



ANNUAL REPORT

2020-21

Goulburn Valley Health acknowledges the Traditional Owners and Custodians of the land on which we work and live and pays respect to their Elders past and present.

We acknowledge their significant cultural heritage, their fundamental spiritual connection to Country and value their contribution to a diverse community.

We are proud to embrace the spirit of reconciliation and learn more from the local Aboriginal and Torres Strait Islander community on how best to improve their health, social and economic outcomes.

RELEVANT MINISTERS

The responsible Ministers during the reporting period were:

From 1 July to 26 September 2020:

Jenny Mikakos MP, Minister for Health and Minister for Ambulance Services.

The Hon Martin Foley MP, Minister for Mental Health and Minister for Equality.

From 26 September 2020 to 30 June 2021:

The Hon Martin Foley MP, Minister for Health, Minister for Ambulance Services and Minister for Equality.

From 29 September 2020 to 30 June 2021:

The Hon James Merlino MP, Minister for Mental Health.

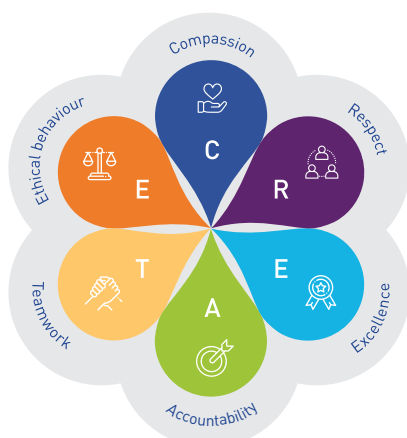
ABOUT THIS REPORT

Goulburn Valley Health is a health service established under the *Health Services Act 1988 (Victoria)*.

Goulburn Valley Health reports on its annual performance in two separate documents each year. The purpose, functions, powers and duties of Goulburn Valley Health are described in the by-laws of the organisation.

This annual report fulfils the statutory reporting requirements for government by way of an Annual Report and the Quality Report reports on quality, risk management and performance improvement matters. Due to the COVID-19 pandemic, Goulburn Valley Health will not be submitting a Quality Report for 2020-21.

The Annual Report will be presented at the Annual General Meeting and then made available to the community.



CREATE. Outstanding.





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CHAIR REPORT



MICHAEL DELAHUNTY
BOARD CHAIR

The past year has been challenging, for all but it has been encouraging to see the resilience of the Goulburn Valley Health community through the unprecedented circumstances of the COVID-19 pandemic.

Stepping into the Board Chair role one year ago, it has been impressive to watch Goulburn Valley Health's response to the COVID-19 pandemic and the redevelopment of the Graham Street campus in the midst of lockdowns and changing restrictions.

On behalf of Goulburn Valley Health I extend my thanks for the support of the community, the Department of Health, the Department of Families, Fairness and Housing and indeed the efforts all staff and contractors.

Throughout the past year the quality and commitment of leadership within the organisation has shone through in difficult times, including a COVID-19 pandemic incursion in the Shepparton community.

The sustained resilience of all Goulburn Valley Health staff in continuing to provide accessible services in unprecedented circumstances has been outstanding to witness and is a credit to the organisation.

I would also like to take the opportunity to thank the community for their patience and understanding as some services were halted due to COVID-19 related restrictions. This included elective surgeries and ongoing visitor restrictions to hospital and aged care residences.

It was difficult for staff and the community but these were necessary measures to keep the community safe.

There was some minor disruption as work on the \$229.3 million redevelopment took place at Goulburn Valley Health's Graham Street campus, funded by the Victorian Government.

Work has progressed with upcoming highlights being the new Paediatric Unit and Special Care Nursery slated to open later this year.

Refurbishment works on the former Emergency Department, Special Care Nursery, Maternity Unit and Theatre complex were



progressed with the expectation that maternity services will be moving into the refurbished ward in late 2021. This is quite a milestone and will provide additional support for new parents and neonatal babies closer to home.

The Board is looking forward to moving into the next phase of the redevelopment.

More broadly, Goulburn Valley Health has been able to ensure more people can access quality care closer to home as we established partnership arrangements with other healthcare providers.

These positive and important arrangements extend to the Hume region and allow for greater access to specialised services, meaning better health outcomes.

Despite a challenging year, another positive was achieving a modest operating financial surplus in 2020-21.

There are a number of people and community groups who must be thanked for their contributions and support of Goulburn Valley Health throughout the past year.

Thank you to the Goulburn Valley Health Foundation, all donors, auxiliaries, community organisations and individuals for their generous support.

A thanks must also go to all staff at Goulburn Valley Health across all campuses for their incredible resilience and hard work providing the best possible healthcare to the Goulburn Valley community.

The team's planning throughout the year has ensured Goulburn Valley Health can continue to provide outstanding care to the community.

I would like to take this opportunity to thank the members of the Board who I have worked closely with throughout the past 12 months and to thank and recognise the contribution of the executive team led by Chief Executive Matt Sharp.

The Board also appreciates the strong and continued support from the Department of Health.

I look forward to seeing the ongoing improvements to the services that Goulburn Valley Health delivers to the people and families of the Goulburn Valley as the health service continues to provide outstanding health and wellbeing outcomes for the entire region. This is through planning service delivery and essential training for staff to ensure people who utilise services at Goulburn Valley Health have access to the best possible care closer to home.

MICHAEL DELAHUNTY
Board Chair

SD 5.2.3 DECLARATION IN THE REPORT OF OPERATIONS

In accordance with the *Financial Management Act 1994* I am pleased to present the Report of Operations for Goulburn Valley Health for the year ending 30 June 2021.

MICHAEL DELAHUNTY
Board Chair, Goulburn Valley Health
30 September 2021

CHIEF EXECUTIVE REPORT



MATT SHARP
CHIEF EXECUTIVE

The past year has presented a range of challenges for all staff and our community.

But it has also presented a number of different opportunities and significant milestones for Goulburn Valley Health.

While our focus has primarily been on the COVID-19 pandemic, there has also been the opportunity to establish new services and different models of care. The resilience of our staff across all Goulburn Valley Health campuses through lockdowns, changing cross-border restrictions and other challenges has been fantastic.

A significant achievement was the rollout of the Victorian Department of Health's COVID-19 Vaccination Program to the region. COVID-19 vaccinations commenced in Shepparton on 10 March 2021 and vaccinated more than 150 priority 1a healthcare workers in the first three days.

The vaccination services moved to our main Vaccination Hub at McIntosh Centre, Shepparton Showgrounds for service continuation on 22 March 2021. The same week, a mobile outreach team was established to vaccinate residents in public sector residential aged care facilities. The Mobile Outreach team conducted pop-up clinics in smaller townships including Seymour, Kyabram, Alexandra, Yea, Benalla and Yarrawonga.

In conjunction with the vaccination rollout, Goulburn Valley Health established the Goulburn Valley Local Public Health Unit (GVLPHU). As a result of this, 20 full-time roles were created to support case management, contact tracing and outbreak management.

Through this, other health services in the region were supported in their COVID-19 vaccination rollouts, with the primary Vaccination Hub in Shepparton and Sub-Hubs at Kilmore District Health, NCN Health – Cobram and Mansfield District Hospital.

The establishment of the GVLPHU and Vaccination Hub, Sub-Hubs and Mobile Outreach would not have been possible without the Department of Health and staff who were willing to take on additional roles.

There are a number of people and organisations – including local councils – who assisted in our vaccination rollout.

Thank you to everyone who has been involved and thank you to those people who have come forward to be vaccinated and help keep our community safe.

REDEVELOPMENT UPDATE

Work on the \$229 million redevelopment and refurbishment of Goulburn Valley Health's Graham Street campus is well and truly on track.



The bulk of the work for stage one is expected to be completed around Christmas or new year, depending on how works progress in the coming months – which is dependent on COVID-19 pandemic.

It is anticipated the refurbishment upgrade in the Emergency Department will be progressing in 2022 which will be a significant milestone for Goulburn Valley Health and for our region.

This will allow almost double the total capacity for the previous Emergency Department – in the vicinity of 38 to 40 treatment spaces. The fully completed Emergency Department will include nine fast track bays, expanded medical imaging capacity, a dedicated paediatrics zone and additional isolation rooms.

The redevelopment will see the eventual expansion of some services as the Clinical Services Plan is completed and the Master Plan under way.

The Clinical Services Plan is an important document because that guides us on what services are going to be required in what timeframe.

There is a specific focus on our mental health facilities from a planning and development point of view.

We are hopeful there will be further development in relation to mental health services that aligns with recommendations from the Royal Commission into Mental Health and we are positioning ourselves to be well-placed in regard to opportunities on that front.

STAFF RECOGNITION AWARDS

Several staff members were recognised at the Annual General Meeting for their outstanding contribution to Goulburn Valley Health, with the following awards announced:

Board Chair Award for Excellence in Customer Service (Individual)

SAVANNAH HINDS – Medical Imaging

Chief Executive Award for Living the Values (Individual)

ANDREA CAIA – Manager, GV Centre Against Sexual Assault

CREATE. Outstanding Award

CASSIE WALTERS – Dietitian

OH&S Representative of the Year

JENNY KERYK – Centre for Older Persons

VICTORIA SMITH – Mary Coram Unit

Patient-Centred Care Award

ERIL O'CONNOR – Adult Community Mental Health

Excellence in Consumer Participation in Quality Improvement Award

SHELLEY MCFADZEAN – Self-Management Support Program

CREATE. Outstanding Nursing and Midwifery Award

PATRICIA COLLIER – Manager, COVID-19 Pandemic Response Unit

It has been a busy year for Goulburn Valley Health. I would like to take the opportunity to thank everyone for their contribution and their efforts throughout what has been a year of uncertainty, particularly Goulburn Valley Health's staff who have worked tirelessly.

There have also been significant developments, including the progression of our Graham Street campus redevelopment and the beginning of the COVID-19 vaccination rollout across the Goulburn Valley.

The sustained effort of staff taking on additional responsibilities in response to the COVID-19 pandemic has been outstanding and has ensured we kept our community safe.

Your contribution has been fantastic and I thank you all.

I also wish to thank Michael Delahunty and the Board Directors for their support, expertise and advice to myself and the Executive team.

MATT SHARP
Chief Executive

ABOUT US

WHO WE ARE

Goulburn Valley Health is the main health service in the Goulburn Valley.

Our services include a 24-hour Emergency Department, Surgery, Medical Services, Women's and Children's Services, Rehabilitation and Palliative Care, Mental Health, Outpatients, community-based health programs and services at Tatura and Rushworth.

We pride ourselves on delivering person-centred care and we aim to enhance patient experience through improved service access, developing partnerships, meeting growth in demand, implementing innovative service models and ensuring workforce flexibility.

Goulburn Valley Health has more than 2,600 staff across five main sites. Our people are highly skilled and we are the largest permanent employer in the Goulburn Valley.

OUR HISTORY

Goulburn Valley Base Hospital was established in 1876 as the Mooroopna and District Hospital and was incorporated by authority of the Hospitals and Charities Act (No. 6274) on 24 February 1877. The name of the hospital was changed on 2 November 1997 to Goulburn Valley Base Hospital. On 16 November 1998 we received formal approval to change our name to Goulburn Valley Health, to better represent the wide range of hospital and community-based services we provide across the Hume region.

OUR PURPOSE

Improving community wellbeing through high-quality health services, outstanding care and learning

OUR VALUES

Our culture consists of our CREATE values and behaviours, through which we commit to delivering ongoing quality healthcare for our community. Our CREATE values and behaviours are the foundations for our four strategic pillars and for achieving our goals.

- We **CREATE** safe and high-quality healthcare that always puts people first.
- We **CREATE** values-based healthcare partnerships which deliver equitable and accessible healthcare for all.
- We **CREATE** an inspirational workplace founded on a strong culture where talented people work with purpose and pride.
- We **CREATE** a positive healthcare environment that fosters collaboration and innovation.

OUR STRATEGIC PLAN

Goulburn Valley Health has identified four key pillars (our areas of focus) to respond to our strategic drivers and these form the foundation of our strategic plan. Over the five year period of the Strategic Plan, we are delivering on eighteen priorities to provide high-quality services and deliver outstanding health and wellbeing outcomes for all across the region. These outcomes will put people receiving care and treatment at the centre of everything we do, increase the sophistication of Goulburn Valley Health's response to complex and chronic health needs in our community, cement our leadership in healthcare across the region and ensure we have a great culture and workforce that are able to meet new and emerging opportunities and challenges.

Our organisation is so much more than a health service. We are a critical part of the Goulburn Valley community, and make a

significant public value contribution to people living and working in, and visiting, the vibrant Goulburn Valley.

We support all aspects of individual, family and community health and wellbeing, connect people and organisations, support the local economy, provide comfort and safety, embed inclusion, foster diversity, and create a more sustainable, cohesive and livable community for all.

We have reached the mid-point of our current Strategic Plan which has provided time for us to reflect on what has been achieved and what is still to come.

OUR PATIENTS AND COMMUNITY

The community we serve includes a large primary and secondary catchment, with a third and larger catchment for mental health services, which includes the shires of Mitchell and Murrindindi and the Wallan growth corridor.

Goulburn Valley Health's primary catchment includes the local government areas of Greater Shepparton (70 per cent of primary catchment population) and Strathbogie. Our total catchment stretches into southern New South Wales and the overall catchment population is approximately 120,000 people.

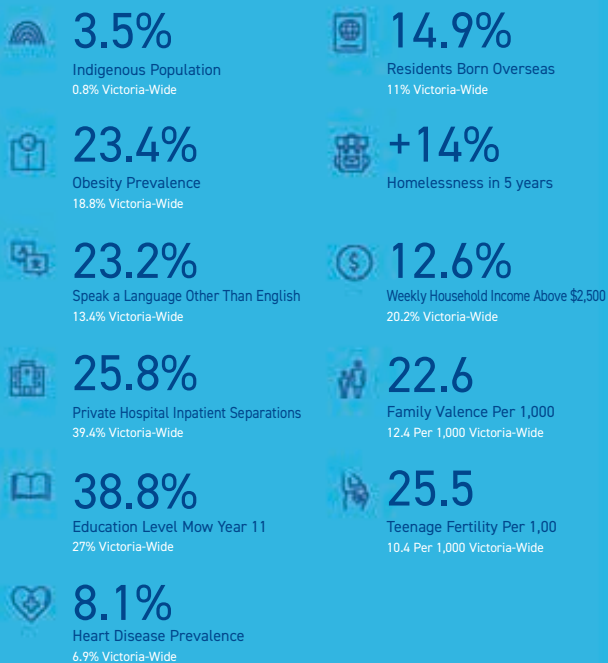
Goulburn Valley Health's secondary catchment includes the western half of Moira Shire; and the eastern and southern portions of Campaspe Shire.

Our community is growing as more people move to the lifestyle and opportunities in Greater Shepparton.

Our community includes the largest regional population of Aboriginal and Torres Strait Islander people in Victoria and a large number of migrants from dozens of countries around the world.

ABOUT US

Our community is experiencing change and growing social and economic pressures. These changes influence our work and inform how we think about the future of our services. The way our community changes helps shape our growth, and our future models of care.



OUR SERVICES

Goulburn Valley 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. We have a community health facility in Corio Street, Shepparton which provides a range of wellbeing programs focused on prevention.

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

The Rushworth campus is known as Waranga Health and provides 36 Aged Care Hostel and Nursing Home beds combined as well as four acute beds.

Total number of beds	2020-21
All Acute (includes Shepparton, Tatura and Waranga)	207
Acute (Shepparton campus only)	195
Aged Care Residential	71
Mental Health (Acute and Community)	20
Prevention and Recovery Care Service and Supported Residential Rehab Program	20
Sub-acute	48

Goulburn Valley Health provides a range of high-quality services for people of all ages and diverse health needs – from services for women and children to aged care, mental health, cancer and wellness services, community services, dental, dialysis, drug and alcohol services, emergency department, medical and surgical care.

Services aim to enhance wellbeing and achieve the vision of 'Healthy Communities'.

Goulburn Valley Health is focused on all stages of health care from prevention (health promotion and education), through to assessment, early intervention and treatment.

ABORIGINAL HEALTH

- Aboriginal Liaison Officers (ALOs)
- Aboriginal Health Transition Officer (ATHO)
- Mental Health Aboriginal Liaison Officer (MHALO)

AGED CARE

- Aged Care Assessment Services (ACAS)
- Aged Care Homes:
 - Grutzner House
 - Parkvilla Aged Care Facility
 - Waranga Aged Care Hostel
 - Waranga Nursing Home
- Geriatric Evaluation Management
- Geri-Connect
- Home Care Packages
- Residential In-Reach
- Respite Care

ALCOHOL AND DRUG SERVICE

- Care and Recovery Coordination
- Counselling
- Non-residential Withdrawal Service
- Therapeutic Day Rehabilitation

ALLIED HEALTH AND RURAL ALLIED HEALTH SERVICES

- Dietetics and Nutrition
- Occupational Therapy
- Physiotherapy
- Podiatry
- Social Work
- Speech Pathology

CANCER AND WELLNESS CENTRE

- Inpatient and Outpatient Services:
 - Oncology
 - Haematology
 - Chemotherapy
 - Supportive treatments
- Specialised Nursing Services
- Referrals
- Clinical Trials

CENTRE AGAINST SEXUAL ASSAULT

- Referral and Intake Services
- Therapeutic Counselling
- 24/7 Crisis Care Response
- Outreach Services
- Education and Training
- Secondary Consultations

COMMUNITY HEALTH SERVICES

- Acquired Brain Injury Programs
- Community Health:
 - Audiology
 - Paediatric Asthma Communication Education (PACE)
 - Sexual Health Nursing
- Care Coordination:
 - Post-Acute Care Program
 - Hospital Admission Risk Program
 - Emergency Department (HARP-ED)
- Community Interlink:
 - Home Care Packages
 - NDIS
- Home Nursing Services:
 - District Nursing Service
 - Hospital in the Home (HITH)
 - Regional Continence Service
- Self-Management Support

DENTAL

- Emergency Dental Care
- General Dental Care
- Patient Referrals
- Dental and Oral Health Student Services

DIABETES CENTRE

- Assessment and Advisory
- Shared Care
- Gestational Diabetes
- Referrals
- Specialist Clinic Services:
 - Multidisciplinary Diabetes (MDD)
 - Nurse Practitioner Advance Assessment Clinic
 - Insulin Pump and Continuous Glucose Monitoring System Clinic
 - High Risk Foot Clinic

DIALYSIS

- Referrals
- Clinical Trials

EMERGENCY DEPARTMENT

- Critical Care
- Emergency Services
- After hours Hospital Management

HOSPITAL WARDS / UNITS

- Child and Adolescent Services
- Intensive Care Unit
- Mary Coram Unit
- Medical Day Stay
- Medical Ward

IMAGING AND X-RAY

- Fluoroscopy
- CT Scanning
- MRI
- Ultrasound
- Nuclear Medicine
- X-Ray

MENTAL HEALTH SERVICES

- Adult Inpatient Service
- Wanyarra Acute Inpatient Unit
- Aged Persons Service
- Child and Youth Mental Health Service
- Headspace

OUTPATIENTS REHABILITATION

- Transition Care Program and Restorative Care
- Hospital Admission Risk Programs (HARP) Disease Management
- Chronic Pain Clinic
- Dementia Diagnostic Service (Cognitive Dementia and Memory Service)
- Continence Clinic
- Falls and Balance Clinic
- Movement Disorder Clinic
- Neuropsychology
- Psychology
- Exercise Psychology

PALLIATIVE CARE

SPECIALIST CONSULTING

- Orthopaedic Services
- Surgical Services
- Paediatric Services
- Women's Health Services
- Medical Services
- Telehealth

TATURA HOSPITAL

- Acute Hospital Admissions
- Palliative Care
- Pathology
- Podiatry
- Transition Care Program
- X-Rays

WOMEN AND CHILDREN'S HEALTH

- Antenatal Clinic
- Child and Adolescent Services
- Gynaecology
- Midwifery Services
- Maternal and Foetal Assessment Unit (MAFA)
- Paediatric Outpatient Services
- Lactation Clinic
- Breast Clinic

OTHER SERVICES

- Cardiac Diagnostics
- Home Enteral Nutrition
- Pathology
- Pharmacy
- Renal
- Service Access Unit
- Health Promotion:
 - Smiles 4 Miles Program
 - Act-Belong-Commit Campaign

BOARD DIRECTORS

BOARD OF DIRECTORS AND SUB-COMMITTEE MEMBERSHIP

BOARD OF DIRECTORS

Michael Delahunty (Chair)
Jo Breen
Ilona Charles
Barbara Evans
Nicole Inglis
Cathy Jones
Dr Richard King
Michael Tehan
Victor Sekulov

AUDIT AND RISK

Barbara Evans (Chair)
Michael Delahunty
Nicole Inglis
Victor Sekulov
Michael Tehan

QUALITY

Dr Richard King (Chair)
Ilona Charles
Michael Delahunty
Cathy Jones

COMMUNITY ADVISORY COMMITTEE

Jo Breen
Michael Delahunty
Nicole Inglis

PRIMARY CARE AND POPULATION HEALTH ADVISORY

Jo Breen (Chair)
Barbara Evans
Michael Delahunty

FINANCE AND INFRASTRUCTURE

Victor Sekulov (Chair)
Michael Delahunty
Barbara Evans
Dr Richard King
Michael Tehan

REMUNERATION AND WORKFORCE

Ilona Charles (Chair)
Jo Breen
Michael Delahunty
Cathy Jones

NEW BOARD DIRECTORS

The role of the Goulburn Valley Health Board is to oversee the performance of the health service and ensure it is meeting policy and performance objectives. Goulburn Valley Health's Board of Directors features nine members, with three new people having joined the team during the past year.

- Michael Delahunty, Board Chair
- Nicole Inglis, Deputy Board Chair
- Cathy Jones, Board Director

Among the Board's responsibilities is setting the vision, strategy and direction of the organisation, in line with the Health Services Act 1988 and Government policy; having ultimate accountability for the delivery of safe and quality care; succession planning, performance management and appointment of the Chief Executive. Goulburn Valley Health's Board Directors are selected for the skills, experience and competencies they have developed from their personal and professional activities.

The new Goulburn Valley Health Chair Michael Delahunty said it was a result of his career as a Chief Executive Officer

throughout rural Victoria that saw him take on Board positions. His previous experience includes being Chief Executive of Echuca Regional Health, during which he oversaw their \$72 million redevelopment, Stawell Regional Health and Wagga Wagga Base Hospital.

Nicole Inglis is local to the Goulburn Valley and has a keen interest in ensuring rural opportunities and experiences are available to the community. She brings both a local and legal perspective to the Board, working as a solicitor at SMR Legal in Shepparton and has previously held Board positions at Kyabram and District Health Service.

Cathy Jones brings a wealth of experience when it comes to quality of care and risk management, has 25 years' experience working in healthcare, including 20 years specialising in quality and risk management. Her executive experience spans across acute hospital, rehabilitation, mental health and aged care services in both public and private sectors, with clinical qualifications in allied health and a Masters of Business Administration.

EXECUTIVE OFFICERS

MATT SHARP

CHIEF EXECUTIVE



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

Matt Sharp has been the Chief Executive at Goulburn Valley Health since June 2018, having joined the health service from Eastern Health in Melbourne. During his time with Goulburn Valley Health, Mr Sharp has forged strong professional relationships within the community and worked with the government, at both state and federal level, to secure funding for much-needed additional health services.

Mr Sharp has held the position of Executive Director of Clinical Operations at Eastern Health. He has a clinical background in nursing and has held various management and executive positions in rural, regional and metropolitan health services.

He 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 becoming the Chief Executive Officer; a position he held for three years. He has also held an executive position at Echuca Regional Health.

Mr Sharp is passionate about public health and takes pride in being able to improve the safety, quality and access to healthcare for everyone. Mr Sharp presides on working groups with the Department of Health to assist in a whole-of-government approach to the delivery of improved health services throughout Victoria.

DR JOHN ELCOCK

EXECUTIVE DIRECTOR MEDICAL SERVICES AND CHIEF MEDICAL OFFICER



BMedSci (Hons), MBBS, MBA, FRACGP, FRACMA, FCHSM, GAICD

John Elcock was appointed to his current role in August 2019. Previously he was the Director of Medical Services at Northeast Health Wangaratta for 16 years.

Prior to becoming a medical administrator Dr Elcock was a full-time clinician for 13 years, working in general medicine, anaesthetics, emergency medicine and general practice. He also has a background in military medicine and remains a Senior Medical Officer in the Australian Army.

Dr Elcock has attained Fellowships of the Royal Australasian College of Medical Administrators, the Australasian College of Health Service Management and the Royal Australian College of General Practitioners. He is a graduate of the Australian Institute of Company Directors Company Directors Course, and has a Master in Business Administration and degrees in medicine and immunology.

Dr Elcock's professional interests include effective medical governance, ethical medical practice, medical leadership, and state-wide health strategy and policy. He is the chair of the Victorian Rural and Regional Directors of Medical Services Forum and is on a number of Department of Health state-wide advisory committees.

DONNA SHERRINGHAM

EXECUTIVE DIRECTOR CLINICAL OPERATIONS



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

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

As a member of the Executive Committee, Ms Sherringham plays a key role in guiding Goulburn Valley 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 Goulburn Valley 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 AND MENTAL HEALTH



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

Joshua Freeman is the Executive Director of Community Care and Mental Health. He has a background in public and not-for-profit leadership roles.

Mr Freeman holds a Masters 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 Before joining Goulburn Valley Health, Mr Freeman was an Executive Director with Queensland Health. He 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, a member of the Pharmaceutical Society of Australia and was selected to attend the 2015 European Summer School of Advanced Management through Loughborough University in the United Kingdom. He also sits on the board of a local aged care provider and is an active member of the Shepparton Rotary Club.



PETER HUTCHINSON

CHIEF FINANCE OFFICER

B Commerce, MIPA, AFA

As Chief Finance Officer, Peter Hutchinson is responsible for the overall financial management of the health service. Together with the finance portfolio, Mr Hutchinson oversees payroll, health information services, library, switchboard and reception, information and communication technology portfolios as part of the directorate.

He also is the executive responsible for the Finance and Infrastructure and Risk and Audit committees of the Board.

Mr Hutchinson commenced with Goulburn Valley Health in February 2019 and held a similar role at Eastern Health in Melbourne for the previous 18 years. He was responsible for Eastern Health's financial services, management accountant services, procurement and supply, facilities and infrastructure, security, property and retail, information communication technology. He is Chair of the Product Planning Group Financial Management Information System and the Industry Finance Committee Benchmarking Group.

He holds a Bachelor of Commerce from the University of Melbourne and is a fellow of the Australian Health Services Financial Management Association and also a Member of the Institute Public Accountants.

Mr Hutchinson is very excited to have joined the team at Goulburn Valley Health at a time when such important developments are underway to support the health outcomes of the surrounding communities.

JACINTA RUSSELL

EXECUTIVE DIRECTOR CAPITAL PROJECTS, INFRASTRUCTURE AND SUPPORT SERVICES



B.Sc (Bio), M.Sc.App.Biotech, Grad Cert Management and Leadership, Prof Cert HSM, GAICD, Prince 2 Project Management (Foundation and Practitioner)

Jacinta Russell has been the Executive Director Capital Projects, Infrastructure and Support Services from March 2020, following a four-month period as the Interim Executive Director for Rural Campuses (Tatura Hospital and Parkville Aged Care and Waranga Health).

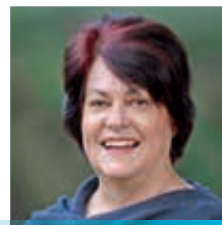
Prior to this Ms Russell was the Divisional Director Clinical Support Services with a portfolio incorporating Pathology, Pharmacy, Medical Imaging, Allied Health Sciences Clinical Education and Diagnostic Cardiology and Neurology Services. As the Executive Director Capital Projects, Infrastructure and Support Services, Ms Russell leads the redevelopment and capital project works, Corporate Support Services inclusive of Food Services, Environmental Services, Supply and Procurement, Contract Management, Security, Accommodation, Patient transport, Sustainability and Insurances; Clinical Support Services inclusive of Pharmacy, Pathology and Medical Imaging; Media and Communications and Infrastructure and Assets including Biomedical Engineering.

Ms Russell joined Goulburn Valley Health in 2004 as the Pathology Manager before moving into the role of Clinical Business Manager. Prior to joining Goulburn Valley Health, she worked at Bendigo Health as a senior manager in Pathology and at the Royal Children's Hospital in the Microbiology and Infectious Diseases unit as a diagnostic scientist and research assistant.

Ms Russell has extensive experience leading health service multi-disciplinary teams and has been an active member of the statewide pathology executive, and allied health committees with the Department of Health. Ms Russell serves on several local Boards including Primary Care Connect and is the previous Board Chair of Fairley Leadership. For the past eight years she has been a judge of the Victorian Public Healthcare Awards.

GAYLE SAMMUT

CHIEF ALLIED HEALTH OFFICER AND DIRECTOR AMBULATORY CARE DIVISION



DipPhys, DipFrontlineMgt, DipProjMgt, GradCert (Health Systems Mgt), MAPA

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

Ms Sammut has extensive leadership experience through her work in rural, remote and regional areas of New South Wales, Victoria and Queensland where she held a range of clinical and

EXECUTIVE OFFICERS

leadership roles in acute, ambulatory, community and aged care settings in public, private health and the not-for-profit sector. After gaining her qualification as a physiotherapist, Ms Sammut undertook a graduate internship year at The Sydney Hospital in New South Wales, which included a four-month rotation to Broken Hill Base Hospital in the state's far west region.

A keen interest in rural and remote health as well as a love of travel led Ms Sammut to take up a position in Broken Hill where she was able to consolidate her skills as a clinical physiotherapist, before pursuing physiotherapy management and allied health leadership roles at Mildura Base Hospital in north west Victoria.

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

Ms Sammut has worked in health management for many years and has postgraduate management qualifications, most recently completing 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, allied health educator and allied health research roles, and allied health leadership pathways in regional public health.

Ms Sammut is a member of the Department of Health Allied Health Leaders - Strategic Advisory Group, a member of the Ovens, Murray-Goulburn Allied Health Leaders Council and a current member of the Australian Physiotherapy Association.

KELLIE THOMPSON

EXECUTIVE DIRECTOR OF
QUALITY, RISK AND INNOVATION
CHIEF NURSE AND MIDWIFERY
OFFICER



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

Kellie Thompson is the Executive Director of Quality, Risk and Innovation and the Chief Nursing and Midwifery Officer. Ms Thompson joined Goulburn Valley 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 Goulburn Valley Health in mental health, occupational health and safety, disaster management, education and quality.

Ms Thompson has built upon her early career in quality to become the Executive Director of Quality, Risk and Innovation, managing all the quality and risk functions across the health service as well as the organisation's approach and system for improvement. Ms Thompson has a clinical background in nursing and is the professional lead for all nursing and midwifery at Goulburn Valley Health.

KAREN LINFORD

EXECUTIVE DIRECTOR
PEOPLE, DEVELOPMENT AND
CAPABILITY



MBA, B.HlthSc (OT)

Karen was appointed Executive Director People, Development and Capability in May 2021. She is an experienced executive with strategic and operational expertise across a number of industries.

In 2018 she joined Goulburn Valley Health as the Operations Director, People and Culture. Prior to this Karen was the Director, People, Capability and Culture at Early Childhood Management Services, the largest childcare and kindergarten provider in Melbourne. Previously she worked at Austin Health for more than 12 years, most recently as the Director, Organisational Development.

Karen has a passion for engaging and supporting teams to perform at their best, and a strong commitment to building leadership capability to get desired results. She is responsible for leading Goulburn Valley Health's Human Resources Directorate and the development of its people strategy.

Karen holds a Masters in Business Administration and a Bachelor of Health Science (Occupational Therapy).

ALICIA CUNNINGHAM

EXECUTIVE MANAGER COVID-19
PANDEMIC RESPONSE



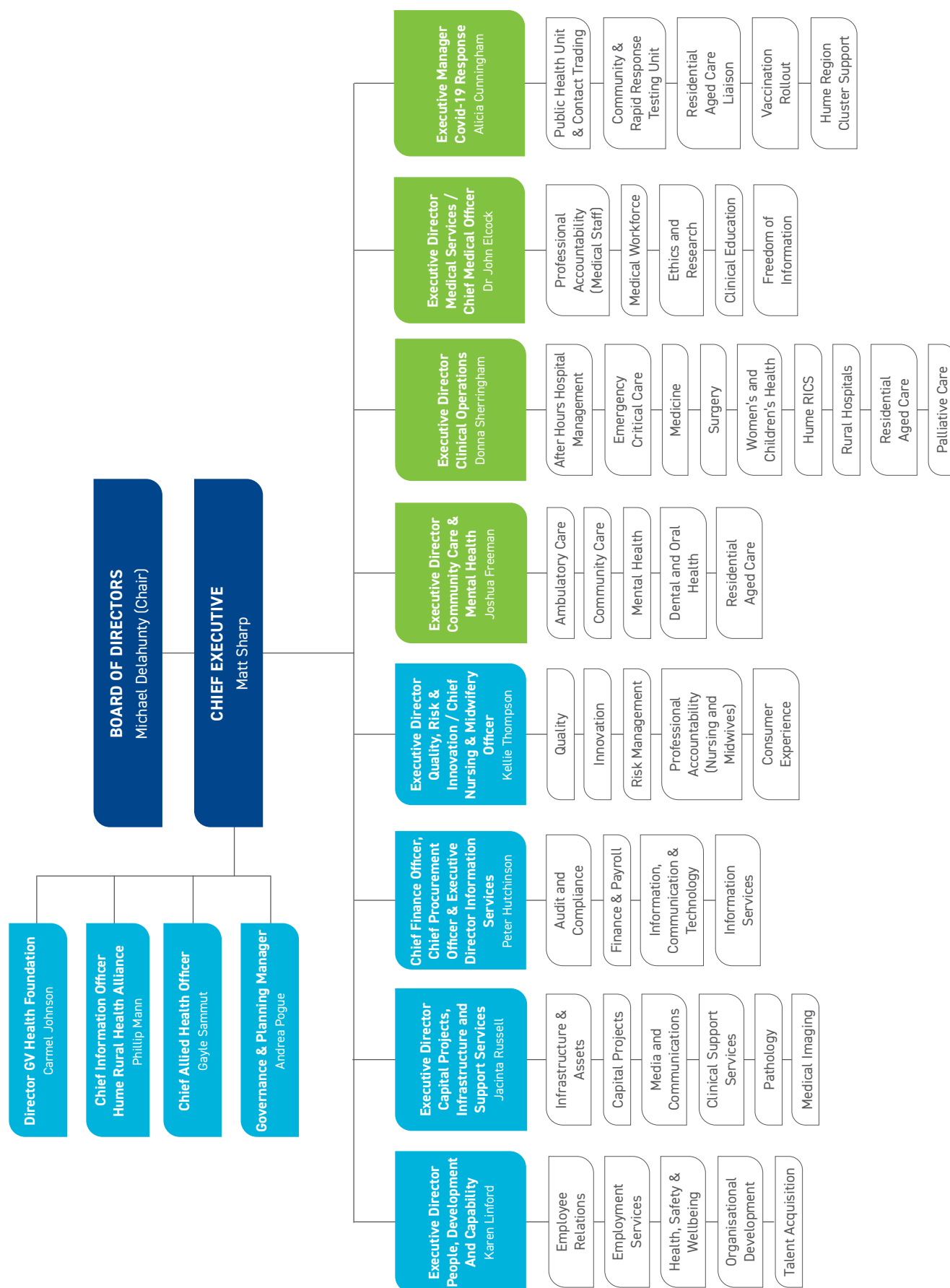
MPH, B.HlthSc(Nutr&Diet), BSc, GAICD, GradCert(Clinical Redesign)

Alicia Cunningham has extensive experience in healthcare having worked in metropolitan, regional and rural health services for 20 years. Alicia has held senior roles in allied health and primary health management, and is currently in an executive role in rural health partnerships.

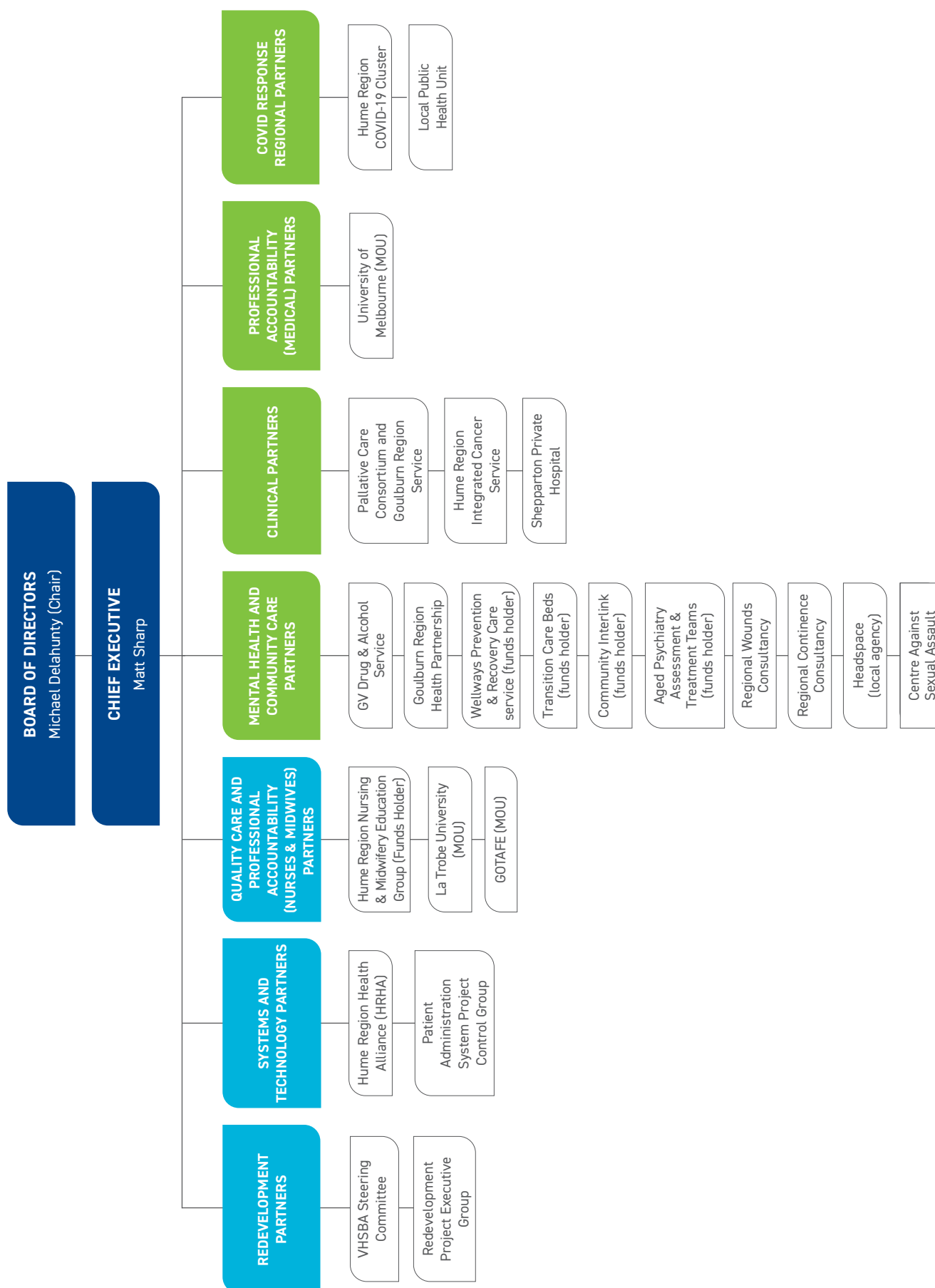
Ms Cunningham's qualifications include a Masters in Public Health, Masters in Dietetics and Nutrition and a Bachelor of Science. She is a recent graduate of the Australian Institute of Company Directors and also recently completed a Graduate Certificate in Clinical Re-design.

Ms Cunningham lives in Kyabram, and is involved in the local community through her volunteer work with sporting clubs and the local cinema. Her interests include travel, reading, fitness and recreational activities with family and friends.

ORGANISATIONAL STRUCTURE



SERVICE PARTNERSHIPS STRUCTURE



OUR YEAR IN REVIEW

CARE AT A GLANCE

<i>36,110 presentations to our Emergency Department</i>	<i>35,420 inpatient admissions across our services</i>	<i>2,589 elective admissions</i>
<i>70,243 specialist outpatient appointments</i>	<i>450 mental health inpatient admissions</i>	<i>9,251 telehealth appointments</i>
<i>595 critical care separations</i>	<i>2,211 ambulance arrivals</i>	<i>742 babies born and 166 neonates admitted</i>
<i>4,465 rapid response tests / 22,668 COVID-19 pandemic tests</i>	<i>18,203 presentations to acute respiratory clinic</i>	<i>Over 38,500 consumers vaccinated in catchment</i>
<i>2,600+ Employees</i>	<i>111 volunteers</i>	<i>5 campuses / sites</i>

COMMUNITY SERVICES

PROJECT ECHO®

Project ECHO® (Extension for Community Healthcare Outcomes) has been designed to improve capacity and access to specialty care for rural and underserved populations by linking expert interdisciplinary teams with primary care clinicians.

The model uses a combination of education and case-based discussion to provide mentoring, guidance, feedback and didactic education. This enables primary care clinicians to develop the skills and knowledge to treat patients with common, complex conditions in their own communities. The ECHO model™ is not “telemedicine” where the specialist assumes the care of the patient, but instead a guided practice model where the primary care clinician retains responsibility for managing the patient but can get input from peers as well as specialists. The ECHO model was developed to train and support primary care clinicians from underserved areas to develop knowledge and self-efficacy to deliver best practice care for complex health conditions.

Just before the COVID-19 pandemic, a team from Goulburn Valley Health travelled to the University of New Mexico with the aim of starting a Joint Addiction—Mental Health (JAMH) ECHO to support primary care throughout the Goulburn Valley. The Goulburn Valley Health—Project ECHO Hub was established in June 2020, the first ECHO being the JAMHSessions—Joint Addiction and Mental Health Sessions. Of the 850 ECHO programs in the world, ours

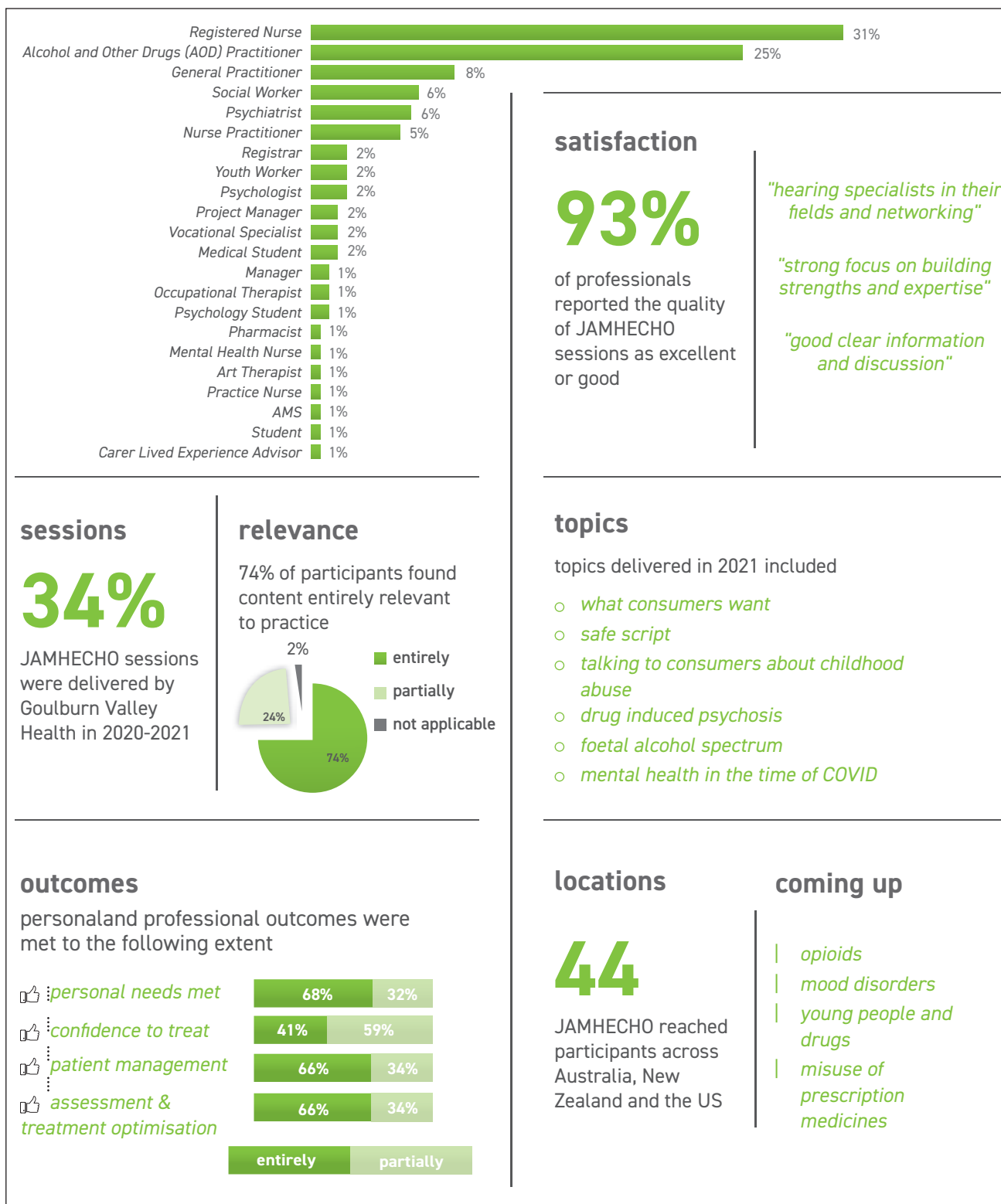
is one of just three with this overlap between mental health and addictions. These weekly lunchtime sessions are free to join, accessed through Zoom and have had a great impact over the past 12 months. They are a fun and informative place of learning and all disciplines are welcome.

A joint initiative between Goulburn Valley Alcohol and Drug Service and Goulburn Valley Area Mental Health the JAMHSessions are facilitated by Prof. Edward Ogden, Addiction Medicine Specialist—Preventative and Social Medicine (Addiction Medicine Specialist) and A/Prof. Ravi Bhat, Divisional Clinical Director—GVAMHS and the ECHO hub team, with brief lectures provided by local and national experts. The lectures are followed by case presentations and are the basis of case-based learning through discussion and recommendations from the network and expert team.

Goulburn Valley Health's Project ECHO hub are also very excited that the new monthly Perinatal and Early Childhood Mental Health ECHO started in March 2021.

Below you can take a quick look at the 12-month impact of Goulburn Valley Health Project ECHO—Joint Addiction and Mental Health Sessions (JAMHSessions) since becoming an endorsed hub.

226 professionals joined the JAMHECHO sessions, underlining the multidisciplinary aspect of delivering integrated care to consumers with multiple needs.





COMMUNITY INTERLINK

The Community Interlink Consortium of 19 public health services across the Hume region delivers Home Care Package management, Commonwealth Home Support Program (CHSP) and National Disability Insurance Scheme (NDIS) support coordination. This initiative is led by Goulburn Valley Health to maintain services to local communities via local providers. The Community Interlink team provides services to consumers from sites across the region at Benalla, Broadford, Cobram, Numurkah, Seymour, Shepparton, Wangaratta and Wodonga.

Community Interlink delivered in-home CHSP services averaging 140 consumers each week. The team provided support coordination to 134 NDIS participants which was a small decrease from 147 in 2020.

Our Community Interlink service maintained consistent Home Care Package numbers with slight growth, now supporting a total of 406 consumers in the Hume region. This represents an increase in market share from 18 percent of the 1,994 available packages in 2020 to 19 percent of the 2,155 available in 2021.

Feedback received through the annual feedback forms was overwhelmingly positive. Continued quality improvement activities, risk aversion and reduced staffing saw Community Interlink post a very favourable budget position for the 2020–21 financial period.

Goulburn Valley Health is prepared for the improved payment arrangements which will see payments received post service delivery and unspent funds managed by Services Australia. This will come into effect by October 2021.

Our Community Interlink service is well placed to benefit from the release of 80,000 Home Care Packages over the next two financial years. The Royal Commission's recommendations focus on consumer access to services and maintaining safety and wellbeing at home for as long as possible. The increased availability of Home Care Package funding will enable consumers to access support for re-ablement and the service delivery model will see an increase in goal-setting and accountability for providers.

Goulburn Valley Health is focused on providing high-quality consumer-centric care. This focus ensures that practice reflects the Aged Care Quality Standards and, in effect, Community Interlink will be well-placed for the future of aged care and NDIS services.

Moving forward, Community Interlink is working towards maintaining current standards of operations and considering future opportunities for stakeholders.

DENTAL SERVICES

Goulburn Valley Dental Service (GVDS) completed another successful year providing dental care to a wide range of eligible patients in the region.

Dr Scott Freeman commenced as the new Clinical Director in January 2021 and comes with 29 years practice as a dentist in private practice and a former Lieutenant Colonel in the Australian Army.

With 12 dental chairs, the service was well utilised this past year despite COVID restrictions to dental treatment. GVDS treated more than 9,200 patients in the past financial year and provided 73,500 individual treatments. The wait list for general treatment stands at 10 months, a significant improvement over the past 12 months and reducing the wait list by almost 1,000 people.

GVDS was approved to commence with Phase 4 of the Victorian Government's Smile Squad program. Two new mobile dental treatment vans are expected to be delivered in August 2021 to begin school visits in Term 3, 2021.

The popularity of the Dentist Graduate Program continues with more than 30 applicants for the three positions, the graduate dentists commenced in March 2021.

The affiliation with the University of Melbourne continues to provide a valuable rural placement experience for the final year dentistry and dental therapy students.

COVID restrictions has limited the service's outreach programs throughout the past 12 months. The kinder visit program recommenced in June and the aged care program is expected to resume in the second half of the year, subject to COVID-19 restrictions at aged care centres.

Dental Health Services Victoria supplied and installed eight new dental chairs for the facility in January 2021.

CLINICAL OPERATIONS

This year has been challenging and rewarding for the clinical operations team with commissioning and moving into new clinical units for Critical Care Unit, Surgical Ward, Emergency Department and Theatres. Other areas such as maternity services have relocated for refurbishment works related to the redevelopment at Graham Street, Shepparton.

Our clinical staff responded to the COVID-19 pandemic care requirements with professionalism and vigor. This included many clinicians taking on additional roles and services to support the Goulburn Valley region catchment while maintaining current service levels. They are to be commended for their dedication and support of each other.

CLINICAL SERVICES

A key area that has seen growth is haematology services with a shared appointment of a medical specialist and service with St Vincent's Public Hospital which has allowed patients to have care closer to home. The partnership with Genesis Care regarding radiotherapy and the Department of Health has further facilitated care at home for cancer patients.

Elective surgery during the year was impacted when the National Cabinet suspended non-urgent elective surgery, due to the COVID-19 pandemic, in Australia which came into effect on 26 March 2020. Goulburn Valley Health complied with the Chief Health Officer directions in relation to elective surgery and this had a significant impact on the number of admissions. Since this time Goulburn Valley Health has resumed full activity. The team and service have relocated into the four new theatres and in 2022 will be an expanded unit when the redevelopment of the Graham Street campus is complete.

The team in the Emergency Department (ED) have seen a large increase in people seeking care and have worked tirelessly to achieve a positive outcome for all patients. A key challenge was the COVID-19 pandemic care requirements and the move into the new ED. They have developed services such as fast track and welcomed many new team members to enable this care delivery.

A Respiratory Ward was commissioned as part of the COVID-19 pandemic response with the team working together during the pandemic response and embracing the changes in care requirements.

CLINICAL PARTNERSHIPS

The partnerships that Goulburn Valley Health has with other health service providers has remained throughout the year and expanded as we strive to bring more services closer to home. Surgery is now at Kyabram District Health Service, Benalla Health, Shepparton Private Hospital. Obstetrics and Gynecology provide services at NCN Health and Rumbalara Aboriginal Co-operative. Oncology services continue to grow at Kyabram and Seymour. There are cardiology clinics at NCN Health and Waranga Health. The increase in telehealth has enabled services to be maintained during COVID restrictions and is being used with increasing frequency with positive feedback from the patients and families.

MENTAL HEALTH SERVICES

HOSPITAL OUTREACH POST-SUICIDE ENGAGEMENT (HOPE)

HOPE was launched in 2021 and the program is situated at 13 Nixon Street, Shepparton—a non-clinical environment to facilitate engagement and therapeutic interventions with clients who have attempted suicide or have suicide ideation. The program provides psychosocial and therapeutic interventions.

A steering committee has been set up with a project worker, Chief Executives of regional hospitals, carers and other stakeholders. The program is to be expanded to cover the whole of the region, increase referral sources and extend hours of operation.

PERSONALITY DISORDER CLINICAL SPECIALIST PROGRAM

The service has been recognised as an external rural hub for SPECTRUM Personality Disorder Service Victoria. Goulburn Valley Health has staff who are providing secondary consults on personality disorders. SPECTRUM along with our Borderline Personality Disorder (BPD) clinicians have facilitated two groups upskilling 20 staff in each group on the management and treatment of clients suffering from BPD. They provide strategies and resources to the client to assist in the management their condition.

HUME SHEPPARTON AGED CARE ASSESSMENT SERVICE (ACAS)/GOULBURN VALLEY HEALTH SHEPPARTON REGIONAL ASSESSMENT SERVICE (RAS)

Hume Shepparton ACAS successfully tendered for the Shepparton RAS and began delivery of the service on 1 July 2020. RAS provides a Home Support Assessment and ACAS provides a comprehensive assessment through the My Aged Care system.

Future plans through the national aged care reforms include the introduction of a streamlined assessment model in 2023 and the blending of ACAS and RAS locally has allowed Goulburn Valley Health to trial integrated assessment models and provide input into the proposed streamlined model.

An integrated approach from the outset of the intake model, administration support, multidisciplinary team meetings and staff training ensured a seamless transition of the RAS program within ACAS.

This integrated assessment model has enabled an improved outcome for clients as they are identified at intake for the most

appropriate assessment based on their care needs, therefore reducing duplication of assessment. Dual assessment roles are also being implemented to manage workloads more effectively.

The challenges of the past 12 months of the COVID-19 pandemic necessitated providing an alternate method of assessment temporarily across the region with both staff and clients adapting well. While phone and telehealth assessments enabled the service to continue during COVID-19, this modality of assessment provision was not ideal and has resulted in the need for follow up face-to-face reassessment.

Demand for assessment and services remained the same during the first three quarters of 2020–21 however the final quarter saw an increase of approximately 20 per cent in referrals and support plan reviews for both services.

Overall activity has remained constant with more than 2,000 assessments completed with minimal impact from the COVID-19 pandemic.

GOULBURN VALLEY CENTRE AGAINST SEXUAL ASSAULT (GVCASA)

The Strengthening Hospital Responses to Family Violence (SHRFV) project team continued to implement the whole-of-organisation response to family violence SHRFV initiative, and move towards alignment with the Multi-Agency Risk Assessment Management Framework (MARAM). This was not only at Goulburn Valley Health but included partner health services across the region.

Actions this year have included:

- 16 Days of Activism activities
- Communication strategy to staff and external stakeholders enacted
- Development of a system to respond to requests made under Family Violence and Child Information Sharing Schemes (FVISS and CISS) Legislation, effective from 19 April 2021
- Alignment of all SHRFV training packages and procedures to MARAM
- Draft eModules of MARAM aligned SHRFV training packages developed

Due to the COVID-19 pandemic the family violence training program was disrupted in 2020 and 2021. To maintain momentum the team adapted the training packages, so that they could be delivered in a virtual video conference environment when face-to-face sessions were not possible. Since the project began the team has delivered more than 152 family violence training sessions to Goulburn Valley Health staff, with more than 1,400 having attended a family violence training that has been tailored to their role. The Family Violence Workplace Support Training has been delivered to 390 managers/leaders across the organisation and the Goulburn Valley Health Code of Conduct now includes a commitment to support staff who have been impacted by family violence.

The Goulburn Valley Health SHRFV team support seven regional health services to embed the SHRFV initiative; service level agreements are in place with each of the supported health services. Working in collaboration with external specialist family violence services, the Goulburn Valley Health SHRFV team delivered a number of events; including a Family Violence Specialist Services panel, family violence trainings and community of practices. All of the seven health services have trained more than 60 per cent of staff, with three of them having trained 100 per cent of their staff.



The System Audit Family Violence Evaluation Tool (SAFE) data, which includes data from high risk family violence areas/departments, evaluation of staff education, support and training, organisational procedures and policies, governance and leadership and collaboration and service integration, has been submitted.

In November, staff attended the 2020 Safe Steps Family Violence Response Centre Walk Against Family Violence to recognise victims of gender-based and family violence and to raise awareness of the impacts of this on our community.

REDEVELOPMENT PROGRAM

Goulburn Valley Health is progressing an exciting capital redevelopment program to ensure we are able to provide modern facilities for the people we provide care and services for. The capital program is aligned with our purpose to improve community wellbeing by providing high-quality health services. It has been an exciting time at Goulburn Valley Health as works got underway for Stage 1B of the \$229.3 million redevelopment at the Graham Street campus throughout this year, as well as planning for Stage 2 of the redevelopment.

We were fortunate enough to appoint a new contractor this year to carry out the next phase of works at the Graham Street campus. Construction group Built commenced in March 2021 to oversee Stage 1B of works. Their project manager and senior engineer also relocated to the Goulburn Valley and will remain in Shepparton for the duration of the project to enable an increased engagement with our local community, which was one of their key objectives outlined at the time of their appointment by Goulburn Valley Health.

The new clinical facilities have been designed and constructed to the latest relevant Australian Standards. These facilities will facilitate an improvement in the quality of care and provide a more pleasant environment for patients, staff and visitors. The total investment in Goulburn Valley Health Shepparton hospital redevelopment is \$229.3 million which includes:

- A new five-storey building which expands theatre and the Surgical Unit, Critical 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 Unit, expanded Special Care Nursery. A new Paediatrics Unit is to be built adjacent to this area
- A new Dialysis Unit providing a significant increase in capacity
- Key site compliance issues will also be addressed, including the addition of a second high-voltage electrical supply and structural and fire sprinkler upgrades to existing buildings

On 18 January 2021, the Minister for Health Martin Foley officially opened the Stage 1 of the Redevelopment which includes the Inpatient (IPU) tower, the new Emergency Department and the new Dialysis department. Local Member for Shepparton District Ms Suzanna Sheed MP also attended.

Key projects through this year have included works on developing the old Emergency Department building, construction of the future Special Care Nursery and Paediatric corridor, Theatre Amenities and the Central Sterile Supply Department.

Now completed, our ED has an additional 22 patient treatment spaces and is almost double the size when compared to our previous facility. The fully completed Emergency Department includes a dedicated paediatrics zone, additional isolation rooms,

nine fast track bays and expanded medical imaging capacity within the unit.

Access to the new Paediatrics Unit will be possible once the Special Care Nursery and Maternity Unit refurbishment works are undertaken to complete the new Women's and Children's precinct. The Special Care Nursery will have 10 treatment bays and will be double the footprint of the existing facility.

The Perioperative Services refurbishment works include the construction of a new Central Sterile Services Department capable of supporting all operating theatres and a new Day of Surgery Admission Unit.

Construction is scheduled to be completed in 2022. Our refurbishment works will continue through the coming 12 months to include our maternity and birth suites, our Day of Surgery Admissions area as well as external works to the ED.

Masterplanning workshops were held between January and March 2021 involving the executive team and key stakeholders. Once our Masterplanning was completed, we moved into feasibility workshops for our Stage 2 planning. This planning stage is funded through a \$2 million state government commitment through the Regional Health Infrastructure Fund (RHIF).

OUR PEOPLE

STAFF WELLBEING

The health of our people continued to be a key priority during 2020 as the COVID-19 pandemic environment presented a range of physical, emotional and social challenges for staff; particularly working in an ever-changing public health environment. Throughout the year and in response to the rapidly changing environment, new approaches to supporting our workforce were required. Staff who could work from home were assisted to do so through flexible work arrangements. New technologies were used to assist staff to stay connected with each other and continue to deliver safe and effective patient care. Staff onsite were provided with protective equipment and individually tested to ensure masks were the best fit for their needs.

To achieve greater insight into staff sentiment during this period a wellbeing survey was undertaken to identify themes important to staff and to provide greater clarity around the support structures and systems which may further enhance and promote wellbeing across the organisation.

Through the survey our people shared that they:

- Believed strong leadership was demonstrated during this period
- Appreciated flexibility to work from home and that our carers and high-risk employees also felt supported as they navigated this period
- Believed teams worked well together across Goulburn Valley Health
- Felt workloads and staffing availability was challenging at times
- Requested a broader range of wellbeing offerings (e.g. resources, wellbeing challenges, podcasts and initiatives) as well as an option for a 'time out' space on site

Since the survey People, Development and Capability Directorate have focused on delivering the following:

- Building managers' capability to address workload and staffing considerations
- Creating a staff and visitor quiet space at the Graham Street campus

- Providing access to a range of wellbeing materials and resources through our intranet
- Re-establishing the 'love your leave' campaign to promote taking time away from work
- Activating staff working parties to identify Goulburn Valley Health-wide wellbeing initiatives

This work continues into 2021 and beyond as a priority at Goulburn Valley Health.

INVESTING IN OUR LEADERS

Goulburn Valley Health recognises the important role leaders hold in setting the vision and service delivery. We have an ongoing commitment to partnerships with education providers to build leadership capability in the health service. Through a partnership with La Trobe University we delivered a Leaders in Lockdown program. A total of 19 leaders participated in the program across a six-month period. Our senior leadership group participated in the Safer Care Victoria Leadership Gateway Program which concluded at the end of the 2020–21 financial year. Leadership development programs will be further expanded to frontline and emerging leaders in the coming 12 months.

OUR EMPLOYEE VALUE PROPOSITION: TOGETHER WE CAN CREATE OUTSTANDING

Our team continues to look at innovative and contemporary approaches to attract talent amid the changing employment landscape. In 2020, connecting with candidates face-to-face was challenging, hence the need to identify creative approaches including virtual career fairs and the initiation of a virtual recruitment information series to keep candidates connected with roles and career paths at Goulburn Valley Health. A concerted digital marketing approach was also prioritised to optimise candidate reach through social media platforms. This approach has garnered interest from local people as well as candidates both interstate and abroad.

A continued focus throughout 2020 was the Workforce Plan and identifying relevant attraction and recruitment strategies in preparation for planned workforce growth as part of the continued redevelopment into 2021–22. Key focus areas included:

- Support you to reach your potential — *we want you to be engaged, inspired and challenged by the work you do*
- Help you to grow in a dynamic and ever-changing environment — *join us as we grow*
- Create outstanding in everything we do — *our people are incredibly diverse with different ambitions, backgrounds and perspectives*
- Instill a culture of care — *it's about the 'feeling' you get when you work here*
- Help you to create balance — *our people work hard and to say thank you we offer a range of benefits to support and enhance financial, emotional and physical wellbeing*
- Experience the great things that happen in our region — *the very essence of the Goulburn Valley is family, friends, food and amazing cultural diversity*

VOLUNTEERS

Goulburn Valley Health's volunteers make an incredible contribution to the health service. This year the volunteer program

was impacted significantly due to the COVID-19 pandemic which led to lengthy interruptions to their onsite presence. We kept in touch and ensured the volunteers stayed connected through virtual meetings throughout these times. During periods when onsite programs were not able to be run, many of our volunteers generously continued their support by crocheting/knitting and sewing for the patients in the dialysis, oncology and Mary Coram units. They also made teddy/doll size scrubs for the children's toys on the Paediatrics Ward, which was met with a very enthusiastic reception from the children and their loved ones. Our volunteers are looking forward to a full return to onsite presence, when it is safe to do so.

AWARDS, RECOGNITIONS AND ACHIEVEMENTS

AWARDS

Safewards is an organisational approach to delivering inpatient mental health services. The aim of Safewards is to minimise the number of situations where conflict arises between healthcare workers and patients that lead to the use of coercive interventions.

A Safewards award was won by Goulburn Valley Health's Grutzner House for the work and innovative practices that were introduced onto the ward floor by the office of the Chief Mental Health Nurse.

RECOGNITIONS

Dr Helen Roberts, Clinical Director Anaesthetics, was elected to the Victorian ANZCA Committee, to be a voice for regional centres at a state level within our college.

Mr Geoff Long, Chair of the Community Advisory Committee received an award in the Greater Shepparton Council Volunteer Awards 2020–21.

Goulburn Valley Health consultant John Hay was appointed as the Australian and New Zealand College of Anaesthetists (ANZCA) Rotational Supervisor for this new rotation.

Alida Kildey, Early Intervention Advisor was nominated for the Leading Return to Work Practice, WorkSafe Employer Awards.

ACHIEVEMENTS

Goulburn Valley Health Anaesthetists with other regional health service anaesthetic departments to launch the new Victorian Regional Anaesthetic Training Scheme which will allow anaesthetic registrars to train for 80 per cent of their time in regional Victoria and grow our specialist service.

Goulburn Valley Health anaesthetists also successfully continued to support anaesthetic registrars to pass the first part of the ANZCA examinations.

RESEARCH

Goulburn Valley Health is the only anaesthetic research co-ordinator in a regional area Australia wide and appointed its first Anaesthetic Research Co-ordinator Natasha Pearson.

Despite the challenges of the COVID-19 pandemic, Goulburn Valley Health continued to recruit patients to clinical trials and are involved in four large multicentre trials.

WORKFORCE INFORMATION

Labour Category	June Monthly FTE*		Average Monthly FTE*	
	2020	2021	2020	2021
Nursing	750.89	808.41	713.05	780.52
Administration and Clerical	321.64	352.35	314.81	335.41
Medical Support	186.32	195.02	179.24	192.99
Hotel and Allied Services	189.25	199.23	184.04	194.73
Medical Officers	29.23	27.11	28.43	28.08
Hospital Medical Officers	118.81	123.56	118.39	115.29
Sessional Clinicians	27.82	34.70	25.70	33.38
Ancillary Staff (Allied Health)	132.18	127.14	121.92	129.71
Total	1,756.14	1,867.52	1,685.58	1,810.11

Labour Category	June Monthly FTE*		Average Monthly FTE*	
	2020	2021	2020	2021
Nursing	750.89	808.41	713.05	780.52
Casual	25.66	18.37	25.94	25.25
Part time	582.72	628.17	554.09	608.61
Full time	142.51	161.87	133.02	146.66
Administration and Clerical	321.64	352.35	314.81	335.41
Casual	9.87	7.83	7.08	9.93
Part time	152.96	186.05	150.48	174.00
Full time	158.81	158.47	157.25	151.48
Medical Support	186.32	195.02	179.24	192.99
Casual	6.27	8.82	6.61	10.50
Part time	74.84	73.69	74.85	76.47
Full time	105.21	112.50	97.78	106.03
Hotel and Allied Services	189.25	199.23	184.04	194.73
Casual	26.42	22.76	16.51	18.27
Part time	119.07	128.73	122.85	132.13
Full time	43.76	47.74	44.68	44.33
Medical Officers	29.23	27.11	28.43	28.08
Casual	-	-	-	-
Part time	0.23	0.46	0.38	0.37
Full time	29.00	26.65	28.05	27.70
Hospital Medical Officers	118.81	123.56	118.39	115.29
Casual	2.36	1.02	1.66	1.67
Part time	2.17	2.21	3.24	3.33
Full time	114.28	120.32	113.49	110.29
Sessional Clinicians	27.82	34.70	25.70	33.38
Casual	-	-	-	-
Part time	21.96	27.58	20.48	26.72
Full time	5.86	7.12	5.22	6.66
Ancillary Staff (Allied Health)	132.18	127.14	121.92	129.71
Casual	1.42	1.60	1.45	3.41
Part time	63.71	59.58	56.43	65.94
Full time	67.05	65.97	64.04	60.36
Total	1,756.14	1,867.52	1,685.58	1,810.11

HEALTH SAFETY AND WELLBEING

The Health and Safety Strategy aims to provide a safe work environment and to promote and support all aspects of staff wellbeing. Our approach to ensuring staff have the right skills and capability to perform their roles effectively and safely includes:

- A commitment to incident and injury prevention
- Trained health and safety representatives who actively support early identification of any hazards in work areas
- Occupational Violence and Aggression (OVA) Prevention plan
- A benefits program that offers discounted memberships to gyms

and other financial and mental health support in line with our wellbeing program

- A manual handling program, supported by a no lift trainer, to educate staff in safe manual handling practices
- Mental Health First Aid professional development to a range of staff across our organisation, to support early identification and support of any mental health wellbeing needs
- Workplace assessments to support employees working from home during lockdown periods as well as early and local identification of risks or hazards

Occupational Health and Safety Statistics	2020-21	2019-20	2018-19
The number of reported hazards/incidents for the year per 100 FTE	33.19	32.28	25.02*
The number of 'lost time' standard WorkCover claims for the year per 100 FTE	0.79	0.94	0.97
The average cost per WorkCover claim for the year ('000)	\$78,017	\$66,125	\$82,274

In 2020-21 there were 20 WorkCover claims (including three rejected claims) with 13 claims resulting in a physical injury and seven claims resulting in a psychological injury. All staff members are supported and assisted in transitioning back to work at the earliest opportunity. Of the 13 physical injury claims, 12 employees have either returned to partial or full hours of their pre-injury

duties. Of the seven psychological injury claims, five employees have either returned to partial or full hours of their pre-injury duties, with one employee exiting the health service to engage employment with another employer.

OCCUPATIONAL VIOLENCE AND AGGRESSION (OVA)

Goulburn Valley Health continues to work with employees, Health and Safety Representatives, management and unions through the OVA to continually review and improve current work practices, to eliminate or reduce as much as practicable the risk and number

of occupational violence and aggression occurrences. This is supported by a Code Grey response team and mandatory OVA training for relevant staff.

Occupational Violence Statistics	2020-21
WorkCover accepted claims with an occupational violence cause per 100 FTE	0.26
Number of accepted WorkCover claims with lost time injury with an occupational violence cause per 1,000,000 hours worked	1.56
Number of occupational violence incidents reported	223
Number of occupational violence incidents reported per 100 FTE	12.32
Percentage of occupational violence incidents resulting in a staff injury, illness or condition	2.69%

GENERAL INFORMATION

CARER'S RECOGNITION ACT 2012

In accordance with the *Carer's Recognition Act 2012*, Goulburn Valley 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, consider 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.

COMPLIANCE WITH FREEDOM OF INFORMATION ACT 1982

A total of 686 formal requests for information were received and processed under the Act in 2019-20, compared to 738 requests in 2018-19. Of that total, 331 freedom of information applications were received with payment of a legislated application fee of \$29.90 per request; a fee total of \$9,797.60.

Other requests for information were received from a variety of entities including the Department of Health and Human Services, Victoria Police and the Coroner's Court of Victoria and the Transport Accident Commission. There were 355 medico legal requests received.

Total fees collected were \$13,953.02.

Contact details and guidance on how a freedom of information request may be made is located on the Goulburn Valley Health website. Other information relating to freedom of information is to be found at ovic.vic.gov.au

PUBLIC INTEREST DISCLOSURE ACT 2012

Goulburn Valley Health is subject to the *Public Interest 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. Goulburn Valley Health adheres to the *Protected Disclosure Act 2012* through incorporating the protected disclosure requirements of the Act into the Goulburn Valley Health Whistleblowers Procedure.

Access to procedures established by Goulburn Valley Health under the Act is available at gvhealth.org.au

BUILDING ACT 1993

Goulburn Valley Health complied fully with the building and maintenance provisions of the *Building Act 1993* guidelines for publicly owned buildings. Goulburn Valley Health also complied with the relevant provisions of the National Construction Code.

NATIONAL COMPETITION POLICY

Goulburn Valley Health complied with all government policies regarding competitive neutrality.

LOCAL JOBS FIRST ACT 2003

Goulburn Valley Health has complied with the *Local Jobs First Act 2003*.

GENDER EQUALITY ACT 2020

Gender equality has a growing focus following the introduction of the *Gender Equality Act 2020*. We are reviewing metrics and staff experiences to build towards formulating a Gender Equality Action Plan. This, together with diversity and inclusion will continue to be a major focus into next year.

SAFE PATIENT CARE ACT 2015

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

CAR PARKING FEES

Goulburn Valley Health complies with the Department of Health hospital circular on car parking fees and details of car parking fees and concession benefits can be viewed at gvhealth.org.au

ASSET MANAGEMENT ACCOUNTABILITY FRAMEWORK (AMAF)

The following sections summarises Goulburn Valley Health's assessment of maturity against the requirements of the Asset Management Accountability Framework (AMAF). The AMAF is a non-prescriptive, devolved accountability model of asset management that requires compliance with 41 mandatory requirements. These requirements can be found on the DTF website at dtf.vic.gov.au/infrastructure-investment/asset-management-accountability-framework

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

LEADERSHIP AND ACCOUNTABILITY (REQUIREMENTS 1-19)

Goulburn Valley Health has met its target maturity level under most requirements within this category.

Goulburn Valley Health did not comply with some requirements in the areas of monitoring asset performance, governance and asset system performance. There is no material non-compliance reported in this category and a plan for improvement is in place to improve Goulburn Valley Health's maturity rating in these areas.

PLANNING (REQUIREMENTS 20-23)

Goulburn Valley Health has met its target maturity level in this category.

ACQUISITION (REQUIREMENTS 24 AND 25)

Goulburn Valley Health has met its target maturity level in this category.

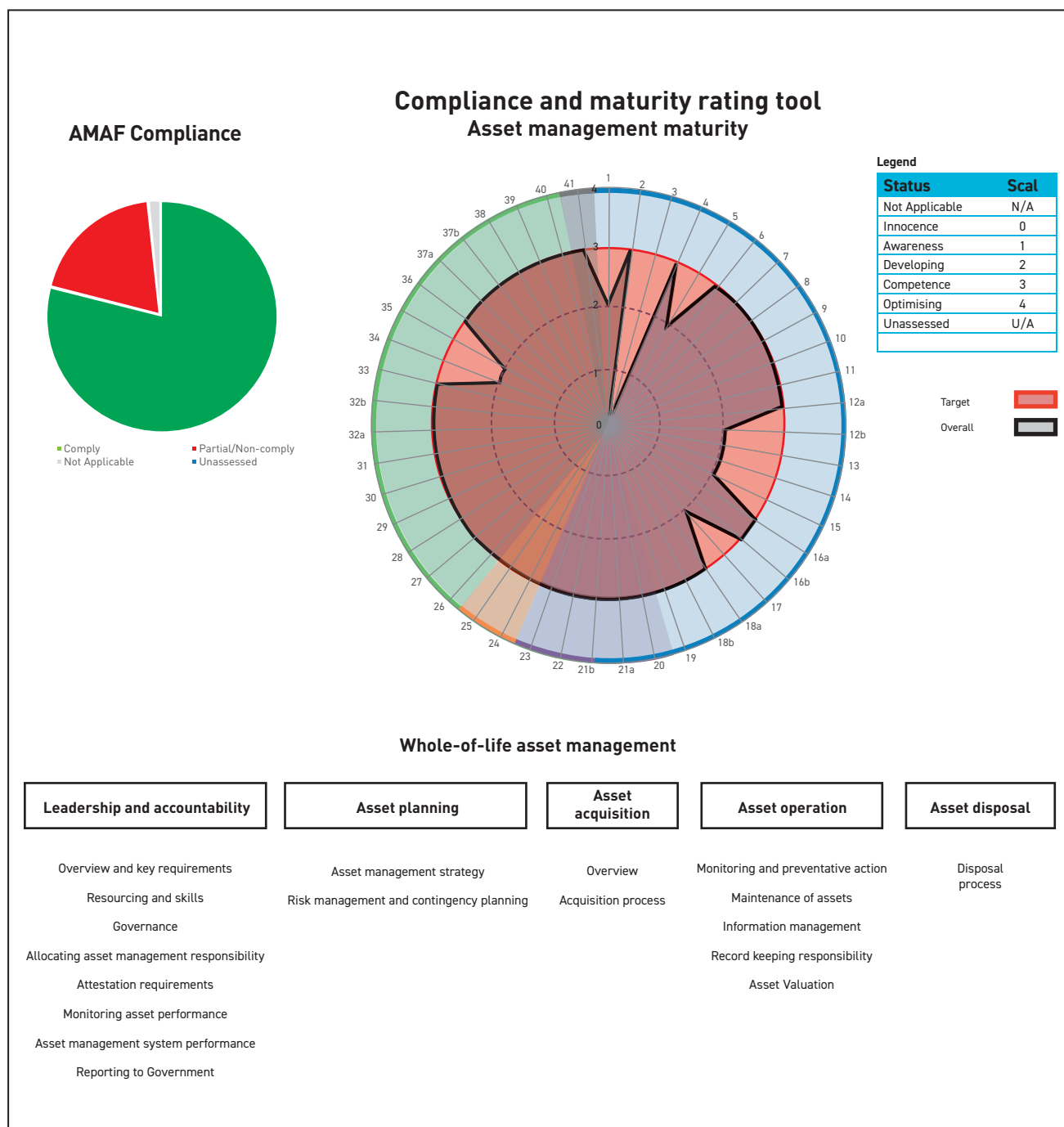
OPERATION (REQUIREMENTS 26-40)

Goulburn Valley Health has met its target maturity level under most requirements within this category. Goulburn Valley Health did not comply with some requirements in the area of information management. There is no material non-compliance reported in this category and a plan for improvement is in

place to improve Goulburn Valley Health's maturity rating in these areas.

DISPOSAL (REQUIREMENT 41)

Goulburn Valley Health has met its target maturity level in this category.



ENVIRONMENTAL PERFORMANCE

Goulburn Valley Health is committed to ensuring the protection of our environment and ongoing sustainability is a priority in all activities. Goulburn Valley Health implements environmentally sustainable practices to achieve efficient and sustainable outcomes for energy, materials and water that comply with environmental legislation, regulations and government policies. Goulburn Valley 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 project 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.

Goulburn Valley Health monitors and reports on:

- Energy;
- Waste production and disposal;
- 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 Goulburn Valley Health website. We continue to expand efforts to become a more environmentally sustainable health service.

INFORMATION AND COMMUNICATION TECHNOLOGY EXPENDITURE

The total ICT expenditure incurred during 2020-21 is \$1.29m (excluding GST) with the details shown below:

Business as usual (BAU) ICT expenditure	Non Business as Usual (non-BAU) ICT expenditure		
Total (excluding GST)	Total = Operational expenditure and Capital expenditure (excluding GST)	Operational expenditure (excluding GST)	Capital expenditure (excluding GST)
\$1.29 million	\$ -	\$0.90 million	\$0.40 million

CONSULTANCIES

Details of consultancies (under \$10,000)

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

Details of consultancies (valued at \$10,000 or greater)

In 2020-21, there was one consultancy where the total fees payable to the consultants were \$10,000 or greater. The total expenditure incurred during 2020-21 in relation to this consultancy was \$10,890 (excluding GST).

Consultant	Purpose of consultancy	Start Date	End Date	Total approved project (exc. GST)	Expenditure 2020-21 (exc. GST)	Future expenditure (exc. GST)
Kelloway Lonsdale	Organisational processes – strategic discussions and facilitation	Dec 2020	Jan 2021	\$10,890	\$10,890	\$-

ADDITIONAL INFORMATION AVAILABLE ON REQUEST

Details in respect of the items listed below have been retained by Goulburn Valley 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

FINANCIAL AND SERVICE PERFORMANCE

FINANCIAL SUMMARY

Summary of the financial results for the year

	2021 \$'000	2020 \$'000	2019 \$'000	2018 \$'000	2017 \$'000
Operating result*	324	(2,287)	40	52	518
Total revenue	388,734	405,524	331,975	298,348	258,017
Total expense	(364,694)	(322,246)	(295,928)	(283,058)	(261,585)
Net result from transactions	24,040	83,278	36,047	15,290	(3,568)
Total other economic flows	2,853	(699)	(1,908)	151	779
Net result	26,893	82,579	34,139	15,441	(2,789)
Total assets	374,089	324,735	232,161	164,421	125,395
Total liabilities	(109,969)	(87,508)	(77,903)	(73,808)	(60,875)
Net assets /Total equity	264,120	237,227	154,258	90,613	64,520

*The Operating result is the result for which GV Health is monitored in the Statement of Priorities.

Reconciliation between Net result from Transactions to the SoP operating result

	2021 \$'000	2020 \$'000	2019 \$'000	2018 \$'000	2017 \$'000
Net operating result*	163	(2,416)	40	52	518
Capital purpose income	43,389	102,155	48,872	30,804	10,141
Specific income	N/A	N/A	N/A	N/A	N/A
COVID-19 state supply arrangements					
- Assets received free of charge or for nil consideration under the State Supply	4,356	260	N/A	N/A	N/A
- State supply items consumed up to 30 June 2021	(1,714)	(131)	N/A	N/A	N/A
Assets provided free of charge	N/A	N/A	N/A	N/A	N/A
Assets received free of charge	73	N/A	N/A	N/A	N/A
Expenditure for capital purpose	(5,647)	(4,212)	(1,019)	(5,357)	(4,212)
Depreciation and amortisation	(16,520)	(12,292)	(11,626)	(10,094)	(9,998)
Impairment of non-financial assets	N/A	N/A	N/A	N/A	N/A
Finance costs (Other)	(60)	(86)	(220)	(115)	(17)
Net results from transactions	24,040	83,278	36,047	15,290	(3,568)

*The impact of the State Supply Arrangements, are excluded from the Operating Result and disclosed separately.

SUMMARY OF SIGNIFICANT CHANGES IN FINANCIAL POSITION

Goulburn Valley Health major financial objective is to provide the necessary resources to meet anticipated activity levels, address essential capital needs and ensure cash sustainability.

Goulburn Valley Health was able to deliver on its accountabilities in 2020-21 within its agreed budget.

Goulburn Valley Health delivered an operating surplus of \$.324m for the 2020-21 financial year (excluding capital, depreciation and specific items) compared to its \$.130m surplus budget target. GV Health delivered an overall surplus of \$26.893m for the 2020-21 financial year (including capital, depreciation and specific items).

The Net Result reflects the receipt of significant one off capital

purpose non-cash income from the Department of Health for elements of Goulburn Valley Health's redevelopment.

Total cash increased by \$34.028m from \$27.525m to \$61.553 in 2020-21. The increase reflects Operating & Capital Cash inflows exceeding Operating & Capital Cash outflows by \$20.43m and \$11.74m respectively. The major capital cash inflow for the year related to the Commissioning Costs grants funded by Department of Health whilst the major operating cash inflows were in relation to operating Commissioning Costs & COVID-19. There was an increase in operating working capital as a result of the increase in Department of Health cash funding, movements in current liabilities represented business as usual activity.

Equity increased by \$26.9m as a result of the net surplus of \$26.89m.

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 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 \$.130m surplus operating result (excluding capital, depreciation and specific items) was agreed in the 2020-21 SoP for GV Health. The final result for the year was an operating surplus of \$.324m. 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 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; such funding is allocated according to need and after consideration of a supporting submission.

EVENTS SUBSEQUENT TO BALANCE DATE

The COVID-19 pandemic has created unprecedented economic uncertainty. Actual economic events and conditions in the future may be materially different from those estimated by GV Health at the reporting date. As responses by the State Government continue to evolve, management recognises that it is difficult to reliably estimate with any degree of certainty the potential impact of the pandemic after the reporting date on GV Health, its operations, future results and financial position. The state of emergency in Victoria has been extended until 21 October 2021.

No further 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.

STATEMENT OF PRIORITIES 2020-21

STRATEGIC PRIORITIES

Goulburn Valley Health maintains robust COVID-19 pandemic readiness and response, working with the Department of Health to ensure we rapidly respond to outbreaks, if and when they occur, which includes testing for our community and staff, where necessary and if required. This includes preparing to participate in, and assist with, the implementation of our COVID-19 Vaccination Program rollout, ensuring our community's confidence in the program.

The COVID-19 pandemic challenged our Goulburn Valley Health service to act rapidly and work closely with our health service and community partners in the Hume Region to prepare, prevent and manage COVID-19 outbreaks in the Hume region. The readiness and response has been maintained through the rapid establishment and delivery of:

- Local Public Health Unit – a team operating seven days a week and dedicated to contact tracing, case and outbreak management as part of the COVID-19 pandemic statewide response. The key roles and responsibilities for a broader public health plan and response will continue to be developed in 2021/22.
- COVID-19 Vaccination Program - Local Public Health Unit, in partnership with neighbouring health services (NCN Health, Seymour Health, Kilmore District Health and Mansfield District Hospital) who have collectively delivered more than 40,000 vaccines since early March 2021 to 30 June 2021 across the catchment.
- Rapid Response Testing Team (RRTT) who have conducted extensive COVID-19 testing program in the Hume Region and beyond, in response to COVID-19 outbreaks, waste water detection, and surveillance testing in high risk settings, the alpine region and at border crossings.
- Acute Respiratory Clinic at Graham Street, operating seven days a week, plays an important role in helping protect our community.
- COVID-19 Safe plans for the health service and residential aged care facilities with a focus on various prevention and control strategies, inclusive of a comprehensive workplace Respiratory Protection Program to support safe and effective personal protective mask fitting.
- COVID-19 pandemic response plan for the organisation, and the Hume region to ensure there is a coordinated plan and action to provide safe and accessible care, and escalation of care, as needed.
- Aged Care Hub Response model to support response and coordination to residential aged care outbreaks in the Hume region, inclusive of residential in-reach support.
- Disability liaison program to facilitate and support disability residential providers with COVID-19 pandemic readiness and response capacity.

	<p>Data from Department of Health indicates in the Goulburn Valley Health PHU catchment to 30 June 2021 indicate:</p> <ul style="list-style-type: none"> • 7% of adults aged 16-39 years have received 1st dose • 28% of adults aged 40-49 years have received 1st dose • 40% of adults aged 50-59 years have received 1st dose • 69% of adults aged 60+ years have received 1st dose
<p>Goulburn Valley Health engages with its community to address the needs of patients, especially our vulnerable Victorians whose care has been delayed due to the pandemic and we provide the necessary “catch-up” care to support them to get back on track.</p>	<p>The Goulburn Valley health COVID-19 Vaccination team worked collaboratively with our Population Health & health Promotion team, our Media & Communications team as well as external partners to identify key priority groups to vaccinate. We assigned champions or leaders with those groups to plan and implement a range of awareness/communication and engagement strategies to promote access to and, identify and address any socioeconomic, cultural or other barriers to the COVID-19 vaccination and testing.</p> <p>Key partners that Goulburn Valley Health has engaged with during the COVID-19 pandemic are:</p> <ul style="list-style-type: none"> • Ethnic Council of Shepparton; • Rumbalara Aboriginal Cooperative (Rumbalara Football Netball Club); • Greater Shepparton Lighthouse Project; • St Paul's African House – Shepparton; • Shepparton Foodshare; • Beyond Housing – Shepparton; • Primary Care Connect and Nexus Primary Care; • Community Centres and Neighbourhood Houses; and • Primary Care Partnerships including Goulburn Valley, Lower Hume and Central Hume. <p>Cultural Safety</p> <p>Goulburn Valley Health has engaged vulnerable populations using a multifaceted approach which has included webinars, face-to-face presentations, attendance at events, primary school visits, use of information in multiple languages.</p> <p>Goulburn Valley Health has been committed to the Cultural Safety Guidelines through the implementation and monitoring of the Goulburn Valley Health Aboriginal and Torres Strait Islander Cultural Responsiveness Plan 2019-23. Aboriginal and Torres Strait Islander cultural safety is defined as <i>an environment that is safe for Aboriginal people and Torres Strait Islanders, where there is no assault, challenge or denial of their identity and experience</i>. Goulburn Valley Health employs three Aboriginal Liaison Officers along with an Aboriginal Health Transition Officer. These roles, along with the plan, establish the foundation for cultural safety.</p> <p>The eight cultural safety action areas are:</p> <ol style="list-style-type: none"> 1. CEO/executive leadership 2. Employment of Aboriginal hospital liaison officer/Aboriginal health staffing 3. Engagement and partnerships with Aboriginal communities 4. Identifying health needs of Aboriginal population and plans to address these 5. Cultural safety training 6. Creating a welcoming environment 7. Improving patient identification 8. Monitoring and accountability. <p>Goulburn Valley Health is working to ensure all areas of the Cultural Safety Guidelines are implemented. This is being monitored through the Aboriginal and Torres Strait Islander Health @ GV Health Committee.</p>



As providers of care, Goulburn Valley Health will respond to the recommendations of the Royal Commission into Victoria's Mental Health System and the Royal Commission into Aged Care Quality and Safety. The Department of Health will engage further with Goulburn Valley Health as these reports are delivered.

Mental Health

The Royal Commission into Victoria's Mental Health System has set the platform to achieve an integrated and responsive system. Putting the commission's ambitious reform agenda into practice is what will make the hopes held by many in the Victorian community become a reality. Goulburn Valley Health provided extensive feedback into the Commission including formal submissions, participation in workshops and expert testimony into rural and regional mental health by A/Prof Ravi Bhat, Divisional Clinical Director - GVAMHS.

Goulburn Valley Health is taking an active role in responding to the recommendations of the commission and is working with both the Department of Health and Mental Health Reform Victoria to implement these. Implementation is about taking definitive action and fulfilling the solutions presented in the final report. The 64 recommendations in the final report along with the nine recommendations in the interim report provide reforms that are structural in nature, complex and multi-faceted. As an area mental health service, Goulburn Valley Health will be formally networked to promote staged care. Within this, people will be able to move between health services, in a seamless, coordinated way that avoids a retelling of their story. Goulburn Valley Health will be funded to provide primary and secondary consultation, and stretch into formalised shared care.

There will be two aged-based systems in areas. This is to ensure treatment, care and support is developmentally appropriate and there is equity in access, regardless of age. These services will operate with extended hours to increase accessibility.

Eight regions will be established for planning and governance purposes these will form the basis for new regional governance structures, and future commissioning decisions. Alignment of the mental health and wellbeing regions with Health Service Partnerships (HSPs) will be established, but the regions will not be considered to be rigid catchments.

Interim regional bodies will be skills based, and include members with local knowledge and perspectives, a consumer and a carer interim regional bodies to be replaced with legislated Regional Mental Health and Wellbeing Boards by no later than end of 2023.

Aged Care

The final report of the Royal Commission into Aged Care Quality and Safety was released on 1 March 2021, following a period of public consultations, hearings and evidence gathering resulting in more than 10,500 contributions from individuals and organisations. Goulburn Valley Health provided information to the Commission with regards to care provision and incident analysis.

Goulburn Valley Health operates the following aged care services:

- Consortium lead for Community Interlink which consists of 19 public health and community services delivering Home Care Packages (HCPs). Community Interlink is the largest provider of HCPs in the Hume Region with more than 400 clients.
- Commonwealth Home Support Program (CHSP) supports more than 1,300 people per year
- Goulburn Valley Health operates residential aged care at:
 - Tatura Parkvilla -13 beds and two Transition Care bed
 - Waranga Health – residential aged care services (RACS) 36 beds with 10 high care and 26 Hostel with aging in place
 - Grutzner House – psychiatric-geriatric facility 20 beds

In response to the final report of the Royal Commission into Aged Care Quality and Safety (the Royal Commission), an additional 80,000 Home Care Packages will be released. Goulburn Valley Health is already in a prime position to deliver on this as the lead agency of the Community Interlink consortium.

The final report outlines the need for a new Aged Care Act to underpin reform. This will set out the rights of older people, including their entitlement to care and support based on their needs and preferences. Goulburn Valley Health will work with both the Commonwealth and Victorian Governments to enact the reforms. These will also be accompanied by workforce capability and sustainability programs and sector governance improvement.

<p>Goulburn Valley Health develops and fosters local health partner relationships, which have been strengthened during the pandemic response to continue delivering collaborative approaches to planning, procurement and service delivery at scale. This extends to prioritising innovative ways to deliver health care through shared expertise and workforce models, virtual care, co-commissioning services and surgical outpatient reform to deliver improved patient care through greater integration.</p>	<p>Goulburn Valley Health is committed to Closing the Gap in Aboriginal and Torres Strait Islander health outcomes. The Goulburn Valley Health Aboriginal and Torres Strait Islander Cultural Responsiveness Plan 2019/2023 reiterates the commitment of the health service to improving the health status for all Aboriginal and Torres Strait Islander people and to achieve health equality. Goulburn Valley Health values its relationships with local Aboriginal and Torres Strait Islander families and communities and our aim is to deliver equity and opportunity in employment. Goulburn Valley Health is committed to working with the local clans of the Goulburn Murray region to provide culturally sensitive services that reflect the needs of our community.</p> <p>Shepparton's Aboriginal and Torres Strait Islander community is the largest Indigenous community in Victoria outside of the Melbourne metropolitan area. The community accounts for 3.47% of the region's population. The Aboriginal and Torres Strait Islander Health @ Goulburn Valley Health Committee actions the deliverables of the Aboriginal and Torres Strait Islander Cultural Responsiveness Plan 2019/23. Through this plan, Goulburn Valley Health has a number of health partnerships with the local Aboriginal Community Controlled Health Organisation, Rumbalara Aboriginal Co-operative. These include mental health spiritual health and wellbeing clinics involving nursing and medical staff. Connection with the Goulburn Valley Health Drug and Alcohol service with the expertise of Goulburn Valley Health's Addiction Medicine Specialist. The COVID-19 Pandemic has presented multiple opportunities for Goulburn Valley Health and Rumbalara to engage with respect to aged care readiness planning, vaccinations and testing.</p> <p>Employment opportunities at Goulburn Valley Health for people who identify as Aboriginal and/or Torres Strait Islander is an area of focus. A partnership with the Kaiela Institute to look at workforce opportunities with the Algabonyah Employment Program has been established.</p> <p>Leah Lindrea-Morrison's two possum skin cloaks which are on display in the Peter Copulos Cancer and Wellness Centre have made news across the state in the Victorian Department of Health's newsletter.</p> <p>The male and female cloaks were put on display in two glass cabinets in the Oncology department and are available to Aboriginal people who are undergoing cancer treatment, for comfort and to provide a connection to culture, family and country.</p> <p>The refurbishment of the Minya Barmah room at Goulburn Valley Health has refreshed the area to make it more comfortable for Aboriginal and Torres Strait Islander people when they are accessing health services. This refurbishment along with items of cultural significance feature prominently at all Goulburn Valley Health sites.</p> <p>Goulburn Valley Health has online Aboriginal and Torres Strait Islander Cultural Responsiveness Training and "Asking the Question" training which are available on HEART. Days of cultural significance are celebrated at Goulburn Valley Health including Sorry Day and NAIDOC Week. Both online and print media are used to communicate these with the public and invite where appropriate Aboriginal and Torres Strait Islander people to assist Goulburn Valley Health in celebrating these days of significance.</p>
<p>As a service hosting a Local Public Health Unit (LPHU) Goulburn Valley Health works collaboratively with the Department of Health, other LPHUs, community and primary care providers and local government partners to evolve and deliver a fully integrated and high performing public health network.</p>	<p>Goulburn Valley Health's LPHU continues to provide primarily contract tracing, case and outbreak management functions as part of a statewide response to the COVID-19 outbreaks in Regional Victoria. The unit is part of a new system of devolved public health units across Victoria, to provide a new state-wide system of public health delivery and oversight.</p> <p>The LPHU team members work in partnership with health services and other agencies throughout the Goulburn Valley region. Three key programs so far sit within the LPHU – the COVID-19 Case Contact Outbreak Management, Rapid Response Testing Team (RRTT) and the COVID-19 vaccination program.</p> <p>Initially, the LPHU will be responsible for COVID-19 related activities - the COVID-19 vaccination program and case, contact and outbreak management in tight collaboration with the Department of Health. However, as COVID demands decline, it is envisaged that the LPHU will assume a key role in activities regarding the prevention and population management of a range of communicable diseases and non-communicable diseases and conditions in the region as well as lead a regional approach to population health strategy and research.</p> <p>The LPHU will work closely with the Goulburn Valley Health Primary Care and Population Health (PC&PH) Advisory Committee in the delivery of the PC&PH plan.</p>

PERFORMANCE PRIORITIES 2020-21

HIGH-QUALITY AND SAFE CARE

Key Performance Indicator	Target	Outcome
INFECTION PREVENTION AND CONTROL		
Compliance with the Hand Hygiene Australia program	83%	94.6%
Percentage of healthcare workers immunised for influenza	90%	97%
PATIENT EXPERIENCE		
Victorian Healthcare Experience Survey - percentage of positive patient experience responses	95%	<i>No surveys conducted in 2020-21</i>
Victorian Healthcare Experience Survey - percentage of very positive responses to questions on discharge care	75%	<i>No surveys conducted in 2020-21</i>
HEALTHCARE ASSOCIATED INFECTIONS		
Rate of patients with surgical site infection	No outliers	Achieved
Rate of patients with ICU central-line-associated bloodstream infection (CLABSI)	Nil	Achieved
Rate of patients with SAB1 per 10,000 occupied bed day	≤ 1	0.9
MENTAL HEALTH		
Percentage of adult acute mental health inpatients who are readmitted within 28 days of discharge	14%	14%
Rate of seclusion events relating to an adult acute mental health admission	≤ 10/1,000 occupied bed days	7
Rate of seclusion events relating to an aged acute mental health admission	≤ 5/1,000 occupied bed days	1
Percentage of child and adolescent acute mental health inpatients who have a post discharge follow up within seven days	80%	67%
Percentage of adult acute mental health inpatients who have a post-discharge follow up within seven days	80%	54%
Percentage of aged acute mental health inpatients who have a post-discharge follow up within seven days	80%	86%
MATERNITY AND NEWBORN		
Rate of singleton term infants without birth anomalies with APGAR score <7 to 5 minutes	≤ 1.4%	0.7%
Rate of severe foetal growth restriction (FGR) in singleton pregnancy undelivered by 40 weeks	≤ 28.6%	26.7%
Proportion of urgent maternity patients referred for obstetric care to a level 4, 5 or 6 maternity service who were booked for a specialist clinic appointment within 30 days of accepted referral	100%	100%
CONTINUING CARE		
Functional independence gain from an episode of rehabilitation admission to discharge relative to length of stay	≤ 0.645	0.559

TIMELY ACCESS TO CARE

Key Performance Indicator	Target	Outcome
EMERGENCY CARE		
Percentage of patients transferred from ambulance to emergency department within 40 minutes	90%	75%
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%	53%
Percentage of emergency patients with a length of stay in the emergency department of less than four hours	81%	54%
Number of patients with a length of stay in the emergency department greater than 24 hours	0	8
ELECTIVE SURGERY		
Percentage of urgency category 1 elective surgery patients admitted within 30 days	100%	100%
Percentage of urgency category 1, 2 and 3 elective surgery patients admitted within clinically recommended time	94%	85.4%
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	11.6%
Number of patients on the elective surgery waiting list	1,050	958
Number of hospital-initiated postponements per 100 scheduled elective surgery admissions	≤ 7/100	8.0
Number of patients admitted from the elective surgery waiting list	3,200	2,950
SPECIALIST CLINICS		
Percentage of urgent patients referred by a GP or external specialist who attended a first appointment within 30 days	100%	93.4%
Percentage of routine patients referred by GP or external specialist who attended a first appointment within 365 days	90%	93.4%

EFFECTIVE FINANCIAL MANAGEMENT

	Target	Result
Operating result (\$m)	\$0.13 m	\$0.32 m
Average number of days to paying trade creditors	60 days	52 days
Average number of days to receiving patient fee debtors	60 days	53 days
Public and Private WIES activity performance to target	100%	98.1%
Adjusted current asset ratio	0.70	0.96
Actual number of days a health service can maintain its operations with unrestricted available cash, measured on the last day of each month	14 days	20
Variance between forecast and actual Net Result From Transactions (NRFT) for the current financial year ending 30 June.	Variations ≤\$250,000	Not Achieved

FUNDING AND ACTIVITY

Funding Type	Activity	Budget	Actual
Acute Admitted			
Acute WIES	20,659	100,808	20,167
WIES DVA	177	927	289
WIES TAC	137	813	155
Other Admitted	-	8,116	-
Other non-admitted	-	50	-
Acute Non-Admitted			
Emergency Services	-	19,585	-
Home Enteral Nutrition	379	83	345
Specialist Clinics	57,619	15,290	58,001
Specialist Clinics - DVA	-	44	-
Sub-Acute and Non-Acute Admitted			
Sub-Acute WIES – Rehabilitation Public	427	4,652	483
Sub-Acute WIES – Rehabilitation Private	106	1,055	97
Sub-Acute WIES – GEM Public	385	4,200	419
Sub-Acute WIES – GEM Private	72	718	65
Sub-Acute WIES – Palliative Care Public	130	1,413	86
Sub-Acute WIES – Palliative Care Private	32	316	19
Sub-Acute WIES - DVA	30	391	32
Transition Care – Bed Days	13,118	2,093	11,078
Transition Care – Home Days	13,546	792	13,784
Sub-Acute Non-Admitted			
Palliative Care Non-Admitted	-	53	-
Health Independence Program - Public	-	6,987	-
Health Independence Program - DVA	-	22	-
Sub-Acute Non-Admitted Other	-	1,010	-
Aged Care			
Aged Care Assessment Service	-	1,460	-
Residential Aged Care	36,589	912	33,424
HACC	8,888	1,658	7,645
Mental Health and Drug Services			
Mental Health Ambulatory	45,240	19,878	25,576
Mental Health Inpatient – Available Bed Days	7,305	6,981	6,460
Mental Health Residential	7,305	761	6,590
Mental Health Service System Capacity	1	1,712	1
Mental Health Sub-Acute	7,306	3,419	5,705
Mental Health Other	-	1,071	-
Drug Services	2,213	2,818	2,225
Primary Health			
Community Health / Primary Care Programs	12,224	5,523	10,428
Community Health Other	11,835	250	-
Other			
Health Workforce	-	6,612	-
Other Specified Funding	-	16,383	-
Total Funding		238,857	

ATTESTATIONS

FINANCIAL MANAGEMENT COMPLIANCE

I, Michael Delahunty - Board Chair, on behalf of the Responsible Body, certify that Goulburn Valley Health has no material compliance deficiency with respect to the applicable Standing Directions under the Financial Management Act 1994 and instructions.



Michael Delahunty
Board Chair
24 August 2021

INTEGRITY, FRAUD AND CORRUPTION

I, Matt Sharp, certify that Goulburn Valley Health has put in place appropriate internal controls and processes to ensure that integrity, fraud and corruption risks have been reviewed and addressed at Goulburn Valley Health during the year.



Matt Sharp
Chief Executive
30 September 2021

DATA INTEGRITY

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



Matt Sharp
Chief Executive
30 September 2021

CONFLICT OF INTEREST

I, Matt Sharp, certify that Goulburn Valley Health has put in place appropriate internal controls and processes to ensure that it has complied with the requirements of hospital circular 07/2017 Compliance Reporting in Health Portfolio Entities (Revised) and has implemented a Conflict of Interest Policy consistent with the minimum accountabilities required by the VPSC. Declaration of private interest forms have been completed by all executive staff within Goulburn Valley 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.

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



Matt Sharp
Chief Executive
30 September 2021

DISCLOSURE INDEX

The annual report of Goulburn Valley 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.

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FINANCIAL REPORT

2020-21

GOULBURN VALLEY HEALTH

FINANCIAL REPORT

HOW THIS REPORT IS STRUCTURED

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

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

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

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

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

We authorise the attached financial statements for issue on the 24 August 2021.

MICHAEL DELAHUNTY
BOARD CHAIR

Shepparton
24 August 2021

MATT SHARP
CHIEF EXECUTIVE

Shepparton
24 August 2021

PETER HUTCHINSON
CHIEF FINANCE OFFICER

Shepparton
24 August 2021

Independent Auditor's Report

To the Board of Goulburn Valley Health

Opinion	<p>I have audited the financial report of Goulburn Valley Health (the health service) which comprises the:</p> <ul style="list-style-type: none"> • balance sheet as at 30 June 2021 • comprehensive operating statement for the year then ended • statement of changes in equity for the year then ended • cash flow statement for the year then ended • notes to the financial statements, including significant accounting policies • board member's, accountable officer's and chief finance & accounting officer's declaration. <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the health service as at 30 June 2021 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the <i>Financial Management Act 1994</i> and applicable Australian Accounting Standards.</p>
Basis for Opinion	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the health service in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
Board's responsibilities for the financial report	<p>The Board of the health service is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Financial Management Act 1994</i>, and for such internal control as the Board determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Board is responsible for assessing the health service's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>
Other Information	<p>My opinion on the financial report does not cover the Other Information and accordingly, I do not express any form of assurance conclusion on the Other Information. However, in connection with my audit of the financial report, my responsibility is to read the Other Information and in doing so, consider whether it is materially inconsistent with the financial report or the knowledge I obtained during the audit, or otherwise appears to be materially misstated.</p>

**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
30 September 2021



Dominika Ryan
as delegate for the Auditor-General of Victoria

GV HEALTH

COMPREHENSIVE OPERATING STATEMENT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

	Note	2021 \$'000	2020 \$'000
Revenue and income from transactions			
Operating activities	2.1	388,552	404,937
Non-operating activities	2.1	182	587
Total revenue and income from transactions		388,734	405,524
Expenses from transactions			
Employee expenses	3.1	(255,226)	(225,942)
Supplies and consumables	3.1	(59,078)	(53,433)
Finance costs	3.1	(89)	(85)
Depreciation and amortisation	3.1	(16,520)	(12,292)
Other administrative expenses	3.1	(14,827)	(14,063)
Other operating expenses	3.1	(18,954)	(16,420)
Other non-operating expenses	3.1	-	(11)
Total expenses from transactions		(364,694)	(322,246)
Net result from transactions - net operating balance		24,040	83,278
Other economic flows included in net result			
Net gain/(loss) on sale of non-financial assets	3.4	232	140
Net gain/(loss) on financial instruments	3.4	(199)	(252)
Other gain/(loss) from other economic flows	3.4	2,820	(587)
Total other economic flows included in net result		2,853	(699)
Net result for the year		26,893	82,579
Other comprehensive income			
Items that will not be reclassified to net result			
Changes in property, plant and equipment revaluation surplus	4.1(b)	-	22
Total other comprehensive income		-	22
Comprehensive result for the year		26,893	82,601

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

GV HEALTH

BALANCE SHEET AS AT 30 JUNE 2021

	Note	2021 \$'000	2020 \$'000
Current assets			
Cash and cash equivalents	6.2	61,553	27,525
Receivables and contract assets	5.1	7,892	5,128
Inventories	4.4	2,609	2,547
Prepaid expenses		1,244	1,490
Total current assets		73,298	36,690
Non-current assets			
Receivables and contract assets	5.1	5,954	4,671
Property, plant and equipment	4.1(a)	294,231	282,688
Intangible assets	4.2	606	686
Total non-current assets		300,791	288,045
Total assets		374,089	324,735
Current liabilities			
Payables and contract liabilities	5.2	33,788	17,583
Borrowings	6.1	1,938	1,878
Employee benefits	3.2	50,983	45,392
Other liabilities	5.3	13,967	11,988
Total current liabilities		100,676	76,841
Non-current liabilities			
Borrowings	6.1	2,443	3,375
Employee benefits	3.2	6,850	7,292
Total non-current liabilities		9,293	10,667
Total liabilities		109,969	87,508
Net assets		264,120	237,227
Equity			
Property, plant and equipment revaluation surplus	4.1(f)	104,172	104,172
General purpose surplus	SCE	13,298	5,034
Restricted specific purpose reserve	SCE	1,304	1,574
Contributed capital	SCE	47,189	47,189
Accumulated surplus/(deficit)	SCE	98,157	79,258
Total equity		264,120	237,227

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 2021

	Property, Plant & Equipment Revaluation Surplus \$'000	General Purpose Surplus \$'000	Restricted Specific Purpose Surplus \$'000	Contributed Capital \$'000	Accumulated Surpluses/ (Deficits) \$'000	Total \$'000
Balance at 1 July 2019	104,150	2,533	5,277	46,821	(4,523)	154,258
Net result for the year	-	-	-	-	82,579	82,579
Other comprehensive income for the year	22	-	-	-	-	22
Transfer from/(to) accumulated deficits	-	2,501	(3,703)	-	1,202	-
Return of contributed capital	-	-	-	368	-	368
Balance at 30 June 2020	104,172	5,034	1,574	47,189	79,258	237,227
Net result for the year	-	-	-	-	26,893	26,893
Transfer from/(to) accumulated deficits	-	8,264	(270)	-	(7,994)	-
Balance at 30 June 2021	104,172	13,298	1,304	47,189	98,157	264,120

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

GV HEALTH

CASH FLOW STATEMENT

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

	Note	2021 \$'000	2020 \$'000
Cash flows from operating activities			
Operating grants from government		312,578	269,864
Capital grants from government - State		23,163	8,253
Capital grants from government - Commonwealth		94	-
Patient and resident fees received		18,395	18,265
Private practice fees received		3,305	2,912
Donations and bequests received		284	259
GST received from Australian Taxation Office (ATO)		9,516	9,043
Interest received		160	559
Car park income received		489	453
Other receipts		8,370	15,202
Total receipts		376,354	324,810
Employee expenses paid		(221,981)	(203,918)
Non salary labour costs		(25,966)	(19,317)
Payments for supplies and consumables		(61,468)	(55,918)
Payments for medical indemnity insurance		(3,973)	(4,147)
Payments for repairs and maintenance		(5,671)	(4,462)
Finance costs		(176)	(170)
GST paid to Australian Taxation Office (ATO)		(1,092)	(1,251)
Cash outflow for leases		(1,744)	(1,772)
Payment for share of Hume Rural Health Alliance		(462)	(488)
Other payments		(18,266)	(24,198)
Total payments		(340,799)	(315,641)
Net cash flows from/(used in) operating activities	8.1	35,555	9,169
Cash flows from investing activities			
Purchase of property, plant and equipment		(3,632)	(9,018)
Capital donations and bequests received		331	478
Other capital receipts		1,190	1,120
Purchase of intangible assets		(220)	(28)
Proceeds from disposal of property, plant and equipment		329	289
Net cash flows from/(used in) investing activities		(2,002)	(7,159)
Cash flows from financing activities			
Repayment of borrowings		(543)	(509)
Repayment of finance leases		(962)	(252)
Receipt of capital contribution		-	368
Receipt/(repayment) of monies held in trust		1,378	1,446
Receipt of accommodation deposits		2,830	2,421
Repayment of accommodation deposits		(2,228)	(1,847)
Net cash flows from/(used in) investing activities		475	1,627
Net increase/(decrease) in cash and cash equivalents held		34,028	3,637
Cash and cash equivalents at beginning of year		27,525	23,888
Cash and cash equivalents at end of year	6.2	61,553	27,525

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

GV HEALTH

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: BASIS OF PREPARATION

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

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

STRUCTURE

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

NOTE 1.1: BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

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

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

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

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Apart from the changes in accounting

policies, standards and interpretations as noted below, material accounting policies adopted in the preparation of these financial statements are the same as those adopted in the previous period.

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

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

The financial statements are prepared on a going concern basis (refer to Note 8.10: Economic dependency).

The financial statements are in Australian dollars.

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

The annual financial statements were authorised for issue by the Board of GV Health on 24 August 2021.

NOTE 1.2: IMPACT OF COVID-19 PANDEMIC

In March 2020, a state of emergency was declared in Victoria due to the global coronavirus pandemic, known as COVID-19. Since this date, to contain the spread of COVID-19 and prioritise the health and safety of our community, GV Health was required to comply with various directions announced by the Commonwealth and State Governments, which in turn, has continued to impact the way in which GV Health operates.

GV Health introduced a range of measures in both the prior and current year, including:

- introducing restrictions on non-essential visitors
- greater utilisation of telehealth services
- implementing reduced visitor hours
- deferring elective surgery and reducing activity

NOTE 1.2: IMPACT OF COVID-19 PANDEMIC (CONTINUED)

- performing COVID-19 testing
- implementation of a regional Victorian vaccination hub including the administration of COVID-19 vaccinations
- implementation of the Local Public Health Unit
- implementation of the Rapid Response Testing
- implementation of an inpatient respiratory ward with 15 beds
- implementation of an Acute Respiratory Testing Clinic within the Emergency Department
- implementing facility entry requirements for all staff and visitors including temperature checks, QR scanning and entry attestations
- implementing work from home arrangements where appropriate

- single workplace requirement for healthcare workers
- reduced volunteer services
- increased financial and statistical reporting regarding the impacts of COVID-19, including; staffing and financial impacts, bed utilisation, testing and vaccination numbers

In line with current State Government guidelines and restrictions, the above measures are still in effect at GV Health.

The financial impacts of the pandemic are disclosed at:

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

NOTE 1.3: ABBREVIATIONS AND TERMINOLOGY USED IN THE FINANCIAL STATEMENTS

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

Reference	Title
AASB	Australian Accounting Standards Board
AASs	Australian Accounting Standards, which include Interpretations
DH	Department of Health
DTF	Department of Treasury and Finance
FMA	<i>Financial Management Act 1994</i>
FRD	Financial Reporting Direction
GV Health	Goulburn Valley Health
HRHA	Hume Rural Health Alliance
GST	Goods and Services Tax
LSL	Long service leave
SD	Standing Direction
VMIA	Victorian Managed Insurance Authority
VAGO	Victorian Auditor General's Office
WIES	Weighted Inlier Equivalent Separation

NOTE 1.4: JOINT ARRANGEMENTS

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

GV Health has the following joint arrangement:

- Hume Rural Health Alliance (HRHA) - Joint venture agreement for ICT services

Under the *Health Services Act 1988*, all public hospitals and public health services must enter into an Alliance within the region where they are geographically located and operate in accordance with the terms of the joint venture agreement (JVA). GV Health operates as the lead Alliance member and as a mandatory Alliance member is jointly responsible for the operation of HRHA.

Details of the joint arrangements are set out in Note 8.8.

NOTE 1.5: KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

Management make estimates and judgements when preparing the financial statements.

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

Revisions to key estimates are recognised in the period in which

the estimate is revised and also in future periods that are affected by the revision.

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

NOTE 1.6: ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

An assessment of accounting standards and interpretations issued by the AASB that are not yet mandatorily applicable to GV Health

and their potential impact when adopted in future periods is outlined below:

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

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

NOTE 1.7: GOODS AND SERVICES TAX (GST)

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

Receivables and payables in the Balance Sheet are stated inclusive of the amount of GST. The net amount of GST recoverable

from, or payable to, the ATO is included with other receivables or payables in the Balance Sheet.

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

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

NOTE 1.8: REPORTING ENTITY

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

The 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.

NOTE 2: FUNDING DELIVERY OF OUR SERVICES

GV Health's overall objective is to provide quality health services that promote healthy communities and improve the quality of life of Victorians.

GV Health is predominantly funded by grant funding for the provision of outputs. GV Health also receives income from the supply of services.

STRUCTURE

- 2.1 Revenue and income from transactions
- 2.2 Fair value of assets and services received free of charge or for nominal consideration
- 2.3 Other income

TELLING THE COVID-19 STORY

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

Activity Based Funding decreased as the level of activity agreed in the Statement of Priorities couldn't be delivered due to reductions in the number of patients being treated at various times throughout the financial year.

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

Funding provided included:

- COVID-19 grants to fund a Respiratory Ward, Acute Respiratory Clinic Testing within the Emergency Department and Front Entry Screening and Testing

- Additional elective surgery funding to reduce the wait list
- Local public health unit (LPHU) funding for case management, contact tracing and outbreak management
- Better at home funding to deliver more healthcare within patients' homes where appropriate and preferred by the patient through the use of home-delivered and virtual care
- Rapid Response Testing Teams (RRTTs) funding for establishment of a Regional Cluster Lead and deployment of RRTTs within the region as required
- Vaccination funding to establish a vaccination hub and administer the COVID-19 vaccine

KEY JUDGEMENTS AND ESTIMATES

This section contains the following key judgements and estimates:

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

NOTE 2.1: REVENUE AND INCOME FROM TRANSACTIONS

	2021 \$'000	2020 \$'000
Operating activities		
Revenue from contracts with customers		
Government grants (State) - Operating	116,646	115,213
Patient and resident fees	8,573	8,734
Private practice fees	505	459
Commercial activities ⁱ	19,774	18,854
Total revenue from contracts with customers	145,498	143,260
Other sources of income		
Government grants (State) - Operating	151,742	118,829
Government grants (Commonwealth) - Operating	40,755	35,316
Government grants (State) - Capital	42,329	98,450
Government grants (Commonwealth) - Capital	545	318
Other capital purpose income	242	2,882
Capital donations	331	478
Assets received free of charge or for nominal charge	4,429	260
Other revenue from operating activities (including non-capital donations)	2,681	5,144
Total other sources of income	243,054	261,677
Total revenue and income from operating activities	388,552	404,937
Non-operating activities		
Income from other sources		
Capital interest	22	43
Other interest	160	544
Total income from non-operating activities	182	587
Total revenue and income from transactions	388,734	405,524

ⁱ Commercial activities represent business activities which GV Health enters into to support our operations.

HOW WE RECOGNISE REVENUE AND INCOME FROM TRANSACTIONS

GOVERNMENT OPERATING GRANTS

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

When both these conditions are satisfied, GV Health:

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

Where the contract is not enforceable and/or does not have sufficiently specific performance obligations, in accordance with AASB 1058 – *Income for not-for-profit entities*, GV Health:

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

NOTE 2.1: REVENUE AND INCOME FROM TRANSACTIONS (CONTINUED)

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

Government grant	Performance obligation
Activity Based Funding (ABF) paid as Weighted Inlier Equivalent Separation (WIES) casemix	<p>The performance obligations for ABF are the number and mix of patients admitted to hospital (defined as 'casemix') in accordance with the levels of activity agreed to, with the Department of Health (DH) in the annual Statement of Priorities.</p> <p>Revenue is recognised at a point in time, which is when a patient is discharged, in accordance with the WIES activity when an episode of care for an admitted patient is completed.</p> <p>WIES activity is a cost weight that is adjusted for time spent in hospital, and represents a relative measure of resource use for each episode of care in a diagnosis related group.</p>
Aged - Frailty screening project	<p>The Frailty Screening program will trial a frailty screening tool to determine its utility and sensitivity in a range of settings in acute care and to establish an evaluation framework with a view to recommendations for broader implementation of such a screening tool across the health service sector.</p> <p>GV Health is required to identify those older people presenting to hospital who are at a higher risk of adverse outcomes associated with hospitalisation.</p> <p>Revenue is recognised over time, as and when the older persons who are at risk are identified and are linked to a clinical care pathway to positive geriatric assessment and early access to a GEM model of care.</p>
AGEING - Aged Care Assessment Services (ACAS) Assessment - Commonwealth	<p>ACAS has faced many challenges over the last 18 months as a result of the COVID-19 pandemic, including a significant reactive increase in the demand for face-to-face assessments and support plan reviews since the easing of restrictions in Victoria, increased staff retirements and leave, and difficulties in recruiting to vacant positions.</p> <p>An information technology allocation has been made to GV Health to improve the efficiency and effectiveness of ACAS opportunities.</p> <p>Performance obligations have been selected so that they align with the terms and conditions of the funding provided.</p> <p>GV Health service exercises judgement over whether performance obligations are met. This is measured by ensuring the DH acquittal of the funds is completed at year end.</p>
Better at Home, Capital & Redesign	<p>The Better at Home initiative provides funding to deliver more healthcare within patient's homes where appropriate and preferred by the patient, through use of home-delivered and virtual care. The funding has 3 components;</p> <ul style="list-style-type: none"> • growth (Demand Funding) for additional admitted and non-admitted hospital services that will be delivered in the home and via telehealth • innovation funding to engage and train clinicians to design and deliver the transformative shift of care into the home, integrate functions and service delivery across GV Health • capital investment in technology to support this growth in delivery of care in the home <p>The outcomes from this funding are as follows:</p> <ul style="list-style-type: none"> • increase in hospital substitutions • reduction in avoidable hospital presentations and admissions • improvements in access performance • reduction in anticipated forward capital expenditure <p>Performance obligations have been selected so that they align with the terms and conditions of the funding provided.</p> <p>GV Health service exercises judgement over whether performance obligations related to the formation of the project are met. This is measured by ensuring the DH acquittal of the funds is completed at year end.</p>

NOTE 2.1: REVENUE AND INCOME FROM TRANSACTIONS (CONTINUED)

Government grant	Performance obligation
Colposcopy Demand Project	<p>The National Cervical screening Program (NCSP) Guidelines for the clinical management of women at intermediate risk of cervical cancer should undertake a further HPV follow up test in 12 months time following their previous HPV test, instead of a referral to colposcopy.</p> <p>The funding is provided to implement the updated NCSP guidelines by supplementing administrative costs and the remaining funds are to be spent to provide or support provision of additional colposcopies to reduce colposcopy waitlists. The outcomes of this funding are:</p> <ul style="list-style-type: none"> • to support health services to implement the changes to the clinical management of women at intermediate risk • to support health services to reduce public colposcopy waitlists in 2021 • to provide up-to-date health service level data on colposcopy waitlists and number of colposcopies delivered.
<p>Mental Health</p> <ul style="list-style-type: none"> • Expanded hours clinics • Additional capacity • Secondary consultation & liaison • Assertive Acute Assessment & Outreach 	<p>The Stabilising and Reinforcing Mental Health Care Capacity is a funding package for clinical mental health services to meet immediate surge demands resulting from the COVID-19 pandemic and to accelerate critical recommendations from the Interim Report of the Royal Commission into Victoria's Mental Health System.</p> <p>The four key clinical mental health services initiatives aim to meet new demand from consumers in the context of the COVID-19 pandemic and provide early intervention to avoid emergency department presentations/hospital admissions/serious illness.</p> <p>GV Health is required to quantitatively report on how the funding has been utilised and on innovation and partnerships.</p> <p>The performance obligations are to reach certain performance targets in the form of service hours of 1,145 for initiative 3 & 4.</p> <p>GV Health will recognise revenue over time as and when the services are delivered and targets are met.</p>
Rapid Response Testing Teams (RRTTs)	<p>RRTTs provide highly flexible and responsive COVID-19 testing solutions which can be mobilised quickly to different locations and settings throughout Victoria. Target zones are;</p> <ul style="list-style-type: none"> • regional areas and populations who live significant distances from COVID-19 testing sites • vulnerable communities, such as Culturally and Linguistically Diverse or those facing barriers to testing and; • areas where there are high infection rates, or it is deemed to be high risk setting. <p>Performance obligations have been selected so that they align with the terms and conditions of the funding provided.</p> <p>GV Health service exercises judgement over whether performance obligations related to the formation of the project are met. This is measured by ensuring the DH acquittal of the funds is completed on a quarterly basis.</p>
Lived Experience Workforce Leadership	<p>Lived Experience workforces is an initiative in response to the Royal Commission into Victoria's Mental Health System where it was recommended that there is a need to expand the consumer and family-carer lived experience workforces and enhance workplace supports.</p> <p>There are 4 components to the initiative;</p> <ul style="list-style-type: none"> • expansion of the Lived Experience peer support workforce • expansion (establishment) of Lived Experience supervisor role • provision of training/professional development to the Lived Experience supervisors • project management and co-design training for the Lived Experience workforces. <p>Performance obligations are based on achieving the 4 components and GV Health will exercise judgement over whether the performance obligations are met and will bring in revenue over time as and when the obligations are met.</p>

NOTE 2.1: REVENUE AND INCOME FROM TRANSACTIONS (CONTINUED)

Government grant	Performance obligation
Suicide Prevention Assertive Outreach Pilot	<p>The Hospital Outreach Post-Suicidal Engagement (HOPE) program has emerged from the Royal Commission into Victoria's Mental Health System.</p> <p>GV Health will use the funding to undertake a design process with people with lived experience to develop a model of care for expanded referral pathways into the program including case managed consumers and consider people referred by general practitioners and other community providers and self-referrals.</p> <p>GV Health is required to submit a project plan and forecast budget which will include the designing and commencement of extended service hours for this program.</p> <p>GV Health service exercises judgement over whether performance obligations related to the formation of the project are met.</p> <p>Revenue will be brought in over- time and this will be measured by ensuring the DH acquittal of the funds is completed on a yearly basis.</p>
PSRACS Kitchen Garden Initiative	<p>The kitchen garden initiative funding's objective is to start, refresh or further enhance an established garden to create an accessible kitchen garden and 'garden to plate' concept within GV Health. The benefits of this would include encouraging residents to be more active, improving nutrition, increasing resident connections with each other, their families and communities, taking advantage of volunteering opportunities whilst also enhancing person centred models of care.</p> <p>The project guidelines are:</p> <ul style="list-style-type: none"> • all garden/planter boxes must be raised and can be accessible for a person seated or in a wheelchair • all plants must be edible • all produce grown must be used by the residents or in lifestyle activities involving the residents. <p>Performance obligations are met when the garden beds/planter boxes are ready for planting by residents and the evaluation of the benefits to the residents has been delivered.</p> <p>Revenue will be brought in over the period of the project to offset the costs involved in completing the task.</p>
PSRACS Telehealth & Resident Communication	<p>The aim of this grant is to provide funds to purchase the equipment deemed most suitable to enhance existing Telehealth capability, reduce social isolation of residents and enhance wellbeing through use of IT solutions to facilitate social engagement; with a particular focus on residents with difficulty communicating.</p> <p>Performance obligations are met when the equipment has been installed and ready for utilisation by the residents or by staff/family members providing support to them for the purposes outlined in the guidelines and the evaluation of the benefits to the residents and families has been delivered.</p> <p>Revenue will be brought in over the period of the project to offset the costs involved in completing the task.</p>
Specialist Clinic Reform Project	<p>The Specialist Clinic Reform Project aims to help meet the Department of Health state-wide criteria for referrals to specialist clinics in public hospitals in Victoria. The objective of the criteria is to improve consistency and transparency of access to specialist services. Funding will be used to engage project support to prepare for implementation including;</p> <ul style="list-style-type: none"> • updating processes for screening new referrals to incorporate the new referral criteria into policies • undertake engagement and change management activities with clinical, administrative and other staff • update hospital's website to include the state-wide referral criteria that have been developed and include a link to Health Pathways and/or the departments referral criteria website • develop templates and processes to have provide consistent feedback to referring clinicians when referrals have not met criteria.

NOTE 2.1: REVENUE AND INCOME FROM TRANSACTIONS (CONTINUED)

Government grant	Performance obligation
Specialist Clinic Reform Project (continued)	<p>Revenue is recognised over the life of the project as GV Health helps to inform of service delivery gaps and advises speciality clinics in the area of how to improve these gaps.</p> <p>These performance obligations have been selected as they align with the terms and conditions of the funding provided. GV Health service exercises judgement over whether performance obligations related to the development of the models are met. This is measured by ensuring the DH acquittal of the funds is completed at year end.</p> <p>The Specialist Clinic Reform Project works in conjunction with the previous project however it is for a specialist clinics waitlist validation project. The funds will support targeted work on waiting list validation, with a particular focus on identifying risks arising from care that has had to be deferred during the pandemic, along with audits of longer waiting referrals. The outcomes of this project are aimed to be:</p> <ul style="list-style-type: none"> • managing clinical risks arising from care that has been deferred by patients or health services out of necessity during the COVID-19 pandemic • identifying patients still requiring an appointment and reviewing them for clinical reprioritisation • identifying through this process patients no longer needing an appointment and removing them from the waitlist. <p>Revenue is recognised over the life of the project as GV Health reaches particular milestones that have been agreed on by DH and GV Health. These performance obligations have been selected as they align with the terms and conditions of the funding provided. GV Health service exercises judgement over whether performance obligations related to the development of the models are met. This is measured by ensuring the DH acquittal and project plan of the funds is completed at year end.</p>
Development of a Hume Cluster Level Telehealth Strategic Plan	<p>The Regional & Rural Area Health Telehealth Strategic Plan Project objectives are to:</p> <ul style="list-style-type: none"> • improve and uplift telehealth regionally to support all regional, sub regional and smaller health services to provide services via telehealth. • increase the number of specialist clinics appointments provided via telehealth (including election commitment additional appointments) • support delivery of services and models of care via telehealth/virtual care so patients can receive care closest to home or in the home i.e. other non-admitted and admitted and sub-acute services • set out how telehealth/virtual care will be sustained beyond the life of the project. <p>The outcomes of the project will be improved and sustained regional and rural telehealth maturity providing a foundation for virtual care, reduced service disruptions during COVID-19 and achievement of the additional specialist clinic appointments targets.</p> <p>GV Health exercises judgement over whether performance obligations related to the development of the models are met. This is measured by ensuring that the full 2.5 FTE are employed and paid on a monthly basis and that all costs associated with the project are spent as per the guidelines.</p> <p>Revenue is recognised over the life of the project as staff are employed, costs are expended and capital equipment purchased for the Telehealth program. These performance obligations have been selected as they align with the terms and conditions of the funding provided.</p>

NOTE 2.1: REVENUE AND INCOME FROM TRANSACTIONS (CONTINUED)

CAPITAL GRANTS

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

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

PATIENT AND RESIDENT FEES

Patient and resident fees are charges that can be levied on patients for some services they receive. Patient and resident fees are recognised at a point in time when the performance obligation,

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

PRIVATE PRACTICE FEES

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

COMMERCIAL ACTIVITIES

Revenue from commercial activities includes items such as car park income, commercial laboratory medicine and diagnostic imaging. Commercial activity revenue is recognised at a point in time, upon provision of the goods or service to the customer.

NOTE 2.2: FAIR VALUE OF ASSETS AND SERVICES RECEIVED FREE OF CHARGE OR FOR NOMINAL CONSIDERATION

	2021 \$'000	2020 \$'000
Cash donations and gifts	331	478
Plant and equipment (State Supply Arrangement)	2,554	53
Personal protective equipment (State Supply Arrangement)	1,875	207
Total fair value of assets and services received free of charge or for nominal consideration	4,760	738

HOW WE RECOGNISE THE FAIR VALUE OF ASSETS AND SERVICES RECEIVED FREE OF CHARGE OR FOR NOMINAL CONSIDERATION

DONATIONS AND BEQUESTS

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

PERSONAL PROTECTIVE EQUIPMENT

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

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

CONTRIBUTIONS

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

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

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

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

NOTE 2.2: FAIR VALUE OF ASSETS AND SERVICES RECEIVED FREE OF CHARGE OR FOR NOMINAL CONSIDERATION (CONTINUED)

VOLUNTARY SERVICES

Contributions by volunteers, in the form of services, are only recognised when fair value can be reliably measured, and the

services would have been purchased if they had not been donated. GV Health did not receive any volunteer services and does not depend on volunteers to deliver its services.

NON-CASH CONTRIBUTIONS FROM THE DEPARTMENT OF HEALTH

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

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

NOTE 2.3: OTHER INCOME

	2021 \$'000	2020 \$'000
Capital interest	22	43
Other interest	160	544
Total other income	182	587

HOW WE RECOGNISE OTHER INCOME

INTEREST INCOME

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



NOTE 3: THE COST OF DELIVERING OUR SERVICES

This section provides an account of the expenses incurred by GV Health in delivering services and outputs. In Section 2, the funds

that enable the provision of services were disclosed and in this note the cost associated with provision services are recorded.

STRUCTURE

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

TELLING THE COVID-19 STORY

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

Additional costs were incurred to:

- establish facilities within GV Health for the testing and treatment of suspected and admitted COVID-19 patients resulting in an increase in employee costs, additional equipment purchases, consumables and pharmaceuticals
- implement COVID safe practices throughout GV Health including increased cleaning, increased security and consumption of personal protective equipment provided as resources free of charge
- assist with COVID-19 case management, contact tracing and outbreak management contributing to an increase in employee costs
- establish vaccination clinics to administer vaccines to staff and the community resulting in an increase in employee costs, additional equipment purchased, personal protective equipment and security costs
- establish the Rapid Response Testing Team resulting in an increase in employee costs, personal protective equipment and consumables
- Rapid Response Testing
- Vaccinations Hub

KEY JUDGEMENTS AND ESTIMATES

This section contains the following key judgements and estimates:

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

NOTE 3.1: EXPENSES FROM TRANSACTIONS

	Note	2021 \$'000	2020 \$'000
Salaries and wages		184,778	166,148
On-costs		43,918	39,193
Agency expenses		15,461	10,125
Fee for service medical officer expenses		8,145	7,425
Workcover premium		2,924	3,051
Total employee expenses		255,226	225,942
Drug supplies		16,919	13,879
Medical and surgical supplies (including prostheses)		11,711	9,495
Diagnostic and radiology supplies		2,763	2,821
Other supplies and consumables		27,685	27,238
Total supplies and consumables		59,078	53,433
Finance costs		89	85
Total finance costs		89	85
Other administrative expenses		14,827	14,063
Total other administrative expenses		14,827	14,063
Fuel, light, power and water		2,830	2,572
Repairs and maintenance		2,105	1,514
Maintenance contracts		2,967	2,491
Medical indemnity insurance		3,612	3,780
Expenses related to short term leases		1,337	1,328
Expenses related to leases of low value assets		407	444
Expenditure for capital purposes		5,696	4,291
Total other operating expenses		18,954	16,420
Total operating expense		348,174	309,943
Depreciation and amortisation	4.3	16,520	12,292
Total depreciation and amortisation		16,520	12,292
Bad and doubtful debt expenses		-	11
Total other non-operating expenses		-	11
Total non-operating expenses		16,520	12,303
Total expenses from transactions		364,694	322,246



NOTE 3.1: EXPENSES FROM TRANSACTIONS (CONTINUED)

HOW WE RECOGNISE EXPENSES FROM TRANSACTIONS

EXPENSE RECOGNITION

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

EMPLOYEE EXPENSES

Employee expenses include:

- salaries and wages (including fringe benefits tax, leave entitlements, termination payments)
- on-cost
- agency expenses
- fee for service medical officer expenses
- work cover premiums

SUPPLIES AND CONSUMABLES

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

FINANCE COSTS

Finance costs include:

- interest on short-term and long-term borrowings (interest expense is recognised in the period in which it is incurred)
- interest on Refundable Accommodation Deposits (RAD)

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

OTHER OPERATING EXPENSES

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

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

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

NON-OPERATING EXPENSES

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

NOTE 3.2: EMPLOYEE BENEFITS IN THE BALANCE SHEET

	2021 \$'000	2020 \$'000
Current provisions		
<i>Accrued days off</i>		
Unconditional and expected to be settled wholly within 12 months ⁱ	500	414
<i>Annual leave</i>		
Unconditional and expected to be settled wholly within 12 months ⁱ	20,363	17,291
Unconditional and expected to be settled wholly after 12 months ⁱⁱ	1,987	1,583
<i>Long service leave</i>		
Unconditional and expected to be settled wholly within 12 months ⁱ	3,355	3,193
Unconditional and expected to be settled wholly after 12 months ⁱⁱ	19,528	18,312
	45,733	40,793
<i>Provisions related to employee benefit on-costs</i>		
Unconditional and expected to be settled wholly within 12 months ⁱ	2,691	2,344
Unconditional and expected to be settled wholly after 12 months ⁱⁱ	2,559	2,255
	5,250	4,599
Total current employee benefits	50,983	45,392
Non-current provisions		
Conditional long service leave	6,125	6,549
Provisions related to employee benefit on-costs	725	743
Total non-current employee benefits	6,850	7,292
Total employee benefits	57,833	52,684

ⁱ The amounts disclosed are nominal amounts.

ⁱⁱ The amounts disclosed are discounted to present values.

HOW WE RECOGNISE EMPLOYEE BENEFITS

EMPLOYEE BENEFIT RECOGNITION

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

PROVISIONS

Provisions are recognised when 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.

ANNUAL LEAVE AND ACCRUED DAYS OFF

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

- Nominal 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:

- Nominal 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.

NOTE 3.2: EMPLOYEE BENEFITS IN THE BALANCE SHEET (CONTINUED)

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

TERMINATION BENEFITS

Termination benefits are payable when employment is terminated before the normal retirement date or when an

employee decides to accept an offer of benefits in exchange for the termination of employment.

ON-COSTS RELATED TO EMPLOYEE BENEFITS

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

NOTE 3.2A: EMPLOYEE BENEFITS AND RELATED ON-COSTS

	2021 \$'000	2020 \$'000
Unconditional accrued days off	559	461
Unconditional annual leave entitlements	24,833	20,985
Unconditional long service leave entitlements	25,591	23,946
Total current employee benefits and related on-costs	50,983	45,392
Conditional long service leave entitlements	6,850	7,292
Total non-current employee benefits and related on-costs	6,850	7,292
Total employee benefits and related on-costs	57,833	52,684
Carrying amount at start of year	52,684	46,585
Additional provisions recognised	23,771	24,169
Amounts incurred during the year	(18,622)	(18,070)
Carrying amount at end of year	57,833	52,684

NOTE 3.3: SUPERANNUATION

	Paid contribution for the year	
	2021 \$'000	2020 \$'000
Defined benefit plansⁱ		
First State Super	155	173
Total defined benefit plansⁱ	155	173
Defined contribution plans		
First State Super	8,952	8,632
Hesta	6,248	5,527
Other	1,919	1,460
Total defined contribution plans	17,119	15,619
Total superannuation	17,274	15,792

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

NOTE 3.3: SUPERANNUATION (CONTINUED)

There were no outstanding superannuation contributions due at the 30th June 2021.

HOW WE RECOGNISE SUPERANNUATION

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

DEFINED BENEFIT SUPERANNUATION PLANS

The defined benefit plan provides benefits based on years of service and final average salary. The amount charged to the Comprehensive Operating Statement in respect of defined benefit superannuation plans represents the contributions made by 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 GV Health has no legal or constructive obligation to pay future benefits relating

to its employees; its only obligation is to pay superannuation contributions as they fall due.

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

DEFINED CONTRIBUTION SUPERANNUATION PLANS

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

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

NOTE 3.4: OTHER ECONOMIC FLOWS

	2021 \$'000	2020 \$'000
Net gain/(loss) on disposal of property plant and equipment (including intangible assets)	232	140
Total net gain/(loss) on non-financial assets	232	140
Allowance for impairment losses of contractual receivables	(199)	(252)
Total net gain/(loss) on financial instruments	(199)	(252)
Net gain/(loss) arising from revaluation of long service liability	2,820	(587)
Total other gains/(losses) from other economic flows	2,820	(587)
Total gains/(losses) from other economic flows	2,853	(699)

HOW WE RECOGNISE OTHER ECONOMIC FLOWS

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

OTHER GAINS/(LOSSES) FROM OTHER ECONOMIC FLOWS

Other gains/(losses) from other economic flows include the gain or losses from:

- the revaluation of the present value of the long service leave liability due to changes in the bond interest rates.

NET GAIN/(LOSS) ON NON-FINANCIAL ASSETS

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

- revaluation gains/(losses) of non-financial physical assets (refer to Note 4.1 Property, plant and equipment and Note 4.2 Intangible assets)

- 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.

AMORTISATION OF NON-PRODUCED INTANGIBLE ASSETS

Intangible non-produced assets with finite lives are amortised as an 'other economic flow' on a systematic basis over the asset's useful life. Amortisation begins when the asset is available for use which is when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

IMPAIRMENT OF NON-FINANCIAL ASSETS

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

NOTE 4: KEY ASSETS TO SUPPORT SERVICE DELIVERY

GV Health controls infrastructure and other investments that are utilised fulfilling its objectives and conducting its activities.

They represent the key resources that have been entrusted to GV Health to be utilised for delivery of those outputs.

STRUCTURE

- 4.1 Property, plant and equipment
- 4.2 Intangible assets
- 4.3 Depreciation and amortisation
- 4.4 Inventories

TELLING THE COVID-19 STORY

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

KEY JUDGEMENTS AND ESTIMATES

This section contains the following key judgements and estimates:

Key judgements and estimates	Description
Measuring fair value of property, plant and equipment	<p>GV Health obtains independent valuations for its non-current assets at least once every five years.</p> <p>If an independent valuation has not been undertaken at balance date, GV Health estimates possible changes in fair value since the date of the last independent valuation with reference to Valuer-General of Victoria indices.</p> <p>Managerial adjustments are recorded if the assessment concludes a material change in fair value has occurred. Where exceptionally large movements are identified, an interim independent valuation is undertaken.</p>
Estimating useful life and residual value of property, plant and equipment	<p>GV Health assigns an estimated useful life to each item of property, plant and equipment, whilst also estimating the residual value of the asset, if any, at the end of the useful life. This is used to calculate depreciation of the asset.</p> <p>GV Health reviews the useful life, residual value and depreciation rates of all assets at the end of each financial year and where necessary, records a change in accounting estimate.</p>
Estimating useful life of right-of-use assets	<p>The useful life of each right-of-use asset is typically the respective lease term, except where GV Health is reasonably certain to exercise a purchase option contained within the lease (if any), in which case the useful life reverts to the estimated useful life of the underlying asset.</p> <p>GV Health applies significant judgement to determine whether or not it is reasonably certain to exercise such purchase options.</p>
Estimating the useful life of intangible assets	<p>GV Health assigns an estimated useful life to each intangible asset with a finite useful life, which is used to calculate amortisation of the asset.</p>
Identifying indicators of impairment	<p>At the end of each year, GV Health assesses impairment by evaluating the conditions and events specific to GV Health that may be indicative of impairment triggers. Where an indication exists, GV Health tests the asset for impairment.</p> <p>GV Health considers a range of information when performing its assessment, including considering:</p> <ul style="list-style-type: none"> • if an asset's value has declined more than expected based on normal use • if a significant change in technological, market, economic or legal environment which adversely impacts the way GV Health uses an asset • if an asset is obsolete or damaged • if the asset has become idle or if there are plans to discontinue or dispose of the asset before the end of its useful life • if the performance of the asset is or will be worse than initially expected. <p>Where an impairment trigger exists, GV Healths applies significant judgement and estimate to determine the recoverable amount of the asset.</p>

NOTE 4.1(A): GROSS CARRYING AMOUNT AND ACCUMULATED DEPRECIATION

	2021 \$'000	2020 \$'000
Land at fair value - Freehold	8,094	8,094
Total land at fair value	8,094	8,094
Buildings at cost	164,462	153,094
Less accumulated depreciation	(3,798)	(388)
Total buildings at cost	160,664	152,706
Right of use buildings at fair value	625	625
Less accumulated depreciation	(203)	(98)
Total right of use buildings at fair value	422	527
Buildings at fair value	103,918	103,918
Less accumulated depreciation	(16,492)	(8,246)
Total buildings at fair value	87,426	95,672
Works in progress at fair value	23,323	14,791
Total land and buildings	279,929	271,790
Plant and equipment at fair value	6,250	5,906
Less accumulated depreciation	(4,806)	(4,411)
Total plant and equipment at fair value	1,444	1,495
Vehicles at fair value	831	1,323
Less accumulated depreciation	(708)	(1,014)
Total vehicles at fair value	123	309
Medical equipment at fair value	21,321	15,932
Less accumulated depreciation	(12,925)	(10,782)
Total medical equipment at fair value	8,396	5,150
Computer equipment at fair value	3,611	2,954
Less accumulated depreciation	(2,550)	(2,261)
Total computer equipment at fair value	1,061	693
Furniture and fittings at fair value	1,000	622
Less accumulated depreciation	(585)	(465)
Total furniture and fittings at fair value	415	157
Right of use plant, equipment, furniture, fittings and vehicles	4,340	3,946
Less accumulated depreciation	(1,555)	(958)
Total right of use plant, equipment, furniture, fittings and vehicles	2,785	2,988
HRHA Property, plant and equipment		
Property, plant and equipment at fair value	125	98
Less accumulated depreciation	(92)	(62)
Total property, plant and equipment at fair value	33	36
Right of use property, plant and equipment	85	116
Less accumulated depreciation	(40)	(46)
Total right of use property, plant and equipment	45	70
Total HRHA property, plant and equipment	78	106
Total property, plant and equipment	294,231	282,688

NOTE 4.1(B): RECONCILIATIONS OF CARRYING AMOUNT BY CLASS OF ASSET

	Note	Land \$'000	Buildings \$'000	Right of use - Buildings \$'000	Building works in progress \$'000	Plant & equip- ment \$'000	Vehicles \$'000	Medical equip- ment \$'000	Com- puter equip- ment \$'000	Furni- ture & fittings \$'000	Right of use - PE, FF&V \$'000	Leased assets \$'000	HRHA \$'000	Total \$'000
Balance at 1 July 2019		8,072	104,053	-	71,635	1,844	447	4,811	264	145	-	2,590	161	194,022
Recognition of right-of-use assets on initial application of AASB 16		-	-	-	-	-	-	-	-	-	2,590	(2,590)	-	-
Additions		-	-	625	96,249	156	-	1,674	648	63	1,434	-	31	100,880
Disposals		-	(111)	-	-	-	(23)	(14)	-	-	(289)	-	(24)	(461)
Assets provided free of charge		-	-	-	-	-	-	53	-	-	-	-	-	53
Revaluation increments/ (decrements)	22	-	-	-	-	-	-	-	-	-	-	-	-	22
Net transfers between classes		-	153,093	-	(153,093)	-	-	-	-	-	-	-	-	-
Depreciation	4.3	-	(8,657)	(98)	-	(505)	(115)	(1,374)	(219)	(52)	(747)	-	(62)	(11,829)
Balance at 30 June 2020	4.1(a)	8,094	248,378	527	14,791	1,495	309	5,150	693	156	2,988	-	106	282,687
Additions		-	-	-	22,996	223	-	1,227	368	18	903	-	30	25,765
Disposals		-	-	-	-	(2)	(62)	-	-	-	(270)	-	-	(334)
Assets provided free of charge		-	-	-	-	-	-	2,554	-	-	-	-	-	2,554
Net transfer between classes		-	11,368	-	(14,055)	202	-	1,699	424	362	-	-	-	-
Transfers to intangible assets		-	-	-	(409)	-	-	-	-	-	-	-	-	(409)
Depreciation	4.3	-	(11,656)	(105)	-	(474)	(124)	(2,234)	(424)	(121)	(836)	-	(58)	(16,032)
Balance at 30 June 2021	4.1(a)	8,094	248,090	422	23,323	1,444	123	8,396	1,061	415	2,785	-	78	294,231

NOTE 4.1(B) RECONCILIATIONS OF CARRYING AMOUNT BY CLASS OF ASSET (CONTINUED)

HOW WE RECOGNISE PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are tangible items that are used by GV Health in the supply of goods or services and are expected to be used during more than one financial year.

INITIAL RECOGNITION

Items of property, plant and equipment (excluding right-of-use assets) are initially measured at cost. Where an asset is acquired for no or nominal cost, being far below the fair value of the asset, the deemed cost is its fair value at the date of acquisition.

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

SUBSEQUENT MEASUREMENT

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

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

Further information regarding fair value measurement is disclosed below.

REVALUATION

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

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

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

An independent valuation of GV Health's property, plant and equipment was performed by the VGV on 30 June 2019. The valuation, which complies with Australian Valuation Standards, was determined by reference to the amount for which assets could

be exchanged between knowledgeable willing parties in an arm's length transaction.

As the cumulative movement was less than 10% for land and buildings since the last revaluation a managerial revaluation adjustment was not required as at 30 June 2021.

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

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

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

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

IMPAIRMENT

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

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

HOW WE RECOGNISE RIGHT-OF-USE ASSETS

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

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

NOTE 4.1(B) RECONCILIATIONS OF CARRYING AMOUNT BY CLASS OF ASSET (CONTINUED)

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

Class of right-of-use asset	Lease term
Buildings - various leased premises	5 to 8 years
Medical equipment	3 to 5 years
Vehicles - VicFleet	3 to 5 years
HRHA Buildings - Leased premises - 71 Williams Road, Shepparton	7 years
HRHA Plant and equipment	
Non-medical equipment	3 to 5 years
Computer equipment	3 to 5 years
ICT network infrastructure (WAN & LAN)	3 to 5 years

INITIAL RECOGNITION

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

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

- any lease payments made at or before the commencement date
- any initial direct costs incurred

SUBSEQUENT MEASUREMENT

Right-of-use assets are subsequently measured at cost less accumulated depreciation and accumulated impairment losses

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

IMPAIRMENT

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

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

NOTE 4.1(C): FAIR VALUE MEASUREMENT HIERARCHY FOR ASSETS

		Carrying amount 30 June 2021 \$'000	Fair value measurement at end of reporting period using:		
	Note		Level 1 ⁱ \$'000	Level 2 ⁱ \$'000	Level 3 ⁱ \$'000
Non-specialised land		4,669	-	4,669	-
Specialised land					
GV Health - Graham Street, Shepparton		2,898	-	-	2,898
Tatura Campus - Park Street, Tatura		241	-	-	241
Waranga Campus - Coyle Street, Rushworth		139	-	-	139
Waranga Hostel - High Street, Rushworth		147	-	-	147
Total land at fair value	4.1(a)	8,094	-	4,669	3,425
Non-specialised buildings		561	-	561	-
Specialised buildings		247,529	-	-	247,529
Total buildings at fair value	4.1(a)	248,090	-	561	247,529
Plant and equipment at fair value	4.1(a)	1,444	-	-	1,444
Vehicles at fair value	4.1(a)	123	-	-	123
Medical equipment at fair value	4.1(a)	8,396	-	-	8,396
Computer equipment at fair value	4.1(a)	1,061	-	-	1,061
Furniture and fittings at fair value	4.1(a)	415	-	-	415
Total plant, equipment, vehicles, furniture and fittings fair value		11,439	-	-	11,439
HRHA property, plant and equipment	4.1(a)	33	-	-	33
Total HRHA property, plant and equipment		33	-	-	33
Total property, plant and equipment at fair value		267,656	-	5,230	262,426

NOTE 4.1(C): FAIR VALUE MEASUREMENT HIERARCHY FOR ASSETS (CONTINUED)

Note	Carrying amount 30 June 2020 \$'000	Fair value measurement at end of reporting period using:		
		Level 1 ⁱ \$'000	Level 2 ⁱ \$'000	Level 3 ⁱ \$'000
Non-specialised land	4,669	-	4,669	-
Specialised land				
GV Health - Graham Street, Shepparton	2,898	-	-	2,898
Tatura Campus - Park Street, Tatura	241	-	-	241
Waranga Campus - Coyle Street, Rushworth	139	-	-	139
Waranga Hostel - High Street, Rushworth	147	-	-	147
Total land at fair value	4.1(a) 8,094	-	4,669	3,425
Non-specialised buildings	615	-	615	-
Specialised buildings	247,763	-	-	247,763
Total buildings at fair value	4.1(a) 248,378	-	615	247,763
Plant and equipment at fair value	4.1(a) 1,495	-	-	1,495
Vehicles at fair value	4.1(a) 309	-	-	309
Medical equipment at fair value	4.1(a) 5,150	-	-	5,150
Computer equipment at fair value	4.1(a) 693	-	-	693
Furniture and fittings at fair value	4.1(a) 157	-	-	157
Total plant, equipment, vehicles, furniture and fittings fair value	7,804	-	-	7,804
HRHA property, plant and equipment	4.1(a) 36	-	-	36
Total HRHA property, plant and equipment	36	-	-	36
Total property, plant and equipment at fair value	264,312	-	5,284	259,028

ⁱ Classified in accordance with the fair value hierarchy.

There have been no transfers between levels during the period.

NOTE 4.1(D): RECONCILIATION OF LEVEL 3 FAIR VALUE MEASUREMENT

Note	Land \$'000	Build- ings \$'000	Plant & equip- ment \$'000	Vehicles \$'000	Medical equip- ment \$'000	Computer equip- ment \$'000	Furni- ture & fittings \$'000	HRHA \$'000
Balance at 1 July 2019	4.1(b) 3,425	103,253	1,844	447	4,811	264	145	52
Additions/(Disposals)	4.1(b) -	-	156	(23)	1,660	648	64	12
Assets provided free of charge	-	-	-	-	53	-	-	-
Net transfers between classes	4.1(b) -	153,093	-	-	-	-	-	-
Gains/(losses) recognised in net result								
- Depreciation and amortisation	4.3 -	(8,583)	(505)	(115)	(1,374)	(219)	(52)	(28)
Items recognised in other compensable income								
- Revaluation	-	-	-	-	-	-	-	-
Balance at 30 June 2020	4.1(c) 3,425	247,763	1,495	309	5,150	693	157	36
Additions/(Disposals)	4.1(b) -	-	221	(62)	1,227	368	18	30
Assets provided free of charge	4.1(b) -	-	-	-	2,554	-	-	-
Net transfer between classes	-	11,368	202	-	1,699	424	362	-
Gains/(losses) recognised in net result								
- Depreciation and amortisation	4.3 -	(11,602)	(474)	(124)	(2,234)	(424)	(122)	(33)
Items recognised in other compensable income								
- Revaluation	-	-	-	-	-	-	-	-
Balance at 30 June 2021	4.1(c) 3,425	247,529	1,444	123	8,396	1,061	415	33

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

NOTE 4.1(E): FAIR VALUE DETERMINATION

Asset class	Likely valuation approach	Significant inputs (Level 3 only)
Non-specialised land	Market approach	N/A
Specialised land (Crown/freehold)	Market approach	Community service obligations (CSO) adjustments ⁱ
Non-specialised buildings	Market approach	N/A
Specialised buildings	Depreciated replacement cost approach	- Cost per square metre - Useful life
Dwellings	Market approach	N/A
	Depreciated replacement cost approach	- Cost per square metre - Useful life
Vehicles	Market approach	N/A
	Depreciated replacement cost approach	- Cost per unit - Useful life
Plant and equipment	Depreciated replacement cost approach	- Cost per unit - Useful life
Medical equipment	Depreciated replacement cost approach	- Cost per unit - Useful life
Infrastructure	Depreciated replacement cost approach	- Cost per unit - Useful life

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

HOW WE MEASURE FAIR VALUE

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

For the purpose of fair value disclosures, 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.

There have been no transfers between levels during the period.

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

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

VALUATION HIERARCHY

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

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

IDENTIFYING UNOBSERVABLE INPUTS (LEVEL 3) FAIR VALUE MEASUREMENTS

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

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

CONSIDERATION OF HIGHEST AND BEST USE (HBU) FOR NON-FINANCIAL PHYSICAL ASSETS

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

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

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

NOTE 4.1(E): FAIR VALUE DETERMINATION (CONTINUED)

NON-SPECIALISED LAND AND NON-SPECIALISED BUILDINGS

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

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

SPECIALISED LAND AND SPECIALISED BUILDINGS

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

During the reporting period, 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 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 effective date of the valuation is 30 June 2019.

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 GV Health who set relevant depreciation rates during use to reflect the consumption of the vehicles. As a result, the fair value of vehicles does not differ materially from the carrying amount (depreciated cost).

FURNITURE, FITTINGS, PLANT AND EQUIPMENT

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

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

NOTE 4.1(F) PROPERTY, PLANT AND EQUIPMENT REVALUATION SURPLUS

	Note	2021 \$'000	2020 \$'000
Balance at the beginning of the reporting period		104,172	104,150
Revaluation increment			
- Land	4.1(b)	-	22
Balance at the end of the reporting period*		104,172	104,172
*Represented by:			
- Land		3,382	3,382
- Buildings		100,790	100,790
		104,172	104,172

NOTE 4.2(A): INTANGIBLE ASSETS - GROSS CARRYING AMOUNT AND ACCUMULATED AMORTISATION

	2021 \$'000	2020 \$'000
Intangible produced assets - software	4,025	3,574
Less accumulated amortisation	(3,441)	(2,971)
Total intangible produced assets - software	584	603
HRHA Intangible produced assets - software	82	138
Less accumulated amortisation	(60)	(66)
Total HRHA intangible produced assets - software	22	72
Works in progress	-	11
Total works in progress	-	11
Total intangible assets	606	686

NOTE 4.2(B): INTANGIBLE ASSETS - RECONCILIATION OF THE CARRYING AMOUNT BY CLASS OF ASSET

	Note	Software \$'000	HRHA Software \$'000	Works in progress \$'000	Total \$'000
Balance at 1 July 2019		1,038	84	-	1,122
Additions		9	8	11	28
Amortisation	4.3	(444)	(19)	-	(463)
Balance at 30 June 2020	4.2(a)	603	72	11	686
Additions		30	-	-	30
Disposals / written off		-	(32)	-	(32)
Net transfers between classes		421	-	(11)	410
Amortisation	4.3	(470)	(18)	-	(488)
Balance at 30 June 2021	4.2(a)	584	22	-	606

HOW WE RECOGNISE INTANGIBLE ASSETS

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

INITIAL RECOGNITION

Purchased intangible assets are initially recognised at cost.

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

- the technical feasibility of completing the intangible asset so that it will be available for use or sale
- an intention to complete the intangible asset and use or sell it
- the ability to use or sell the intangible asset
- the intangible asset will generate probable future economic benefits

- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

SUBSEQUENT MEASUREMENT

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

IMPAIRMENT

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

NOTE 4.3: DEPRECIATION AND AMORTISATION

	2021 \$'000	2020 \$'000
Depreciation		
Buildings	11,656	8,634
Leased buildings	-	23
Right of use buildings	105	98
Plant and equipment	474	505
Vehicles	124	115
Medical equipment	2,234	1,374
Computer equipment	424	219
Furniture and fittings	121	52
Right of use - plant, equipment, furniture, fittings and vehicles	836	747
HRHA - depreciation	58	62
Total depreciation	16,032	11,829
Amortisation		
Software	470	444
HRHA - amortisation	18	19
Total amortisation	488	463
Total depreciation and amortisation	16,520	12,292

HOW WE RECOGNISE DEPRECIATION

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

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shortest. Where a

lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that GV Health anticipates to exercise a purchase option, the specific right-of-use asset is depreciated over the useful life of the underlying asset.

HOW WE RECOGNISE AMORTISATION

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

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

	2021	2020
Buildings	2 to 47 years	2 to 50 years
Plant and equipment	3 to 15 years	3 to 15 years
Medical equipment	3 to 10 years	3 to 10 years
Computers and communication	3 to 10 years	3 to 10 years
Furniture and fittings	3 to 16 years	3 to 16 years
Vehicles	5 to 8 years	5 to 8 years
Intangible assets	3 to 10 years	3 to 10 years

NOTE 4.4: INVENTORIES

	2021 \$'000	2020 \$'000
General stores at cost	851	775
Medical and surgical consumables at cost	823	880
Pharmacy supplies at cost	635	592
Pathology supplies at cost	159	183
Engineering supplies at cost	30	35
Catering supplies at cost	13	10
Biomedical engineering supplies at cost	61	49
Retail aids and equipment outlet supplies at cost	37	23
Total inventories	2,609	2,547

HOW WE RECOGNISE INVENTORIES

Inventories include goods held either for sale, consumption or for distribution at no or nominal cost in the ordinary course of

business operations. It excludes depreciable assets. Inventories are measured at the lower of cost and net realisable value.

NOTE 5: OTHER ASSETS AND LIABILITIES

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

STRUCTURE

- 5.1 Receivables and contract assets
- 5.2 Payables and contract liabilities
- 5.3 Other liabilities

TELLING THE COVID-19 STORY

Other assets and liabilities used to support the delivery of our services during the financial year

were not materially impacted by the COVID-19 pandemic.

KEY JUDGEMENTS AND ESTIMATES

This section contains the following key judgements and estimates:

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

NOTE 5.1: RECEIVABLES AND CONTRACT ASSETS

	Note	2021 \$'000	2020 \$'000
Current receivables and contract assets			
Contractual			
Trade debtors		1,112	-
Capital debtors		-	1,000
Patient fees		3,533	2,694
Provision for impairment		(285)	(262)
Accrued revenue		1,322	588
Accrued revenue - Dental Health Services Victoria		315	226
Accrued revenue - Department of Health		945	3
HRHA - receivables		151	160
Total contractual receivables		7,093	4,409
Statutory			
GST receivable		799	719
Total statutory receivables		799	719
Total current receivables and contract assets		7,892	5,128
Non-current receivables and contract assets			
Contractual			
Trade debtors		70	55
Long service leave - Department of Health		5,884	4,616
Total contractual receivables		5,954	4,671
Total non-current receivables and contract assets		5,954	4,671
Total receivables and contract assets		13,846	9,799
(i) Financial assets classified as receivables and contract assets			
Total receivables and contract assets		13,846	9,799
Provision for impairment		285	262
GST receivable		(799)	(719)
Total financial assets	7.1 (a)	13,332	9,342

NOTE 5.1 (A): MOVEMENT IN THE ALLOWANCE FOR IMPAIRMENT LOSSES OF CONTRACTUAL RECEIVABLES

	2021 \$'000	2020 \$'000
Balance at the beginning of the year	(262)	(209)
Increase in allowance	(199)	(253)
Amounts written off during the year	176	200
Balance at the end of the year	(285)	(262)

NOTE 5.1: RECEIVABLES AND CONTRACT ASSETS (CONTINUED)

HOW WE RECOGNISE RECEIVABLES

Receivables consist of:

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

initially recognised at fair value plus any directly attributable transaction cost.

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

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

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

IMPAIRMENT LOSSES OF CONTRACTUAL RECEIVABLES

Refer to Note 7.1(a) for GV Health's contractual impairment losses.

NOTE 5.2: PAYABLES AND CONTRACT LIABILITIES

	Note	2021 \$'000	2020 \$'000
Current payables and contract liabilities			
Contractual			
Trade creditors		4,821	2,900
Accrued salaries and wages		5,999	3,570
Accrued expenses		13,519	8,076
Deferred grant income	5.2 (a)	739	290
Contract liabilities	5.2 (b)	3,434	853
Department of Health		3,576	983
Unearned Income - Operating		523	196
Inter hospital creditors		141	52
Amounts payable to governments and agencies		14	14
HRHA - Payables		1,020	662
Total contractual payables		33,786	17,596
Statutory			
Fringe Benefits Tax (FBT) Payable		-	(13)
Commonwealth		2	-
Total statutory payables		2	(13)
Total current payables and contract liabilities		33,788	17,583
(i) Financial liabilities classified as payables and contract liabilities (Note 7.1(a))			
Total payables and contract liabilities		33,788	17,583
Deferred grant income		(739)	(290)
Contract liabilities		(3,434)	(853)
Unearned Income - Operating		(523)	(196)
Statutory payables		(2)	13
Total financial liabilities	7.1 (a)	29,090	16,257

NOTE 5.2: PAYABLES AND CONTRACT LIABILITIES (CONTINUED)

HOW WE RECOGNISE PAYABLES AND CONTRACT LIABILITIES

Payables consist of:

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

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

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

NOTE 5.2(A): DEFERRED CAPITAL GRANT REVENUE

Opening balance of deferred grant income

Grant consideration for capital works received during the year

Closing balance of deferred grant income

2021 \$'000	2020 \$'000
290	-
449	290
739	290

HOW WE RECOGNISE DEFERRED CAPITAL GRANT REVENUE

Grant consideration was received from DH regarding the Hume TeleHealth Cluster and the Better at Home, Capital & Redesign. Capital grant revenue is recognised progressively as the asset is constructed, since this is the time when GV Health satisfies its obligations. The progressive percentage of costs incurred is used to recognise income because this most closely reflects the

percentage of completion of the works. As a result, GV Health has deferred recognition of a portion of the grant consideration received as a liability for the outstanding obligations.

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

NOTE 5.2(B): CONTRACT LIABILITIES

Opening balance of contract liabilities

Payments received for performance obligations not yet fulfilled

Revenue recognised for the completion of a performance obligation

Total contract liabilities

*Represented by

- Current liabilities

2021 \$'000	2020 \$'000
853	-
3,019	853
(438)	-
3,434	853
3,434	853

HOW WE RECOGNISE CONTRACT LIABILITIES

Contract liabilities include consideration received in advance from customers in respect of;

- COVID-19 Cancer Support staff to be employed for the period.
- Aged - Frailty screening project
- Ageing - Aged Care Assessment Services (ACAS) Assessment - Commonwealth
- Colposcopy Demand Project
- Rapid Response Testing Teams (RRTTs)
- Lived Experience Workforce Leadership

- Suicide Prevention Assertive Outreach Pilot
- PSRACS Kitchen Garden Initiative
- Specialist Clinic Reform Project

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

MATURITY ANALYSIS OF PAYABLES

Please refer to Note 7.1(b) for the ageing analysis of payables.

NOTE 5.3: OTHER LIABILITIES

	Note	2021 \$'000	2020 \$'000
Current monies held in trust			
Patient monies		5,741	4,760
Refundable Accommodation Deposits		5,664	5,062
Employee trust funds		105	144
Community funds		67	67
Government grants - home region programs		2,390	1,955
Total current monies held in trust		13,967	11,988
Total other liabilities		13,967	11,988
*Represented by:			
- Cash assets	6.2	13,967	11,988
		13,967	11,988

HOW WE RECOGNISE OTHER LIABILITIES

REFUNDABLE ACCOMMODATION DEPOSIT (RAD)/ ACCOMMODATION BOND LIABILITIES

RADs/accommodation bonds are non-interest-bearing deposits made by some aged care residents to GV Health upon admission to the Nursing home and Hostel facilities. These deposits are liabilities which fall due and payable when the resident leaves

the facility. As there is no unconditional right to defer payment for 12 months, these liabilities are recorded as current liabilities.

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

NOTE 6: HOW WE FINANCE OUR OPERATIONS

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

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

STRUCTURE

- 6.1 Borrowings
- 6.2 Cash and cash equivalents
- 6.3 Commitments for expenditure

TELLING THE COVID-19 STORY

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

KEY JUDGEMENTS AND ESTIMATES

This section contains the following key judgements and estimates:

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

NOTE 6.1: BORROWINGS

	Note	2021 \$'000	2020 \$'000
Current			
Lease liability ⁱ	6.1(a)	1,374	1,298
Lease liability - HRHA ⁱ	6.1(a)	14	30
Advances from government ⁱⁱ		550	550
Total current borrowings		1,938	1,878
Non current borrowings			
Lease liability ⁱ	6.1(a)	1,861	2,241
Lease liability - HRHA ⁱ	6.1(a)	32	41
Advances from government ⁱⁱ		550	1,093
Total non-current borrowings		2,443	3,375
Total borrowings		4,381	5,253

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 These are secured loans which bear no interest.

HOW WE RECOGNISE BORROWINGS

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

INITIAL RECOGNITION

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

SUBSEQUENT MEASUREMENT

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

MATURITY ANALYSIS

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

DEFAULTS AND BREACHES

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

NOTE 6.1(A): LEASE LIABILITIES

GV Health's lease liabilities are summarised below:

	2021 \$'000	2020 \$'000
Total undiscounted lease liabilities	3,405	3,786
Less unexpired finance expenses	(124)	(175)
Net lease liabilities	3,281	3,611

NOTE 6.1(A): LEASE LIABILITIES (CONTINUED)

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

	2021 \$'000	2020 \$'000
Not longer than one year	1,423	1,378
Longer than one year but not longer than five years	1,899	2,266
Longer than five years	84	141
Minimum future lease liability	3,405	3,786
Less unexpired finance expenses	(124)	(175)
Present value of lease liability	3,281	3,610
* Represented by:		
- Current lease liabilities	1,388	1,328
- Non-current lease liabilities	1,893	2,282

HOW WE RECOGNISE LEASE LIABILITIES

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

To apply this definition, GV Health ensures the contract meets the following criteria:

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

GV Health's lease arrangements consist of the following:

Type of asset leased	Lease term
Buildings - various leased premises	5 to 8 years
Medical equipment	3 to 5 years
Vehicles - VicFleet	3 to 5 years
HRHA Buildings - Leased premises - 71 Williams Road, Shepparton	7 years
HRHA Plant and equipment	
Non-medical equipment	3 to 5 years
Computer equipment	3 to 5 years
ICT network infrastructure (WAN & LAN)	3 to 5 years

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

Type of payment	Description of payment	Type of leases captured
Low value lease payments	Leases where the underlying asset's fair value, when new, is no more than \$10,000	Non-medical equipment Computer equipment Medical equipment
Short-term lease payments	Leases with a term less than 12 months	Buildings - short term rentals

NOTE 6.1(A): LEASE LIABILITIES (CONTINUED)

SEPARATION OF LEASE AND NON-LEASE COMPONENTS

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

INITIAL MEASUREMENT

The lease liability is initially measured at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease if that rate is readily determinable or GV Health's incremental borrowing rate. Our lease liability has been discounted by a rate of 2.69%.

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

- fixed payments (including in-substance fixed payments) less any lease incentive receivable
- variable payments based on an index or rate, initially measured using the index or rate as at the commencement date

The following types of lease arrangements, contain an extension option:

- HRHA Leased premises - 71 Williams Road, Shepparton.

Contains the option to extend the lease for an additional 3 years.

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

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option. Extension options are only included in the lease term and lease liability if the lease is reasonably certain to be extended.

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

SUBSEQUENT MEASUREMENT

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

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

NOTE 6.2: CASH AND CASH EQUIVALENTS

Cash on Hand (excluding monies held in trust)
Cash at Bank (excluding monies held in trust)
Cash at Bank - CBS (excluding monies held in trust)
HRHA - Cash and cash equivalents
Total cash held for operations

Cash at bank - CBS (monies held in trust - RAC)
Cash at bank - CBS (monies held in trust - other)
Total cash held as monies in trust

Total cash and cash equivalents

2021 \$'000	2020 \$'000
16	26
840	1,820
45,050	12,362
1,680	1,329
47,586	15,537
5,664	5,062
8,303	6,926
13,967	11,988
61,553	27,525

HOW WE RECOGNISE CASH AND CASH EQUIVALENTS

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

readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

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

NOTE 6.3: COMMITMENTS FOR EXPENDITURE

	2021 \$'000	2020 \$'000
Capital expenditure commitments		
Less than one year	1,824	491
Total capital expenditure commitments	1,824	491
Non-cancellable short term and low value lease commitments		
Less than one year	25	114
Longer than one year but not longer than five years	-	28
Total non-cancellable short term and low value lease commitments	25	142
Total commitments for expenditure (exclusive of GST)	1,849	633
GST recoverable from Australian Tax Office	203	(58)
Total commitments for expenditure (inclusive of GST)	2,052	575

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

HOW WE DISCLOSE OUR COMMITMENTS

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

EXPENDITURE COMMITMENTS

Commitments for future expenditure include operating and capital commitments arising from contracts. These commitments are disclosed at their nominal value and are inclusive of the GST payable. In addition, where it is considered appropriate and

provides additional relevant information to users, the net present values of significant projects are stated. These future expenditures cease to be disclosed as commitments once the related liabilities are recognised on the Balance Sheet.

SHORT TERM AND LOW VALUE LEASES

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

NOTE 7: RISKS, CONTINGENCIES AND VALUATION UNCERTAINTIES

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 Financial risk management objectives and policies
- 7.3 Contingent assets and contingent liabilities

NOTE 7.1: FINANCIAL INSTRUMENTS

Financial instruments arise out of contractual agreements that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Due to the nature of GV Health's activities, certain financial assets and financial

liabilities arise under statute rather than a contract (for example, taxes). Such financial assets and financial liabilities do not meet the definition of financial instruments in AASB 132 *Financial Instruments: Presentation*.

NOTE 7.1(A): CATEGORISATION OF FINANCIAL INSTRUMENTS

	Note	Contractual financial assets at amortised cost \$'000	Contractual financial liabilities at amortised cost \$'000	Total \$'000
30 June 2021				
Contractual financial assets				
Cash and cash equivalents	6.2	61,553	-	61,553
Receivables and contract assets				
- Trade debtors and patient fees	5.1	4,715	-	4,715
- Other receivables	5.1	8,617	-	8,617
Total financial assetsⁱ		74,885	-	74,885
Financial liabilities				
Payables	5.2	-	29,090	29,090
Borrowings				
- DH loan	6.1	-	1,100	1,100
- Finance leases	6.1	-	3,281	3,281
Other financial liabilities				
- Refundable accommodation bonds	5.3	-	5,664	5,664
- Patient monies in trust	5.3	-	5,741	5,741
- Other funds held in trust	5.3	-	2,562	2,562
Total financial liabilitiesⁱ		-	47,438	47,438
30 June 2020				
Contractual financial assets				
Cash and cash equivalents	6.2	27,525	-	27,525
Receivables and contract assets	5.1			
- Trade debtors and patient fees	5.1	3,749	-	3,749
- Other receivables	5.1	5,593	-	5,593
Total financial assetsⁱ		36,867	-	36,867
Financial liabilities				
Payables	5.2	-	16,257	16,257
Borrowings				
- DH loan	6.1	-	1,643	1,643
- Finance leases	6.1	-	3,610	3,610
Other financial liabilities				
- Refundable accommodation bonds	5.3	-	5,062	5,062
- Patient monies in trust	5.3	-	4,760	4,760
- Other funds held in trust	5.3	-	2,166	2,166
Total financial liabilitiesⁱ		-	33,498	33,498

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



NOTE 7.1(A): CATEGORISATION OF FINANCIAL INSTRUMENTS (CONTINUED)

HOW WE CATEGORISE FINANCIAL INSTRUMENTS CATEGORIES OF FINANCIAL ASSETS

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

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

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

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

FINANCIAL ASSETS AT AMORTISED COST

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

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

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

GV Health recognises the following assets in this category:

- cash and deposits
- receivables (excluding statutory receivables)

CATEGORIES OF FINANCIAL LIABILITIES

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

FINANCIAL LIABILITIES AT AMORTISED COST

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

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest

expense in net result over the relevant period. The effective interest is the internal rate of return of the financial asset or liability.

That is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

GV Health recognises the following liabilities in this category:

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

DERECOGNITION OF FINANCIAL ASSETS

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

- the rights to receive cash flows from the asset have expired or
- 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.

DERECOGNITION OF FINANCIAL LIABILITIES

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

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

RECLASSIFICATION OF FINANCIAL INSTRUMENTS

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

A financial liability reclassification is not permitted.

NOTE 7.2: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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

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

GV Health's main financial risks include credit risk, liquidity risk, interest rate risk, foreign currency risk and equity price risk.

GV Health manages these financial risks in accordance with its financial risk management policy.

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

NOTE 7.2(A): CREDIT RISK

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

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

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

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

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

Except as otherwise detailed in the following table, the carrying amount of contractual financial assets recorded in the financial statements, net of any allowances for losses, represents

GV Health's maximum exposure to credit risk without taking account of the value of any collateral obtained.

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

IMPAIRMENT OF FINANCIAL ASSETS UNDER AASB 9

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

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

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

CONTRACTUAL RECEIVABLES AT AMORTISED COST

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

NOTE 7.2(A): CREDIT RISK (CONTINUED)

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

	Note	Current \$'000	Less than 1 month \$'000	1 - 3 months \$'000	3 months - 1 year \$'000	1 - 5 years \$'000	Total \$'000
30 June 2021							
Expected loss rate		4.00%	10.00%	14.00%	26.00%	46.00%	
Gross carrying amount of contractual receivables	5.1	7,999	2,666	1,200	933	533	13,332
Loss allowance		5	29	40	74	131	285
	Note	Current \$'000	Less than 1 month \$'000	1 - 3 months \$'000	3 months - 1 year \$'000	1 - 5 years \$'000	Total \$'000
30 June 2020							
Expected loss rate		4.00%	10.00%	14.00%	26.00%	46.00%	
Gross carrying amount of contractual receivables	5.1	5,605	1,868	841	654	374	9,342
Loss allowance		10	26	37	68	121	262

STATUTORY RECEIVABLES AND DEBT INVESTMENTS AT AMORTISED COST

GV Health's non-contractual receivables arising from statutory requirements are not financial instruments. However, they are

nevertheless recognised and measured in accordance with AASB 9 requirements as if those receivables are financial instruments.

NOTE 7.2(B): LIQUIDITY RISK

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

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

- close monitoring of its short-term and long-term borrowings by senior management, including monthly reviews on current and future borrowing levels and requirements

- maintaining an adequate level of uncommitted funds that can be drawn at short notice to meet its short-term obligations
- holding investments and other contractual financial assets that are readily tradeable in the financial markets and
- careful maturity planning of its financial obligations based on forecasts of future cash flows.

GV Health's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk.

NOTE 7.2(B): LIQUIDITY RISK (CONTINUED)

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					
		Carrying amount \$'000	Nominal amount \$'000	Less than 1 month \$'000	1 - 3 months \$'000	3 months - 1 year \$'000	1 - 5 years \$'000
30 June 2021							
Payables	5.2	29,090	29,090	-	29,090	-	-
Borrowings	6.1						
- DH loan		1,100	1,100	46	92	413	550
- Finance leases		3,281	3,281	116	231	1,041	1,893
Other financial liabilities ⁱ							
- Refundable Accommodation Deposits	5.3	5,664	5,664	-	-	5,664	-
- Patient monies in trust	5.3	5,741	5,741	-	-	5,741	-
- Other funds held in trust	5.3	2,562	2,562	-	-	2,562	-
Total financial liabilities		10,742	10,742	162	28,767	15,421	2,443
		Carrying amount \$'000	Nominal amount \$'000	Less than 1 month \$'000	1 - 3 months \$'000	3 months - 1 year \$'000	1 - 5 years \$'000
30 June 2020							
Payables	5.2	16,257	16,257	-	16,257	-	-
Borrowings	6.1						
- DH loan		1,643	1,643	46	92	413	1,092
- Finance leases		3,610	3,610	111	221	996	2,282
Other financial liabilities ⁱ							
- Refundable Accommodation Deposits	5.3	5,062	5,062	-	-	5,062	-
- Patient monies in trust	5.3	4,760	4,760	-	-	4,760	-
- Other funds held in trust	5.3	2,166	2,166	-	-	2,166	-
Total financial liabilities		984	984	157	15,944	13,397	3,374

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

NOTE 7.2(C): MARKET RISK

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

SENSITIVITY DISCLOSURE ANALYSIS AND ASSUMPTIONS

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

- a change in interest rates of 1% up or down

INTEREST RATE RISK

Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market

interest rates. GV Health does not hold any interest-bearing financial instruments that are measured at fair value, and therefore has no exposure to fair value interest rate risk.

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

FOREIGN CURRENCY RISK

All foreign currency transactions during the financial year are brought to account using the exchange rate in effect at the date of the transaction. Foreign monetary items existing at the end of the reporting period are translated at the closing rate at the date of the end of the reporting period.

GV Health has minimal exposure to foreign currency risk.

NOTE 7.3: CONTINGENT ASSETS AND CONTINGENT LIABILITIES

Contingent liabilities

Quantifiable

Superannuation on annual leave loading

Total quantifiable contingent liabilities

2021 \$'000	2020 \$'000
-	752
-	752

HOW WE MEASURE AND DISCLOSE CONTINGENT ASSETS AND CONTINGENT LIABILITIES

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

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

CONTINGENT ASSETS

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

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

CONTINGENT LIABILITIES

Contingent liabilities are:

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

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

NOTE 8: OTHER DISCLOSURES

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

STRUCTURE

- 8.1 Reconciliation of net result for the year to net cash inflow / (outflow) from operating activities
- 8.2 Responsible persons disclosures
- 8.3 Remuneration of executives
- 8.4 Related parties
- 8.5 Remuneration of auditors
- 8.6 Ex-gratia expenses
- 8.7 Events occurring after the Balance Sheet date
- 8.8 Joint arrangements
- 8.9 Equity
- 8.10 Economic dependency

TELLING THE COVID-19 STORY

Our other disclosures were not materially impacted by the COVID-19 pandemic.

NOTE 8.1: RECONCILIATION OF NET RESULT FOR THE YEAR TO NET CASH INFLOW / (OUTFLOW) FROM OPERATING ACTIVITIES

	Note	2021 \$'000	2020 \$'000
Net result for the year		26,893	82,579
Non-cash movements:			
(Gain)/Loss from disposal of non-financial physical assets		(232)	(140)
Less cash inflow for investing and financial activities		(521)	(1,598)
Depreciation and amortisation	4.3	16,521	12,292
Allowance for impairment losses of contractual receivables		23	53
DH Capital Redevelopment payments - non cash		(19,166)	(90,198)
Assets received free of charge		(4,429)	(260)
Movements in Asset and Liabilities:			
(Increase)/Decrease in receivables and contract assets		(5,072)	(443)
(Increase)/Decrease in inventories		(62)	(505)
(Increase)/Decrease in prepaid expenses		246	77
Increase/(Decrease) in payables and contract liabilities		16,205	1,213
Increase/(Decrease) in employee benefits		5,149	6,099
Net cash inflow from operating activities		35,555	9,169

NOTE 8.2: RESPONSIBLE PERSONS DISCLOSURES

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

Responsible Ministers

The Honourable Martin Foley:

Minister for Mental Health

Minister for Health

Minister for Ambulance Services

Minister for the Coordination of Health and Human Services: COVID-19

The Honourable Jenny Mikakos:

Minister for Health

Minister for Ambulance Services

Minister for the Coordination of Health and Human Services: COVID-19

The Honourable Luke Donnellan:

Minister for Child Protection

Minister for Disability, Ageing and Carers

The Honourable James Merlino:

Minister for Mental Health

Governing Board

Michael Delahunty (Chair of the Board)

Joanne Breen

Ilona Charles

Barbara Evans

Nicole Inglis

Catherine Jones

Dr. Richard King AM

Victor Sekulov

Michael Tehan

Accountable Officer

Matt Sharp (Chief Executive)

Period	
1 Jul 2020	29 Sep 2020
26 Sep 2020	30 Jun 2021
26 Sep 2020	30 Jun 2021
26 Sep 2020	9 Nov 2020
1 Jul 2020	26 Sep 2020
1 Jul 2020	26 Sep 2020
1 Jul 2020	26 Sep 2020
1 Jul 2020	30 Jun 2021
1 Jul 2020	30 Jun 2021
29 Sep 2020	30 Jun 2021
1 Jul 2020	30 Jun 2021
1 Jul 2020	30 Jun 2021
1 Jul 2020	30 Jun 2021
1 Jul 2020	30 Jun 2021
1 Jul 2020	30 Jun 2021
1 Jul 2020	30 Jun 2021
1 Jul 2020	30 Jun 2021
1 Jul 2020	30 Jun 2021
1 Jul 2020	30 Jun 2021

NOTE 8.2: RESPONSIBLE PERSONS DISCLOSURES (CONTINUED)

REMUNERATION OF RESPONSIBLE PERSONS

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

Income Band	2021 No.	2020 No.
\$0 - \$9,999	-	2
\$20,000 - \$29,000	8	6
\$50,000 - \$59,999	1	1
\$390,000 - \$399,999	-	1
\$400,000 - \$409,999	1	-
Total	10	10
	2021 \$'000	2020 \$'000
Total remuneration received or due and receivable by Responsible Persons from GV Health amounted to:	653	596

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.

NOTE 8.3: REMUNERATION OF EXECUTIVES

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

Remuneration of executive officers (including Key Management Personnel disclosed in Note 8.4)

Short-term benefits
Post-employment benefits
Other long-term benefits
Termination benefits
Total remuneration ⁱ

Total number of executives

Total annualised employee equivalent ⁱⁱ

Total Remuneration	
2021 \$'000	2020 \$'000
1,701	1,600
136	133
122	49
-	16
1,959	1,798
9	10
7.12	7.50

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 8.4 Related Parties.

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

NOTE 8.3: REMUNERATION OF EXECUTIVES (CONTINUED)

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

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

SHORT-TERM EMPLOYEE BENEFITS

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

POST-EMPLOYMENT BENEFITS

Pensions and other retirement benefits (such as superannuation

guarantee contributions) paid or payable on a discrete basis when employment has ceased.

OTHER LONG-TERM BENEFITS

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

TERMINATION BENEFITS

Termination of employment payments, such as severance packages.

OTHER FACTORS

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 resigned in the past year. This has had a significant impact on remuneration figures for the termination benefits category.

NOTE 8.4: RELATED PARTIES

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

- all key management personnel (KMP) and their close family members and personal business interests
- cabinet ministers (where applicable) and their close family members

- jointly controlled operations - member of the Hume Rural Health Alliance (HRHA) and
- all health services and public sector entities that are controlled and consolidated into the State of Victoria financial statements.

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

KEY MANAGEMENT PERSONNEL

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

Entity	KMP's	Position
GV Health	Michael Delahunty	Chair of the Board
GV Health	Joanne Breen	Director
GV Health	Ilona Charles	Director
GV Health	Barbara Evans	Director
GV Health	Nicole Inglis	Director
GV Health	Catherine Jones	Director
GV Health	Dr. Richard King AM	Director
GV Health	Victor Sekulov	Director
GV Health	Michael Tehan	Director
GV Health	Matt Sharp	Chief Executive
GV Health	John Elcock	Executive Director Medical Services & Chief Medical Officer
GV Health	Joshua Freeman	Executive Director Community Care & Mental Health
GV Health	Peter Hutchinson	Chief Finance Officer, Chief Procurement Officer & Executive Director Information & Technology
GV Health	Karen Linford	Executive Director People, Development & Capability
GV Health	Jacinta Russell	Executive Director Capital Projects, Infrastructure & Support Services
GV Health	Donna Sherringham	Executive Director Clinical Operations
GV Health	Kellie Thompson	Executive Director Quality, Innovation & Risk and Chief Nurse & Midwifery Officer
GV Health	Judith Pettitt	Former Acting Executive Director People & Culture
GV Health	Stacey Weeks	Former Executive Director People & Culture (resigned 26th February 2021).

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.

NOTE 8.4: RELATED PARTIES (CONTINUED)

	2021 \$'000	2020 \$'000
Compensation - KMP's		
Short-term benefits	2,298	2,145
Post-employment benefits	179	171
Other long-term benefits	135	61
Termination benefits	-	16
Total ⁱ	2,612	2,393

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

SIGNIFICANT TRANSACTIONS WITH GOVERNMENT RELATED ENTITIES

GV Health received funding from the Department of Health of \$287.5m (2020 \$237.7m) and indirect contributions of \$19.1m (2020 \$90.2m). Balances outstanding as at 30 June 2021 are \$3.99m (2020 \$2.125m)

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

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

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

TRANSACTIONS WITH KMPS AND OTHER RELATED PARTIES

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

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

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

NOTE 8.5: REMUNERATION OF AUDITORS

	2021 \$'000	2020 \$'000
Victorian Auditor-General's Office		
Audit of the financial statements	65	96
Total remuneration of auditors	65	96

NOTE 8.6: EX-GRATIA EXPENSES

In accordance with FRD 11A *Disclosure of ex-gratia expenses*, there were no ex-gratia expenses required to be disclosed for GV Health in 2021 (2020: none).

NOTE 8.7: EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

The COVID-19 pandemic has created unprecedented economic uncertainty. Actual economic events and conditions in the future may be materially different from those estimated by GV Health at the reporting date. As responses by the State government continue to evolve, management recognises that it is difficult to reliably estimate with any degree of certainty the potential impact of the pandemic after the reporting date on GV Health,

its operations, future results and financial position. The state of emergency in Victoria has been extended until 26 August 2021.

No further 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 8.8: JOINT ARRANGEMENTS

Name of Entity	Principle Activity	Ownership Interest	
		2021 %	2020 %
Hume Rural Health Alliance (HRHA)	HRHA's primary purpose is to provide members with a wide range of core ICT products and services in order to meet the Hume region's priorities and needs. Alliance members have committed to ICT investment facilitation, project delivery, workplace services, business application services, collaboration services and vendor management.	13.56	14.00

GV Health's interest in the above joint arrangements are detailed below. The amounts are included in the financial statements under their respective categories:

	2021 \$'000*	2020 \$'000*
Current assets		
Cash and cash equivalents	1,680	1,329
Receivables	151	160
Prepaid expenses	38	19
Total current assets	1,869	1,508
Non-current assets		
Property, plant and equipment	78	106
Intangible assets	21	72
Total non-current assets	99	178
Total assets	1,968	1,686
Current liabilities		
Payables	1,020	662
Borrowings	14	30
Total current liabilities	1,034	692
Non-current liabilities		
Borrowings	32	41
Total non-current liabilities	32	41
Total liabilities	1,066	733
Net assets	902	953

NOTE 8.8: JOINT ARRANGEMENTS (CONTINUED)

GV Health's interest in revenues and expenses resulting from joint arrangements are detailed below:

	2021 \$'000*	2020 \$'000*
Revenue		
Grants	396	460
Other income	481	696
Interest income	2	7
Total revenue	879	1,163
Expenses from transactions		
Management fee	278	272
Other expense from continuing operations	542	701
Finance costs	1	2
Depreciation and amortisation	109	81
Total expenses	930	1,056
Net Result	(51)	107

*Figures obtained from the audited HRHA Annual Financial Statements

CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

There are no known contingent liabilities or capital commitments held by HRHA at balance date.

NOTE 8.9: EQUITY

CONTRIBUTED CAPITAL

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

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.

GENERAL PURPOSE RESERVES

The general purpose reserve is established where GV Health has accumulated funds of surplus from donations, fundraising

activities and community support programs. These funds can be used on a discretionary basis.

SPECIFIC RESTRICTED PURPOSE RESERVES

The specific restricted purpose reserve 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 8.10: ECONOMIC DEPENDENCY

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

The Department of Health has provided confirmation that it will continue to provide GV Health adequate cash flow support to meet its current and future obligations as and when they fall due for a period up to 30 September 2022. On that basis, the financial statements have been prepared on a going concern basis.



GVHealth