, GV Health has seen significant improvements in how employees are supported if they sustain a workplace injury and the number of WorkCover claims that have been made.

ORGANISATION STRUCTURE



OUR SERVICES

ADMITTED PATIENT SERVICES

- After Hours Hospital Management
- Medicine
- Non-Admitted Sub-acute
- Women's and Children's Services
- Sub-acute
- Oncology

NON-ADMITTED PATIENT SERVICES

- Antenatal Clinic
- Breast Clinic
- Home Enteral Nutrition
- Lactation Clinic
- Outpatients

EMERGENCY DEPARTMENT SERVICES

- Critical Care
- Emergency Services

AGED AND RESIDENTIAL CARE SERVICES

- Tatura Parkvilla
- Waranga Nursing Home
- Waranga Aged Care Hostel
- Commonwealth Home Support Program
- National Disability Insurance Scheme
- Home and Community Care

MENTAL HEALTH SERVICES

- Adult
- Aged
- Child and Adolescent
- Grutzner House
- Headspace

PRIMARY HEALTH SERVICES

- Primary Mental Health
- Regional Partnerships

OTHER SERVICES

- Clinical Support Services
- Diagnostic Services
- Pharmacy
- Allied Health Services
- Business Services
- Capital Programs
- Engagement, Communications and Fundraising
- Engineering
- Information and Communication Technology
- Finance
- Quality and Clinical Service Planning
- Workforce

HIGHLIGHTS AND ACHIEVEMENTS

MEDICAL GRADUATES START WORK AT GV HEALTH

GV Health welcomed 32 new medical graduates in January 2018.

Many young doctors apply to work at GV Health, attracted by the healthcare service's excellent training program and the invaluable experience they receive giving them excellent career pathways. Most of the interns completed their medical training in Victoria at the University of Melbourne, Monash University or Deakin University.

GV Health provides interns the opportunity to work in a variety of different environments and experience a diverse range of clinical experiences. They spend the year completing three core rotations in medicine, surgery and emergency, while undertaking two non-core rotations in highly sought after areas such as anaesthetics, oncology and psychiatry.

The medical graduates spend their year working at the Shepparton campus under supervision, supported by our intern training program that complements their training and development. In the past, a significant number of interns have stayed on at GV Health in their second year as doctors or have trained as General Practitioners, living and working in Shepparton. Many doctors who start their career in Shepparton return as training registrars and specialists.

NURSE GRADUATES AT GV HEALTH

GV Health welcomed 35 nurse graduates from across Australia who started work at the hospital in March 2018. While most of the graduates were local, some were from Melbourne, Mildura, Bendigo, New South Wales, Queensland, South Australia and the Northern Territory.

GV Health's graduate nurse/midwifery program is comprehensive, offering a range of experiences and opportunities allowing graduate nurses to consolidate their skills and knowledge while being encouraged into self-directed learning.

Advantages of the graduate nurse program include four monthly rotations in a number of clinical areas including the medical, surgical and rehabilitation units, while also getting the opportunity to branch out into specialty areas such as Emergency Department, intensive care, oncology, mental health, midwifery, haemodialysis, paediatrics, special care nursery and theatre and day procedure units.

GV HEALTH SHEPPARTON REDEVELOPMENT

GV Health's Graham Street site in Shepparton is currently undergoing a $169.5 million redevelopment funded by the Victorian State Government.

The redevelopment includes:

- A state of the art new five storey building which expands the operating theatres, surgical ward, intensive care unit, and inpatient bed capacity as well as upgrading the kitchen and mortuary;
- Additional emergency department, short stay and imaging capacity;
- A women's and children's precinct comprising the existing maternity ward and expanded special care nursery. A new paediatrics ward is to be built adjacent to this area; and
- A new dialysis unit enabling increased capacity.

More people will be able to access the high quality and safe care they need locally, resulting in better health outcomes for the community.

Lendlease is the managing contractor for this exciting project.

Works on the Emergency Department have started and will result in doubling the size of the existing facility. Groundworks have begun on the southern boundary of the construction site with the relocation of the ambulance station completed.

The renal dialysis construction zone has been proposed and preparations for this area are starting, with fencing installed in August 2018. The renal dialysis build is a 12 month project with handover expected to be August 2019. Operational readiness activities have already progressed in this clinical area, with work underway on an updated model of care, training and resourcing needs and recruitment.

The early works component is on time and on budget.

A Communications Strategy has been implemented and has included advertisements in newspapers and on radio. Updates have been provided to the community groups via individual speaking engagements. Regular updates are provided to internal stakeholders by email, the CEO Monday Message, the intranet and printed documents. A regular mail drop and a forum have been completed for local residents with the Community Advisory Group and Lendlease in attendance.

Construction is expected to be completed by late 2020.

RUSHWORTH WARANGA REDEVELOPMENT PROJECT

The GV Health Rushworth Waranga redevelopment project includes the refurbishment and expansion of the existing Aged Care facility.

The redevelopment will achieve the following:

- The expansion of the existing 32 bed facility to a 36 bed Aged Care facility;
- The establishment of a four bed acute care unit;
- A District Nursing Service facility; and
- Outpatient ambulatory consulting services.

Commercial Industrial Construction Group (CICG) was appointed as the builder for the Rushworth Waranga redevelopment on 12 September 2017, with works starting on site in early October 2017.

The first stage of the building works has included demolition of existing structures, service diversions, and construction of the southern wing (including new aged care beds, a large meeting room, and some community and district nursing facilities). D wing (now named Whroo wing) which includes the new Aged Care rooms, is currently under construction. Also part of Stage One is the reconfiguration of the laundry area which is also in construction.

The aged care wings have been named Balaclava, Whroo, Ironbark and Golden Guinea to reflect a rich history in regards to its mining days, indigenous ancestors and its unique forestry and plant species. The acute ward has been named Heily, after the first, well renowned General Practitioner in Rushworth, Dr John Vickers Heily. The Naming Working Group is large and diverse, consisting of representation from the community, residents, family, and staff.

Operational readiness for the handover of the Stage One works is the main priority for the Project Control Group with the consultant Project Manager leading this project. Witness and scenario testing will be undertaken prior to the movement of residents. A clinical project manager has been appointed to progress the model of care and assist in informing the workforce plan and will also participate in the operational readiness project.

This project is due to be completed in April 2019 and is currently on time and to budget.

MASTERPLAN REVIEW (STAGE TWO) AND FEASIBILITY STUDY FOR CANCER CENTRE

The Department of Health and Human Services commissioned Aspex consulting to perform cancer service planning for GV Health in 2017. This was reviewed by the Cancer Services and Information Cancer, Specialty Programs, Medical Research and International Health (CMRI) Health and Wellbeing Divisions of the Department of Health and Human Services along with GV Health's Oncology and Executive teams.

A Master Plan Review and Feasibility Study for the proposed additional cancer services outlined in the Cancer Services Plan for GV Health is underway.

The project scope included the following:

- Review the site-wide Master Plan with a focus on integration of the proposed Cancer Centre;
- The Master Plan review includes the property owned by GV Health across the road on the corner of Graham Street and Monash Street (54 Graham Street);
- Feasibility Study for a Cancer Centre; and
- Parking and traffic management across the site.

The Service Plan (2015) was reviewed as the first part of the Master Plan Review. This was undertaken by GV Health, with engagement with all directors, clinical, medical and nonclinical staff, the consultant team and Department of Health and Human Services.

The Master Plan Review and Feasibility Study for a Cancer Centre has included four rounds of user group sessions with users including GV Health staff, Victorian Health and Human Services Building Authority design team, and the Department of Health and Human Services cancer services team, consultants, and community advisory group members. Three options were developed with a preferred option presented to the Community Advisory Group, the GV Health Executive Management Team and Board.

The Master Plan is scheduled for completion by the end 2018.

STRATEGIC PLAN

GV Health has been developing a new five year Strategic Plan for 2019-2023, in consultation with the community and staff. A draft of GV Health's strategic outcomes and priorities has now been developed. The new plan will outline the direction for future service delivery.

WANYARRA ACUTE INPATIENT UNIT

GV Health officially opened the refurbished Wanyarra mental health facility on 26 October 2017. The $1.64 million refurbishment of the acute inpatient unit was funded through Victorian Government grants, with the upgrades including reconfigured spaces offering three levels of care within the adult and aged acute unit.

The changes included a new entrance and reception to promote privacy and improve monitoring of traffic in and out of the ward, co-location of enhanced facilities to support mental health tribunal activity and its attendance by inpatients and their families or representatives, and a female wing with a separate lounge to improve gender safety. A new secure courtyard and sensory area have also been incorporated.

The updated unit provides more room for office space and for patient activities. The design allows for improvement in workflow, patient privacy and comfort. The unit is also welcoming for indigenous patients with murals and culturally appropriate spaces.

COMMUNITY INTERLINK – LOCAL HOME CARE

GV Health has joined forces with 18 other health services under a consortium arrangement, collectively branded 'Community Interlink', to ensure that people can access locally governed Home Care Package coordination from their local health service. Community Interlink was officially launched at Eastbank Centre in Shepparton on 22 February 2018.

A Home Care Package is an Australian Government funding subsidy awarded to seniors for the purchase of services to enable them to remain in their own home.

Following the 2015 Commonwealth Home Care funding reforms, many smaller health services have found it challenging to continue providing Home Care Package coordination. The consortium means that the health services involved will be able to remain viable against the influx of large external (national and international) providers. Local providers can offer the highest level of support having local staff, with local knowledge and networks.

The health services that make up Community Interlink are GV Health (lead agency), Euroa Health, Nathalia Health, Numurkah District Health Service, Nagambie Healthcare, Benalla Health, Seymour Health, Yarrawonga Health, Mansfield District Hospital, Northeast Health Wangaratta, Indigo North Health, Yea and District Memorial Hospital, Beechworth Health Service, Albury Wodonga Health and Tallangatta Health Service.

Approved Home Care Package services include domestic support (meal preparation, cleaning, home modifications to meet care needs), transport, personal care (assistance with showering/bathing, getting in and out of bed, getting dressed/undressed), support to go shopping and run errands, allied health, medications management, home nursing, sourcing of hearing, mobility, visual and continence aides, support to attends social outings and events.

If a person is not eligible for a Home Care Package, they can purchase Home Care services privately through Community Interlink.

ANNUAL RESEARCH FAIR HIGHLIGHTS OUTSTANDING LOCAL INNOVATION

GV Health hosted its second annual research fair on 19 and 20 October at Shepparton's Eastbank Centre.

The event, titled 'Health Research in the Bush', covered a diverse range of topics and themes related to rural and regional health and healthcare. It provided attendees with an overview of the diverse and inspirational research projects being undertaken in the Goulburn Valley region, and other exceptional studies, programs and findings from researchers, academics and clinicians across Victoria.

The event was sponsored by Rumbalara Aboriginal Cooperative Limited, Greater Shepparton City Council, La Trobe University and the Department of Rural Health, University of Melbourne and Merck.

LIVING WITH PARKINSON'S DISEASE EDUCATION PROGRAM

Patients, carers and health professionals joined together to hear from experts on Parkinson's Disease at GV Health's Educational Update on Parkinson's Disease held on behalf of the GV Movement Disorder Service in November 2017.

Now in its fourth year, the full day program included a variety of educational talks. Topics ranged from advanced therapies, management of the disease, lifestyle measures and the important role of carers.

The event was run in partnership with Parkinson's Victoria, Murray Primary Health Network, Royal Australian College of General Practitioners and the Australasian Neuroscience Nursing Association.

Parkinson's is one of the most common neurological conditions affecting adults of any age. Every day in Australia, 30 people are diagnosed with the disease. Some advanced therapies are now being offered locally, allowing patients in the regional and rural communities to access optimal care close to home.

HEALTHY OPTIONS ROLL OUT

GV Health is committed to its vision for Healthy Communities and has implemented 'Healthy Options' in the Glasshouse Café. Changes were made to the way we display the food for sale and we added healthier options.

As an organisation we are working to achieve the 'Victorian Government's Healthy Choices Guidelines for Hospitals and Health Services' and are committed to having healthy food environments for our staff and visitors using the system below.

The items the community eats and drinks impact on such a wide variety of health issues such as obesity, cardiovascular disease, dental, diabetes and a multitude of other chronic diseases.

A working group was established to undertake the healthy food options roll out and changes will continue.


Rapid Assessment Planning Unit.

RAPID ASSESSMENT AND PLANNING UNIT OPENS

The opening of the Rapid Assessment and Planning Unit on the Medical ward during the year has helped to improve patient flow across the hospital and aims to reduce hospital stays, improve wait times for patients transferring from the Emergency Department, improve multidisciplinary team coordination and quality care in collaboration with patients and results in early activation of community care for patients discharged home.

GV HEALTH GAINS NEW JOBS IN ALLIED HEALTH

GV Health was awarded funding for a Senior Grade 3 Allied Health Clinical Educator position (Science Stream) in August 2017, from the Victorian State Government. It has also been awarded an Allied Health Research and Translation position (Therapy Stream) in partnership with St Vincent's Hospital and the University of Melbourne.

The new jobs help to improve the quality of care for patients in the region through ground breaking clinical research and education to staff. They also assist with retaining clinicians and their expertise in regional areas.


Staff recognition event.

STAFF RECOGNITION

GV Health staff were recognised for their outstanding commitment to the health service at the Annual Service Recognition Awards 2017 for their achievements over many years of service. Milestones included 10, 15, 20, 25, 30, 35 and 40 years.

AWARDS FOR EXCELLENCE

The following GV Health staff were presented awards at the Annual General Meeting:

- Nurse Kate Threlfall – *Board Chair Award for Excellence in Customer Service*
- Midwife Alison Marsh – *CEO Award for Living the Values*
- Physiotherapist Sian Hudson – *Patient Centred Care Award*
- Glycaemic Gazette Newsletter's Barbara Kitto and Gloria Kilmartin – *Consumer Participation in Quality Improvement Award*

Prominent obstetrician gynaecologist Dr John Hetherington and Board contributor Mr Graham Hill OAM were awarded A Companion of GV Health.

STATUTORY REQUIREMENTS

BUILDING WORKS

The GV Health Shepparton redevelopment project and the Waranga redevelopment project building works are underway. (See highlights section.)

Minor capital works have included the following:

- Grutzner House bathroom upgrades, additional security swipes and a new patient falls alert system.
- Medical ward conversion of soft space back to bedrooms and an additional nurses station.
- Palliative Care area refurbishment.
- Installation of x-ray rooms at Tatura and Shepparton.
- Multiple minor refurbishment projects at Tatura.
- Additional security swipes added to Wanyarra.

COMPLIANCE WITH BUILDING ACT

GV Health complied fully with the building and maintenance provisions of the *Building Act 1993 Guidelines*, issued by the Minister for Finance for publicly owned buildings.

OCCUPANCY PERMITS/ CERTIFICATES OF FINAL INSPECTION

GV Health Occupancy Permits and Certificates of Final Inspection have been obtained as required.

ESSENTIAL SAFETY MEASURES

GV Health buildings constructed after 1994 have been designed to conform to the *Building Act 1993* and its regulations, as well as to meet other statutory regulations that relate to health and safety matters. All buildings have been issued with Occupancy Permits.

Buildings constructed prior to July 1994 were not subject to issue of Occupancy Permits. However, irrespective of the age of each building, GV Health is obliged to maintain essential safety measures, so far as is practicable, in accordance with the *Building Regulations 2006*.

Compliance involves ensuring that all essential safety measures covered by the Regulations are being maintained to fulfil their purpose. It also involves keeping records of maintenance checks, completing an Annual Essential Safety Measures Report, and retaining records and reports on the premises for inspection by the Municipal Building Surveyor or the Chief Fire Officer on request.

Essential Safety Measures Reports are prepared annually for properties owned by GV Health to confirm that all of the essential safety services are operating at the required level of performance.

FIRE AUDIT COMPLIANCE

All buildings are compliant with the Fire Safety Standards.

ASSET MANAGEMENT ACCOUNTABILITY FRAMEWORK

Actions underway to address the State Government's Asset Management Accountability Framework include:

- The formation of an Asset Management Working Group, with membership from all areas where assets are captured and reported upon including finance, bio-medical engineering, business, information and communication technology and medical imaging.
- Participation in the Department of Health and Human Services Asset Management Framework Readiness Survey.
- A recent approach to the market inviting responses detailing what is on offer by way of integrated software solutions for asset management. Any proposed new solution will facilitate a consolidated asset register, including biomedical, information and communication technology, and engineering assets, and will have an Oracle interface, thereby mitigating the existing shortcoming.

CONSULTANCIES

In 2017-18, there were was one consultancy where the total fees payable to the consultants were less than $10,000. The total expenditure incurred during 2017-18 in relation to this consultancy was $9,800 (excluding GST).

In 2017-18, there were eight consultancies where the total fees payable to the consultants were $10,000 or greater. The total expenditure incurred during 2017-18 in relation to these consultancies was $423,741 (excluding GST). The details are shown below.

Consultant	Purpose	Start Date	End Date	Total approved project (excl GST)	Expenditure (excl GST)	Future Expenditure (excl GST)
Alpha Crucis Group	Reviewing of training and education strategies and processes.	Mar 18	Mar 18	$18,985	$18,985	-
Cube Group	Governance options analysis and report.	May 17	Sep 17	$77,550	$77,550	-
Cube Group	National Disability Insurance Scheme (NDIS) strategic services plan.	Mar 18	Mar 18	$25,000	$25,000	-
Cube Group	GV Health strategic plan development.	Feb 18	Mar 18	$58,857	$58,857	$117,486
Greg Jones Health Services	GV Health business improvement plan development.	Jun 17	Aug 17	$45,800	$45,800	-
KPMG	Business case for Mothers and Babies unit.	Aug 17	Dec 17	$108,008	$108,008	-
Oxford Associates	GV Health redevelopment recurrent financial impact assessment.	Nov 17	Jun 18	$31,428	$31,428	-
Paxton Partners	Review of the sustainability of pathology services.	Oct 17	Dec 17	$48,113	$48,113	-
Prue Cormie	Hume Regional Integrated Cancer Service (Hume RICS) regional cancer centre analysis.	Jul 17	Jul 17	$10,000	$10,000	-

ENVIRONMENTAL REPORT

GV Health monitors and reports on environmental and sustainability practices to help us better integrate and gain strategic value from existing sustainability efforts, identify gaps and opportunities in products and processes, develop communications and incorporate innovative practices.

The redevelopment has an environmental sustainability design (ESD) consultant appointed to the project. Some ESD initiatives incorporated within the design include solar panels, chilled beam cooling systems in inpatient rooms, use of E-water in the kitchen and an advanced building management system to assist in reduction in energy use.

GV Health monitors and reports on:

- energy;
- waste production;
- paper consumption;
- water consumption;
- transportation/ fuel consumption;
- greenhouse gas emissions; and
- sustainable procurement and associated information relevant to understanding and reducing office based environmental impacts.

The environmental sustainability reports are available to view on the GV Health website.

We continue to expand efforts to become a more environmentally sustainable health service.

FREEDOM OF INFORMATION REQUESTS

A total of 710 formal requests for information were received and processed under the Act in 2017-18, compared to 670 requests in 2016-17. Of that total, 388 Freedom of Information requests were processed, with a legislated application fee of $28.40 per application charged. Total fees collected were $11,019.00. Charges collected were $24,659.00, including medico-legal reports and photocopying.

COMPETITIVE NEUTRALITY

GV Health complied with all the government policies regarding competitive neutrality.

VICTORIAN INDUSTRY PARTICIPATION POLICY ACT 2003

GV Health has complied with the Victorian Industry Participation Policy Act 2003.

CAR PARKING FEES

GV Health complies with the Department of Health and Human Services hospital circular on car parking fees, effective 1 February 2016 and details of car parking fees and concession benefits can be viewed at www.gvhealth.org.au.

CARERS RECOGNITION ACT

In accordance with the *Carers Recognition Act 2012*, GV Health has complied with the provisions through ensuring that all staff and volunteers respect and recognise carers, support them as individuals, recognise their efforts and dedication, take into account their views and cultural identity, recognise their social wellbeing and provide due consideration of the effect of being a carer on matters of employment and education.

SAFE PATIENT CARE

GV Health was not required to make any disclosures in relation to nurse to patient ratios during the reporting period under the *Safe Patient Care Act 2015*

THE PROTECTED DISCLOSURES ACT 2012

GV Health is subject to the *Protected Disclosure Act 2012* that replaced the former *Whistleblowers Protection Act 2001*. The Act came into effect on 10 February 2013 with a purpose to facilitate disclosures of improper conduct by public officers, public bodies and to provide the appropriate level of protection for people who make disclosures without fear of reprisal. GV Health adheres to the *Protected Disclosures Act 2012* through incorporating the protected disclosure requirements of the Act into the GV Health Whistleblowers Procedure.

INFORMATION AND COMMUNICATION TECHNOLOGY EXPENDITURE

The total Information and Communication Technology expenditure during 2017-18 was $2.31m (excluding GST) with the details shown below.

Business as Usual (BAU) ICT expenditure (Total) (excluding GST)	Non-Business As Usual (non-BAU) ICT expenditure	Operational expenditure (excluding GST)	Capital expenditure (excluding GST)
$2.31m	$0.00m	$1,17m	$1,14m

WORKFORCE DATA

GV Health is committed to ensuring that policies and procedures are in place to promote a high standard of employment and conduct principles. GV Health upholds and adheres to the Code of Conduct of Public Sector Employees, issued by the Public Sector Standard Commissioner, made under the *Public Administration Act 2004*. All employees have been correctly classified in the workforce data collections.

Labour Category	June Current Month FTE		June YTD FTE	
	2017	2018	2017	2018
Nursing	**661.16**	**686.70**	**657.71**	**676.07**
Casual	22.26	25.00	25.91	26.88
Part Time	509.13	530.83	501.14	522.43
Full Time	129.77	130.86	130.66	126.75
Administration and Medical Support	**459.17**	**476.10**	**445.99**	**466.76**
Casual	10.56	10.06	9.57	9.62
Part Time	209.86	217.68	205.78	215.61
Full Time	238.75	248.36	230.64	241.53
Hotel and Allied Services	**156.82**	**173.90**	**158.51**	**164.20**
Casual	12.18	15.89	11.40	11.00
Part Time	106.82	119.27	109.24	115.06
Full Time	37.82	38.73	37.87	38.15
Medical Staff	**169.68**	**178.34**	**171.82**	**170.06**
Casual	0.26	0.26	1.07	0.74
Part Time	14.10	14.80	16.23	13.55
Full Time	155.32	163.27	154.52	155.77
Allied Health	**99.29**	**109.37**	**96.38**	**106.25**
Casual	2.37	2.16	2.15	2.45
Part Time	48.77	47.88	50.67	51.33
Full Time	48.15	59.34	43.56	52.47
Grand Total	**1546.12**	**1624.40**	**1530.41**	**1583.35**

HEALTH, SAFETY AND WELLBEING

GV Health continues to adopt a proactive approach to the management of health, safety and wellbeing throughout the health service. With a greater focus on early intervention strategies for employee injury management, GV Health has seen a significant improvement returning employees to the workplace sooner, which has had a positive impact on our workers' compensation performance.

LEADERSHIP IN SAFETY PROGRAM

The Leadership in Safety Program was a significant piece of work undertaken to ensure safe and efficient workforce systems by engaging Board members and senior management. The first stage of the program has been completed which saw the mapping of all GV Health activity around occupational health and safety. The mapping identified what GV Health has in place that complies with WorkSafe legislation and provided gap analysis for any improvements in the organisation. The results of the mapping exercise were presented to the Board. Stage two of the program is currently underway which focuses on consultation and will involve a number of site visits by WorkSafe where initiatives for change will be identified. There will also be opportunities for shared learning and best practice identification with 15 health services across the Victoria participating in the program.

OCCUPATIONAL VIOLENCE PREVENTION

GV Health implemented a revised Occupational Violence Prevention and Management Strategy incorporating the Australian Nursing and Midwifery Federation's 10 Point Plan to End Violence and Aggression. The Occupational Violence and Aggression Work Group continues to work through a number of actions in the strategy including alerts and flags in the patient management system, expanding the Code Grey response team and the provision of training for employees. The Code Grey procedure has also been revised to ensure compliance with the new Code Grey Standards.

BULLYING AND HARASSMENT PREVENTION

There has been a considerable amount of work undertaken over the past 12 months to ensure our complaints management processes are clear and provide effective resolution pathways. There is a greater focus on respectful workplace behaviors and early identification and intervention. Further development of our internal training and education programs will also enhance employee and manager capability in conflict resolution and informal resolution where appropriate.

OCCUPATIONAL VIOLENCE REPORTING REQUIREMENTS

Occupational violence statistics	2017 - 2018
1. WorkCover accepted claims with an occupational violence cause per 100 FTE	0.1263
2. Number of accepted WorkCover claims with lost time injury with an occupational violence cause per 1,000,000 hours worked	0.7699
3. Number of occupational violence incidents reported	231
4. Number of occupational violence incidents reported per 100 FTE	14.59
5. Percentage of occupational violence incidents resulting in a staff injury, illness or condition	14.29%

THE FOLLOWING DEFINITIONS APPLY:

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 2017-18.

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.

FINANCIAL AND SERVICE PERFORMANCE REPORTING

PART A: STRATEGIC PRIORITIES

Goals	Deliverables	Action	Outcomes
Better Health	**Deliver and promote primary prevention, health and wellbeing programs working with other local agencies and Primary Health Networks.**	Healthier Eating and Active Living.	GV Health is achieving this deliverable through a range of actions, including assisting in the development of the Goulburn Valley Primary Care Partnership Integrated Health Promotion Plan 2017-2021. GV Health has adopted the Alfred Model for Healthy Choices and implemented signage in the Glasshouse Café with traffic light identification on menu items. GV Health is delivering the Smiles 4 Miles program, continuing the use of mobile dental vans and operating the dietetic-led group Fussy Eaters for children. GV Health contributed to the Ovens Murray and Goulburn Areas Oral Health Plan 2017 - 2024.
		Tobacco-free living.	GV Health continues to promote a number of services to staff, patients and the community to assist them to quit smoking. Nicotine replacement therapy via pharmacy is available to all inpatients supported by QUIT education clinicians. Since early April 2018, the Self-Management Support (SMS) team has provided weekly smoking cessation and education to the Therapeutic Day Rehabilitation Service - Goulburn Valley Drug and Alcohol Service. SMS also participated in World No Tobacco Day on 31/5/18. The SMS Team and other departments have worked on the relevant QUIT Smoking policies and procedures such as "Smoking and Surgery". These should be finalised in 2018/2019. There has been a steady increase in referrals from the wards to assist patients to quit smoking.
		Reducing harmful alcohol and drug use.	GV Health is achieving this priority in a variety of ways, including through the GV Health Alcohol and Drug Service in partnership with SalvoCare and Odyssey House. This provides a wraparound service encompassing Comprehensive Alcohol and other Drugs Assessment, Counselling, Withdrawal Programs, Therapeutic Day Rehabilitation and an Emergency Department Alcohol and other Drugs Clinical Liaison. GV Health appointed senior clinical roles in Alcohol and other Drugs including an Addiction Medicine Specialist and two Team Leaders.
		Improving sexual and reproductive health.	GV Health has a Rural Sexual Health Nurse Practitioner providing free and confidential sexual and reproductive health services across the Goulburn Valley. The reach of this priority extends to supporting health professional capacity through education and secondary consultation in sexual health. GV Health has facilitated sexual health clinics in partnership with; Headspace, GV Health's Women's Health precinct, The Bridge Community Service, Rumbalara Aboriginal Cooperative and multiple secondary schools across the Goulburn Valley. GV Health partnered with the Victorian HIV and Hepatitis Integrated Training and Learning program in delivering a forum in Shepparton on Blood Born Virus and Sexually Transmitted Disease. "Take Care of Me" education sessions were introduced to Year 9 students of our Public High Schools. These sessions are a collaboration between the Department of Education, Victoria Police, Kildonan Uniting Care and GV Health.

Goals	Deliverables	Action	Outcomes
Better Health	**Deliver enhanced mental health services that align with the outcomes and actions required in the State-wide 10 year Plan for Mental Health.**	Implement the new Model of Care for Child and Adolescent Services.	The implementation of the new model of care for Child and Adolescent Mental Health Services was completed, incorporating best practice care and services for children and adolescents requiring mental healthcare.
		Development of the Goulburn Valley Mental Health Recruitment Strategy.	This strategy was developed to improve GV Health's recruitment and retention outcomes in mental health. The number of graduate positions was increased from four in 2016, to seven in 2017 and to eight in 2018. The new graduate position in 2018 is in Grutzner House allowing for increasing the breadth of clinical experience for graduate students. All graduates except one have obtained jobs within Goulburn Valley Mental Health. GV Health has four staff undertaking a Master's program in 2018. Recruitment was undertaken to fill a variety of roles at all levels.
		Development of a lived experience strategy to be implemented into the mental health service in line with recovery focused mental health service provision.	GV Mental Health was the only service to have its own Lived Experience Strategy, at the time of its development. Mental Health is striving to incorporate its lived experience workforce into everyday practice. Consumer and carer workforce, including Peer Support Workers now sit in the clinical team reviews and processes to enhance lived experience participation. The Mental Health Consumer and Carer Workforce at GV Health held a planning workshop on 17 February 2018 to develop Consumer and Carer workforce goals and actions. The action plan has been developed for 2018.
		The Mental Health Division has developed a service wide professional development strategy.	This strategy supports the organisation's vision for innovative, evidenced-based service delivery that improves outcomes for consumers and carers. This has been developed with stakeholder consultation and implemented. In 2017, non-medical clinical staff cumulatively undertook 203 days of mandatory training - Professional Assault Response Training, Applied Suicide Intervention Skills Training, Essential Skills Training Aged Care, Portfolios (eg: QUIT, Occupational Health and Safety). In addition they underwent 394 days of professional development training as per the Learning, Development and Research Strategy [Therapeutic techniques (Mentalisation Based Treatment, Cognitive Behaviour Therapy, Acceptance and Commitment Therapy), Specialised populations (Attention Deficit Disorder, Aged, Rural), Supervision, Cultural responsiveness, Mindfulness Trauma]. A total of 11 Staff attended the Centre for Psychiatric Nursing - Psychotherapy Essentials for community mental health nurses. This was one day/week training from 16 April to 14 May 2018 + five online self-directed learning modules. A total of nine staff attended Department of Health and Human Services Safewards Train the Trainer Training and 23 staff attended Spectrum (Statewide Personality Disorder Service) Mentalisation Based Therapy training.

Goals	Deliverables	Action	Outcomes
Better Health	**Deliver enhanced mental health services that align with the outcomes and actions required in the State-wide 10 year Plan for Mental Health.**	Essential mental health training for all mental health clinical staff.	GV Health has developed, implemented and evaluated a mandatory program of core mental health skills that ensures a consistent understanding of key requirements in provision of mental healthcare. Essential Mental Health Training was undertaken, focusing on areas such as recovery oriented practice, family sensitive practice, Nominated Persons, Risk Assessment, refresher training in management of violence etc.
	Improve the health outcomes of Aboriginal and Torres Strait Islander people by identifying priorities for service development in consultation with the Aboriginal Elders Council and the community; and increase employment opportunities through implementation of the Aboriginal Employment Plan.	Development of a video dispelling the myths of mental illness for Indigenous individuals.	A short video has been developed, outlining the relevant cultural Indigenous heritage and aspects of mental illness in Shepparton.
		Aboriginal Employment Plan 2016 - 2019.	The Plan aligns to the Algabonyah Employment Agreement. Cultural Training is provided to all staff at GV Health and education is provided to all new employees at orientation. A wider ranging group is to be formed incorporatiing the GV Health Aboriginal Health Improvement Network (now called the Aboriginal and Torres Straight Islander Health at GV Heath committee), Yorta Yorta Nations, ASHE, Rumbalara Aboriginal Corporation, Kiaela Gallery, Primary Care Partnership and other local agencies involved in Aboriginal Health and Cultural Wellbeing activities. Key alignments will be made to address Aboriginal employment targets.
		Aboriginal Health Improvement Network (AHIN) - Now the Aboriginal and Torres Strait Islander Health at GV Health Committee.	The Aboriginal and Torres Strait Islander Health @ GV Health Committee is crucial to foster a welcoming staff and patient environment. The internal reference group's first meeting was 15 February 2018. This group's key focus is to drive ongoing Committee's Terms of Reference and contact regimen, to support Aboriginal patients and their families and to inform and improve on our healthcare provision. The internal reference group discussed changes which could be made to move towards a more culturally responsive and safe workplace. This includes updated Terms of Reference; standardised email signatures acknowledging traditional owners; welcome plaques at all entrance points on all campuses; acknowledgement on consumer publications. Staff attended the Victorian Aboriginal Affairs Framework (VAAF) closing the gap community consultations.

Goals	Deliverables	Action	Outcomes
Better Health	**Improve the health outcomes of Aboriginal and Torres Strait Islander people by identifying priorities for service development in consultation with the Aboriginal Elders Council and the community; and increase employment opportunities through implementation of the Aboriginal Employment Plan.**	Korin Korin Balit-Djak Strategic Plan and Barring Djinang Working Group.	This is a Department of Health and Human Services wellbeing strategy to increase Indigenous workforce participation in healthcare. The cultural training framework was adopted to support GV Health in aligning with the new National Safety and Quality Health Service Policy and Funding guidelines to deliver on the relevant sections of the Aboriginal Employment Plan and/or the Reconciliation Action Plan. GV Health is introducing the use of the Department of Health and Human Services Wandeat Bangoongagat cultural framing resource to assist in the planning and development of cultural training for GV Health. The document consists of the training framework, two appendices: a cultural audit tool for the training and development of staff and a cultural learning plan template. Work is ongoing.
Better Access	**Enhance specialist clinics, including Allied Health, to improve referral processes and patient flow, reduce waiting lists and ensure patients are seen in appropriate timeframes.**	Commence a Post Arthroplasty Review Clinic.	The Physiotherapy Outpatients Unit has commenced a Post Arthroplasty Review Clinic to assist discharge of patients following orthopaedic surgery and to reduce readmissions related to poor outcomes. Improved efficiencies are noted in regard to timely ongoing patient management post surgery.
		Plan a trial of a Pre-habilitation Clinic.	Patients have been identified as having delayed inpatient discharge times because of poor condition, mobility and strength. The physiotherapy outpatients unit planned a trial of a Pre-habilitation Clinic for patients due to undergo joint surgery. The pre-habilitaion clinic then commenced and has had an excellent response in the number of attendees.
		Plan a trial of an Emergency Department Physiotherapy Review Clinic.	The trial of an Emergency Department Physiotherapy Review Clinic would assist with discharge times and reduce readmission rates in the Emergency Department. This clinic has not been fully rolled out due to not having staff available with the appropriate skill mix. Services are provided on an individual basis according to client need as an interim arrangement. Planning continues.
		Investigate the establishment of a post breast cancer surgery clinic.	Planning for this clinic continues. It will involve Physiotherapy and Exercise Physiology. The aim is to promote exercise and soft tissue management for women during the post-surgery recovery at the six week recovery phase.
		Trial of increased Social Work hours for the Paediatric Diabetes Outpatient Clinics.	This multi-disciplinary clinic is currently operating from the Integrated Care Service suites and utilises a Paediatrician, Diabetes Educator, Social Worker and Dietitian. The social worker has a focus on providing clinical support to improve outcomes for children with diabetes. Social work hours have increased and the Clinic is progressing well.
		Introduce a Physiotherapy Fracture Review Clinic — outpatient setting.	A new outpatient clinic has been established by Physiotherapy to support early intervention for post fracture patients. The clinic will reduce outpatient physiotherapy waiting lists and improve outcomes for patients. The Clinic is on Monday afternoons and operates out of the Specialist Consulting Suites. It allows patients referred and direct 'walk ups' from the orthopaedic fracture clinic to be seen in a more timely manner.

Goals	Deliverables	Action	Outcomes
Better Access	**Enhance service delivery, patient flow and transfer times in the Emergency Department (ED) through the rapid assessment model of triage, the non-urgent model of care with allied health and diagnostics, and patient flow project; and implement the Rapid Access and Planning Unit (RAPU) in the Medical Unit.**	Improving Emergency Access Collaborative.	Team building workshops were held with senior managers and an action plan was developed. Weekly meetings are being held with the Emergency Department Clinical Director and Nurse Manager. Joint meetings commenced. A Divisional Clinical Director meeting was held to establish external teams roles in support of the Emergency Department model. Emergency Department shift expectations are under development to support patient flow. The RAPU opened in March 2018.
		Implement Rapid Access and Planning Unit (RAPU).	GV Health has developed a model of care for the Medical Ward including RAPU, which includes improved modelling for estimated day of discharge and clinical criteria for discharge. The RAPU opened in March 2018. Work continues to perfect processes and evaluation of the initiative will be undertaken in August 2018. Early data indicates a positive affect on patient flow. Full staffing is in place.
		Introduction of an additional Radiographer resource to enhance service delivery.	An additional Radiographer is now in place and will assist in improving turnaround times for Emergency Department patients requiring X-rays.
		Additional Patient Service Attendant (PSA) for Radiology in Emergency Department.	A new Patient Service Attendant commenced in July 2017 and assists with improving turnaround times for Emergency Department patients requiring X-rays. This also improves utilisation of radiography staff for specialist tasks.
		Electronic ordering for Medical Imaging requests.	Electronic ordering for medical imaging requests helps to eliminate the manual work-flow of a paper based referral system, eliminating the need for placing referrals in boxes and awaiting collection of requests. Transcription errors will be reduced and tighter controls over ordering patterns and repeat imaging can be managed which will improve patient flow and patient safety. The E-ordering project was delivered on 5 May 2018 with many positive comments from clinicians. Feedback has been received regarding a few further enhancements which we have been able to put into place as well. The project is now closed with ongoing management.
	Increase the number of patients who receive treatment within the clinically recommended time for surgery and increase our elective low complexity surgery opportunities with surrounding private and rural hospitals.	Contracts of service with Small rural hospital and improved patient flow at GVH via ED and Medical projects.	Service contracts have been finalised and implemented with Small rural hospitals including Benalla Health, Numurkah District Health Service, Seymour Health, Kyabram District Health Service and Cobram District Health. Partnerships with small rural hospitals are in place. Off site surgery case numbers were 1140 at 21 June 2018

Goals	Deliverables	Action	Outcomes
Better Access	**Communicate and implement Home and Community Care and National Disability and Insurance Scheme transition plans (NDIS).**	Support a growing number of community consumers who are transitioning early to NDIS.	This early transition is taking place in the Goulburn Valley and in the Ovens and Murray. Consumers are being supported via Service Support Coordination with regular requests for support. NDIS registration is due for update in July 2018.
		Obtain external advice on NDIS transition implications.	The Cube Group developed a report on the strategic direction and services plan for NDIS via GV Health. Senior management will present a report to Board requesting guidance on how to proceed with the NDIS transition. Work is ongoing.
	Further develop and implement a whole of service model of care which supports better access, better patient flow and complements the new inpatient infrastructure in the new redevelopment.	Development of the draft whole of health service Model of Care, draft completed, Executive Service Planning Committee established.	The Graham Street redevelopment will see a doubling of the Emergency Department, requiring a new Model of Care. A Solution Design Report is being developed from stakeholder feedback including performance measures and an implementation plan. The first draft of the GV Health Model of Care document is near completion. The next phase is to distribute the document for feedback during July-August. There has been positive engagement from frontline staff as to what works well, barriers and challenges to daily work and what can we do differently. Staff feedback is through daily Executive Rounds, Seek and Find Board in the dining room and online survey. The patient survey is underway through volunteers.
		Develop and implement an adult mental health program Model of Care.	A new Adult Community Mental Health Model of Care has been developed, outlining best practice care and services for adults requiring mental healthcare. Implementation is the next stage.
		Develop the Medical Unit Model of Care to support the expansion of available beds.	Development of the draft whole of health service Model of Care has been completed and the Executive Service Planning Committee established.

Goals	Deliverables	Action	Outcomes
Better Access	**Implement improved operational and capital budgeting processes and controls as part of the Business Improvement Program (BIP).**	Establish project management office.	A project manager was engaged and the business improvement framework is in place.
		BIP contributes to savings in the 2017/18 budget.	A list of BIP initiatives with Executive sign off were identified and implemented. The BIP initiatives achieved $0.61m in benefits which was $0.57m less than budgeted. A number of procurement-related business improvement initiatives ultimately did not progress. The BIP initiatives are being reviewed as part of the sustainability planning for the 2018/19 Budget.
		Develop a BIP monitoring and reporting framework.	The BIP is continually monitored by the Executive with progress formally reported to the Finance and Infrastructure Committee each month. This monitoring and reporting framework will carry-over into 2018/19.
Better Care	**Deliver the Occupational Health, Safety and Wellbeing plan to promote positive health and wellbeing, focusing on prevention, risk management, training, communication and improved reporting of incidents.**	Occupational Violence and Aggression (OVA) training (Provided by Moat).	GV Health is providing Occupational Violence and Aggression training to a number of key departments, including Emergency Department, Security, District Nursing, Customer Service Officer inpatient areas. Further training is scheduled during 2018. This action aims to increase the number of reported incidents and reduce the number of staff injuries as a result of Occupational Violence and Aggression incidents. To date GV Health has completed six sessions which were attended by approximately 106 staff. An additional seven sessions are scheduled for the remainder of the year.
		Implementation of OVA.	The Occupational Violence and Aggression Framework supports zero tolerance and provides guidance in relation to prevention, reporting and management of Occupational Violence and Aggression incidents. Systems and process are embedded within each team. Audits and risk assessments are undertaken on a regular basis. The Occupational Violence and Aggression Framework implementation began in September 2017. The Occupational Violence and Aggression strategy was developed incorporating the ANMF 10 point plan. It has been endorsed by the Executive Management Team.
		Early Intervention Program - Injury Management.	GV Health is developing and embedding an early intervention program to improve health and safety outcomes for staff and to provide a robust system for return to work where required. This action aims to decrease the number of staff injuries and improve WorkCover claims costs and number of claims. This program continues to be embedded across the organisation. There has been a decrease in the WorkCover claims costs as a result of early intervention and return to work strategies.
		Staff Advisory Working Group.	GV Health has implemented a staff advisory working group to determine key focus areas from the People Matter Survey and make recommendations regarding improvements to culture and patient safety. A number of key areas for improvement have been identified including communication and customer service skills. An in-house training program is being developed.

Goals	Deliverables	Action	Outcomes
Better Care	**Refine the workforce planning framework and develop staffing resources and organisational culture to become an employer of choice and to ensure the workforce is appropriately qualified and skilled to deliver high quality, safe care.**	Enrolled Endorsed Nurse Workforce development.	GV Health extended the 2017 graduate program for Enrolled Endorsed Nurse into 2018, with the aim of increasing recruitment and retention of the workforce.
		Registered Nurse Registered Midwife Workforce development.	GV Health is developing an advanced practice framework to support skill and career development with the aim of improving recruitment and retention of Registered Nurses/Registered Midwives. Work has commenced with the clinical nurse midwife specialist group. The current position description has been reviewed and is in final draft. A working group has commenced to plan for a study day later in 2018 to launch the position description and provide education. The Chief Nurse and Midwifery Officer has reconvened the nurse practitioner steering group to provide oversight and governance for the Nurse Practitioner and Nurse Practitioner candidate cohort within GV Health. This group will report via the nursing and midwives executive committee.
		Manager development.	Work was undertaken to develop a leadership and management program for GV Health Middle managers with the aim of improving confidence and skills of the cohort. Work progressed with Emergency Department workforce on in house management days content. Work with the Advisory Board is being undertaken on a management training day to be held at GV Health on July 17. Managers attended the two day Latrobe University management course pilot run in June 2018.
		Allied Health Workforce Planning.	An Allied Health Therapy Workforce Plan was developed to outline and recommend resource requirements to service the acute program. A draft Allied Health Therapy - Acute Program Workforce Plan has been circulated to executive team members for initial comment prior to wider circulation. Further work with GV Health service planning has been undertaken and several business cases have been prepared for allied health (therapy), based on the acute program resourcing recommendations from the Plan.

Goals	Deliverables	Action	Outcomes
Better Care	**Lead primary care partnerships across the region.**	Lead the improvement of access to withdrawal and rehabilitation programs in the Goulburn Valley.	GV Health was successful in a submission for funding to support four residential withdrawal beds for the Hume Region. The service commenced in February 2017. The Residential Withdrawal service continues to support clients with Alcohol and Other Drugs substance abuse issues who are at greater withdrawal risk to safely detox in a supervised hospital facility. We have obtained extended Workforce Capabilities to achieve our aims. We have recruited an Addiction Medicine Specialist into the Gouburn Valley Alcohol and Drug Service team. We have appointed a Team Leader to Therapeutic Day Rehabilitation program. We have seconded an experienced Team Leader of Alcohol and Other Drugs. The Program Manager attended a Therapeutic Day Rehabilitation interim evaluation report meeting. The Addiction Medicine Specialist (AMS) is extending support with Emergency Department Doctors in planning education and clinical support. The AMS is engaged with partner agency Numurkah Health Executive and general practioner/visiting medical officer in providing best practice education and management of alcohol withdrawal.
		Develop Pharmacotherapy and Addiction Medicine Briefing paper to assist in improving access to pharmacotherapy for consumers with Alcohol or Other drug Addictions.	The purpose of the paper is to provide: • Definition of pharmacotherapy • A summary of Victorian Policy • An overview of pharmacotherapy services in the Goulburn Valley • An overview of roles and responsibilities regarding planning pharmacotherapy services Completed.
		Improve access to the Alcohol and Other Drugs service system through service enhancement initiatives.	GV Health has partnered with the Murray Primary Health Network with a 12 month project called "Specialist Addiction Medicine Service Model of Care". Goulburn Valley Alcohol and Drug Service submitted three proposals to Murray Primary Health Network projects that aim to strategically support the 'Building Capacity' domain of the Goulburn Valley Alcohol and Drug Service Addiction Medicine Framework. These projects will provide Goulburn Valley Alcohol and Drug Service with the opportunity to build on the outcomes of the Addiction Medicine Specialist project and develop a sustainable integrated rural addiction medicine service. The projects cover a range of capacity building activities from planning for and the implementation of generalist alcohol and drugs education, designing collaborative care systems, and scoping for an enhanced workforce.

Goals	Deliverables	Action	Outcomes
Better Care	**Strengthen hospital responses to family violence and implement Victorian Child Safe Standards across all services to better protect children from abuse.**	Progress Implementation of a whole-of-hospital response for responding to family violence.	GV Health has participated in Stage 2 and 3 of the roll-out of Strengthening Hospital Responses to Family Violence (SHRFV) initiative developed by The Women's and Bendigo Health. In 2017-18 GV Health participated in Stage 4 continuing to progressively implement this model across the organisation. GV Health is a regional lead agency for this work and supports seven smaller regional health services to implement the SHRFV model. The program is being rolled out. Currently 600 GV Health staff have been trained, including 95 managers. Train the trainer (TTT) has been delivered at 4 of the 7 regional health services that we are supporting. There is full engagement of the seven regional health services that we are supporting, evidenced by their attendance at the recent Community of Practice and the TTT sessions. GV Health has met the expected key deliverables for the SHRFV initiative for 2017-2018 and the seven regional health services that we are supporting. Subject to confirmation of ongoing funding for 2018-2019, SHRFV work will continue in the region with further activities and training planned. Future expectations of meeting the requirements for Information Sharing Legislation and the revised Common Risk Assessment Framework are on track, with these initiatives planned for rollout to health services across Victoria in 2020.

Goals	Deliverables	Action	Outcomes
Better Care	**Strengthen Goulburn Valley Health's Clinical Governance Framework in line with the Victorian Clinical Governance Policy Framework.**	Acknowledging and responding to patient feedback in a timely manner.	Responding to patient feedback is vital to improving our quality of care and is progressing well. The feedback which we receive from the Quality Department is passed onto the relevant clinical area to improve communication, care coordination, and other system improvements.
		Holding department specific morbidity and mortality meetings involving multidisciplinary staff.	These meetings encourage staff to discuss matters of significance. We had a very successful year. Meetings are ongoing and continue to progress well.
		Hold Clinical Senate meetings, which assist in closing the gap between the Board Quality Committee and grassroots clinicians by raising clinical issues of significant importance and implementing change practices.	These meetings are essential so senior management are kept informed of operational level matters. Clinical senate actions have been implemented at the coal face. Significant issues, such as deteriorating patients or recognising abnormal vital signs, have been improved through education and training processes. We have commenced regular communication sessions in the Emergency Department on a weekly basis to highlight the important learning for medical care for all medical officers and nursing staff. This is ongoing and continues to progress well.
		Improve Medical Staff Credentialing process.	GV Health has developed a Scope of Practice and Annual Performance Review documents for senior medical practitioners. This outlines the processes for credentialing, the defining and renewing of Scope of Practice and the introduction of new procedures or treatments into their Scope of Practice. The process of credentialing has been strengthened and is ongoing.

Goals	Deliverables	Action	Outcomes
Better Care	**Plan and deliver patient-centred services using consumer feedback and Victorian Health Experience Survey results to improve patient outcomes and experiences.** **Priority areas include: Emergency Department, Patient Flow, and Community Health.**	Improve service delivery through the use of consumer feedback. Priority areas of focus include: Emergency Department, Patient Flow and Community Health.	GV Health has established more consistent approaches to obtaining consumer feedback on the delivery of safe, accessible quality healthcare. In particular, GV Health has reinvigorated the Consumer Advisory Committee (CAC), which is more reflective of the Goulburn Valley community. The health service involves the CAC and, through them, the broader community in the planning and delivery of key health initiatives. The first CAC meeting of 2018 occurred in May after an extensive recruitment process. In addition, GV Health has established a Staff Advisory Working Group to provide employees with a direct link to executive managers. This was a key recommendation from the People Matter Survey of 2017. This group meets regularly to advise the health service on improving operations, including in the Emergency Department. This group also provides considerations around improving community healthcare and organisational culture. GV Health participates in the Victorian Health Experience Survey, with the health service encouraging feedback from consumers using the 'Tell What You Think' form, the website, and volunteers. All consumer feedback is reported to the Executive Management Team and the Safety and Quality Committee on a monthly basis, and themes are analysed to inform quality improvement initiatives. The Consumer Dashboard was reviewed to reflect the revised data reporting mechanisms through our compliments and feedback system and is displayed across GV Health. Over the past year, the health service has conducted four patient feedback sessions where patients and carers explain their experience and reflect on how things can be done differently to provide better experiences and outcomes for patients.

PART B: PERFORMANCE PRIORITIES 2017/18

HIGH QUALITY AND SAFE CARE

ACCREDITATION		
Key Performance Indicator	**Target**	**Result**
Accreditation against the National Safety and Quality Health Service Standards	Full compliance	Full compliance
Compliance with the Commonwealth's Aged Care Accreditation Standards	Full compliance	Full compliance
INFECTION PREVENTION AND CONTROL		
Key Performance Indicator	**Target**	**Result**
Compliance with cleaning standards	Full compliance	Full compliance
Compliance with the Hand Hygiene Australia program	80%	86.6
Percentage of healthcare workers immunised for influenza	75%	76.2
PATIENT EXPERIENCE		
Key Performance Indicator	**Target**	**Result**
Victorian Healthcare Experience Survey - data submission	Full compliance	Achieved
Victorian Healthcare Experience Survey – positive patient experience – Quarter 1	95% positive experience	Result - 93%
Victorian Healthcare Experience Survey – positive patient experience – Quarter 2	95% positive experience	Result - 82%
Victorian Healthcare Experience Survey – positive patient experience – Quarter 3	95% positive experience	Result - 92%
Victorian Healthcare Experience Survey – discharge care. Quarter 1	75% very positive experience	Result - 79%
Victorian Healthcare Experience Survey – discharge care. Quarter 2	75% very positive experience	Result - 78%
Victorian Healthcare Experience Survey – discharge care. Quarter 3	75% very positive experience	Result - 88%
HEALTHCARE ASSOCIATED INFECTIONS		
Key Performance Indicator	**Target**	**Result**
Number of patients with surgical site infection	No outliers	No outliers
Number of patients with ICU central-line-associated bloodstream infection (CLABSI)	Nil	Nil
Rate of patients with SAB_1 per occupied bed day	≤ 1/10,000	0.9/10,000
ADVERSE EVENTS		
Key Performance Indicator	**Target**	**Result**
Number of sentinel events	Nil	1.0
Mortality – number of deaths in low mortality $DRGs_2$	Nil	N/A*

*This indicator was withdrawn during 2017-18 and is currently under review by the Victorian Agency for Health Information.

MENTAL HEALTH		
Key Performance Indicator	**Target**	**Result**
Percentage of adult acute mental health inpatients who are readmitted within 28 days of discharge	14%	14.1%
Rate of seclusion events relating to a mental health acute admission – all age groups	≤ 15/1,000	4.7
Rate of seclusion events relating to a child and adolescent acute mental health admission	≤ 15/1,000	Not applicable
Rate of seclusion events relating to an adult acute mental health admission	≤ 15/1,000	6.3
Rate of seclusion events relating to an aged acute mental health admission	≤ 15/1,000	0.0
Percentage of child and adolescent acute mental health inpatients who have a post-discharge follow-up within seven days	75%	100%
Percentage of adult acute mental health inpatients who have a postdischarge follow-up within seven days	75%	92.3%
Percentage of aged patients who have a post discharge follow-up within seven days	75%	75%
MATERNITY AND NEWBORN		
Key Performance Indicator	**Target**	**Result**
Percentage of women with prearranged postnatal home care	100%	100%
Rate of singleton term infants without birth anomalies with Apgar score <7 to 5 minutes	≤ 1.6%	1.5%
Rate of severe foetal growth restriction (FGR) in singleton pregnancy undelivered by 40 weeks	≤ 28.6%	0.5%
CONTINUING CARE		
Key Performance Indicator	**Target**	**Result**
Functional independence gain from an episode of GEM_3 admission to discharge relative to length of stay	≥ 0.39	0.64
Functional independence gain from an episode of rehabilitation admission to discharge relative to length of stay	≥ 0.645	0.81

STRONG GOVERNANCE, LEADERSHIP AND CULTURE

ORGANISATIONAL CULTURE		
Key Performance Indicator	**Target**	**Result**
People matter survey - percentage of staff with an overall positive response to safety and culture questions	80%	86%

TIMELY ACCESS TO CARE

EMERGENCY CARE		
Key Performance Indicator	**Target**	**Result**
Percentage of patients transferred from ambulance to emergency department within 40 minutes	90%	74%
Percentage of Triage Category 1 emergency patients seen immediately	100%	100%
Percentage of Triage Category 1 to 5 emergency patients seen within clinically recommended time	80%	60%
Percentage of emergency patients with a length of stay in the emergency department of less than four hours	81%	60%
Number of patients with a length of stay in the emergency department greater than 24 hours	0	0
ELECTIVE SURGERY		
Key Performance Indicator	**Target**	**Result**
Percentage of urgency category 1 elective surgery patients admitted within 30 days	100%	100%
Percentage of urgency category 1,2 and 3 elective surgery patients admitted within clinically recommended time	94%	91.3%
Percentage of patients on the waiting list who have waited longer than clinically recommended time for their respective triage category	5% or 15% proportional improvement from prior year	5%
Number of patients on the elective surgery waiting list[4]	584	586
Number of hospital initiated postponements per 100 scheduled elective surgery admissions	≤ 8 /100	5.6
Number of patients admitted from the elective surgery waiting list – annual total	3,579	3,323
SPECIALIST CLINICS		
Key Performance Indicator	**Target**	**Result**
Percentage of urgent patients referred by a GP or external specialist who attended a first appointment within 30 days	100%	74.7%
Percentage of routine patients referred by GP or external specialist who attended a first appointment within 365 days	90%	96.7%
FINANCE		
Key Performance Indicator	**Target**	**Result**
Operating result ($m)	0.00	0.05m
Average number of days to paying trade creditors	60 days	56 days
Average number of days to receiving patient fee debtors	60 days	54 days
Public and Private WIES[5] activity performance to target	100%	92%
Adjusted current asset ratio	0.7 or 3% improvement from health service base target	0.75
Number of days of available cash	14 days	4 days
ASSET MANAGEMENT		
Key Performance Indicator	**Target**	**Result**
Basic asset Management Plan	Full compliance	Full compliance

PART C: ACTIVITY AND FUNDING 2017/18

FUNDING TYPE

Acute Admitted	Target	Result
WIES DVA	284	233
WIES Private	3,213	3,213
WIES Public	17,953	16,191
WIES TAC	217	141
Acute Non-Admitted	**Target**	**Result**
Emergency Services		35,075
Specialist Clinics - Public	38,606	40,616
Home Enteral Nutrition	375	365
Aged Care	**Target**	**Result**
Aged Care Assessment Service	1,802	1,622
HACC*	10,196	10,354
Residential Aged Care	19,888	18,064
Sub-Acute and Non-Acute Admitted	**Target**	**Result**
Transition Care – Bed Days	13,140	11,464
Transition Care – Home Days	13,505	13,247
Sub-Acute WIES – GEM Private	78	100
Sub-Acute WIES – GEM Public	465	389
Sub-Acute WIES – Palliative Care Private	25	54
Sub-Acute WIES – Palliative Care Public	137	118
Sub-Acute WIES – Rehabilitation Private	69	99
Sub-Acute WIES – Rehabilitation Public	402	327
Sub-Acute Non-Admitted	**Target**	**Result**
Health Independence Program	30,512	29,359
Mental Health and Drug Services	**Target**	**Result**
Drug Services	1,280	1,240
Mental Health Ambulatory	37,715	39,166
Mental Health Residential	7,305	6,734
Mental Health Sub-Acute	7,305	4,376
Mental Health Inpatient – Available Bed Days	7,305	7,300
Primary Health	**Target**	**Result**
Community Health / Primary Care Programs	11,945	12,130
Other	**Target**	**Result**
Health Workforce	105	103

* HACC includes Nursing After Hours

ATTESTATIONS

CONFLICT OF INTEREST

I, Matt Sharp, certify that GV Health has put in place appropriate internal controls and processes to ensure that it has complied with the requirements of hospital circular 2017 Compliance Reporting In Health Portfolio Entities 'Revised' and the minimum accountabilities required by the VPSC.

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

GV Health will implement a Conflict of Interest policy that is consistent with the guidelines of the Victorian Public Sector Commission.

Matt Sharp

Interim Chief Executive Officer

13 August 2018

DATA INTEGRITY

I, Matt Sharp, certify that GV Health has put in place appropriate internal controls and processes to ensure that reported data reasonably reflects actual performance. GV Health has critically reviewed these controls and processes during the year.

Matt Sharp

Interim Chief Executive Officer

13 August 2018

HEALTH PURCHASING VICTORIA POLICIES COMPLIANCE

I, Matt Sharp, certify that GV Health has put in place appropriate internal controls and processes to ensure that it has complied with the requirements as set out in the HPV Health Purchasing Policies including mandatory HPV collective agreements as required by the *Health Services Act 1988* (Vic) and has critically reviewed these controls and processes during the year.

There are seven HPV requirements that GV Health did not comply with as of 30 June 2018. The compliance deficiencies are considered immaterial and will be promptly addressed by GV Health.

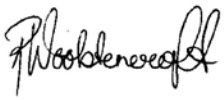
Matt Sharp

Interim Chief Executive Officer

13 August 2018

FINANCIAL MANAGEMENT COMPLIANCE

I, Rebecca Woolstencroft, on behalf of the GV Health Board, certify that GV Health has complied with the applicable Standing Directions of the Minister for Finance under the *Financial Management Act 1994* and Instructions.



Rebecca Woolstencroft

Board Chair

13 August 2018

ADDITIONAL INFORMATION AVAILABLE ON REQUEST

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

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

SUMMARY OF FINANCIAL RESULTS

GOULBURN VALLEY HEALTH

Summary of Financial Results For the Financial Year Ended 30 June 2018	2018 $'000	2017 $'000	2016 $'000	2015 $'000	2014 $'000
Total Revenue*	267,544	247,873	230,457	214,371	211,306
Total Expenses*	267,492	247,355	230,710	213,241	209,522
Operating Result	**52**	**518**	**(253)**	**1,130**	**1,784**
Total Assets	164,421	125,395	123,788	126,019	136,296
Total Liabilities	73,808	60,875	56,139	50,384	52,638
Net Assets	**90,613**	**64,520**	**67,649**	**75,635**	**83,658**
Property, Plant & Equipment Revaluation Surplus	(74,644)	63,992	63,992	63,992	63,992
General Purpose Surplus	(2,473)	19,562	19,475	19,206	18,557
Restricted Purpose Surplus	(5,342)	5,379	5,361	5,420	5,419
Contributed Capital	(46,821)	46,821	46,821	46,821	46,821
(Accumulated Deficits)	38,667	(71,234)	(68,000)	(59,804)	(51,131)
Total Equity	**(90,613)**	**64,520**	**67,649**	**75,635**	**83,658**

* Before capital, depreciation and specific items

SUMMARY OF MAJOR CHANGES OR FACTORS AFFECTING PERFORMANCE

GV Health's major financial objective is to provide the necessary resources to meet anticipated activity levels, address essential capital needs and ensure cash sustainability. GV Health was able to deliver on its accountabilities in 2017-18 within its agreed budget.

GV Health delivered an operating surplus of $0.05m for the 2017-18 financial year (excluding capital, depreciation and specific items) compared to its break-even budget target. GV Health delivered an overall surplus of $15.44m for the 2017-18 financial year (including capital, depreciation and specific items). The Net Result reflects the receipt of significant one off capital purpose income from Department of Health and Human Services for elements of the GV Hospital Redevelopment, the Waranga Rushworth Redevelopment and the implementation of a replacement Patient Administration System.

SUMMARY OF OPERATIONAL AND BUDGETARY OBJECTIVES AND FACTORS AFFECTING PERFORMANCE

As a public health service, GV Health is required to negotiate a Statement of Priorities (SoP) with the Department of Health and Human Services each year. The SoP is a key accountability agreement between GV Health and the Minister of Health. It recognises that resources are limited and that the allocation of these scarce resources needs to be prioritised. The SoP incorporates both system wide priorities set by the Victorian Government and agency specific priorities.

A break even operating results (excluding capital, depreciation and specific items) was agreed in the 2017-18 SoP for GV Health. The final result for the year was an operating surplus of $0.05m. It is important to note that the financial focus for GV Health is on the operating result given that depreciation is unfunded and capital income from the Department of Health and Human Services is project dependent and therefore highly variable year-to-year. Funding for capital redevelopment and major equipment purchases are sourced from the Department of Health and Human Services; such funding is allocated according to need and after consideration of a supporting submission.

SUMMARY OF SIGNIFICANT CHANGES IN FINANCIAL POSITION

Total cash increased by $12.29m from $15.49m to $27.78m in 2017-18. The increase reflects capital cash inflows exceeding capital cash outflows by $3.60m and an improvement in operating working capital of $8.70m. The major capital cash flows for the year relate to the Rushworth Waranga Redevelopment, for which GV Health was provided upfront cash from the Department of Health and Human Services to deliver the project, elements of the GV Hospital Redevelopment for which GV Health is entirely responsible and upfront cash funding for the replacement Patient Administration System. The improvement in operating working capital reflects an increase in employee benefits provisions (annual leave long service leave), an increase in accrued salaries and wages and an increase in creditors associated with the timing of the final accounts payable creditor run.

Borrowings increased from the previous year due to new finance leases for Information, Communications and Technology (ICT) equipment.

Equity increased by $26.1m as a result of the net surplus of $15.4m and a revaluation of property, plant and equipment of $10.7m.

EVENTS SUBSEQUENT TO BALANCE DATE

GV Health is unaware of any matters or circumstances that have arisen since the end of the financial year which significantly affect or may significantly affect the operations of the GV Health, the results of its operations or its state of affairs in future years.

DISCLOSURE INDEX

The annual report of GV Health 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
Charter and purpose		
FRD 22H	Manner of establishment and the relevant Ministers	7, 97
FRD 22H	Purpose, functions, powers and duties	2, 7
FRD 22H	Initiatives and key achievements	20-24
FRD 22H	Nature and range of services provided	7, 19
Management and structure		
FRD 22H	Organisational structure	18
Financial and other information		
FRD 10A	Disclosure index	47
FRD 11A	Disclosure of ex-gratia expenses	101
FRD 21C	Responsible person and executive officer disclosures	98
FRD 22H	Application and operation of Protected Disclosure 2012	27
FRD 22H	Application and operation of Carers Recognition Act 2012	27
FRD 22H	Application and operation of Freedom of Information Act 1982	26
FRD 22H	Compliance with building and maintenance provisions of Building Act 1993	25
FRD 22H	Details of consultancies over $10,000	26
FRD 22H	Details of consultancies under $10,000	26
FRD 22H	Employment and conduct principles	27
FRD 22H	Information and Communication Technology Expenditure	27
FRD 22H	Major changes or factors affecting performance	46
FRD 22H	Occupational violence	28
FRD 22H	Operational and budgetary objectives and performance against objectives	46
FRD 22H	Summary of the entity's environmental performance	26
FRD 22H	Significant changes in financial position during the year	46
FRD 22H	Statement on National Competition Policy	26
FRD 22H	Subsequent events	46
FRD 22H	Summary of the financial results for the year	46
FRD 22H	Additional information available on request	45
FRD 22H	Workforce Data Disclosures including a statement on the application of employment and conduct principles	27
FRD 25C	Victorian Industry Participation Policy disclosures	26
FRD 103F	Non-Financial Physical Assets	85
FRD 110A	Cash flow Statements	56
FRD 112D	Defined Benefit Superannuation Obligations	70
SD 5.2.3	Declaration in report of operations	7
SD 5.1.4	Financial Management Compliance Attestation	45
Other requirements under Standing Directions 5.2		
SD 5.2.2	Declaration in financial statements	50
SD 5.2.1(a)	Compliance with Australian accounting standards and other authoritative pronouncements	50, 58
SD 5.2.1(a)	Compliance with Ministerial Directions	50, 58
Legislation		
Freedom of Information Act 1982		26
Protected Disclosure Act 2012		27
Carers Recognition Act 2012		27
Victorian Industry Participation Policy Act 2003		26
Building Act 1993		25
Financial Management Act 1994		45
Safe Patient Care Act 2015		27

GV Health

FINANCIAL REPORT
2017/18

GV HEALTH

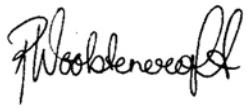
BOARD MEMBER'S, ACCOUNTABLE OFFICER'S AND CHIEF FINANCE & ACCOUNTING OFFICER'S DECLARATION

The attached financial statements for Goulburn Valley (GV) Health have been prepared in accordance with Direction 5.2 of the Standing Directions of the Minister for Finance under the *Financial Management Act 1994*, applicable Financial Reporting Directions (FRDs), Australian Accounting Standards including Interpretations, and other mandatory professional reporting requirements.

We further state, 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 2018 and the financial position of GV Health at 30 June 2018.

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 the 13 August 2018.



REBECCA WOOLSTENCROFT
BOARD CHAIR

Shepparton
13 August 2018

MATT SHARP
INTERIM CHIEF EXECUTIVE OFFICER

Shepparton
13 August 2018

RICK GAROTTI
CHIEF FINANCE OFFICER

Shepparton
13 August 2018

Independent Auditor's Report

Victorian Auditor-General's Office

To the Board of Goulburn Valley Health

Opinion	I have audited the financial report of Goulburn Valley Health (the health service) which comprises the: • balance sheet as at 30 June 2018 • comprehensive operating statement for the year then ended • statement of changes in equity for the year then ended • cash flow statement for the year then ended • notes to the financial statements, including significant accounting policies • board member's, accountable officer's and chief finance and accounting officer's declaration. In my opinion the financial report presents fairly, in all material respects, the financial position of the health service as at 30 June 2018 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the *Financial Management Act 1994* and applicable Australian Accounting Standards.
Basis for Opinion	I have conducted my audit in accordance with the *Audit Act 1994* which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. My independence is established by the *Constitution Act 1975.* My staff and I are independent of the health service in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.
Board's responsibilities for the financial report	The Board of the health service is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the *Financial Management Act 1994*, and for such internal control as the Board determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error. In preparing the financial report, the Board is responsible for assessing the health service's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.

Level 31 / 35 Collins Street, Melbourne Vic 3000
T 03 8601 7000 enquiries@audit.vic.gov.au www.audit.vic.gov.au

Auditor's responsibilities for the audit of the financial report

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

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

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

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

MELBOURNE
27 August 2018

Ron Mak
as delegate for the Auditor-General of Victoria

GV HEALTH

COMPREHENSIVE OPERATING STATEMENT
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018

	Note	Total 2018 $'000	Total 2017 $'000
Revenue from Operating Activities	**2.1**	266,869	247,367
Revenue from Non-Operating Activities	**2.1**	675	506
Employee Expenses	**3.1**	(175,311)	(162,460)
Non Salary Labour Costs	**3.1**	(17,146)	(13,913)
Supplies and Consumables	**3.1**	(43,060)	(42,416)
Other Expenses	**3.1**	(31,975)	(28,566)
Net Result Before Capital and Specific Items		**52**	**518**
Capital Purpose Income[i]	**2.1**	30,804	10,198
Depreciation and Amortisation	**3.1, 4.2**	(10,094)	(9,998)
Specific Expenses	**3.1, 3.3**	(250)	(14)
Finance Costs	**3.1, 3.4**	(58)	(17)
Capital Purpose Expenditure	**3.1**	(5,164)	(4,198)
Net Result After Capital and Specific Items		**15,290**	**(3,511)**
Other Economic Flows Included in Net Result			
Net Gain/(Loss) on Non-Financial Assets[i]		29	(57)
Net Gain/(Loss) on Bad Debts		163	-
Net Gain/(Loss) of the Revaluation of Long Service Leave	**3.5**	(41)	779
Total Other Economic Flows Included in Net Result		**151**	**722**
NET RESULT FOR THE YEAR		**15,441**	**(2,789)**
Other Comprehensive Income			
Items that will not be reclassified to Net Result			
Changes in Property, Plant and Equipment Revaluation Surplus	**8.1a**	**10,652**	-
Total Other Comprehensive Income		**10,652**	**-**
COMPREHENSIVE RESULT FOR THE YEAR		**26,093**	**(2,789)**

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

[i] Prior year income previously included the net gain/(loss) on non-financial assets which now form part of Other Economic Flows Included in Net Result.

GV HEALTH
BALANCE SHEET
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018

	Note	Total 2018 $'000	Total 2017 $'000
Current Assets			
Cash and Cash Equivalents	**6.2**	27,782	15,490
Receivables	**5.1**	8,318	5,518
Inventories	**5.2**	2,153	2,236
Prepayments and Other Assets	**5.4**	1,067	898
Total Current Assets		**39,320**	**24,142**
Non-Current Assets			
Receivables	**5.1**	1,733	1,343
Property, Plant and Equipment	**4.1**	122,762	98,929
Intangible Assets	**4.3**	606	980
Total Non-Current Assets		**125,101**	**101,252**
TOTAL ASSETS		**164,421**	**125,394**
Current Liabilities			
Payables	**5.5**	**17,180**	**12,364**
Borrowings	**6.1**	961	721
Provisions	**3.5**	38,703	33,199
Other Current Liabilities	**5.3**	8,657	7,130
Total Current Liabilities		**65,501**	**53,414**
Non-Current Liabilities			
Borrowings	**6.1**	3,123	2,655
Provisions	**3.5**	5,184	4,805
Total Non-Current Liabilities		**8,307**	**7,460**
TOTAL LIABILITIES		**73,808**	**60,874**
NET ASSETS		**90,613**	**64,520**
Equity			
Property, Plant and Equipment Revaluation Surplus	**8.1a**	74,644	63,992
General Purpose Surplus	**8.1a**	2,473	19,562
Restricted Specific Purpose Surplus	**8.1b**	5,342	5,379
Contributed Capital	**8.1b**	46,821	46,821
Accumulated Deficits	**8.1c**	(38,667)	(71,234)
TOTAL EQUITY		**90,613**	**64,520**
Contingent Assets and Contingent Liabilities	**7.2**		
Commitments	**6.3**		

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

GV HEALTH
STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018

	Note	Property, Plant and Equipment Revaluation Surplus $'000	General Purpose Surplus $'000	Restricted Specific Purpose Surplus $'000	Contributions by Owners $'000"	Accumulated Surpluses/ (Deficits) $'000	Total $'000
Balance at 1 July 2016		**63,992**	**19,475**	**5,362**	**46,821**	**(68,341)**	**67,309**
Net Result for the Year	**8.1c**	-	-	-	-	(2,789)	(2,789)
Transfer from/(to) Accumulated Surplus (Deficit)	**8.1a, c**	-	87	17	-	(104)	-
Balance at 30 June 2017		**63,992**	**19,562**	**5,379**	**46,821**	**(71,234)**	**64,520**
Net Result for the Year	**8.1c**	-	-	-	-	15,441	15,441
Other Comprehensive Income for the Year	**8.1a**	10,652	-	-	-	-	10,652
Transfer from/(to) Accumulated Surplus (Deficit)	**8.1a, c**	-	(17,089)	(37)	-	17,126	-
Balance at 30 June 2018		**74,644**	**2,473**	**5,342**	**46,821**	**(38,667)**	**90,613**

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

GV HEALTH
CASH FLOW STATEMENT
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018

	Note	Total 2018 $'000	Total 2017 $'000
Cash Flows from Operating Activities			
Operating Grants from Government		229,484	211,303
Capital Grants from Government		14,249	6,204
Patient and Resident Fees Received		18,860	18,154
Private Practice Fees Received		3,374	3,802
Donations and Bequests Received		421	129
Capital Donations and Bequests Received		605	159
GST Received from ATO		7,045	6,198
Interest and Investment Income Received		761	600
Other Receipts		14,409	16,025
Other Capital Receipts		5	29
Trust Monies recognised as Cash from Operations		8,657	-
Total Receipts		**297,870**	**262,603**
Employee Expenses Paid		(169,596)	(160,250)
Non Salary Labour Costs		(18,862)	(13,914)
Payments for Supplies and Consumables		(81,440)	(80,429)
Payments for Medical Indemnity Insurance		-	-
Total Payments		**(269,898)**	**(254,593)**
Net Cash Flow From Operating Activities	**8.2**	**27,972**	**8,010**
Cash Flows from Investing Activities			
Purchase of Non-Financial Assets		(9,135)	(3,908)
Purchase of Intangible Assets		(215)	-
Proceeds from Disposal of Non-Financial Assets		144	62
Net Cash Flow From Investing Activities		**(9,206)**	**(3,846)**
Cash Flows from Financing Activities			
Repayment of Borrowings		(550)	(525)
Proceeds from Finance Leases		1,551	85
Repayment of Finance Leases		(347)	(420)
Net Cash Flows From Financing Activities		**654**	**(860)**
Net Increase/(Decrease) in Cash and Cash Equivalents Held		**19,420**	**3,304**
Cash and Cash Equivalents at Beginning of Year		8,362	5,058
Cash and Cash Equivalents at End of Year	**6.2**	**27,782**	**8,362**

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

GV HEALTH

NOTE TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018

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GV HEALTH

NOTE TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018

BASIS OF PREPARATION

The financial statements are prepared in accordance with the Australian Accounting Standards and relevant FRDs.

These financial statements are presented in Australian dollars and the historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured on a different basis.

The accrual basis of accounting has been applied in preparing these financial statements, whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

Consistent with the requirements of AASB 1004 Contributions, 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 Department of Health and Human Services (DHHS).

Additions to net assets, which have been designated as contributions by owners, are recognised as contributed capital. Other transfers that are in the nature of contributions to or distributions by owners have also been designated as contributions by owners.

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.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements represent the audited general purpose financial statements for GV Health for the period ending 30 June 2018. The report provides users with information about GV Healths' stewardship of resources entrusted to it.

(a) Statement of Compliance

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, and relevant Standing Directions authorised by the Minister for Finance.

GV Health is a not-for-profit entity and therefore applies the additional AUS paragraphs applicable to "not-for-profit" Health Services under the Australian Accounting Standards.

The annual financial statements were authorised for issue by the Board of GV Health on the 13th August 2018.

(b) Reporting Entity

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

Its principal address is:
Graham Street
Shepparton, Victoria 3630

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

(c) Basis of Accounting Preparation and Measurement

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

The accounting policies have been applied in preparing the financial statements for the year ended 30 June 2018, and the comparative information presented in these financial statements for the year ended 30 June 2017.

The financial statements are prepared on a going concern basis (refer to Note 8.11 Economic Financial Dependency).

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

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

GV Health operates on a fund accounting basis and maintains three funds; Operating, Specific Purpose and Capital Funds.

The financial statements, except for cash flow information, have been prepared using the accrual basis of accounting. Under the accrual basis, items are recognised as assets, liabilities, equity, income or expenses when they satisfy the definitions and recognition criteria for those items, that is, they are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

Judgements, estimates and assumptions are required to be made about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are reviewed on an ongoing basis. The estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision. Judgements and assumptions made by management in the application of the Australian Accounting Standards that have significant effects on the financial statements and estimates relate to:

- The fair value of land, buildings and plant and equipment (refer to Note 4.1 Property, Plant and Equipment);
- Superannuation expense (refer to Note 3.6 Superannuation);
- Employee benefit provisions based on likely tenure of existing staff, patterns of leave claims, future salary movements and future discount rates (refer to Note 3.5 Employee Benefits in the Balance Sheet); and

Goods and Services Tax

Income, expenses and assets are recognised net of the amount of associated Good and Services Tax (GST) receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the Balance Sheet.

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

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

(d) Jointly Controlled Operation

Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

- In respect of any interest in joint operations, GV Health recognises in the financial statements: its assets, including its share of any assets held jointly;
- any liabilities including its share of liabilities that it had incurred;
- its revenue from the sale of its share of the output from the joint operation;
- its share of the revenue from the sale of the output by the operation; and
- its expenses, including its share of any expenses incurred jointly.

GV Health is a Member of the Hume Rural Health Alliance and retains joint control over the arrangement, which it has classified as a joint operation (refer to Note 8.10 Jointly Controlled Operations).

NOTE 2: FUNDING DELIVERY OF OUR SERVICES

GV Health's overall objective is to provided quality health services that promote healthy communities and improve the quality of life of Victorians. GV Health is predominantly funded by accrual based grant funding for the provision of agreed outputs. GV Health also receives income from the supply of services.

Structure

2.1 Analysis of Revenue by Source

2.2 Assets Received Free Of Charge or For Nominal Consideration

NOTE 2.1: ANALYSIS OF REVENUE BY SOURCE

	Admitted Patients 2018 $'000	Non-Admitted 2018 $'000	EDs 2018 $'000	Mental Health 2018 $'000	RAC (incl. Mental Health) 2018 $'000	Aged Care 2018 $'000	Primary Health 2018 $'000	Other* 2018 $'000	Total 2018 $'000
Government Grants	137,084	9,946	15,315	26,049	5,029	14,848	1,427	20,789	230,487
Indirect contributions by Department of Health and Human Services	41	-	-	37	3	20	6	12	119
Patient and Resident Fees	6,578	24	254	-	1,364	344	12	848	9,424
Other Revenue from Operating Activities	728	25	75	1,315	2	50	(3)	6,121	8,313
Transfer Pricing	17,138	-	-	-	-	-	-	(17,138)	-
Commercial Activities and Special Purpose Funds	-	-	-	-	-	-	-	18,526	18,526
Total Revenue from Operating Activities	**161,569**	**9,995**	**15,644**	**27,401**	**6,398**	**15,262**	**1,442**	**29,158**	**266,869**
Interest	-	-	-	-	-	-	-	675	675
Total Revenue from Non-Operating Activities	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**675**	**675**
Capital Purpose Income (excluding Interest)	-	-	-	-	-	-	-	30,721	30,721
Capital Interest	-	-	-	-	-	-	-	83	83
Total Capital Purpose Revenue	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**30,804**	**30,804**
Total Revenue	**161,569**	**9,995**	**15,644**	**27,401**	**6,398**	**15,262**	**1,442**	**60,637**	**298,348**

NOTE 2.1: ANALYSIS OF REVENUE BY SOURCE (CONTINUED)

	Admitted Patients 2017 $'000	Non-Admitted 2017 $'000	EDs 2017 $'000	Mental Health 2017 $'000	RAC (incl. Mental Health) 2017 $'000	Aged Care 2017 $'000	Primary Health 2017 $'000	Other* 2017 $'000	Total 2017 $'000
Government Grants	125,424	8,931	12,954	23,739	4,957	13,283	1,359	20,980	211,627
Indirect contributions by Department of Health and Human Services	43	-	-	38	3	20	6	13	123
Patient and Resident Fees	5,660	31	253	-	1,341	471	10	907	8,673
Other Revenue from Operating Activities	899	41	18	1,503	-	42	-	5,375	7,878
Transfer Pricing	17,544	-	-	-	-	-	-	(17,544)	-
Commercial Activities and Special Purpose Funds	-	-	-	-	-	-	-	19,066	19,066
Total Revenue from Operating Activities	**149,570**	**9,003**	**13,225**	**25,280**	**6,301**	**13,816**	**1,375**	**28,797**	**247,367**
Interest	-	-	-	-	-	-	-	506	506
Total Revenue from Non-Operating Activities	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**506**	**506**
Capital Purpose Income (excluding Interest) [i]	-	-	-	-	-	-	-	10,102	10,102
Capital Interest	-	-	-	-	-	-	-	96	96
Total Capital Purpose Revenue	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**10,198**	**10,198**
Total Revenue	**149,570**	**9,003**	**13,225**	**25,280**	**6,301**	**13,816**	**1,375**	**39,501**	**258,071**

*Other Programs include Commercial Activities, Special Purpose Funds and Capital.

[i] Prior year income previously included the net gain/(loss) on non-financial assets which now form part of Other Economic Flows included in Net Result.

Revenue has been classified across programs as defined in the Agency Information Management System (AIMS) guidelines. For clinical support, infrastructure and corporate and diagnostic laboratory and medical services, Full Time Equivalent (FTE) has been used to allocate revenue across the programs.

DDHS makes certain payments on behalf of the GV Health for insurance expenses. These amounts have been brought to account in determining the operating result for the year by recording them as revenue and expenses.

Revenue Recognition

Income is recognised in accordance with AASB 118 Revenue and is recognised as to the extent that it is probable that the economic benefits will flow to GV Health and the income can be reliably measured at fair value. Unearned income at reporting date is reported as income received in advance.

Amounts disclosed as revenue are where applicable, net of returns, allowances and duties and taxes.

Government Grants and Other Transfers of Income (Other than Contributions by Owners)

In accordance with AASB 1004 Contributions, government grants and other transfers of income (other than contributions by owners) are recognised as income when GV Health gains control of the underlying assets irrespective of whether conditions are imposed on the GV Health use of the contributions. Contributions are deferred as income in advance when GV Health has a present obligation to repay them and the present obligation can be reliably measured.

Indirect Contributions from DHHS

- Insurance is recognised as revenue following advice from DHHS.
- Long Service Leave (LSL) Debtor Revenue is recognised upon finalisation of movements in LSL liability in line with the arrangements set out in the DHHS Hospital Circular 04/2017.

Patient and Resident Fees

Patient fees are recognised as revenue on an accrual basis.

Private Practice Fees

Private practice fees are recognised as revenue at the time invoices are raised.

Revenue from Commercial Activities

Revenue from commercial activities such as commercial laboratory medicine, diagnostic imaging are recognised at the time invoices are raised.

Donations and Other Bequests

Donations and bequests are recognised as revenue when received. If donations are for a special purpose, they may be appropriated to a surplus, such as the specific restricted purpose surplus.

Interest Revenue

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

Other Income

Other income includes recoveries for salaries and wages and external services provided.

Fair value of Assets and Services Received Free of Charge or for Nominal Consideration

Resources received free of charge or for nominal consideration are recognised at their fair value when the transferee obtains control over them, irrespective of whether restrictions or conditions are imposed over the use of the contributions, unless received from another Health Service or agency as a consequence of a restructuring of administrative arrangements. In the latter case, such transfer will be recognised at carrying value. Contributions in the form of services are only recognised when a fair value can be reliably determined and the services would have been purchased if not received as a donation.

Category Groups

GV Health has used the following category groups for reporting purposes for the current and previous financial years.

Admitted Patient Services (Admitted Patients)

Comprises all acute and subacute admitted patient services, where services are delivered in public hospitals.

Non-Admitted Services

Comprises acute and subacute non-admitted services, where services are delivered in public hospital clinics and provide models of integrated community care, which reduces the demand for hospital beds and supports the transition from hospital to home in a safe and timely manner.

Emergency Department Services (EDs)

Comprises all emergency department services.

Mental Health Services (Mental Health)

Comprises all specialised mental health services providing a range of inpatient, community based residential, rehabilitation and ambulatory services which treat and support people with a mental illness and their families and carers. These services aim to identify mental illness early, and seek to reduce its impact through providing timely acute care services and appropriate longer-term accommodation and support for those living with a mental illness.

Residential Aged Care including Mental Health (RAC incl. Mental Health)

Comprises those Commonwealth-licensed residential aged care services in receipt of supplementary funding from the department under the mental health program. It excludes all other residential services funded under the mental health program, such as mental health funded community care units and secure extended care units.

Aged Care

Comprises a range of in home, specialist geriatric, residential care and community based programs and support services, such as Home and Community Care (HACC) that are targeted to older people, people with a disability, and their carers.

Primary and Community Health (Primary Health)

Comprises a range of home based, community based, community, primary health and dental services including health promotion and counselling, physiotherapy, speech therapy, podiatry and occupational therapy and a range of dental health services.

Other Services (Other)

Comprises of Health and Community Initiatives and other public health services not separately classified above including;

- Laboratory testing, blood borne viruses / sexually transmitted infections clinical services
- Koori liaison officers
- Immunisation and screening services
- Drugs services including drug withdrawal, counselling and the needle and syringe program
- Disability services including aids and equipment and flexible support packages to people with a disability
- Community Care programs including sexual assault support, early parenting services, parenting assessment and skills development, and various support services.

NOTE 3: THE COST OF DELIVERING SERVICES

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

Structure

3.1 Analysis of Expenses by Source

3.2 Analysis of Expenses and Revenue by Internally Managed and Restricted Specific Purpose Funds

3.3 Specific Expenses

3.4 Finance Costs

3.5 Employee Benefits in the Balance Sheet

3.6 Superannuation

NOTE 3.1: ANALYSIS OF EXPENSES BY SOURCE

	Admitted Patients 2018 $'000	Non-Admitted 2018 $'000	EDs 2018 $'000	Mental Health 2018 $'000	RAC (incl. Mental Health) 2018 $'000	Aged Care 2018 $'000	Primary Health 2018 $'000	Other* 2018 $'000	Total 2018 $'000
Employee Expenses	74,100	2,294	11,749	17,145	4,257	8,281	925	56,560	175,311
Other Operating Expenses									
Non Salary Labour Costs	6,934	13	3,197	1,155	5	106	136	5,600	17,146
Supplies and Consumables	16,265	309	744	2,459	239	4,009	28	19,007	43,060
Medical Indemnity Insurance	3,853	-	-	-	-	-	-	21	3,874
Fuel, Light, Power and Water	24	-	-	87	63	25	-	2,362	2,561
Repairs and Maintenance	122	8	34	38	35	9	-	1,184	1,430
Other Expenses	4,380	118	2,469	901	154	142	34	15,912	24,110
Transfer Pricing	53,228	2,536	10,258	2,820	4,237	1,965	270	(75,314)	-
Total Expenditure from Operating Activities	**158,906**	**5,278**	**28,451**	**24,605**	**8,990**	**14,537**	**1,393**	**25,332**	**267,492**
Finance Costs (refer note 3.4)	-	-	-	-	-	-	-	58	58
Other Non-Operating Expenses									
Specific Expenses	-	-	-	-	-	-	-	250	250
Expenditure for Capital Purposes	-	-	-	-	-	-	-	5,164	5,164
Depreciation and Amortisation (refer note 4.2)	-	-	-	-	-	-	-	10,094	10,094
Total Other Expenses	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**15,566**	**15,566**
Total Expenses	**158,906**	**5,278**	**28,451**	**24,605**	**8,990**	**14,537**	**1,393**	**40,898**	**283,058**

	Admitted Patients 2017 $'000	Non-Admitted 2017 $'000	EDs 2017 $'000	Mental Health 2017 $'000	RAC (incl. Mental Health) 2017 $'000	Aged Care 2017 $'000	Primary Health 2017 $'000	Other* 2017 $'000	Total 2017 $'000
Employee Expenses	67,754	2,085	11,412	15,841	4,255	7,847	771	52,495	162,460
Other Operating Expenses									
Non Salary Labour Costs	6,392	13	1,082	975	-	170	140	5,141	13,913
Supplies and Consumables	16,027	286	687	2,442	251	3,111	27	19,585	42,416
Medical Indemnity Insurance	3,815	-	-	-	-	-	-	51	3,866
Fuel, Light, Power and Water	23	-	-	65	53	20	-	1,534	1,695
Repairs and Maintenance	133	5	40	48	20	9	-	1,310	1,565
Other Expenses	4,137	111	2,066	1,033	160	294	22	13,617	21,440
Transfer Pricing	49,932	2,000	8,824	2,495	3,876	1,606	177	(68,910)	-
Total Expenditure from Operating Activities	**148,213**	**4,500**	**24,111**	**22,899**	**8,615**	**13,057**	**1,137**	**24,823**	**247,355**
Finance Costs (refer note 3.4)	-	-	-	-	-	-	-	17	17
Other Non-Operating Expenses									
Specific Expenses	-	-	-	-	-	-	-	14	14
Expenditure for Capital purposes	-	-	-	-	-	-	-	4,198	4,198
Depreciation and Amortisation (refer note 4.2)	-	-	-	-	-	-	-	9,998	9,998
Total Other Expenses	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**14,227**	**14,227**
Total Expenses	**148,213**	**4,500**	**24,111**	**22,899**	**8,615**	**13,057**	**1,137**	**39,050**	**261,582**

*Other Programs include Commercial Activities, Special Purpose Funds and Capital.

Expenditure has been classified across programs as defined in the Agency Information Management System (AIMS) guidelines. For clinical support, infrastructure and corporate and diagnostic laboratory and medical services, FTE has been used to allocate expenditure across the programs.

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;
- Fringe benefits tax;
- Leave entitlements;
- Termination payments;
- Work cover premiums; and
- Superannuation expenses

Grants and Other Transfers

These include transactions such as grants, subsidies and personal benefit payments made in cash to individuals.

Other Operating Expenses

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

- Supplies and consumables - Supplies and services costs which 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.

- Fair value of assets, services and resources provided free of charge or for nominal consideration - Contributions of resources provided free of charge or for nominal consideration are recognised at their fair value when the transferee obtains control over them.

Net Gain/(Loss) on Non-Financial Assets

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

- Revaluation gains/ (losses) of non-financial physical assets (Refer to Note 4.1 Property, Plant and Equipment.)
- Net gain/ (loss) on disposal of non-financial assets

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

Net Gain/(Loss) on Financial Instruments

Net gain/ (loss) on financial instruments 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; and
- Disposals of financial assets and derecognition of financial liabilities.

Impairment of Non-Financial Assets

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

Other Gains/(Loss) from Other Economic Flows

Other gains/ (losses) include:

- The revaluation of the present value of the LSL liability due to changes in the bond rate movements, inflation rate movements and the impact of changes in probability factors; and
- transfer of amounts from the reserves to accumulated surplus or net result due to disposal or derecognition or reclassification.

NOTE 3.2: ANALYSIS OF EXPENSES AND REVENUE BY INTERNALLY MANAGED AND RESTRICTED SPECIFIC PURPOSE FUNDS

	Total Expense 2018 $'000	Total Expense 2017 $'000	Total Revenue 2018 $'000	Total Revenue 2017 $'000
Private Practice and Other Patient Activities	491	581	2,732	2,896
Laboratory Medicine	5,918	5,319	4,926	4,934
Diagnostics Imaging	5,794	6,002	5,651	5,967
Cafeteria and Catering Services	1,207	1,151	1,310	1,249
Patient Transport	(70)	(84)	-	-
Car Park	105	90	495	498
Regional Services	2,302	2,731	2,635	3,014
Retail Aids and Equipment Outlet	513	422	469	326
Other Activities				
Fundraising and Community Support	98	67	259	159
Restricted Funds	121	37	48	23
Total	**16,479**	**16,316**	**18,525**	**19,066**

NOTE 3.3: SPECIFIC EXPENSES

	Total 2018 $'000	Total 2017 $'000
Voluntary Departure Packages	-	14
Restructure Costs	250	-
Total	**250**	**14**

NOTE 3.4: FINANCE COSTS

	Total 2018 $'000	Total 2017 $'000
Interest on Residential Aged Care (RAC) Accommodation Bond Deposits	15	1
Finance Costs - Finance Leases	43	16
Total Finance Costs	**58**	**17**

Finance costs include:

- Interest on RAC Accommodation Deposits
- Finance charges in respect of finance leases recognised in accordance with *AASB 117 Leases*.

NOTE 3.5: EMPLOYEE BENEFITS IN THE BALANCE SHEET

	Total 2018 $'000	Total 2017 $'000
Current Provisions		
Employee Benefits [i]		
Accrued Days Off		
- Unconditional and expected to be settled wholly within 12 months [ii]	450	390
Annual Leave		
- Unconditional and expected to be settled wholly within 12 months [ii]	13,403	11,993
- Unconditional and expected to be settled wholly after 12 months [iii]	1,212	1,066
Long Service Leave		
- Unconditional and expected to be settled wholly within 12 months [ii]	2,496	2,288
- Unconditional and expected to be settled wholly after 12 months [iii]	13,117	11,693
	30,678	**27,430**
Provisions related to Employee Benefit On-Costs		
- Unconditional and expected to be settled wholly within 12 months [ii]	1,729	1,516
- Unconditional and expected to be settled wholly after 12 months [iii]	1,526	1,325
	3,255	**2,841**
Accrued Salaries and Wages	4,770	2,928
Total Current Provisions	**38,703**	**33,199**
Non-Current Provisions		
Employee Benefits [i]	4,685	4,353
Provisions related to Employee Benefit On-Costs	499	452
Total Non-Current Provisions	**5,184**	**4,805**
Total Provisions	**43,887**	**38,004**

[i] Provisions for employee benefits consist of amounts for annual leave and long service leave accrued by employees, not including on-costs.

[ii] The amounts disclosed are nominal amounts

[iii] The amounts disclosed are discounted to present values

(a) Employee Benefits and Related On-Costs	Total 2018 $'000	Total 2017 $'000
Current Employee Benefits and Related On-Costs		
Unconditional Long Service Leave entitlements	17,277	15,434
Annual Leave entitlements	16,158	14,406
Accrued Salaries and Wages	4,770	2,928
Accrued Days Off	498	431
Non-Current Employee Benefits and Related On-Costs		
Conditional Long Service Leave entitlements [ii]	5,185	4,805
Total Employee Benefits and Related On-Costs	**43,888**	**38,004**

(b) Movements in Provisions	Total 2018 $'000	Total 2017 $'000
Movement in Long Service Leave:		
Balance at beginning of year	**20,240**	**19,840**
Provision made during the year		
- Revaluations	41	(779)
- Expense recognising employee service	4,389	3,511
Settlement made during the year	(2,208)	(2,332)
Balance at end of year	**22,462**	**20,240**

Employee Benefit Recognition

Provision is made for benefits accruing to employees in respect of Salaries and Wages, Annual Leave and Long Service Leave for services rendered to the reporting date as an expense during the period the services are delivered.

Provisions

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

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

Employee Benefits

This provision arises for benefits accruing to employees in respect of salaries and wages, annual leave and long service leave for services rendered to the reporting date.

Salaries and Wages, Annual Leave and Accrued Days Off

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

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

- Undiscounted value – if GV Health expects to wholly settle within 12 months; or
- Present value – if GV Health 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 GV Health does not expect to settle the liability within 12 months because it will not have the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months. An unconditional right arises after a qualifying period.

The components of this current LSL liability are measured at:

- Undiscounted value – if GV Health expects to wholly settle within 12 months; and
- Present value – if GV Health does not expect to wholly settle within 12 months.

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

Termination Benefits

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

On-costs Related to Employee Expense

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

NOTE 3.6: SUPERANNUATION

	Paid Contribution for the Year	
	Total 2018 $'000	Total 2017 $'000
Defined Benefit Plans: [i]		
First State Super	244	278
Defined Contribution Plans:	13,029	12,348
Total	**13,273**	**12,626**

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

Employees of GV Health are entitled to receive superannuation benefits. GV Health contributes to both defined benefit and defined contribution plans. The defined benefit plan provides benefits based on years of service and final average salary.

Defined Contribution Superannuation Plans

The associated expense is simply the employer contributions that are paid or payable in respect of employees who are members of these plans during the reporting period. Contributions to defined contribution superannuation plans are expensed when incurred.

Defined Benefit Superannuation Plans

The costs represent the contributions made by GV Health to the superannuation plans in respect of the services of current GV Health's staff during the reporting period. Superannuation contributions are made to the plans based on the relevant rules of each plan and are based upon actuarial advice.

GV Health does not recognise any unfunded defined benefit liability in respect of the plans because the hospital 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 Department of Treasury and Finance 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 GV Health.

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

NOTE 4: KEY ASSETS TO SUPPORT SERVICE DELIVERY

GV Health controls assets, infrastructure and other investments that are utilised in meeting its objectives and delivering its activities. They represent the key resources that have been entrusted to GV Health to be utilised for delivery of its outputs and services.

Structure

4.1 Property, Plant and Equipment

4.2 Depreciation and Amortisation

4.3 Intangible Assets

NOTE 4.1: PROPERTY, PLANT AND EQUIPMENT

(a) Gross carrying amount and accumulated depreciation	Total 2018 $'000	Total 2017 $'000
Land		
Land at Fair Value	11,185	10,006
Total Land	**11,185**	**10,006**
Buildings		
Buildings at Fair Value	105,559	94,352
Less Accumulated Depreciation	(26,506)	(19,649)
Leasehold Improvements at Cost	2,447	2,447
Less Accumulated Depreciation	(2,108)	(1,618)
Work in Progress at Cost	23,056	5,733
Total Buildings	**102,448**	**81,265**
Plant and Equipment		
Plant and Non Medical Equipment at Fair Value	4,785	4,718
Less Accumulated Depreciation	(3,462)	(3,117)
Vehicles at Fair Value	3,577	4,160
Less Accumulated Depreciation	(2,888)	(3,078)
Computers and Communication at Fair Value	2,268	1,916
Less Accumulated Depreciation	(1,861)	(1,617)
Furniture and Fittings at Fair Value	517	450
Less Accumulated Depreciation	(362)	(317)
Total Plant and Equipment	**2,574**	**3,115**
Leased Assets		
Leased Computers and Communication at Fair Value	116	870
Less Accumulated Depreciation	(6)	(796)
Leased Vehicles at Fair Value	738	-
Less Accumulated Depreciation	(47)	-
Leased Medical Equipment at Fair Value	680	-
Less Accumulated Depreciation	(128)	-
Total Leased Assets	**1,353**	**74**
Medical Equipment		
Medical Equipment at Fair Value	13,742	12,036
Less Accumulated Depreciation	(8,737)	(7,776)
Total Medical Equipment	**5,005**	**4,260**
Hume Rural Health Alliance (HRHA) Plant and Equipment		
Plant and Non Medical Equipment at Fair Value	97	21
Less Accumulated Depreciation	(23)	(19)
Leased Assets at Fair Value	318	432
Less Accumulated Depreciation	(195)	(225)
Total Hume Rural Health Alliance Plant and Equipment	**197**	**209**
Total Property, Plant and Equipment	**122,762**	**98,929**

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

	Land $'000	Buildings $'000	Work In Progress $'000	Plant and Equipment $'000	Leased Assets $'000	Medical Equipment $'000	Hume Rural Health Alliance $'000	Total $'000
Balance at 1 July 2016	**10,006**	**81,238**	**1,808**	**3,759**	**361**	**4,620**	**258**	**102,050**
Additions	-	-	5,465	498	-	703	85	6,751
Disposals	-	-	-	(120)	-	-	-	(120)
Hume Rural Health Alliance % share adjustment	-	-	-	-	-	-	(8)	(8)
Net Transfers between Classes	-	1,470	(1,504)	34	-	-	-	-
Transfers to Intangible Assets	-	-	(36)	-	-	-	-	(36)
Depreciation (Note 4.2)	-	(7,176)	-	(1,056)	(287)	(1,063)	(126)	(9,708)
Balance at 1 July 2017	**10,006**	**75,532**	**5,733**	**3,115**	**74**	**4,260**	**209**	**98,929**
Additions	-	-	19,223	556	1,534	1,664	-	22,977
Disposals	-	-	-	(80)	-	(35)	-	(115)
Hume Rural Health Alliance % share adjustment	-	-	-	-	-	-	92	92
Net Transfers between Classes	-	1,736	(1,900)	-	-	164	-	-
Transfers to Intangible Assets	-	-	-	-	-	-	-	-
Revaluations increments/ (decrements)	1,179	9,473	-	-	-	-	-	10,652
Depreciation (Note 4.2)	-	(7,349)	-	(1,017)	(255)	(1,048)	(104)	(9,773)
Balance at 30 June 2018	**11,185**	**79,392**	**23,056**	**2,574**	**1,353**	**5,005**	**197**	**122,762**

Land and Buildings and Leased Assets Carried at Valuation

The Valuer-General Victoria has re-valued all of GV Health's owned and leased land and buildings to determine their fair value. The valuation, which conforms to Australian Valuation Standards, was determined by reference to the amounts for which assets could be exchanged between knowledgeable willing parties in an arm's length transaction. The valuation was based on independent assessments. The effective date of the valuation is 30 June 2014.

In compliance with FRD 103F, in the Year Ended 30 June 2018, GV Health's management conducted an annual assessment of the fair value of land and buildings and leased buildings. To facilitate this, management obtained from the Department of Treasury and Finance the Valuer General Victoria indices for the financial Year Ended 30 June 2018.

The latest indices required a managerial revaluation of the fair value of the land in 2018. The indexed value was then compared to individual assets written down book value as at 30 June 2018 to determine the change in their fair values. DHHS approved a managerial revaluation of the land asset class of $1.179m ($nil in 2017).

The latest indices also required a managerial revaluation of the fair value of the Buildings in 2018. The indexed value was then compared to individual assets written down book value as at 30 June 2018 to determine the change in their fair values. DHHS approved a managerial revaluation of the Building asset class of $9.472m ($nil in 2017).

NOTE 4.1: PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(c) Fair Value measurement hierarchy for assets

		Fair Value measurement at end of reporting period using:		
	Carrying Amount $'000	Level 1[i] $000	Level 2[i] $000	Level 3[i] $000
Balance at 30 June 2018				
Land at Fair Value				
Non-Specialised Land	6,567	-	6,567	-
Specialised Land				
GV Health - Graham Street, Shepparton	4,107	-	-	4,107
Tatura Campus - Park Street, Tatura	245	-	-	245
Waranga Campus - Coyle Street, Rushworth	138	-	-	138
Waranga Hostel - High Street, Rushworth	128	-	-	128
Total of Land at Fair Value	**11,185**	**-**	**6,567**	**4,618**
Buildings at Fair Value				
Non-Specialised Buildings	554	-	554	-
Specialised Buildings	78,838	-	-	78,838
Total of Buildings at Fair Value	**79,392**	**-**	**554**	**78,838**
Plant and Equipment at Fair Value				
Plant and Non-Medical Equipment	1,322	-	-	1,322
Vehicles	690	-	-	690
Computers and Communications	407	-	-	407
Furniture and Fittings	155	-	-	155
Total Plant and Equipment at Fair Value	**2,574**	**-**	**-**	**2,574**
Leased Assets at Fair Value				
Leased Computers and Communication	109	-	-	109
Leased Vehicles	690	-	-	690
Leased Medical Equipment	554	-	-	554
Total Leased Assets at Fair Value	**1,353**	**-**	**-**	**1,353**
Medical Equipment at Fair Value	**5,005**	**-**	**-**	**5,005**
Hume Rural Health Alliance Plant and Equipment				
Plant and Non-Medical Equipment at Fair Value	74	-	-	74
Leased Assets at Fair Value	123	-	-	123
Total Hume Rural Health Alliance Plant and Equipment	**197**	**-**	**-**	**197**
	99,706	**-**	**7,121**	**92,585**

[i] Classified in accordance with the Fair Value hierarchy.

There have been no transfers between levels during the period.

	Carrying Amount $'000	Fair Value measurement at end of reporting period using: Level 1[i] $000	Level 2[i] $000	Level 3[i] $000
Balance at 30 June 2017				
Land at Fair Value				
Non-Specialised Land	5,886	-	5,886	-
Specialised Land				
GV Health - Graham Street, Shepparton	3,620	-	-	3,620
Tatura Campus - Park Street, Tatura	240	-	-	240
Waranga Campus - Coyle Street, Rushworth	135	-	-	135
Waranga Hostel - High Street, Rushworth	125	-	-	125
Total of Land at Fair Value	**10,006**	**-**	**5,886**	**4,120**
Buildings at Fair Value				
Non-Specialised Buildings	537	-	537	-
Specialised Buildings	74,995	-	-	74,995
Total of Buildings at Fair Value	**75,532**	**-**	**537**	**74,995**
Plant and Equipment at Fair Value				
Plant and Non-Medical Equipment	1,601	-	-	1,601
Vehicles	1,082	-	-	1,082
Computers and Communications	299	-	-	299
Furniture and Fittings	133	-	-	133
Total Plant and Equipment at Fair Value	**3,115**	**-**	**-**	**3,115**
Leased Assets at Fair Value				
Leased Computers and Communication	74	-	-	74
Total Leased Assets at Fair Value	**74**	**-**	**-**	**74**
Medical Equipment at Fair Value	**4,260**	**-**	**-**	**4,260**
Hume Rural Health Alliance Plant and Equipment				
Plant and Non-Medical Equipment at Fair Value	-	-	-	-
Leased Assets at Fair Value	209	-	-	209
Total Hume Rural Health Alliance Plant and Equipment	**209**	**-**	**-**	**209**
	93,196	**-**	**6,423**	**86,773**

[i] Classified in accordance with the Fair Value hierarchy.

There have been no transfers between levels during the period.

NOTE 4.1: PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(d) Reconciliation of Level 3 fair value

	Land $'000	Buildings $'000	Plant and Equipment $'000	Leased Assets $'000	Medical Equipment $'000	Hume Rural Health Alliance $'000
Balance at 1 July 2017	**4,120**	**74,995**	**3,115**	**74**	**4,260**	**209**
Additions/(Disposals)	-	1,725	476	1,534	1,793	92
Gains/(Losses) recognised in Net Result						
Depreciation and Amortisation	-	(7,317)	(1,017)	(255)	(1,048)	(104)
Items recognised in Other Compensable Income						
Revaluation	498	9,435	-	-	-	-
Balance at 30 June 2018	**4,618**	**78,838**	**2,574**	**1,353**	**5,005**	**197**

	Land $'000	Buildings $'000	Plant and Equipment $'000	Leased Assets $'000	Medical Equipment $'000	Hume Rural Health Alliance $'000
Balance at 1 July 2016	**4,120**	**80,672**	**3,759**	**361**	**4,621**	**257**
Additions/(Disposals)	-	1,469	416	-	702	78
Gains/(Losses) recognised in Net Result						
Depreciation and Amortisation	-	(7,146)	(1,060)	(287)	(1,063)	(126)
Balance at 30 June 2017	**4,120**	**74,995**	**3,115**	**74**	**4,260**	**209**

(e) Fair Value determination

Asset Class	Example of types of assets	Expected fair value level	Likely valuation approach	Significant inputs (Level 3 Only)
Non-specialised land	In areas where there is an active market: • Vacant land • Land not subject to restrictions as to use or sale	Level 2	Market approach	N/A
Specialised land (Crown / Freehold)	• Land subject to restrictions as to use and/or sale • Land in areas where there is not an active market	Level 3	Market approach	Community Service Obligations (CSO) adjustments[c]
Non-specialised buildings	For general/commercial buildings that are just built	Level 2	Market approach	N/A
Specialised buildings[a]	Specialised buildings with limited alternative uses and/or substantial customisation e.g. hospitals, prisons and schools	Level 3	Depreciated replacement cost approach	• Cost per square metre • Useful life
Vehicles	If there is an active resale market available	Level 2	Market approach	N/A
	If there is no active resale market available	Level 3	Depreciated replacement cost approach	• Cost per unit • Useful life
Plant and Equipment[a]	Specialised items with limited alternative uses and/or substantial customisation	Level 3	Depreciated replacement cost approach	• Cost per square metre • Useful life
Medical Equipment		Level 4	Depreciated replacement cost approach	• Cost per unit • Useful life

[a] Newly built/acquired assets could be categorised as Level 2 assets as depreciation would not be a significant unobservable input (based on the 10 per cent materiality threshold).

[b] AASB 13 *Fair Value Measurement* provides an exemption for not for profit public sector entities from disclosing the sensitivity analysis relating to 'unrealised gains/(losses) on non-financial assets' if the assets are held primarily for their current service potential rather than to generate net cash inflows.

[c] CSO adjustment of 20% was applied to reduce the market approach value for the GV Health's specialised land.

There were no changes in valuation techniques throughout the period to 30 June 2018.

Initial Recognition

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

The cost of a leasehold improvement is capitalised as an asset and depreciated over the shorter of the remaining term of the lease or the estimated useful life of the improvements.

The initial cost for non-financial physical assets under finance lease (refer to Note 6.1) is measured at amounts equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease.

Crown land 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 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.

Land and buildings are recognised initially at cost and subsequently measured at fair value less accumulated depreciation and accumulated impairment loss.

Subsequent Measurement

Consistent with AASB 13 Fair Value Measurement, GV Health determines the policies and procedures for recurring property, plant and equipment fair value measurements, in accordance with the requirements of AASB 13 and the relevant FRDs.

All property, plant and equipment for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy.

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

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

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

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

The Valuer-General Victoria is GV Health's independent valuation agency.

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

Fair Value Measurement

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.

Consideration of Highest and Best Use (HBU) for Non-Financial Physical Assets

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

In accordance with paragraph AASB 13.29, Health Services can assume the current use of a non-financial physical asset is its HBU unless market or other factors suggest that a different use by market participants would maximise the value of the asset.

Therefore, an assessment of the HBU will be required when the indicators are triggered within a reporting period, which suggest the market participants would have perceived an alternative use of an asset that can generate maximum value. Once identified, Health Services are required to engage with Valuer-General Victoria or other independent values for formal HBU assessment.

These indicators, as a minimum, include:

External factors:

- Changed acts, regulations, local law or such instrument which affects or may affect the use or development of the asset;
- Changes in planning scheme, including zones, reservations, overlays that would affect or remove the restrictions imposed on the asset's use from its past use;
- Evidence that suggest the current use of an asset is no longer core to requirements to deliver a Health Service's service obligation;
- Evidence that suggests that the asset might be sold or demolished at reaching the late stage of an asset's life cycle.

Valuation hierarchy

Health Services need to use valuation techniques that are appropriate for the circumstances and where there is sufficient data available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy.

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 shall be 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.

Assumptions about risk include the inherent risk in a particular valuation technique used to measure fair value (such as a pricing risk model) and the risk inherent in the inputs to the valuation technique. A measurement that does not include an adjustment for risk would not represent a fair value measurement if market participants would include one when pricing the asset or liability i.e., it might be necessary to include a risk adjustment when there is significant measurement uncertainty. For example, when there has been a significant decrease in the volume or level of activity when compared with normal market activity for the asset or liability or similar assets or liabilities, and the Health Service has determined that the transaction price or quoted price does not represent fair value.

A Health Service shall develop unobservable inputs using the best information available in the circumstances, which might include the Health Service's own data. In developing unobservable inputs, a Health Service may begin with its own data, but it shall adjust this data if reasonably available information indicates that other market participants would use different data or there is something particular to the Health Service that is not available to other market participants. A Health Service need not undertake exhaustive efforts to obtain information about other market participant assumptions. However, a Health Service shall take into account all information about market participant assumptions that is reasonably available. Unobservable inputs developed in the manner described above are considered market participant assumptions and meet the object of a fair value measurement

Non-Specialised Land, Non-Specialised Buildings and Cultural Assets

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

For non-specialised land and non-specialised buildings, an independent valuation was performed by the Valuer-General Victoria to determine the fair value using the market approach. Valuation of the assets was determined by analysing comparable sales and allowing for share, size, topography, location and other relevant factors specific to the asset being valued. An appropriate rate per square metre has been applied to the subject asset. The effective date of the valuation is 30 June 2014.

In June 2018 a managerial valuation was carried out in accordance with FRD 103F to revalue the land to its fair value.

Specialised Land and Specialised Buildings

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

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

The market approach is also used for specialised land and specialised buildings 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 GV Health, 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 GV Health 's specialised land and specialised buildings was performed by the Valuer-General Victoria. The valuation was performed using the market approach adjusted for CSO. The effective date of the valuation is 30 June 2014.

In June 2018 a managerial valuation was carried out in accordance with FRD 103F to revalue the land to its fair value

Vehicles

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

Plant and Equipment

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

There were no changes in valuation techniques throughout the period to 30 June 2018.

For all assets measured at fair value, the current use is considered the highest and best use.

Revaluations of Non-Current Physical Assets

Non-current physical assets are measured at fair value and are revalued in accordance with FRD 103F Non-Current Physical Assets. This revaluation process normally occurs every five years, based upon the asset's Government Purpose Classification, but may occur more frequently if fair value assessments indicate material changes in values. Independent valuers are used to conduct these scheduled revaluations and any interim revaluations are determined in accordance with the requirements of the FRDs. Revaluation increments or decrements arise from differences between an asset's carrying value and fair value.

Revaluation increments are recognised in 'Other Comprehensive Income' and are credited directly to the asset revaluation surplus, 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, 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 surplus in respect of the same class of property, plant and equipment.

Revaluation increases and revaluation decreases 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 surplus is not transferred to accumulated funds on de-recognition of the relevant asset, except where an asset is transferred via contributed capital.

In accordance with FRD 103F, GV Health's non-current physical assets were assessed to determine whether revaluation of the non-current physical assets was required.

NOTE 4.2: DEPRECIATION AND AMORTISATION

	Total 2018 $'000	Total 2017 $'000
Depreciation		
Buildings	6,860	6,702
Leased Buildings	489	473
Plant and Equipment	150	149
Non Medical Equipment	233	283
Vehicles	338	427
Computers and Communications	248	165
Furniture and Fittings	48	35
Lease Equipment - Software	255	285
Medical Equipment	1,048	1,063
Hume Rural Health Alliance - Depreciation	104	126
	9,773	**9,708**
Amortisation		
Software	312	282
Hume Rural Health Alliance - Amortisation	9	8
Total	**321**	**290**
Total Depreciation and Amortisation	**10,094**	**9,998**

Depreciation and Amortisation recognition

Depreciation

All infrastructure assets, buildings, plant and equipment and other non-financial physical assets (excluding items under operating leases, assets held for sale, land and investment properties) that have finite useful lives are depreciated. Depreciation is generally calculated on a straight-line basis at rates that allocate the asset's value, less any estimated residual value over its estimated useful life (refer AASB 116 *Property, Plant and Equipment*).

This depreciation charge is not funded by the DHHS. Assets with a cost in excess of $1,000 are capitalised and depreciation has been provided on depreciable assets so as to allocate their cost or valuation over their estimated useful lives.

Amortisation

Amortisation is the systematic allocation of the depreciable amount of an asset over its useful life. If a Health Service has items such as patents, trademarks, computer software or development expenses that are being capitalised, these should be included under 'Intangible Assets' (refer AASB 138 *Intangible Assets*) and amortised.

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

	2018	2017
Buildings	30 to 40 years	30 to 40 years
Plant and Equipment	3 to 7 years	10 years
Medical Equipment	7 to 10 years	5 to 8 years
Computers and Communication	3 years	3 years
Furniture and Fittings	13 years	5 years
Motor Vehicles	10 years	7 years
Intangible assets	3 to 4 years	3 to 4 years

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

NOTE 4.3: INTANGIBLE ASSETS

	Total 2018 $'000	Total 2017 $'000
Software - Work in Progress	-	331
Software	2,854	2,417
Less Accumulated Amortisation	(2,318)	(2,006)
Total Software	**536**	**742**
Hume Rural Health Alliance - Software Work in Progress		206
Hume Rural Health Alliance - Software	99	53
Less Accumulated Amortisation	(29)	(21)
Total HRHA Software	**606**	**980**
Total Intangible Assets		

Reconciliation of the carrying amounts of intangible assets at the beginning and end of the previous and current financial year:

	Software $'000	Software WIP $'000	HRHA $'000	HRHA WIP $'000	Total $'000
Balance at 1 July 2016	**608**	**296**	**40**	**94**	**1,038**
Additions	85	35	-	112	232
Deprecation and Amortisation (refer Note 4.2)	(282)	-	(8)	-	(290)
Balance at 1 July 2017	**412**	**331**	**32**	**206**	**980**
Additions	436	(331)	47	65	216
Software WIP Written Off	-	-	-	(269)	(269)
Deprecation and Amortisation (refer Note 4.2)	(312)	-	(9)	-	(321)
Balance at 30 June 2018	**536**	**-**	**70**	**-**	**606**

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

Intangible assets are initially recognised at cost. Subsequently, intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses. Costs incurred subsequent to initial acquisition are capitalised when it is expected that additional future economic benefits will flow to GV Health.

NOTE 5: OTHER ASSETS AND LIABILITIES

This section sets out the assets and liabilities that arose from GV Health's operations.

Structure

5.1 Receivables
5.2 Inventories
5.3 Other Liabilities
5.4 Prepayments and Other Non-Financial Assets
5.5 Payables

NOTE 5.1: RECEIVABLES

	Total 2018 $'000	Total 2017 $'000
Current		
Contractual		
Trade Debtors	298	303
Capital Debtors	1,500	-
Patient Fees - Health Service Agreement	2,774	2,502
Patient Fees - Hospital and Community Initiatives	694	685
Patient Fees - Private Practice	205	206
Accrued Investment Income	32	35
Other Accrued Revenue	1,187	996
Hume Rural Health Alliance - Receivables	554	388
Less Allowance for Doubtful Debts		
Trade Debtors	(89)	(391)
Patient Fees - Health Service Agreement	(17)	(65)
Patient Fees - Hospital and Community Initiatives	(10)	(15)
	7,128	**4,644**
Statutory		
Dental Health Services Victoria Accrued Grants	269	382
Department of Health and Human Services	227	-
GST Receivable	694	492
	1,190	**874**
Total Current Receivables	**8,318**	**5,518**
Non Current		
Contractual		
Trade Debtors	64	70
	64	**70**
Statutory		
Long Service Leave - Department of Health	1,669	1,273
	1,669	**1,273**
Total Non Current Receivables	**1,733**	**1,343**
Total Receivables	**10,051**	**6,861**

(a) Movement in the Allowance for Doubtful Debts	Total 2018 $'000	Total 2017 $'000
Balance at beginning of year	471	336
Increase/(decrease) in allowance recognised in Net Result	(355)	135
Balance at end of year	**116**	**471**

Receivables recognition

Receivables consist of:

- Contractual receivables, which consists of debtors in relation to goods and services and accrued investment income; and
- Statutory receivables, which predominantly includes amounts owing from the Victorian Government and Goods and Services Tax (GST) input tax credits recoverable.

Receivables that are contractual are classified as financial instruments and categorised as loans and receivables. Statutory receivables are recognised and measured similarly to contractual receivables (except for impairment), but are not classified as financial instruments because they do not arise from a contract.

Receivables are recognised initially at fair value and subsequently measured at amortised cost less any accumulated impairment. 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.

Trade debtors are carried at nominal amounts due and are due for settlement within 30 days from the date of recognition. Collectability of debts is reviewed on an ongoing basis, and debts which are known to be uncollectible are written off. A provision for doubtful debts is recognised when there is objective evidence that the debts may not be collected and bad debts are written off when identified.

NOTE 5.2: INVENTORIES

	Total 2018 $'000	Total 2017 $'000
At Cost		
Main Store	507	507
Medical and Surgical Supplies	738	777
Pathology	168	118
Engineering	45	45
Pharmaceuticals	575	671
Catering Supplies	9	11
Biomedical Engineering	75	75
Retail Aids and Equipment Outlet	36	32
Total Inventories	**2,153**	**2,236**

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

Inventories held for distribution are measured at cost and adjusted for any loss of service potential.

Inventories acquired for no cost or nominal considerations are measured at current replacement cost at the date of acquisition.

The bases used in assessing loss of service potential for inventories held for distribution include current replacement cost and technical or functional obsolescence. Technical obsolescence occurs when an item still functions for some or all of the tasks it was originally acquired to do, but no longer matches existing technologies. Functional obsolescence occurs when an item no longer functions the way it did when it was first acquired.

Cost for all other inventory is measured on the basis of weighted average cost.

NOTE 5.3: OTHER LIABILITIES

	Total 2018 $'000	Total 2017 $'000
Current		
Monies Held in Trust*		
Patient Monies Held in Trust	2,811	2,000
Accommodation Bonds	4,259	3,894
Employee Trust Funds	86	77
Community Funds	61	43
Government Grants - Hume Region Programs	1,440	1,018
Research Funding	-	98
Total Other Liabilities	**8,657**	**7,130**
***Total Monies Held in Trust**		
Represented by the following assets:		
Cash Assets (Refer Note 6.2)	8,657	7,130
Total	**8,657**	**7,130**

NOTE 5.4: PREPAYMENTS AND OTHER NON-FINANCIAL ASSETS

	Total 2018 $'000	Total 2017 $'000
Current		
Prepayments	1,046	878
Hume Rural Health Alliance - Prepayments	21	20
Total Other Assets	**1,067**	**898**

Other non-financial assets include prepayments which represent payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering a term extending beyond that period.

NOTE 5.5: PAYABLES

	Total 2018 $'000	Total 2017 $'000
Current		
Contractual		
Trade Creditors	6,413	4,015
Accrued Expenses	9,701	7,402
Revenue in Advance	205	233
Hume Rural Health Alliance - Payables	714	73
	17,033	**11,723**
Statutory		
Goods and Services Tax (GST) Payable	122	87
Fringe Benefits Tax (FBT) Payable	9	9
Revenue in Advance - Department of Health and Human Services	-	505
Revenue in Advance - Commonwealth	16	40
	147	**641**
Total Current Payables	**17,180**	**12,364**

Payables consist of:

- Contractual payables, classified as financial instruments and measured at amortised cost. Accounts payable represent liabilities for goods and services provided to DHHS prior to the end of the financial year that are unpaid; and
- Statutory payables, that 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.

NOTE 5.5: PAYABLES

(a) Maturity analysis of Financial Liabilities as at 30 June

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

			Maturity Dates			
2018	**Carrying Amount $'000**	**Nominal Amount $'000**	**Less than 1 Month**	**1 - 3 Months $'000**	**3 Months 1 Year $'000**	**1 - 5 Years $'000**
Financial Liabilities						
At amortised cost						
Payables	17,033	17,033	-	17,033	-	-
Borrowings						
• DHHS Loan	2,599	2,599	46	92	413	2,049
• Finance Leases	1,485	1,485	34	69	308	1,074
Other Financial Liabilities [i]						
• Accommodation Bonds	4,259	4,259	-	-	4,259	-
• Other Funds Held in Trust	4,398	4,398	-	-	4,398	-
Total Financial Liabilities	**29,774**	**29,774**	**80**	**17,193**	**9,378**	**3,123**
2017						
Financial Liabilities						
At amortised cost						
Payables	11,724	11,724	-	11,724	-	-
Borrowings						
• DHHS Loan	3,095	3,095	46	92	413	2,545
• Finance Leases	451	451	14	29	128	280
Other Financial Liabilities [i]						
• Accommodation Bonds	3,894	3,894	-	-	3,894	-
• Other Funds Held in Trust	3,235	3,235	-	-	3,235	-
Total Financial Liabilities	**22,399**	**22,399**	**60**	**11,844**	**7,670**	**2,825**

[i] Ageing analysis of financial liabilities excludes the types of statutory financial liabilities (ie GST payable).

NOTE 6: FINANCING OF OPERATIONS

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

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

NOTE 6.1: BORROWINGS

	Total 2018 $'000	Total 2017 $'000
Current		
Finance Lease Liability [i]	349	74
Finance Lease Liability - HRHA [i]	62	97
Total Current Finance Lease Liability	**411**	**171**
Department of Health and Human Services Loan [ii]	550	550
Total Current	**961**	**721**
Non Current		
Finance Lease Liability [i]	1,012	-
Finance Lease Liability - HRHA [i]	62	110
Total Non Current Finance Lease Liability	**1,074**	**110**
Department of Health and Human Services Loan [ii]	2,049	2,545
Total Non-Current	**3,123**	**2,655**
Total Borrowings	**4,084**	**3,376**

[i] Secured by the assets leased. Finance leases are effectively secured as the rights to the leased assets revert to the lessor in the event of default.

[ii] They are unsecured loans which bear no interest.

Finance costs of the Health Service incurred during the year are accounted for as follows:		
Amount of finance costs recognised as expenses	(58)	(17)

(a) Maturity analysis of borrowings

Please refer to Note 5.5(a) for the ageing analysis of borrowings.

(b) Defaults and breaches

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

(c) Finance Lease Liabilities

	Minimum future lease payments	
	Total 2018 $'000	**Total 2017 $'000**
Finance Leases		
Repayments in relation to finance leases are payable as follows:		
Not later than one year	467	176
Later than 1 year and not later than 5 years	1,128	115
Minimum lease payments	1,595	291
Less future finance charges	(111)	(10)
Total	**1,484**	**281**
Included in the financial statements as:		
Current borrowings finance lease liability	411	171
Non-current borrowings finance lease liability	1,074	110
Total	**1,484**	**281**

The weighted average interest rate implicit in the finance lease is 4.6% (2017: 4.5%).

Minimum future lease payments include the aggregate of all base payments and any guaranteed residual.

Other finance lease liabilities include obligations that are recognised on the balance sheet.

Borrowing Recognition

A lease is a right to use an asset for an agreed period of time in exchange for payment. Leases are classified at their inception as either operating or finance leases based on the economic substance of the agreement so as to reflect the risks and rewards incidental to ownership.

Leases of property, plant and equipment are classified as finance leases whenever the terms of the lease transfers substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases, in the manner described in Note 6.3 Commitments.

Finance Leases

Entity as Lessee

Finance leases are recognised as assets and liabilities at amounts equal to the fair value of the lease property or, if lower, the present value of the minimum lease payment, each determined at the inception of the lease. Minimum lease payments are apportioned between reduction of the outstanding lease liability, and the periodic finance expense which is calculated using the interest rate implicit in the lease, and charged directly to the Comprehensive Operating Statement. Contingent rentals associated with finance leases are recognised as an expense in the period in which they are incurred.

Leasehold Improvements

The cost of leasehold improvements are capitalised as an asset and depreciated over the remaining term of the lease or the estimated useful life of the improvements, whichever is the shorter.

Borrowings

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

NOTE 6.2: CASH AND CASH EQUIVALENTS

	Total 2018 $'000	Total 2017 $'000
Cash on Hand	20	17
Cash at Bank	16,975	13,434
Short Term Deposits	10,000	1,500
Hume Rural Health Alliance	787	539
Total Cash and Cash Equivalents	**27,782**	**15,490**
Represented by:		
Total Cash (as per Cash Flow Statement)	27,782	8,362
Cash for Monies Held in Trust[i]	-	7,128
Total Cash and Cash Equivalents	**27,782**	**15,490**

[i] Cash for Monies Held in Trust was previously stated in a seprate line item. It is now included as part of Total Cash (as per Cash Flow Statement), in the current year as it forms part of Cash Held for Operations.

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

For cash flow statement presentation purposes, cash and cash equivalents include bank overdrafts, which are included as liabilities on the balance sheet.

NOTE 6.3: COMMITMENTS FOR EXPENDITURE

	Total 2018 $'000	Total 2017 $'000
(a) Commitments		
Capital Expenditure Commitments		
Payable:		
Buildings	4,814	9,457
Total Capital Expenditure Commitments	**4,814**	**9,457**
Operating Commitments		
Payable:		
Operating Commitments - vehicles	30	95
Total Operating Commitments	**30**	**95**
Total Commitments (inclusive of GST)	**4,844**	**9,552**

All amounts shown in the commitments note are nominal amounts inclusive of GST.

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

	Total 2018 $'000	Total 2017 $'000
(b) Commitments Payable		
Capital Expenditure Commitments		
Less than 1 year	4,814	8,038
Longer than 1 year and not later than 5 years	-	1,419
Total Capital Expenditure Commitments	**4,814**	**9,457**
Operating Commitments		
Less than 1 year	18	60
Longer than 1 year and not later than 5 years	12	35
Total Operating Commitments	**30**	**95**
Total Commitments (inclusive of GST)	**4,844**	**9,552**
Less GST Recoverable from the Australian Taxation Office	(440)	(868)
Total Commitments (exclusive of GST)	**4,404**	**8,684**

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

NOTE 7: RISKS, CONTINGENCIES AND VALUATION UNCERTAINTIES

GV Health is exposed to risks 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 GV Health is related mainly to fair value determination.

Structure

7.1 Financial Instruments

7.2 Contingent Assets and Contingent Liabilities

NOTE 7.1: FINANCIAL INSTRUMENTS

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

(a) Financial Instruments: Categorisation

2018	Contractual Financial Assets - Loans and Receivables $'000	Contractual Financial Liabilities at Amortised Cost $'000	Total $'000
Contractual Financial Assets			
Cash and Cash Equivalents	27,782	-	27,781
Receivables			
• Trade Debtors and Patient Fees	5,973	-	5,973
• Other Receivables	1,219	-	1,219
Total Financial Assets [(i)]	**34,974**	**-**	**34,974**
Financial Liabilities			
Payables	-	17,033	17,033
Borrowings			
• DHHS Loan	-	2,599	2,599
• Finance Leases	-	1,485	1,485
Other Financial Liabilities			
• Accommodation Bonds	-	4,259	4,259
• Other Funds Held in Trust	-	4,398	4,398
Total Financial Liabilities [(i)]	**-**	**29,774**	**29,774**

2017	Contractual Financial Assets - Loans and Receivables $'000	Contractual Financial Liabilities at Amortised Cost $'000	Total $'000
Contractual Financial Assets			
Cash and Cash Equivalents	15,491	-	15,491
Receivables			
• Trade Debtors and Patient Fees	3,685	-	3,685
• Other Receivables	1,031	-	1,031
Total Financial Assets [i]	**20,207**	**-**	**20,207**
Financial Liabilities			
Payables	-	11,724	11,724
Borrowings			
• DHHS Loan	-	3,095	3,095
• Finance Leases	-	280	280
Other Financial Liabilities			
• Accommodation Bonds	-	3,894	3,894
• Other Funds Held in Trust	-	3,235	3,235
Total Financial Liabilities [i]	**-**	**22,228**	**22,228**

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

(b) Net holding gain / (loss) on financial instruments by category

2018	Total Interest Income / (Expense) $'000	Total $'000
Financial Assets		
Cash and Cash Equivalents [i]	675	675
Total Financial Assets	**675**	**675**
Financial Liabilities		
Financial Liabilities at Amortised Cost [ii]	58	58
Total Financial Liabilities	**58**	**58**
2017		
Financial Assets		
Cash and Cash Equivalents [i]	506	506
Total Financial Assets	**506**	**506**
Financial Liabilities		
Financial Liabilities at Amortised Cost [ii]	17	17
Total Financial Liabilities	**17**	**17**

[i] For cash and cash equivalents, loans or receivables and financial assets available-for-sale, the net gain or loss is calculated by taking the movement in the fair value of the asset, the interest revenue, plus or minus foreign exchange gains or losses arising from revaluation of the financial assets, and minus any impairment recognised in the net result.

[ii] For financial liabilities measured at amortised cost, the net gain or loss is calculated by taking the interest expense measured at amortised cost.

Categories of financial instruments

Loans and receivables and cash are financial instrument assets with fixed and determinable payments that are not quoted on an active market. These assets and liabilities are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial measurement, loans and receivables are measured at amortised cost using the effective interest method (and for assets, less any impairment). GV Health recognises the following assets in this category:

- cash and deposits
- receivables (excluding statutory receivables);
- term deposits; and
- certain debt securities.

Financial assets and liabilities at fair value through net result

These are categorised as such at trade date, or if they are classified as held for trading or designated as such upon initial recognition. Financial instrument assets are designated at fair value through profit or loss on the basis that the financial assets form part of a group of financial assets that are managed based on their fair values and have their performance evaluated in accordance with documented risk management and investment strategies. Financial instruments at fair value through net result are initially measured at fair value; attributable transaction costs are expensed as incurred. Subsequently, any changes in fair value are recognised in the net result as other economic flows. GV Health recognises certain debt securities in this category.

Financial liabilities at amortised cost are initially recognised on the date they are originated. They are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial instruments are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in profit and loss over the period of the interest bearing liability, using the effective interest rate method. GV Health recognises the following liabilities in this category:

- payables (excluding statutory payables); and
- borrowings (including finance lease liabilities).

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

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

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

Impairment of financial assets

At the end of each reporting period, GV Health assesses whether there is objective evidence that a financial asset or group of financial assets is impaired. All financial instrument assets, except those measured at fair value through profit or loss, are subject to annual review for impairment.

The allowance is the difference between the financial asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. 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*.

Reclassification of financial instruments

Subsequent to initial recognition and under rare circumstances, non-derivative financial instruments assets that have not been designated at fair value through profit or loss upon recognition, may be reclassified out of the fair value through profit or loss category, if they are no longer held for the purpose of selling or repurchasing in the near term.

Financial instrument assets that meet the definition of loans and receivables may be reclassified out of the fair value through profit and loss category into the loans and receivables category, where they would have met the definition of loans and receivables had they not been required to be classified as fair value through profit and loss. In these cases, the financial instrument assets may be reclassified out of the fair value through profit and loss category, if there is the intention and ability to hold them for the foreseeable future or until maturity.

Available-for-sale financial instrument assets that meet the definition of loans and receivables may be reclassified into the loans and receivables category if there is the intention and ability to hold them for the foreseeable future or until maturity.

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.

NOTE 7.2: CONTINGENT ASSETS AND CONTINGENT LIABILITIES

GV Health does not have any contingent assets or liabilities as at 30 June 2018 (2017 $Nil).

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

NOTE 8: OTHER DISCLOSURES

This section includes additional material disclosures required by the Australian Accounting Standards or otherwise, for the understanding of this annual report.

Structure

8.1 Equity

8.2 Reconciliation of Net Result for the Year to Net Cash from Operating Activities

8.3 Responsible Persons Disclosures

8.4 Remuneration of Executives

8.5 Related Parties

8.6 Remuneration of Auditors

8.7 Ex-Gratia Payments

8.8 Australia Accounting Standards Board (AASB's) Issued Not Yet Effective

8.9 Events Occurring After the Balance Sheet Date

8.10 Jointly Controlled Operations

8.11 Economic Dependency

8.12 Alternative Presentation of Comprehensive Operating Statement

NOTE 8.1: EQUITY

	Total 2018 $'000	Total 2017 $'000
(a) Surpluses		
Property, Plant and Equipment Revaluation Surplus		
Balance at the beginning of the reporting period	63,992	63,992
Transfer to Accumulated Deficits		
Revaluation Increment	10,652	-
Balance at the end of the reporting period*	**74,644**	**63,992**
***Represented by:**		
Land	6,473	5,293
Buildings	68,171	58,699
Total	**74,644**	**63,992**
General Purpose Surplus		
Balance at the beginning of the reporting period	19,562	19,475
Transfer from/(to) Accumulated Deficit	(17,089)	87
Balance at the end of the reporting period	**2,473**	**19,562**
Restricted Specific Purpose Surplus		
Balance at the beginning of the reporting period	5,379	5,362
Transfer from/(to) Accumulated Deficit	(37)	17
Balance at the end of the reporting period	**5,342**	**5,379**
Total Surpluses	**82,459**	**88,933**
(b) Contributed Capital		
Balance at the beginning of the reporting period	46,821	46,821
Return of Contributed Capital	-	-
Balance at the end of the reporting period	**46,821**	**46,821**
(c) Accumulated (Deficits)		
Balance at the beginning of the reporting period	(71,234)	(68,341)
Net Result for the Year	15,441	(2,789)
Transfers from/(to) General Purpose Surplus	17,089	(87)
Transfers from/(to) Restricted Specific Purpose Surplus	37	(17)
Balance at the end of the reporting period	**(38,667)**	**(71,234)**
(d) Total Equity at end of financial year	**90,613**	**64,520**

Contributed Capital

Consistent with Australian Accounting Interpretation 1038 Contributions by Owners Made to Wholly-Owned Public Sector Entities and FRD 119A Contributions by Owners, appropriations for additions to the net asset base have been designated as contributed capital. 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.

Financial Assets Available-for-Sale Revaluation Surplus

The available-for-sale revaluation surplus arises on the revaluation of available-for-sale financial assets. Where a revalued financial asset is sold, that portion of the surplus which relates to that financial asset is effectively realised and is recognised in the Comprehensive Operating Statement. Where a revalued financial asset is impaired that portion of the surplus which relates to that financial asset is recognised in the Comprehensive Operating Statement.

Specific Restricted Purpose Surplus

The Specific Restricted Purpose Surplus is established where GV Health has possession or title to the funds but has no discretion to amend or vary the restriction and/or condition underlying the funds received.

NOTE 8.2: RECONCILIATION OF NET RESULT FOR THE YEAR TO NET CASH FROM OPERATING ACTIVITIES

	Total 2018 $'000	Total 2017 $'000
Net Result for the Year	15,441	(2,789)
Non-Cash Movements:		
Depreciation	10,094	9,998
Provision for Doubtful Debts	(18)	134
DHHS Non Capital Cash	(13,612)	(3,027)
Movements Included in Investing and Financing Activities		
Net (Gain)/Loss from Disposal of Non-Financial Physical Assets	(29)	57
Movements in Asset and Liabilities;		
Change in Operating Assets and Liabilities		
(Increase)/Decrease in Receivables	(3,172)	683
(Increase)/Decrease in Prepayments	(168)	(81)
Increase/(Decrease) in Payables	4,813	1,778
Increase/(Decrease) in Provisions	5,883	1,482
Increase/(Decrease) in Trust Monies	8,657	-
Change in Inventories	83	(224)
Net Cash Inflow/Outflow from Operating Activities	**27,972**	**8,010**

NOTE 8.3: RESPONSIBLE PERSONS DISCLOSURES

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

Responsible Ministers:	**Period**	
The Honourable Jill Hennessy, Minister for Health and Minister for Ambulance Services	1/7/17	30/6/18
The Honourable Martin Foley, Minister for Mental Health, Minister for Housing, Disability and Ageing, Minister for Creative Industries, Minister for Equality	1/7/17	30/6/18
Rebecca Woolstencroft (Chair of the Board)	1/7/17	30/6/18
Trevor Carr	22/8/17	30/6/18
Jo Breen	1/7/17	30/6/18
Natalie Goodall	1/7/17	30/6/18
Barbara Evans	1/7/17	30/6/18
Micheal Tehan	19/9/17	30/6/18
Roger Coates	1/7/17	30/6/18
A/Prof Richard King	1/7/17	30/6/18
Dr Michael Walsh (Ministerial delegate)	1/7/17	30/6/18
Accountable Officer		
Trevor Saunders (Chief Executive Officer - resigned 21 June 2018)	1/7/17	20/6/18
Matt Sharp (Interim Chief Executive Officer - appointed 21 June 2018)	21/6/18	30/6/18

Remuneration of Responsible Persons

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

	2018	**2017**
Income Band	**No.**	**No.**
$ 0 - $9,999	0	0
$10,000 - $19,999	2	1
$20,000 - $29,000	**5**	**7**
$40,000 - $49,999	1	1
$50,000 - $59,999	0	1
$100,000 - $109,999	0	1
$140,000 - $149,999	0	1
$360,000 - $399,999	1	0
Total Numbers	**9**	**12**
Total remuneration received or due and receivable by Responsible Persons from the Reporting entity amounted to:	**$619,211**	**$516,729**

Amounts relating to the Governing Board Members and Accountable Officer are disclosed in GV Health's financial statements.

Amounts relating to Responsible Ministers are reported within the Department of Parliamentary Services' Financial Report as disclosed in Note 8.5 Related Parties.

NOTE 8.4: REMUNERATION OF EXECUTIVES

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

Remuneration 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 paid or payable on a discrete basis when employment has ceased.

Other Long-term Benefits

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

Termination Benefits

Termination of employment payments, such as severance packages.

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

Several factors affected total remuneration payable to executives over the year. A number of employment contracts were completed and renegotiated and a number of executive officers retired, resigned or were retrenched in the past year. This has had a significant impact on remuneration figures for the termination benefits category.

Remuneration of Executives Officers	**Total Remuneration**	
(including Key Management Personnel Disclosed in Note 8.5)	**2018 $'000**	**2017 $'000**
Short-term benefits	1,208	1,224
Post-employment benefits	95	95
Other Long-term benefits	11	27
Termination benefits	-	-
Total Remuneration[i]	**1,314**	**1,346**
Total Number of Executives	7	10
Total Annualised Employee Equivalent [ii]	5.46	5.54

[i] The total number of executive officers includes persons who meet the definition of Key Management Personnel (KMP) of GV Health under AASB 124 Related Party Disclosures and are also reported within Note 8.5 Relates Parties.

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

NOTE 8.5: RELATED PARTIES

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

- All key management personnel (KMP) and their close family members;
- Cabinet ministers (where applicable) and their close family members;
- Jointly Controlled Operation - A member of the Hume Rural Health Alliance; and
- All hospitals 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 GV Health and its controlled entities, directly or indirectly.

The Board of Directors and the Executive Directors of GV Health and it's controlled entities are deemed to be KMPs.

Entity	KMP's	Position Title
GV Health	Rebecca Woolstencroft	Chair of the Board
GV Health	Trevor Carr	Director
GV Health	Jo Breen	Director
GV Health	Natalie Goodall	Director
GV Health	Barbara Evans	Director
GV Health	Michael Tehan	Director
GV Health	Roger Coates	Director
GV Health	A/Prof Richard King	Director
GV Health	Dr Michael Walsh	Ministerial delegate
GV Health	Matt Sharp	Interim Chief Executive Officer
GV Health	Rick Garotti	Chief Finance Officer
GV Health	Donna Sherringham	Executive Director Clinical Operations
GV Health	Sandy Chamberlin	Executive Director Infrastructure and Business Services
GV Health	Stacey Weeks	Executive Director Workforce
GV Health	Joshua Freeman	Executive Director Community Care and Mental Health
GV Health	Dr Nadarajah Ramesh	Chief Medical Officer
GV Health	Trevor Saunders	Former Chief Executive Officer
GV Health	Salvatore Costanzo	Former Executive Director Finance and Business Services

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

Compensation - KMP's	Total Remuneration	
	2018 $'000	2017 $'000
Short-term benefits	1,660	1,694
Post-employment benefits	137	135
Other long-term benefits	11	33
Termination benefits	125	-
Total[i]	**1,933**	**1,862**

[i] KMPs are also reported in Note 8.3 Responsible Persons or Note 8.4 Remuneration of Executives

Significant Transactions with Government Related Entities

GV Health received funding from DHHS of $208.7m (2017 $182.8m) and indirect contributions of $13.7m (2017 $3.1m).

Expenses incurred by GV Health in delivering services and outputs are in accordance with Health Purchasing 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 a Victorian Public Financial Corporation.

Cash funds are invested in accordance with the 2016 Standing Directions issued by the Minister for Finance under the Financial Management Act 1994.

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 Victorian Government Procurement Board requirements.

Outside of normal citizen type transactions with DHHS, all other related party transactions that involved KMPs and their close family members have been entered into on an arm's length basis. Transactions are disclosed when they are considered material to the users of the financial report in making and evaluation decisions about the allocation of scare resources.

There were no related party transactions with Cabinet Ministers required to be disclosed in 2018.

There were no related party transactions required to be disclosed for GV Health Board of Directors and Executive Directors in 2018.

NOTE 8.6: REMUNERATION OF AUDITORS

	Total 2018 $'000	Total 2017 $'000
Victorian Auditor-General's Office		
Audit and Review of Financial Statements	70	52
Other Providers		
Internal Audit Services	131	95
Total Remuneration of Auditors	**201**	**147**

NOTE 8.7: EX-GRATIA PAYMENTS

In accordance with FRD 11A GV Health has made no Ex-Gratia payments in the 2017/2018 financial year.

NOTE 8.8: AUSTRALIA ACCOUNTING STANDARDS BOARD (AASB'S) ISSUED NOT YET EFFECTIVE

Certain new Australian Accounting Standards have been published that are not mandatory for the 30 June 2018 reporting period. Department of Treasury and Finance assesses the impact of all these new standards and advises GV Health of their applicability and early adoption where applicable.

As at 30 June 2018, the following standards and interpretations had been issued by the AASB but were not yet effective. They become effective for the first financial statements for reporting periods commencing after the stated operative dates as detailed in the table below. GV Health has not and does not intend to adopt these standards early.

Standard/Inter-pretation	Summary	Applicable for annual reporting periods beginning or ending on	Impact on financial statements
AASB 9 *Financial Instruments*	The key changes introduced by AASB 9 include simplified requirements for the classification and measurement of financial assets, a new hedging accounting model and a revised impairment loss model to recognise impairment losses earlier, as opposed to the current approach that recognises impairment only when incurred.	1 January 2018	The assessment has identified that the amendments are likely to result in earlier recognition of impairment losses and at more regular intervals. The initial application of AASB 9 is not expected to significantly impact the financial positon however there will be a change to the way financial instruments are classified and new disclosure requirements.
AASB 2014-1 *Amendments to Australian Accounting Standards [Part E Financial Instruments]*	Amends various AASs to reflect the AASB's decision to defer the mandatory application date of AASB 9 to annual reporting periods beginning on or after 1 January 2018, and to amend Reduced Disclosure requirements.	1 January 2018	This amending standard will defer the application period of AASB 9 to the 2018-19 reporting period in accordance with the transition requirements.
AASB 2014-7 *Amendments to Australian Accounting Standards arising from AASB 9*	Amends various AASs to incorporate the consequential amendments arising from the issuance of AASB 9.	1 January 2018	The assessment has indicated that there will be no significant impact for the public sector.
AASB 15 *Revenue from Contracts with Customers*	The core principle of AASB 15 requires an entity to recognise revenue when the entity satisfies a performance obligation by transferring a promised good or service to a customer. Note that amending standard AASB 2015-8 Amendments to *Australian Accounting Standards* – Effective Date of AASB 15 has deferred the effective date of AASB 15 to annual reporting periods beginning on or after 1 January 2018, instead of 1 January 2017.	1 January 2018	The changes in revenue recognition requirements in AASB 15 may result in changes to the timing and amount of revenue recorded in the financial statements. The Standard will also require additional disclosures on service revenue and contract modifications.

Standard/Inter-pretation	Summary	Applicable for annual reporting periods beginning or ending on	Impact on financial statements
AASB 2014-5 *Amendments to Australian Accounting Standards arising from AASB 15*	Amends the measurement of trade receivables and the recognition of dividends as follow: • Trade receivables, that do not have a significant financing component, are to be measured at their transaction price, at initial recognition. • Dividends are recognised in the profit and loss only when: o the entity's right to receive payment of the dividend is established; o it is probable that the economic benefits associated with the dividend will flow to the entity; and o the amount can be measured reliably.	1 January 2018, except amendments to AASB 9 (Dec 2009) and AASB 9 (Dec 2010) apply	The assessment has indicated that there will be no significant impact for the public sector.
AASB 2015-8 *Amendments to Australian Accounting Standards – Effective Date of AASB 15*	This standard defers the mandatory effective date of AASB 15 from 1 January 2017 to 1 January 2018.	1 January 2018	This amending standard will defer the application period of AASB 15 for for-profit entities to the 2018-19 reporting period in accordance with the transition requirements.
AASB 2016-3 *Amendments to Australian Accounting Standards – Clarifications to AASB 15*	This Standard amends AASB 15 to clarify requirements for identifying performance obligations, principal versus agent considerations and the timing of recognising revenue from granting a licence. The amendments require: • a promise to transfer to a customer a good or service that is 'distinct' to be recognised as a separate performance obligation; • for items purchased online, the entity is a principal if it obtains control of the good or service prior to transferring to the customer; and • for licences identified as being distinct from other goods or services in a contract, entities need to determine whether the licence transfers to the customer over time (right to use) or at a point in time (right to access).	1 January 2018	The assessment has indicated that there will be no significant impact for the public sector, other than the impact identified for AASB 15 above.
AASB 2016-7 *Amendments to Australian Accounting Standards – Deferral of AASB 15 for Not-for-Profit Entities*	This standard defers the mandatory effective date of AASB 15 for not-for-profit entities from 1 January 2018 to 1 January 2019.	1 January 2019	This amending standard will defer the application period of AASB 15 for not-for-profit entities to the 2019-20 reporting period.

Standard/Inter-pretation	Summary	Applicable for annual reporting periods beginning or ending on	Impact on financial statements
AASB 2016-8 *Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities*	AASB 2016-8 inserts Australian requirements and authoritative implementation guidance for not-for-profit-entities into AASB 9 and AASB 15. This Standard amends AASB 9 and AASB 15 to include requirements to assist not-for-profit entities in applying the respective standards to particular transactions and events.	1 January 2019	This standard clarifies the application of AASB 15 and AASB 9 in a not-for-profit context. The areas within these standards that are amended for not-for-profit application include: AASB 9 • Statutory receivables are recognised and measured similarly to financial assets AASB 15 • The "customer" does not need to be the recipient of goods and/or services; • The "contract" could include an arrangement entered into under the direction of another party; • Contracts are enforceable if they are enforceable by legal or "equivalent means"; • Contracts do not have to have commercial substance, only economic substance; and • Performance obligations need to be "sufficiently specific" to be able to apply AASB 15 to these transactions.
AASB 16 *Leases*	The key changes introduced by AASB 16 include the recognition of most operating leases (which are currently not recognised) on balance sheet which has an impact on net debt.	1 January 2019	The assessment has indicated that most operating leases, with the exception of short term and low value leases will come on to the balance sheet and will be recognised as right of use assets with a corresponding lease liability. In the operating statement, the operating lease expense will be replaced by depreciation expense of the asset and an interest charge. There will be no change for lessors as the classification of operating and finance leases remains unchanged.
AASB 1058 *Income of Not-for-Profit Entities*	AASB 1058 standard will replace the majority of income recognition in relation to government grants and other types of contributions requirements relating to public sector not-for-profit entities, previously in AASB 1004 Contributions. The restructure of administrative arrangement will remain under AASB 1004 and will be restricted to government entities and contributions by owners in a public sector context, AASB 1058 establishes principles for transactions that are not within the scope of AASB 15, where the consideration to acquire an asset is significantly less than fair value to enable not-for-profit entities to further their objective.	1 January 2019	The current revenue recognition for grants is to recognise revenue up front upon receipt of the funds. This may change under AASB 1058, as capital grants for the construction of assets will need to be deferred. Income will be recognised over time, upon completion and satisfaction of performance obligations for assets being constructed, or income will be recognised at a point in time for acquisition of assets. The revenue recognition for operating grants will need to be analysed to establish whether the requirements under other applicable standards need to be considered for recognition of liabilities (which will have the effect of deferring the income associated with these grants). Only after that analysis would it be possible to conclude whether there are any changes to operating grants. The impact on current revenue recognition of the changes is the phasing and timing of revenue recorded in the profit and loss statement.

Standard/Inter-pretation	Summary	Applicable for annual reporting periods beginning or ending on	Impact on financial statements
AASB 17 *Insurance Contracts*	The new Australian standard eliminates inconsistencies and weaknesses in existing practices by providing a single principle based framework to account for all types of insurance contracts, including reissuance contract that an insurer holds. It also provides requirements for presentation and disclosure to enhance comparability between entities. This standard does not apply to the not-for-profit public sector entities. The AASB is undertaking further outreach to consider the application of this standard to the not-for-profit public sector.	1 January 2021	The assessment has indicated that there will be no significant impact for the public sector.

The following accounting pronouncements are also issued but not effective for the 2017-18 reporting period. At this stage, the preliminary assessment suggests they may have insignificant impacts on public sector reporting.

- AASB 2017-5 Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections
- AASB 2017-6 Amendments to Australian Accounting Standards – Prepayment Features with Negative Compensation
- AASB 2017-7 Amendments to Australian Accounting Standards – Long-term Interests in Associates and Joint Ventures
- AASB 2018-1 Amendments to Australian Accounting Standards – Annual Improvements 2015 – 2017 Cycle

NOTE 8.9: EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

No matters or circumstances have arisen since the end of the financial year which significantly affect or may significantly affect the operations of GV Health, the results of its operations or its state of affairs in future years.

NOTE 8.10: JOINTLY CONTROLLED OPERATIONS

Name of Entity	Principle Activity	Ownership Interest	
		2018	2017
Hume Rural Health Alliance	Information System - including ICT investment facilitation, project delivery, workplace services, business application services, collaboration services and vendor management.	14.30%	14.89%

GV Health interest in the above jointly controlled operations is detailed below. The amounts are included in the financial statements under their respective asset categories:

	Total 2018 $'000	Total 2017 $'000
Current Assets		
Cash and Cash Equivalents	787	539
Receivables	554	388
Prepayments	21	20
Total Current Assets	**1,362**	**947**
Non-Current Assets		
Property Plant and Equipment	197	209
Intangible Assets	70	237
Total Non-Current Assets	**267**	**446**
TOTAL ASSETS	**1,629**	**1,393**
Current Liabilities		
Payables	714	73
Borrowings	62	97
Total Current Liabilities	**776**	**170**
Non-Current Liabilities		
Borrowings	62	110
Total Non-Current Liabilities	**62**	**110**
TOTAL LIABILITIES	**838**	**280**
NET ASSETS	**791**	**1,113**

NOTE 8.10: JOINTLY CONTROLLED OPERATIONS (CONTINUED)

GV Health's interest in revenues and expenses resulting from jointly controlled operations are detailed below:

Net Result After Capital and Specific Items

	Total 2018 $'000	Total 2017 $'000
Operating Revenue	1,143	1,262
Operating Expenses	(990)	(1,104)
Net Result Before Capital and Specific Items	**153**	**158**
Capital Purpose Income	586	596
Finance Costs	(5)	(7)
Specific Expense	-	(14)
Capital Purpose Expenditure	(913)	-
Depreciation and Amortisation	(113)	(133)
Net Result After Capital and Specific Items	**(292)**	**600**
Net Result for the Year	**(292)**	**600**

*Figures obtained from the unaudited Hume Rural Health Alliance annual report.

Contingent Liabilities and Capital Commitments

There are no known contingent liabilities or capital commitments held by Hume Rural Health Alliance at balance date.

NOTE 8.11: ECONOMIC DEPENDENCY

GV Health is wholly dependent on the continued financial support of the State Government and in particular, the Department of Health and Human Services.

The Department of Health and Human Services has provided confirmation that it will continue to provide GV Health with adequate cash flow support to meet its current and future obligations as and when they fall due for a period up to September 2019.

A letter confirming adequate cash flow was also provided in the previous financial year.

The financial statements have been prepared on a going concern basis. The State Government and the Department of Health and Human Services have confirmed financial support to settle GV Health's financial obligations when they fall due.

GV Health is committed to the continued review of its financial and operating performance with a view to identifying further efficiencies and revenue generating opportunities and providing the most effective and efficient service delivery model without compromising patient care and quality of service delivery. GV Health management will continue to identify and implement a number of business initiatives to better manage available financial resources.

NOTE 8.12: ALTERNATIVE PRESENTATION OF COMPREHENSIVE OPERATING STATEMENT

	Total 2018 $'000	Total 2017 $'000
Interest	758	603
Sales of Goods and Services	22,550	21,894
Grants	258,430	220,858
Other Current Revenue	16,610	14,719
Total Revenue	**298,348**	**258,074**
Employee Expenses	(175,436)	(162,515)
Depreciation	(10,094)	(9,998)
Interest Expense	(84)	(43)
Other Operating Expenses	(97,444)	(89,029)
Total Expenses	**(283,058)**	**(261,585)**
Net Result from Transactions - Net Operating Balance	**15,290**	**(3,511)**
Net Gain/(Loss) on Sale of Non-Financial Assets	29	(57)
Other Gain/(Loss) from Other Economic Flows	122	779
Total Other Economic Flows Included in Net Result	**151**	**722**
Items that Will Not Be Reclassified to Net Result		
Changes in Property, Plant and Equipment Revaluation Surplus	10,652	-
NET RESULT	**26,093**	**(2,789)**

This alternative presentation reflects the format required for reporting to the Department of Treasury and Finance, which differs to the disclosures of certain transactions, in particular revenue and expenses, in the hospital's annual report.

GVHealth

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