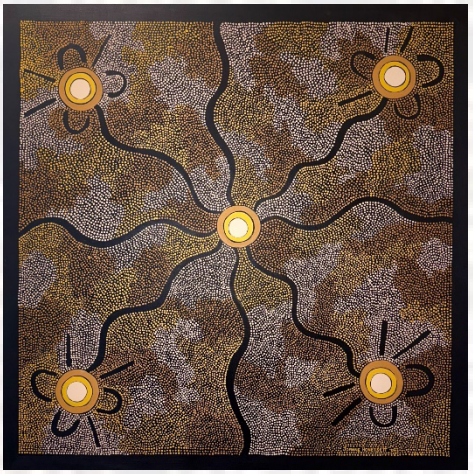
ALEXANDRA
DISTRICT HEALTH

153rd Annual Report

2023 – 2024

ALEXANDRA DISTRICT HEALTH



Acknowledgement of Traditional Owners

We acknowledge that we are on Taungurung Country.
We hereby express our respect for the Taungurung people, who are the Traditional Owners of the land on which we are based.
We pay our respects to their Leaders and Elders past, present and emerging, for they hold forever the memories, traditions, culture and hopes of all Taungurung people.
We express our gratitude for the sharing of this land, our sorrow for the personal, spiritual and cultural costs of that sharing and our hope that we can walk forward together in harmony and in the spirit of reconciliation.

Our history

1870
In 1870, the local Council purchased two buildings for two pounds. They spend a further 50 pounds, converting an old hotel into a courthouse and the other section into a hospital.

1871
In December 1871 Alexandra Cottage Hospital was incorporated and registered as a Public Hospital.

1957
A fire destroyed a major part of the hospital destroying all records prior to that point.

1993
A redevelopment of the old hospital facility took place including a new urgent care and operating theatre

2004
Alexandra District Health redeveloped its Community Health building at Alexandra and took on community health services at sites in Eildon and Marysville.

2008
Alexandra District Health was awarded the Rural Health Service of the Year award in the Victorian Public Healthcare Awards.

2009
In 2009 the Black Saturday fires devastated the community. Alexandra District Health was directly involved in both the medical response and the rebuilding process including our facility in Marysville that was relocated to Buxton until Marysville was rebuilt.

2010
Construction commenced for the new hospital on the corner of Cooper and Wattle Streets.

2011
Alexandra District Health was awarded the Rural Health Service of the Year award in the Victorian Public Healthcare Awards.
Construction was completed and the hospital relocated to its new home in October 2011.

2015
On the 18th of June 2015, our health service's name changed from Alexandra District Hospital to Alexandra District Health.

2021
Alexandra District Health reaches 150 years of service provision to our community.

Disclosure Index

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

Legislation Reference	Requirement	Page
Ministerial Directions		
Report of Operations		
Charter and purpose		
FRD 22	Manner of establishment and the relevant Ministers	02
FRD 22	Purpose, functions, powers and duties	01
FRD 22	Nature and range of services provided	4-5
FRD 22	Activities, programs and achievements for the reporting period	6-9
FRD 22	Significant changes in key initiatives and expectations for the future	6-9
Management and structure		
FRD 22	Organisational structure	11
FRD 22	Workforce data/employment and conduct principles	18
FRD 22	Occupational Health and Safety	23
Financial information		
FRD 22	Summary of the financial results for the year	21-22
FRD 22	Significant changes in financial position during the year	22
FRD 22	Operational and budgetary objectives and performance against objectives	29-37
FRD 22	Subsequent events	63
FRD 22	Details of consultancies under $10,000	21
FRD 22	Disclosure of government advertising expenditure	19
FRD 22	Disclosure of ICT expenditure	21
FRD 22	Asset Management Accountability Framework	27-28
FRD 22	Reviews and Studies expenditure	N/A

Legislation Requirement		Page Reference
Legislation		
FRD 22	Application and operation of *Freedom of Information Act 1982*	18
FRD 22	Compliance with building and maintenance provisions of *Building Act 1993*	18
FRD 22	Application and operation of *Public Interest Disclosure Act 2012*	19
FRD 22	Statement on National Competition Policy	19
FRD 22	Application and operation of *Carers Recognition Act 2012*	19
FRD 22	Additional information available on request	19
FRD 24	Environmental data reporting	24
FRD 25	*Local Jobs First Act 2003* disclosures	19
SD 5.1.4	Financial Management Compliance attestation	16
SD 5.2.3	Declaration in report of operations	16

Attestations

Attestation on Data Integrity	16
Attestation on Managing Conflicts of Interest	16
Attestation on Integrity, fraud and corruption	17
Compliance with HealthShare Victoria (HSV) Purchasing Policies	

Other reporting requirements

• Reporting of outcomes from Statement of Priorities 2023-2024	
• Occupational Violence reporting	
• Asset Management Accountability Framework	27-28
• Gender Equality Act 2020	23
• Reporting obligations under the *Safe Patient Care Act 2015*	19
• Social procurement Framework Reporting	26

Mission Statement

Our Mission

To partner with our community so together we achieve excellence in rural healthcare.

Our Values

The following values underpin all interactions between Alexandra District Health patients, staff, other service providers, supporters and the communities in which ADH operates. The values were developed and are owned by our staff and enthusiastically supported by the Board.

		We will:
A	Accessible	create a welcoming environment for all
D	Dedicated	strive to do our best each and every time
H	Holistic	consider the treatment of the whole person, considering mental and social factors, rather than just symptoms of a disease
C	Compassionate	be sympathetic and show care and kindness to patients, visitors and each other
A	Accountable	take responsibility for our actions
R	Respect	maintain the privacy and confidentiality of others
E	Excellent	continuously strive to do better, learning from our mistakes
S	Safe	ensure a safe Health Service for all patients, staff and visitors

Strategic Goals and Objectives

Service Profile and Clinical Excellence

- Services adapt to the changing needs of our community and are appropriate for the future needs of our community.
- Care that is safe, evidence based, proactive and contemporary.

Communication, Partnerships and Engagement

- Excellence in rural health care through mutually beneficial partnerships with our community, our staff and our service partners.

Governance and Leadership

- Board and executive providing strong leadership and direction.
- A resilient Health Service.

Workforce

- Engaged, outstanding people providing great healthcare locally within a safe and healthy work environment.

Resourcing and Sustainability

- A sustainable financial base to deliver present and future services.
- Our buildings and equipment are well planned, well maintained and fit for purpose.
- Our outreach services are delivered in fit for purpose facilities.

Our Profile

Board of Directors Chair
Mr. Kim Flanagan

Finance, Audit and Risk Committee Chair
Mr. Alan Studley

Quality and Clinical Governance Committee Chair
Ms. Michelle Fleming

Chief Executive Officer
Mrs. Jane Poxon

Responsible Ministers
Alexandra District Health (ADH) is a public health service established under the *Health Services Act 1988* (Vic).

The responsible Minister is the Minister for Health:
- The Hon. Mary-Anne Thomas from 1 July 2023 to 30 June 2024

Minister for Ambulance Services
- The Hon. Gabrielle Williams from 1 July 2023 to 2 October 2023
- The Hon. Mary-Anne Thomas from 2 October 2023 to 30 June 2024

Minister for Mental Health
- The Hon. Gabrielle Williams from 1 July 2023 to 2 October 2023
- The Hon. Ingrid Stitt from 2 October 2023 to 30 June 2024

Minister for Disability, Ageing and Carers
- The Hon. Lizzie Blandthorn from 1 July 2023 to 2 October 2023

Minister for Disability/Minister for Children
- The Hon. Lizzie Blandthorn from 2 October 2023 to 30 June 2024

Minister for Ageing
- The Hon. Ingrid Stitt from 2 October 2023 to 30 June 2024

Accreditation Status
Fully Accredited to 9 March 2025.

Board of Directors

Chair	Mr. Kim Flanagan *(1 July 2023 to 30 June 2024)*
Deputy Chair	Ms. Cindy Neenan *(1 July 2023 to 30 June 2024)*
Board Members	Mr. Alan Studley *(1 July 2023 to 30 June 2024)*
	Ms. Michelle Fleming *(1 July 2023 to 30 June 2024)*
	Ms. Melanie Telford *(1 July 2023 to 30 June 2024)*
	Ms. Soulla Nicodimou *(1 July 2023 to 30 June 2024)*
	Ms. Natalie Sheridan-Smith *(1 July 2023 to 30 June 2024)*
	Ms. Roslyn Pruden *(1 July 2023 to 30 June 2024)*
	Mr. Ashley Shea *(1 July 2023 to 30 June 2024)*
	Mr. Kerry Power *(1 July 2023 – 12 Dec 2023)*

Finance, Audit and Risk

All ADH Board Directors participate in the Finance, Audit and Risk Committee. ADH aim to have an independent audit committee member participate.

Auditor	HLB Mann Judd (Internal Auditor) Crowe (External Auditor) VAGO (Victorian Auditor General's Office)
Bankers	Westpac (CBS), NAB (CBS)
Solicitors	Health Legal

Responsible Bodies Declaration

In accordance with the *Financial Management Act 1994*, I am pleased to present the Report of Operations for Alexandra District Health for the year ending 30 June 2024.

Kim Flanagan, Board Chair
Alexandra District Health
30 June 2024

About Us

Alexandra District Health employs a team of approximately 140 staff who work across our clinical and corporate services. Our services consist of a 25-bed acute ward, 6-day procedure beds and a 6 cubicle Urgent Care Centre.

We provide a range of in service (medical and surgical) and primary health services in Alexandra.

IN HOSPITAL SERVICES

Acute Ward
Dietetics
Occupational Therapy
Physiotherapy
Social Work
Speech Pathology

Surgery Including;

- Gynaecology
- Ear, Nose and Throat
- Orthopedic
- Endoscopy
- Urology
- Opthalmology

Urgent Care Centre

PRIMARY HEALTH SERVICES

Advanced Care Planning Clinic
Asthma Education
Cardiac Rehabilitation
Counselling Services
Heart Health Program
Diabetes Education
Dietetics
District Nursing Service
Meals on Wheels
Occupational Therapy
Physiotherapy
Pulmonary Rehabilitation Program
Social Work

VISITING SERVICES

Hearing Clinic
Echocardiography
Private Specialists Including;

- Gynaecologist
- Urologist
- Ear, Nose and Throat
- Orthopedic Surgeon
- Gastroenterologist
- Ophthalmologist
- Renal Specialist
- Cardiologist
- Podiatry
- X-Ray/Ultrasound

Number Urgent Care Presentations – 3,839

Number Hospital Service Admissions - 938

Number Surgical Procedures - 688

MEDICAL STAFF:

Director Medical Services
Dr. Poranee Buttery MBBS, FANZCA, PGCertCU (UoM), AFRACMA, MHA (Monash), MAICD

General Practitioners
Dr D Deelen MBBS, FRACGP, FACRRM, DipRGA-JCCA
Dr. L Carter BSc, MBBS, FRACGP, FACRRM, JCCA-DipRGA.
Dr S Wiles MBBS, FRACGP, DipRGA-JCCA
Dr K Douglas MBBS, FRACGP, Dip Child Health
Dr. S Sharma MBBS, FRACGP, AFRACMA, Cert Emerg Med (ACEM), Clin Dip Palliative Care
Dr. S Fernandez MBBS, FRACGP, Adv Dip Emerg Med (ACEM), JCCA-DipRGA
Dr. Lachlan Fraser MBBS, RACGP
Dr C Aitken MBBS, FRACGP, JCCA
Dr G Downing MBBS, FRACGP, Dip Child Health

Critical Care Physician
Dr P Chan, BSc (Hons) MBBS (Hons), FCICM

Career Medical Officer
Dr K Al Kafaji
MB ChB, AMC, Adv Dip Emerg Med (ACEM)

Specialist Anaesthetists
Dr M Adams BHB, MBChB, FANZCA, MHSM
Dr T Callahan BMBS (Hons), BSc (Hons), FANZCA
Dr S Mahjoob, MBBS, FANZCA
Dr J Monagle, MBBS, FANZCA
(2007 - June 2024)
Dr C Noonan, MBBS, FANZCA

Orthopedic Surgeons
Mr J Harvey, MBBS, FRACS (Orth)
Mr C Kondogiannis, MBBS, FRACS (Orth)

Urologist
Dr P Ruljancich MBBS, FRACS (Urol)

Gastroenterologist
Dr P Mahindra MBBS, FRACP, GESA
Dr E Tsoi MBBS, FRACP, GESA, MPH (UNSW), PhD (UoM)

Ear, Nose, Throat Surgeon
Mr A Guiney, MBBS, FRACS (ENT)
(1996 - Nov 2023)

Ophthalmologist
Dr R Bunting MBBS, RANZCO, FRCOphth

Cardiologist
Dr E Kotschet MBBS (Hons) FRACP (Cardiol)

Paediatrician
Dr D Cutting MBBS, FRACP (Paed and Child Health)

Nephrologist
Dr P Branley BPharm, MBBS, FRACP (Nephrol)

Gynaecologist
Dr A Lawrence BSc. (Hons), MBBS (Hons), FRANZCOG, MRCOG

General Surgeon
Dr B Nguyen MBBS, FRACS (Gen Surg), GESA

Telecare Physicians
Dr K Wong MBBS FRACP (Geriatrics)
Dr R Sriamareswaran MBBS, FRACP (Geriatrics), MPH & MHLM (UNSW), CHIA
Dr C Sia MBBS, FRACP (Nephrol)

Board Chair and Chief Executive Officer Report

Our year in review

On behalf of the Board of Directors and staff of Alexandra District Health (ADH), we are pleased to present the 153rd Report of Operations and Annual Report for the year ended 30 June 2024.

Alexandra District Health (ADH) continued to deliver great outcomes for our patients, our staff and the community, in a year that could be viewed as one of the toughest environments, financially, of any previous years' in Alexandra District Health's history. Through adversity our staff maintain their high level of dedication, support and commitment and we, the Board and the Chief Executive Officer (CEO), are indebted to our staff.

Our relationship with our regional/rural health sector colleagues, through the Hume Health Services Partnerships (HHSP), remains extremely important. This partnership saw ADH and Yea and District Memorial Hospital share resources such as People and Culture and Financial Services. Sharing experiences, gaining knowledge and contributing to a broader network than just our local catchment area helps us in providing more cost- effective health services.

ADH has a strong sense of community. Consultation is formally delivered through the Community Engagement Committee (CEC), which meets monthly. This year saw Kathryn Stuart, Erik Schanssema and Robyn Archer appointed as members of the CEC, to compliment the already hard- working members Suzy Van Der Vlies, Pam Delmodes and Leanne Monro. We thank the community members of the CEC for their hard work and dedication and we look forward to the continuance of the community consultation process. We express our heartfelt gratitude to Leanne Munro for her dedicated service as a Community Engagement Committee Member, whose tenure as a member of the CEC came to an end after six years of service. Leanne's commitment to ADH, our patients and the Alexandra community, her ideas, advice and willingness to persevere through the harder times have made such a difference in our endeavors to strengthen and improve ADH.

Like most health services, over the last year we've participated in discussions with an independent Expert Advisory Committee (EAC) that was set up by the Department of Health to consider the best design and governance of Victoria's public health service system. The Government has also made it very clear that there will be no hospital or individual site closures as part of any decisions.

Our Board

Alexandra District Health continues to have a very sophisticated Board of Directors with diverse skillsets that include, Community, Clinical Services, Primary Health, Risk, Occupational Health and Safety, Legal, Finance and Information Technology. The Board provides governance, oversight and strategic direction for the Health Service. In December 2023, Kerry Power retired from the Board of Directors. The Board and Senior Management would like to thank Kerry for his innovation and insight into Board matters and we wish him and his family well in his retirement. During 2023- 2024 we welcomed two new Board Directors, Roslyn Pruden and Ashley Shea. Both new members bring a wealth of experience in their chosen fields and are already making a significant contribution to the Board of Directors

Community Education Session

With a number of preventable illnesses more common during winter, staying your best, mentally and physically over the colder months can prove challenging for a lot of people. The aim of the ADH Winter Wellness campaign was to reduce the incidences of these avoidable illnesses and increase everyone's overall comfort and enjoyment of the winter season. It is also hoped this will see a reduction in avoidable hospital visits via early planning and action by those in the community with existing health concerns.
The campaign ran in the lead-up to winter, from the end of May 2024 through to mid-June and included hand hygiene sessions delivered in the primary schools and a community event with hot winter-warming

soup and guest speakers. Organised by Rebecca Clark, the Manager Training & Development, and Melissa Storey, Health Promotion Officer.
The hand hygiene sessions were delivered to 245 primary school students from five school's from across Eastern Murrindindi Shire. The sessions were fun and interactive and were well-received with fluorescent purple hand cream and a neon light a welcome visual to help spread the message. Over 50 per cent of participating students (and teachers) reported learning something new regarding hand hygiene.
The free community event was held on-site at ADH, with hot minestrone soup provided. The event speakers were ADH dietitian Chris Wasley, ADH Psychologist Lisa Derham and Ambulance Victoria's Mick de Groot. Topics covered included supporting your immune system through a healthy diet, supporting mental health during a time when we tend to hibernate and favour staying indoors over heading outside to exercise and socialise, and clarification of the health issues that warrant calling an ambulance and considerations when unsure. Ten community members and approximately Ten ADH staff attended, with 100 per cent finding the speakers informative and reporting overall enjoyment of the event

Staff Recognition

On behalf of ADH, we would like to thank Juliana McCashney who departed ADH after 20 years in December last year, formally in April after a period of Long Service leave. Juliana worked her way from receptionist to Executive Assistant and most recently Manager of People and Culture. Juliana leaves with her a wealth of the health industry knowledge as she embarks on a new chapter in Melbourne with her family**.** Anna Guggemos retired on 30 June 2024 after a period of 38 years' service. Anna joined ADH in July 1986 and worked as a Registered Nurse where she provided excellent and compassionate nursing care to our community, delivering on our ADH cares values. We congratulate Annette Tilley who completed 10 years of service working as a valued member of the Peri-operative Services team.

Thank you to John Monagle, Anthony Guiney, and Craig Noonan. John retired in June 2024, and Anthony in November 2023, and along with Anthony's ENT surgery sessions ending, Craig Noonan, reduced his ADH practice. Anthony's Ear Nose & Throat practice served the local ADH community for 27 years' service. As a past Chair of the Alexandra Medical Advisory Committee, Anthony has also significantly contributed to ADH as an organisation. John provided 17 years of continuous service to ADH, which has mainly been supporting Paul Ruljancich's Urology sessions at ADH. John was one of the Monash Health Anaesthetists visiting ADH, providing a high quality and expert specialist anaesthesia service. Over the years, John not only provided anaesthesia, he also provided some assistance with some of the urgent care cases requiring specialist anaesthetist support. Craig, another Monash Health specialist anaesthetist, began visiting ADH in 2011. His care of children, and regular ward rounds with Anthony following an operating theatre session were a feature of his work at ADH.

Work Experience

ADH has partnered with Yea and District Memorial Hospital to host a number of work experience students this year. We have had local students from Alexandra Secondary College and a student from Cathedral College in Wangaratta join our work experience program. Having work experience students participate across all sectors of the health service can provide them with a valuable learning opportunity and a comprehensive understanding of how a health service operates. It allows students to gain practical experience in various areas within clinical and non-clinical areas. This exposure can help them explore different careers paths within healthcare and assist with making informed decisions about their future.

Timely Management of Chest Pain Pilot

ADH completed the official phase of the Safer Care Victoria, Timely Management of Chest Pain (TMCP) Project at the end of December 2023. The TMCP project provided our clinical staff, nurses and doctors, working in the Urgent Care Centre (UCC) with a telehealth service to manage patients presenting with chest pain to receive timely care. The telehealth service provided support for ADH's clinical team to either manage patients in the UCC resulting in discharge home, or supporting the clinical team until a timely transfer to a tertiary hospital could be arranged. Data collected by SCV indicated that for patients that were able to be discharged home and for those that required transfer had reduced admission times in the UCC. This means patients were being discharged home or transferred out of the UCC quicker than prior to the TMCP telehealth service being introduced. There was also evidence that

patients were able to be managed safely in the UCC, reducing the number of transfers out of the UCC's. ADH's clinical team continue to have access to the TMCP telehealth service.

RESTART

Murrindindi RESTART is a community led drug rehabilitation intervention service that commenced in June 2023, it is supported by a partnership with ADH, Mansfield District Hospital and Yea District and Memorial Hospital and is also supported by the community based Murrindindi RESTART Steering Committee. The RESTART service is designed to reduce the effects of drug use and addiction on individuals and their family and friends using a harm minimisation approach. Over the last 12 months, 20 consumers have benefitted from the service, attending appointments locally at ADH. A total of over 160 hours of direct service have been provided with referrals received from the clients, relatives, local police, GP's and local health providers.

GLA:D® PROGRAM

GLA:D® Program is an evidenced based education and supervised exercise program that supports people living with osteoarthritis (OA) of hip or knee joints. Compared to Victoria (8%), Murrindindi Shire has higher rates of people living with arthritis (13.1%), with over half of these living with Osteoarthritis (ABS, 2021). Through this 6- week program, ADH's Physiotherapist and Allied Health Assistants have supported 20 participants over 4 programs to apply new skills and knowledge to their everyday life, so that they are more confident and able to self- manage the pain associated with OA. Post program evaluation showed participants reported reduced pain, with 95% of participants demonstrating improvements in strength measures.

The Current State

The Department of Health, early in 2024, set up an external independent Expert Advisory Committee (EAC) to review the governance and structure of our health services system. This review was in response to feedback from health services across the state that changes were needed to respond to the many challenges faced by modern health care organisations. The overall health system has been largely unchanged for decades, despite rapidly changing population needs, a global pandemic that also increased costs, and many new innovations in how care is provided. This review is focused on ensuring that Victorians have equal access to safe and high-quality care, no matter where they live.

At the time of writing the Annual Report the EAC provided their findings and recommendations to the Department of Health and the advice is being considered by the Government ahead of any decisions being made about changes to Victoria's health system. ADH was consulted by the EAC throughout this process, invited to share our experiences, provide advice about our health service – and most importantly, advocate for the best outcome for our patients, workforce and community.

Throughout the process of consultation with the EAC our Chair and CEO advised that a key requirement of any proposed changes is that community access to safe and quality services must be maintained or enhanced. The importance of retaining local voices, local hospital identities and local leadership has been a key discussion point throughout this process and the EAC has reiterated that this must continue. We are now waiting for further advice about any decisions by Government. However, our advocacy will continue and the quality care we are known for will continue.

Alexandra is a proud community and one we are honoured to serve. The Board and Senior Management seek your ongoing support and commitment into the future, whatever the outcomes of this process.

We hope that you enjoy reading our 2023-2024 Annual Report and learning more about our accomplishments over the past financial year.

Kim Flanagan
Board Chair

Jane Poxon
Chief Executive Officer

Executive Team

Chief Executive Officer Jane Poxon
The Chief Executive Officer is responsible to the Board of Directors for the effective operational, financial and human resource management of Alexandra District Health. Additionally, this position holds full responsibility for legislative compliance and organisational performance together with organisational development and enhancement.

Director Medical Services Dr Poranee Buttery
The Director Medical Services (DMS) acts on behalf of Alexandra District Health, in overseeing the professional performance of all employed and visiting medical practitioners to enhance and develop medical service provision. The DMS is responsible for ensuring a safe medical care environment for patients of the Health Service.

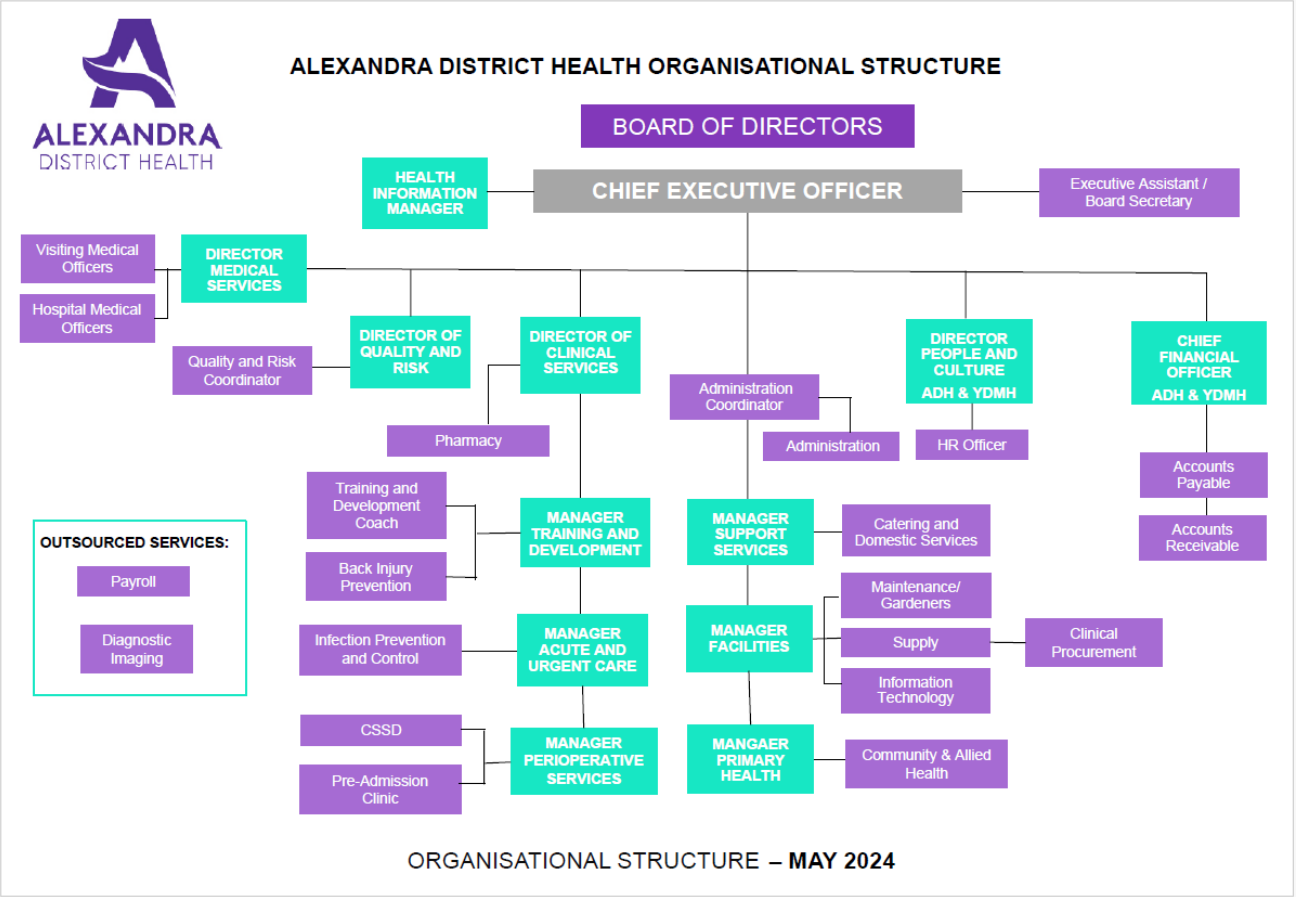
Director of Clinical Services Claire Palmer
The role of the Director Clinical Services is to provide strategic direction to Alexandra District Health clinical services and primary health streams and perform as a member of the Executive management team.

Director Quality and Risk Natasha Bowater
The Director Quality and Risk (DQR) works in collaboration with the Chief Executive Officer and the executive team to lead the quality improvement and risk management program at Alexandra District Health. The DQR works collaboratively with the senior leadership team, clinical and non-clinical staff and consumers to ensure that Alexandra District Health has an effective, coordinated, organisation- wide approach to the provision of quality improvement, incident and risk management, management of policies and procedures, emergency management systems and accreditation process across all areas of the organisation.

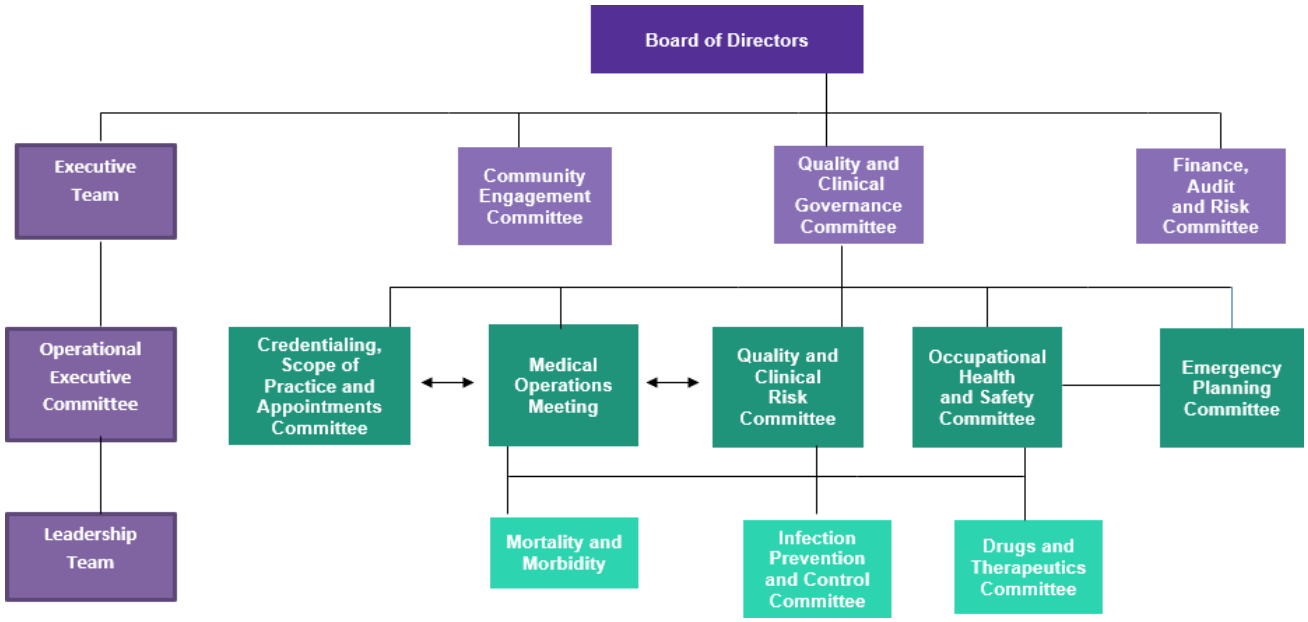
Chief Finance Officer/ Finance Manager Tracey Spiers
The Chief Finance Officer oversees the financial management practices and controls of Alexandra District Health including the provision of sound financial reporting and advice to the Board, Chief Executive Officer and Executive/ Leadership team to support well informed decision making.

Director People and Culture Honi Smith
The Director of People and Culture is tasked with ensuring Alexandra District Health employs the right people at the right time, in the right positions and ensuring those employees remain engaged, supported and dedicated to deliver the Alexandra District Health mission and vision. This role reports directly to the CEO, guiding strategic and operational workforce planning and implementation of Alexandra District Health objectives. The Director of People and Culture is also tasked with maintaining and promoting positive relationships and developing a culture that fosters high level performance, compliance, organisational improvement and innovation.

Organisational Structure



Committee Reporting Structure



Administrative Structure

Board of Directors

Directors	Mr Kim Flanagan - Chair, Board of Directors
	Ms. Cindy Neenan Mr Alan Studley Ms. Michelle Fleming Ms. Melanie Telford Ms. Natalie Sheridan-Smith Ms. Soulla Nicodimou Mr Ashley Shea Ms. Roslyn Pruden Mr Kerry Power *(July 1 2023 – Dec 12 2023)*
Finance, Audit and Risk Committee	Mr Alan Studley - Chair
Quality and Clinical Governance Committee	Ms. Michelle Fleming - Chair
Community Engagement Committee	Ms. Melanie Telford - Chair

Executive

Chief Executive Officer	Ms. Jane Poxon *(1 July 2023 – Current)*
Director Clinical Services	Mr Andrew Brown *(1 July 2023 – 10 Nov 2023)*
	Ms. Claire Palmer *(19 May 2024 – Current)*
Director Medical Services	Dr Poranee Buttery
Director Quality and Risk	Ms. Claire Palmer *(1 July 2023 – 18 May 2024)*
	Ms. Natasha Bowater *(3 June 2024 – Current)*
Chief Finance Officer	Mr Alan Drews - Outsourced - Eastern Health *(1 July 2023 – 31 Oct 2023)*
	Ms. Tracey Spiers (1 Nov – Current)
Director People and Culture	Ms. Juliana McCashney *(1 July 2023 – 12 Dec 2023)*
	Ms. Honi Smith *(31 Jan 2024 – Current)*
Executive Assistant	Ms. Jennifer Creed *(1 July 2023 – Current)*

Board of Directors

Mr Kim Flanagan – Chair
Kim Flanagan is the Chair of Alexandra District Health Service. He is also a Non-Executive Director of Carinya (an NDIS Residential Care Provider) and the Chief Operating Officer of New Age HSE Services, a respected risk management consulting company.

Kim has worked in both Federal and State Government Business Enterprises and departments such as Monash Health, the Department of Health and Human Services and the Westgate Tunnel Authority. He has also been an Executive in the private sector with companies such as BHP, Finemore Holdings Limited, the Ford Motor Company of Australia, UGL Limited and NBN Co. Limited

Kim has a bachelor's degree in social science majoring in Human Physiology and Sociology and is trained in Six Sigma and Lean philosophy, Six Sigma Project Champion and is an accredited Exemplar Global Master Auditor. He is also a Fellow of the Institute of Logistics and Transport, Fellow of the Governance Institute of Australia, Member of the Australian Institute of Company Directors and a Fellow of the International Safety, Quality & Environment Management Association.

Ms. Cindy Neenan - Deputy Chair
Cindy is a semi-retired executive who has forged a successful career across manufacturing and engineering in Australia, NZ and overseas. Cindy's expertise resides in all aspects of human resources, particularly industrial relations and organisation development. She has been a past director of a Mercer Superannuation Master Trust Fund, past Chair of the Australian Automotive Industrial Relations Committee and founder and Chair of Diversity and People councils across her industry. She has previously managed large commercial portfolios as a purchasing director, overseeing vendor costs and quality systems, business process re-engineering, and holds a six-sigma qualification.

Cindy has a keen interest in public health advancements for cancer standard of care treatment and to this end sits on the Human Research Ethics Committee in a large metropolitan hospital. She is passionate about community sport, is the finance manager of her local rowing club and community liaison with local council and peak bodies overseeing environmental systems on the inner west river system. She also coaches school, club and adult rowing. Cindy is the Deputy Chair of the ADH Board, is a member of the Finance, Audit and Risk Committee and the Quality and Clinical Governance Committee.

Mr Alan Studley
Alan is Chair of the Finance, Audit and Risk Committee and a member of the Quality and Clinical Governance Committee. In addition to his role at Alexandra District Health, Alan is a non-executive director of Access Community Health, Wayss (Family Violence & Housing Support) and ANZGITA.

Alan has worked for multi-national companies in the fields of manufacturing, media and food production. His roles have included Finance Director, Chief Executive Officer and Executive Chairman of large acute care health facilities, public transport related services and a federal government trust responsible for national heritage assets.

In the past Alan has been a director and trustee of the Metropolitan Ambulance Service, Royal Guide Dogs for the Blind Association of Victoria and Australia, Aware Super (Health Super) and ASX listed Sausage Software Pty Ltd. He has acted as a surveyor for the Australian Council of Healthcare Standards and member of the Department of Human Services, Strategy Steering Committee I2T2. He is a Fellow of the Australian Institute of Company Directors and CPA Australia

Ms. Michelle Fleming
Michelle has a background in health and community services and currently works as Associate Program Director in the Specialty Medicine and Ambulatory Care Program at Eastern Health. Michelle has significant operational leadership experience within ambulatory services including community health, Aboriginal health, general practice, COVID-19 community services and sexual assault support services. Michelle has a Graduate Diploma in Health Promotion, Masters in Health and Human Services Management and is a member of the Australian Health Promotion Association and a member/Graduate of the Australian Institute of Company Directors. Michelle is also a Board Director and Finance and Audit Committee member of a regional Women's Health Service.
Michelle is passionate about delivering the best quality care to patients and helping them remain well within their community. She has strong connections to the local community, having lived in the local area for most of her life and currently residing in Taggerty. Michelle is a member of the Finance, Audit and Risk Committee and the Quality and Clinical Governance Committee.

Ms. Melanie Telford
Melanie is a finance professional with extensive experience in financial management, business partnering and process improvement. She has a Bachelor of Commerce / Arts and a Graduate Diploma in Applied Finance and Investment. She currently is a Director of her own consulting business and is a non-executive Director at the Tweddle Foundation. Melanie has previously worked in various roles at ANZ, GE and Ford Credit.
Melanie is passionate about public health and improving outcomes for people with chronic conditions. Melanie also has property in Alexandra and intends to relocate to the area in the long term.

Ms. Soulla Nicodimou
Soulla is an interim executive who has worked across a range of industries including resources, technology, education, utilities and research for large multi-nationals, national and social enterprise start-ups in Australia, Asia, Africa and Europe.
Having held positions such as Chief Finance Officer, Chief Operating Office and Program Manager roles, Soulla has extensive experience in finance, cyber security, information technology and digital transformation.

Soulla also holds a board position with Mary Ward International Australia, an NFP who work with women and communities to transform unjust structures and reduce poverty primary through education.

Soulla has previously held volunteer positions at Brunswick Cycling Club and was a founding member of the Safeguarding Committee for global research enterprise. Soulla is a Fellow of CPA Australia and a member / graduate of the Australian Institute of Company Directors.

Ms. Natalie Sheridan-Smith
Natalie is a barrister with over 20 years' experience appearing in courts in Victoria, NSW, ACT, Queensland and the Northern Territory. Natalie specialises in criminal, children and family law, family violence, mental health and regulatory compliance.
In June 2023 Natalie was appointed as a sessional legal member of the Mental Health Tribunal.
Natalie is also an experienced board director and a graduate of the Australian Institute of Company Directors (GAICD).
She was appointed as a non-executive director of Alexandra District Hospital in 2022 and has additionally been involved in the sub-committees to recruit new board directors and the CEO. She is currently a member of the Finance, Audit and Risk Committee, Quality and Clinical Governance Committee and the Community Engagement Committee.
Natalie is also currently the Chair of the Heathcote & District Community Bank (Heathcote and Nagambie branches). Previous appointments include non-executive director of Heathcote Hospital (2018-2021), President of the Children's Court Bar Association (2021-2023) and company secretary for Howells' List Pty Ltd (2010-2020).
Natalie's board expertise lies in corporate governance, strategy and risk, legal and compliance.

Ms. Roslyn Pruden
Roslyn has a background as an occupational therapist and has worked across community health, not for profit organisations, local government and state government. She is currently the Manager, Family Youth and Wellbeing at Bayside City Council. Roslyn has a Bachelor of Occupational Therapy, Graduate Diploma of Health Sciences in Occupational Therapy, Cert IV in Workplace and Business Coaching, and is a Graduate of the Australian Institute of Company Directors.

Roslyn is passionate about delivering the best quality health and community services that meet the needs of the local community. She has a strong interest in diversity, equity and inclusion and is passionate about community sport. She is an avid baseball player, and is the Chair of the Baseball Victoria Women's Pathway Working group, which aims to increase the participation and opportunities for females within the sport of baseball. Roslyn has ties with Alexandra through spending many summers at Lake Eildon/Bonnie Doon area.

Mr Ashley Shea
Ashley is a dedicated professional passionate about designing and developing future healthcare services that ensure high-quality care for both staff and patients. With a Master's in Business Administration and over 15 years of Intensive Care experience, Ashley currently serves as the Director of Capital Development at Northern Health while still actively working in the ICU.

Ashley's career began as a registered nurse, specializing in ICU care, where they developed a deep understanding of the complexities of patient care in high-pressure environments. This experience led to leadership roles, including Nurse Unit Manager of ICU at the Northern Hospital, and later, Project Manager in Capital Development. In these roles, Ashley has been instrumental in shaping healthcare environments that are both efficient and compassionate with a unique blend of hands-on healthcare experience, strategic leadership, and a commitment to innovation.

Mr Kerry Power
Kerry is an experienced clinician with a long history working as an intensive care paramedic in metropolitan Melbourne. He spent 39 years with Ambulance Victoria working in pre-hospital emergency care, providing clinical education and working as a senior clinician in both emergency operations and clinical oversight in ambulance dispatch. His experience includes training and deployment of Kinglake and Lang Lang CERT Teams, co-management of the Metropolitan MICA System and group manager for the Loddon Mallee region.

He provided management support for three major projects while with Ambulance Victoria, including partnering with Beyond Blue to improve mental health for paramedics and addressing the escalation of occupational violence through innovative programs. Kerry is also a recipient of the Ambulance Service Medal (ASM).

Born in Alexandra, Kerry moved back to the area 10 years ago and is enjoying living a quieter life in Eildon. Kerry is a member of the Finance, Audit and Risk Committee and the Quality and Clinical Governance Committee.

Attestations

Financial Management Compliance

I, Kim Flanagan, on behalf of the Responsible Body, certify that Alexandra District Health has no Material Compliance Deficiency with respect to the applicable Standing Directions under the *Financial Management Act 1994* and Instructions.

Kim Flanagan Board Chair
Alexandra District Health
30 June 2024

Data Integrity Declaration

I, Jane Poxon, certify that Alexandra District Health has put in place appropriate internal controls and processes to ensure that reported data accurately reflects actual performance. Alexandra District Health has critically reviewed these controls and processes during the year.

Jane Poxon
Chief Executive Officer Alexandra District Health **30 June 2024**

Conflict of Interest Declaration

I, Jane Poxon, certify that Alexandra District Health has put in place appropriate internal controls and processes to ensure that it 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 Alexandra District 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.

Jane Poxon
Chief Executive Officer Alexandra District Health **30 June 2024**

Integrity, Fraud and Corruption Declaration

I, Jane Poxon, certify that Alexandra District Health has put in place appropriate internal controls and processes to ensure that Integrity, fraud and corruption risks have been reviewed and addressed at Alexandra District Health during the year.

Jane Poxon
Chief Executive Officer Alexandra District Health **30 June 2024**

Compliance with Health Share Victoria (HSV) Purchasing Policies

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

Jane Poxon
Chief Executive Officer Alexandra District Health **30 June 2024**

Workforce Data

Employment and Conduct Principles

All employees are correctly classified in the workforce data collections and are required to comply with the Alexandra District Health Code of Conduct under their respective employment agreements. Alexandra District Health is committed to applying the public sector employment principles and upholds the key principles of merit and equity in all aspects of the employment relationship. To this end we have policies and practices in place to ensure all employment related decisions, including recruitment and retention, are based on merit.

Hospitals Labour category	JUNE Current Month FTE		Average Monthly FTE	
	2023	2024	2023	2024
Nursing	28.69	27.33	27.86	28.10
Administration and Clerical	14.23	13.48	13.28	15.01
Medical Support	1.05	1.11	0.55	1.00
Hotel and Allied Services	9.29	8.93	9.04	8.84
Sessional Clinicians	2.32	2.23	2.39	1.98
Ancillary Staff (Allied Health)	7.90	5.14	8.07	6.44
Total	**63.48**	**58.22**	**61.19**	**61.37**

Note: The data included in this annual report was accurate at the time of publication and is subject to validation by official sources from the Department of Health.

Statutory Reporting

Alexandra District Health's Annual Report has been compiled to meet the requirements of the *Public Administration Act, Financial Management Act* and other requirements.

Disclosures required under Legislation but not recorded elsewhere in this annual report are summarised below.

Freedom of Information Act, 1982
During 2023-24, Alexandra District Health received 13 applications. Of these requests, 0 were from Members of Parliament, 0 from the media, and the remainder from the general public.
Alexandra District Health made 13 FOI decisions during the 12 months ended 30 June 2024.

There were 12 decisions made within the statutory time periods. Of the decisions made outside time, 1 were made within a further 45 days and 0 decisions were made in greater than 45 days. A total of 13 FOI access decisions were made where access to documents was granted in full, granted in part or denied in full. 1 decision was made after mandatory extensions had been applied or extensions were agreed upon by the applicant. Of requests finalised, the average number of days over / under the statutory time (including extended timeframes) to decide the request was 13 days.

During 2023-24, five requests were subject to a complaint/internal review by Office of the Victorian Information Commissioner. Two requests progressed to the Victorian Civil and Administrative Tribunal (VCAT).

Building Standards
Alexandra District Health complies with Regulation 1209 and 1215 of the *Building Act 1993*. The Alexandra District Health engages an independent contractor to perform an assessment of all buildings in accordance with Section 22E of the Act. A current Annual Safety Measures Report is on display at the Urgent Care entry.

Local Jobs First Act 2003
Alexandra District Health has no contracts required to be reported under the Local Jobs First Disclosure in 2023/2024.

National Competition Policy
Alexandra District Health has a policy in place for the implementation of the Victorian Government's policy on Competitive Neutrality.

Industrial Disputes
No time lost through industrial disputes.

Pecuniary Interests
The Board of Directors members are required to notify the Chair of the Board of any pecuniary interests. All members have completed a statement of pecuniary interests.

Carers Recognition Act 2012
Alexandra District Health recognises and supports its responsibilities and obligations under the Act for people in care relationships and the role of carers in our community. ADH has strategies and actively works with carers to find ways for people in care relationships to have a say in care planning and service delivery complying with all requirements of the Act. *ADH has complied with its obligations under Section 11 of the Act for the reporting period 1 July 2023 to 30 June 2024.*

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

Public Interest Disclosure Act, 2012
Alexandra District Health complied with the *Public Interest Disclosure Act 2012* for the year 2023/2024. There are no disclosures to report.

Complaints regarding improper conduct and corruption in the Victorian public sector can be reported to the Independent Broad-based Anticorruption Commission (IBAC).
www.ibac.vic.gov.au

Publications
The following publications dealing with the functions, powers, duties and activities of the hospital were produced in 2023/2024 and may be viewed on the Health Service website:

- Alexandra District Health 152nd Annual Report
- Alexandra District Health Strategic Directions 2020-2024
- Alexandra District Health Annual Procurement Activity Plan 2024-2025

Additional information available on request
Details in respect of the items listed below have been retained by the health service and are available to the relevant Ministers, Members of Parliament, and the public on request (subject to the freedom of information requirements, if applicable):
• a statement that declarations of pecuniary interests have been duly completed by all relevant officers;
• details of shares held by a senior officer as nominee or held beneficially in a statutory authority or subsidiary;
• 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 entity;
• details of any major external reviews carried out on the entity;
• details of major research and development activities undertaken by the entity;
• 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 entity to develop community awareness of the entity 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 entity and details of time lost through industrial accidents and disputes;
• a list of major committees sponsored by the entity, the purposes of each committee and the extent to which the purposes have been achieved; and
• details of all consultancies and contractors including:
(i) consultants/contractors engaged;
(ii) services provided; and
(iii) expenditure committed to for each engagement

Gender Equality Act 2020
In line with the *Gender Equality Act of 2020*, Alexandra District Health (ADH) is obligated to report on actions taken towards creating greater equity for all who interact with the health service, both consumers and employees, every 2 years. The initial report was submitted in 2021 and most recently again on 20 February 2024. Gender Equality is a broad term used to describe Intersectionality. The Act requires organisations to consider intersecting characteristics such as race, aboriginality, religion, ethnicity, disability, age, sexual orientation and gender identity when developing strategies and measures to promote equality. ADH is committed to providing a safe and supportive environment that encourages and welcomes diversity, is inclusive, and focused on equity for all. The Gender Equality plan aligns with the ADH Access, Diversity and Inclusion Policy.

ADH Gender Equality commitment is guided by the VPSC People Matter Survey and Gender Equality progress reports and includes the following actions;
- Conducting Gender Impact Assessments (GIA) to understand and reduce barriers;
- Education to increase awareness and encourage commitment through confidence;
- Capture gender and intersectionality data to monitor and understand progress;
- Encourage professional development opportunities;
- Collect gender and intersectional data to reduce gaps and monitor progress
- Enhance flexible working arrangements to reduce barriers for employees with caring responsibilities.

Details of consultancies (under $10,000)

In 2023-24, there were two consultancies where the total fees payable to the consultants were less than $10,000. The total expenditure incurred during 2023-24 in relation to these consultancies is $7,051 (excl. GST).

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

In 2023-24, there were four consultancies where the total fees payable to the consultant were $10,000 or greater. The total expenditure incurred during 2023-24 in relation to these consultancies was $13,900 (excl. GST).

Details of individual consultancies are listed in the table below.

Consultancies over $10,000

Consultant	Purpose of consultancy	Start date	End date	Total approved project fee (excl. GST)	Expenditure 2023-24 (excl. GST)	Future expenditure (excl. GST)
Lake Young & Associates Pty Ltd	Fire Safety Audit	Aug 2023	Jun 2023	$13,900	$13,900	$0

Note: The data included in this annual report was accurate at the time of publication and is subject to validation by official sources from the Department of Health.

Information and Communication Technology (ICT) Expenditure

The total ICT expenditure incurred during 2023-24 is $0.55 million (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) (a) + (b)	Operational expenditure (excluding GST) (a)	Capital expenditure (excluding GST) (b)
$0.51 million	**$0.04 million**	$0.00 million	$0.04 million

Note: The data included in this annual report was accurate at the time of publication and is subject to validation by official sources from the Department of Health.

Financial Performance – 5 Year Summary

	2024 $'000	2023 $'000	2022 $'000	2021 $'000	2020 $'000
OPERATING RESULT *	**(1,570)**	**93**	**43**	**328**	**38**
Total revenue	10,286	12,568	12,300	9,143	9,601
Total expenses	(13,213)	(13,396)	(12,025)	(9,968)	(9,927)
Net result from transactions	**(2,927)**	**(829)**	**275**	**(825)**	**(326)**
Total other economic flows	(10)	(3)	52	65	8
Net result	**(2,937)**	**(832)**	**327**	**(760)**	**(318)**
Total assets	38,126	33,099	34,208	31,103	31,305
Total liabilities	(3,527)	(3,152)	(3,429)	(3,174)	(2,653)
Net assets/Total equity	**34,599**	**29,947**	**30,779**	**27,929**	**28,652**

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

Note: The data included in this annual report was accurate at the time of publication and is subject to validation by official sources from the Department of Health.

Financial Performance – Net Result from Transactions (NRFT) Reconciliation

	2024 $'000
Operating result	(1,570)
Capital purpose income	241
Specific income	48
COVID-19 State Supply Arrangements	33
State supply items consumed up to 30 June 2024	(33)
Expenditure for capital purpose	23
Depreciation and amortisation	(1,669)
Net result from transactions	**(2,927)**

Note: The data included in this annual report was accurate at the time of publication and is subject to validation by official sources from the Department of Health.

Summary of significant changes in financial position

ADH's financial position moved from an operating surplus of $93,000 as at 30 June 2023 to an operating deficit of $1,570,000 as at the 30 June 2024.

Key contributor for the financial year was reduced operating revenue - that is, there was an 18% decrease in total operating revenue when compared to 2022/23 (or; a decrease of $2,282,000).

On the other hand, operating expenditure was well controlled and had reduced by 1.4% (or, $183,000) when compared to 2022/23.

Summary of operational and budgetary objectives and factors affecting performance

As a public hospital, Alexandra District Health is required to negotiate a Statement of Priorities (SoP) where a financial performance operating result target is agreed annually with the Department of Health (DH).

For the 2023/24 financial year, ADH agreed to an operating result deficit target of - $2.15M (excluding capital, depreciation and specific items). ADH achieved this target and were $580,000 favourable to budget for the 2023/24 financial year.

Occupational Health and Safety

Alexandra District Health has an Occupational Health and Safety (OH&S) Committee which meets bi-monthly. Staff report incidents, accidents and near misses which are then assessed at monthly meetings and appropriate action is taken.

During 2023/24 Alexandra District Health has continued to provide:

- Ongoing mandatory manual handling and occupational violence training for all staff.
- Face to face and online training on anti-bullying and harassment to all staff.
- Annual fire and emergency management training.
- Orientation programs for new staff incorporating an introduction to Alexandra District Health's occupational health and safety, and anti-bullying and harassment programs.

Occupational Health and Safety Data

Occupational Health and Safety Statistics	2023-24	2022-23	2021-22
The number of reported hazards/incidents	40	37	42
The number of reported hazards/incidents per 100 FTE	65.18	60.47	69.03
The number of 'lost time' standard WorkCover claims for the year per 100 FTE	3	3	3
The average cost per WorkCover claim for the year	**$73,450**	**$26,847**	**$43,981**

Note: The data included in this annual report was accurate at the time of publication and is subject to validation by official sources from the Department of Health.

Occupational Violence Statistics

Occupational violence statistics	2023-24
Workcover accepted claims with an occupational violence cause per 100 FTE	0
Number of accepted Workcover claims with lost time injury with an occupational violence cause per 1,000,000 hours worked.	0
Number of occupational violence incidents reported	17
Number of occupational violence incidents reported per 100 FTE	27.70
Percentage of occupational violence incidents resulting in a staff injury, illness or condition	0

Definitions
Occupational violence – any incident where an employee is abused, threatened or assaulted in circumstances arising out of, or in the course of their employment.
Incident – an event or circumstance that could have resulted in, or did result in, harm to an employee. Incidents of all severity rating must be included. Code Grey reporting is not included.
Accepted Workcover claims – Accepted Workcover claims that were lodged in 2023-24.
Lost time – is defined as greater than one day.
Injury, illness or condition – This includes all reported harm as a result of the incident, regardless of whether the employee required time off work or submitted a claim.

Note: The data included in this annual report was accurate at the time of publication and is subject to validation by official sources from the Department of Health.

Environment and Sustainability

During 2023/24 our solar production has continued to perform well, and this has assisted us to reduce the electricity we purchased throughout the year. In 2023/24 we produced 101 megawatt hours (MWH) of electricity utilising our solar power system resulting in a carbon offset of 74.74 tonnes or the equivalent of 1,276 trees. The solar power produced was marginally higher than the previous year's 97.7 MWH produced.

The clinical waste production for this year was 373 kilograms (kgs) which is a reduction from the 411 kilograms produced last year.
Our overall general waste contributing to landfill has decreased from 9,750kgs last year to 9,420 kgs this year.

We are committed to reducing our carbon footprint and continue with our commitment to monitor our environmental performance and reduce all waste streams where possible.

Electricity Use	**2023-24**
EL1. Total electricity consumption segmented by source (MWh)	**606.65**
Purchased electricity (MWh)	506.65
Self- generated (MWh)	101
EL2. On-site electricity generated segmented by usage and source (MWh)	**101**
Consumption behind-the-meter (Solar PV)	101

Notes

a) The data set is complete for 2023-2024 financial year, no estimates have been used
b) EL1 data has been obtained from the Environmental Data Management System (EDMS)
c) EL2 consumption behind the meter data has been collated from Enphase, metering service provider

Note: The data included in this annual report was accurate at the time of publication and is subject to validation by official sources from the Department of Health.

Stationary Fuel Use	**2023-24**
F1. Total Fuels used in buildings and machinery (MJ)	**694,193**
Buildings	692,326
Machinery (Diesel)	1867
F2. Greenhouse gas emissions from stationary fuel consumption segmented by fuel type (Tonnes CO2-e)	**42.57**
LPG	42.07
Diesel	0.5

Notes

a) The data set is complete for 2023-2024 financial year, no estimates have been used
b) F1 & F2 data has been obtained from the Environmental Data Management System (EDMS) & fuel provider accounts

Note: The data included in this annual report was accurate at the time of publication and is subject to validation by official sources from the Department of Health.

Transportation	2023-24
T1. Total energy used in transportation within the Entity segmented by fuel type and vehicle category (MWh)	**117,166**
Petrol	117,166
T2. Number and proportion of vehicles in the organisational boundary segmented by vehicle category and engine/ fuel type (Number and %)	**8**
Road Vehicles / Passenger Vehicles	***8***
Internal Combustion Engines (Petrol)	1
Hybrid (Range-extended electric vehicle	7

Notes

a) *The data set is complete for 2023-2024 financial year, no estimates have been used*
b) *T1 data has been collated from fleet fuel provider accounts*

Note: The data included in this annual report was accurate at the time of publication and is subject to validation by official sources from the Department of Health.

Water	2023-24
W1. Total water consumption by an Entity (kiloliters)	**3,653**
Potable water consumption (from town water supply)	3,653
W2. Units of metered water consumed normalised by floor area (m2)	**0.51**

Notes

a) *The data set is complete for 2023-2024 financial year, no estimates have been used*
b) *W1 data has been obtained from the Environmental Data Management System (EDMS)*

Note: The data included in this annual report was accurate at the time of publication and is subject to validation by official sources from the Department of Health.

Waste & Recycling *Waste*	2023-24
WR1 Total units of waste disposed of by waste stream and disposal method (kg and %) - Landfill	**9,769**
WR3. Total units of waste disposed of normalised by floor area (m2) (kg)	**1.36**
WR4. Recycling Rate (%)	**43.91%**
WR5. Greenhouse gas emissions associated with waste disposal (Tonnes CO2-e)	**7.12**
Landfill	12.246
Other	.360

Notes

a) *The data set is complete for 2023-2024 financial year, no estimates have been used*
b) *W1 data has been collated from recycling and waste service provider accounts*

Note: The data included in this annual report was accurate at the time of publication and is subject to validation by official sources from the Department of Health.

Greenhouse Gas Emissions	2023-24
G1. Total Scope 1 (direct) greenhouse gas emissions (CO2, CH4, N2O, other) (Tonnes CO2-e)	**129.83**
Total Carbon Dioxide (CO2)	**44.61**
Total Methane (CH4)	**0.14**
Total Nitrous Oxide (N2O)	**0.15**
Total Other	84.93
F2. Greenhouse gas emissions from stationary fuel consumption segmented by fuel type	42.07
T3. Greenhouse gas emissions from vehicle fleet segmented by fuel type and vehicle category	2.83
Fugitive emissions from wastewater treatment	3
Use of medical gases	84.93
G2. Total Scope 2 (indirect electricity) greenhouse gas emissions (tonnes CO2-e)	333.24
G3. Total Scope 3 (Other indirect) greenhouse gas emissions associated with commercial air travel and waste disposal (tonnes CO2-e) – Waste Disposal	69.13

Notes

a) *The data set is complete for 2023-2024 financial year, no estimates have been used*
b) *W1 data has been collated from recycling and waste service provider accounts*

Note: The data included in this annual report was accurate at the time of publication and is subject to validation by official sources from the Department of Health.

Sustainable Procurement ***Social Procurement Activity***	2023-24
Total Number of Suppliers	**248**
Total Spend with all Suppliers	**3,115,011**
Social Benefit Suppliers	**1**
Total Spent with Social Benefit Suppliers	645
Number of Aboriginal Businesses Engaged	
Total Expenditure with Victorian Aboriginal Businesses (excl GST)	

Notes

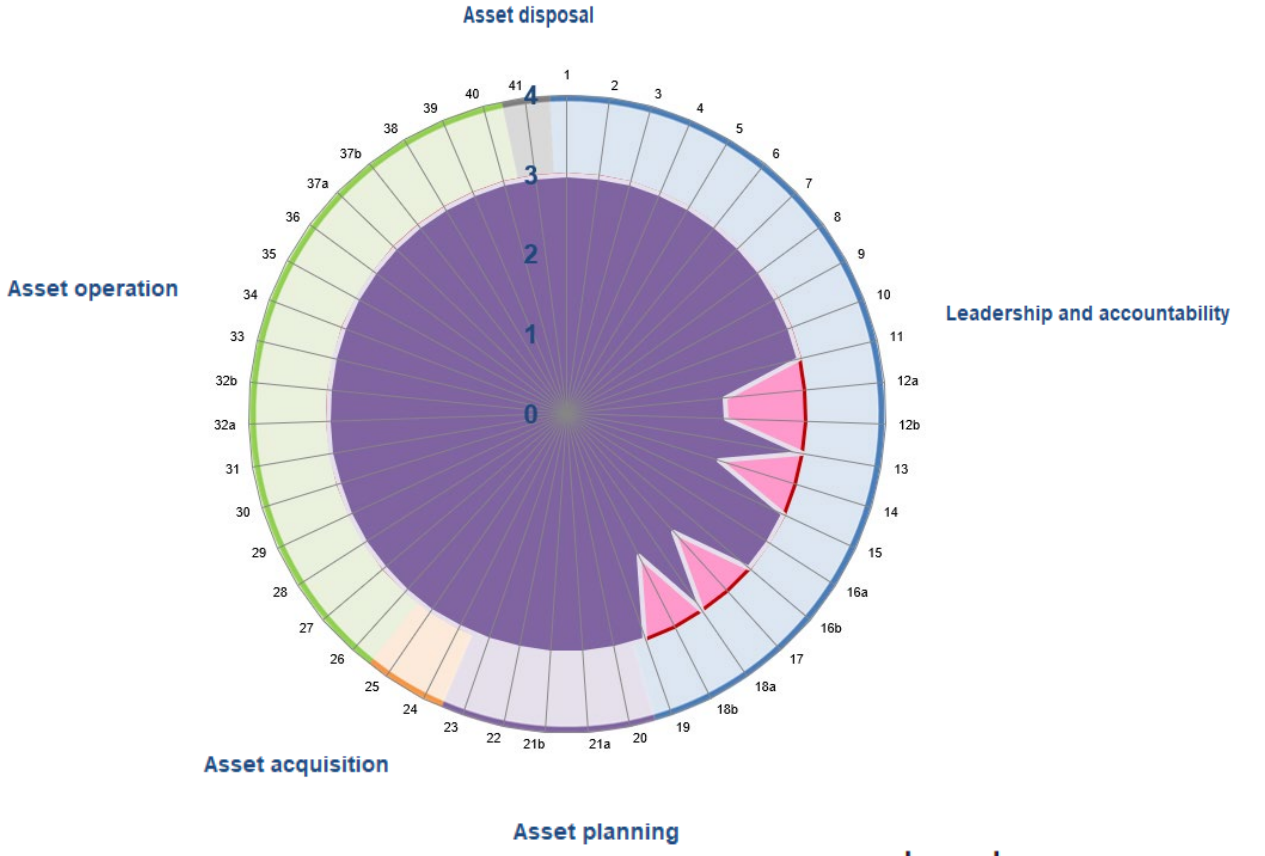
a) *ADH monitor for opportunities to directly or indirectly procure from social enterprises, Australian Disability Enterprises or Aboriginal businesses.*
b) *ADH procurement activities align with Health Share Victoria purchasing guidelines*

Note: The data included in this annual report was accurate at the time of publication and is subject to validation by official sources from the Department of Health.

Asset Management Accountability Framework Maturity Assessment

The following section summarises Alexandra District 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: (https://www.dtf.vic.gov.au/infrastructure-investment/asset-management-accountability-framework).

Alexandra District Health's target maturity rating is '*competence*' (or, 3), 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.



Legend

Scale	Status
0	Innocence
1	Awareness
2	Developing
3	Competence
4	Optimising

Target

Maturity

Asset Management Accountability Framework Maturity Assessment cont.…

Asset Management Maturity Self-Assessment Outcomes:

AMAF Clause	Domain	Outcome(s)
3.1	Leadership and Accountability (requirements 1-19)	Alexandra District Health has met its target maturity level for 14 (74%) of 19 requirements. Further work is needed to improve Alexandra District Health's maturity in the areas of governance, allocating asset management responsibility, monitoring asset performance, asset management system performance and evaluation of asset performance. Alexandra District Health is developing a plan for improvement to establish processes to increase its maturity ratings for this domain.
3.2	Planning (requirements 20 – 23)	Alexandra District Health has met its target maturity level in this category.
3.3	Acquisition (requirements 24 and 25)	Alexandra District Health has met its target maturity level in this category.
3.4	Operation (requirements 26 – 40)	Alexandra District Health has met its target maturity level in this category.
3.5	Disposal (requirement 41)	Alexandra District Health has met its target maturity level in this category.

Note: The data included in this annual report was accurate at the time of publication and is subject to validation by official sources from the Department of Health.

Statement of Priorities (SOP)

SOP ACTION PLAN

STRATEGIC PRIORITIES

Health services should:

- **ensure that the priorities, goals and deliverables outlined in their final signed 2023 SOPs are reflected in their Part A template; this includes elective and any local priorities they may have elected for 2023-24.**
- **state the status/progress (Achieved/Not Achieved/Ongoing) under each deliverable.**
- **ensure reporting is more than just 'Achieved /Complete'. Include information on what was achieved by completing the deliverable.**
- **provide a brief overview of activity completed against the deliverable and the impact these activities have had.**
- **note any goals, priorities or deliverables that carry over in the 2024-25 Statement of Priorities. Additionally, include commentary on the achievement level against the associated milestones set for 2023-24 financial year.**
- **ensure language is consistent throughout, is in plain English and contains no acronyms or 'health industry' terminology.**

In 2023-24 Alexandra District Health will contribute to the achievement of the Victorian Government's commitments by:

EXCELLENCE IN CLINICAL GOVERNANCE	
We aim for the best patient experience and care outcomes by assuring safe practice, leadership of safety, an engaged and capable workforce, and continuing to improve and innovate care.	
GOAL	
MA1 Develop strong and effective relationships with consumer and clinical partners to drive service improvements.	
Health Service Deliverables	**Achievements/Outcome**
MA1 Participate in collaborations such as "Getting it Right First Time" program. MA1 Expand consumer partnerships by reinvigorating the Consumer Engagement Committee and increasing consumer representation on Alexandra District Health Committees.	**Status: Ongoing** • Participation in Safer Care Victoria "Safer Care for Kids project. • Alexandra District Health completed the official phase of the Safer Care Victoria, Timely Management of Chest Pain (TMCP) Project at the end of December 2023. The Timely Management Chest Pain project provided our clinical staff, nurses and doctors, working in the Urgent Care Centre with a telehealth service to manage patients presenting with chest pain to receive timely care. The telehealth service provided support for Alexandra District Health's clinical team to either manage patients in the Urgent Care Centre resulting in discharge home, or supporting the clinical team until a timely transfer to a tertiary hospital could be arranged. Data collected by Safer Care Victoria indicated that for patients that were able to be discharged home and for those that required transfer had reduced admission times in the Urgent Care Centre. This means patients were being discharged home or transferred quicker than prior to the Timely Management Chest Pain telehealth service being

	introduced. There was also evidence that patients were able to be managed safely in the Urgent Care Centre, reducing the number of external transfers. The clinical team continue to have access to the Timely Management Chest Pain telehealth service. • Alexandra District Health has been successful in an application to participate in the Safer Care Victoria Delirium Evaluation in the Timely delivery of Emergency Care Trial (DETECT) project – Phase 1. The project will focus on the screening and assessment of patients over the age of 65 for Delirium in the Urgent Care Centre. Delirium is an acute change in a person's mental status often triggered by an acute illness, surgery, injuries or adverse effects of medicines. Alexandra District Health has commenced phase 1 of the project which comprises of data collection. The project has potential to span several years as each phase of the project is implemented. Phase 2 will see the introduction of delirium interventions.
GOAL	
MA2 Strengthen all clinical governance systems, as per the Victorian Clinical Governance Framework, to ensure safe, high-quality care, with a specific focus on building and maintaining a strong safety culture, identifying, reporting, and learning from adverse events, and early, accurate recognition and management of clinical risk to and deterioration of all patients.	
Health Service Deliverables	**Achievements/Outcome**
MA2 Expand consumer partnerships by reinvigorating the Consumer Engagement Committee and increasing consumer representation to Alexandra District Health's Committee's	**Status: Ongoing** • Successful recruitment campaign to the Consumer Engagement Committee. • In December 2023 Alexandra District Health facilitated a community education event Summer Safety, this was aimed at staying healthy in the warmer months. Alexandra District Health partnered with Ambulance Victoria and Snake Safe Victoria to facilitate the event. Ambulance Victoria presented information on staying well in the heat, when to call an ambulance and on the Victorian Virtual Emergency Department. Snake Safe Victoria provided a very engaging demonstration on venomous snake behaviour and how to manage a snake bite. • With a number of preventable illnesses more common during winter, staying your best, mentally and physically over the colder months can prove challenging for a lot of people. The Alexandra District Health's Winter Wellness campaign in association with Ambulance Victoria during June 2024 was to reduce the incidences of these avoidable illnesses and increase everyone's overall comfort and enjoyment of the winter season. Topics covered included supporting your immune system through a healthy diet, supporting mental health during a time when we tend to hibernate and favour staying indoors over heading outside to exercise and socialise and clarification of the health issues that warrant calling an ambulance and considerations when unsure.

GOAL	
MA11 Develop strong and effective systems to support early and accurate recognition and management of deterioration of paediatric patients.	
Health Service Deliverables	**Achievements/Outcome**
MA11 Partner with Safer Care Victoria and relevant multidisciplinary groups to establish protocols and auditing processes to manage effective monitoring and escalation of deterioration in paediatric patients via ViCTOR charts.	**Status: Ongoing** • Paediatric clinical deterioration audit conducted quarterly. Results of audits discussed at monthly Quality and Clinical Risk committee.
MA11 Improve paediatric patient outcomes through implementation of the "ViCTOR track and trigger" observation chart and escalation system, whenever children have observations taken.	**Status: Ongoing** • ViCTOR track and trigger charts in use at Alexandra District Health
MA11 Implement staff training on the "ViCTOR track and trigger" tool to enhance identification and prompt response to deteriorating paediatric patient conditions.	**Status: Ongoing** • Staff training and education of ViCTOR charts facilitated by the Training and Development team. ViCTOR resources for training on ViCTOR website • Direct Advanced Paediatric Resuscitation training facilitated at Alexandra District Health • Royal Children's Hospital – annual generic paediatric study day completed. • Hume Region paediatric courses available and promoted on the Alexandra District Health training and development calendar. • Royal Children's Hospital outreach education virtual sessions available – promoted on the Alexandra District Health training and development calendar.
WORKING TO ACHIEVE LONG TERM FINANCIAL SUSTAINABILITY	
GOAL	
MB1 Co-operate with and support Department of Health led reforms that look towards reducing waste and improving efficiency to address financial sustainability, operational and safety performance and system management.	
Health Service Deliverables	**Achievements/Outcome**
MB1 Implementation of cost-saving initiatives: Identify and implement cost-saving measures such as reducing unnecessary procedures, optimising supply chain management, and streamlining administrative processes.	**Status: Achieved** • Financial Improvement plan for 2023/24 financial year developed and implemented. Monthly reporting to Finance and Audit Board Committee. Savings target achieved for 2023/24.

MB1 Collaborative partnerships: collaborate with other health service providers, community organisations, the department and stakeholders to explore opportunities for shared services, joint procurement, and resource sharing to reduce costs and improve efficiency.	**Status: Ongoing** • Partnership developed with Yea District Memorial Hospital for delivery of Financial services. Fully implemented. • Partnership developed with Yea District Memorial Hospital for delivery of People and Culture services. Fully implemented.
GOAL	
MB2 Development of a health service financial sustainability plan in partnership with the Department with a goal to achieving long term health service safety and sustainability.	
Health Service Deliverables	**Achievements/Outcome**
MB2 Financial forecasting and risk management: Develop robust financial forecasting models to project future revenue and expenditure, identify financial risks, and implement risk mitigations strategies to ensure long-term sustainability.	**Status: Achieved** • Work is underway to develop a financial reporting framework for ADH that will consider forecasting models to project future revenue, expenditure and cashflow. • Financial risks are being identified with further work underway to fully document all controls and risk mitigation strategies. • A Financial Sustainability plan has been developed and is being monitored alongside ADH's monthly financial performance to ensure initiatives identified are appropriately implemented. The above work is ongoing and will continue to evolve and be embedded during 2024/25.
MB 2 Cost containment initiatives: Implement strategies to control costs, such as negotiating favourable contracts with suppliers, optimising workforce utilisation, and managing healthcare technologies and equipment effectively.	**Status: Ongoing** • Monthly accountability reporting templates developed for managers with quarterly performance meetings. • Joint recruitment strategy with Yea and District Memorial Hospital for a speech pathology role. • Rationalisation of consumables and medications to align with usage. • Participated with Hume Region Health Alliance to implement a print management solution in the Hume region. • Five- year capital equipment registers reviewed quarterly and updated as required – with relevant service contracts in place to ensure full life expectancy of the equipment and minimise equipment repairs.
IMPROVING EQUITABLE ACCESS TO HEALTHCARE AND WELLBEING	
GOAL	
MC1 Address service access issues and equity of health outcomes for rural and regional people including more support for primary, community, home-based and virtual care, and addiction services.	
Health Service Deliverables	**Achievements/Outcome**
MC1 Plans to identify and prioritise the health, wellbeing and service needs of the Aboriginal catchment population and service users – including improved patient identification, discharge planning and outpatient care.	**Status: Ongoing** • Participation in the Hume Health Service Partnership – Aboriginal Health initiative. The aim of the project is to review and improve discharge planning processes, ensuring they are culturally sensitive and appropriate for the Aboriginal and Torres Strait Islander communities we serve.

	• Alexandra District Health aims to be a welcoming place for all Aboriginal and Torres Strait Islander people and has consulted with a local Taungurung Land and Waters Council elder with current strategies in place; Indigenous artwork on display at the health service main entrance, indigenous garden at the health service entrance and culturally appropriate signage and health messaging on display in the primary health areas. • July 2023 NAIDOC week promoted targeted staff knowledge of local indigenous people displaying information about Taungurung history and culture. • All primary health clients are screened for Aboriginal and Torres Strait Islander status.
MC2 Partnerships with community-based services inclusive of Primary Health to improve discharge planning with an integrated multidisciplinary approach.	**Status: Ongoing** • Quarterly meetings with General Practitioners to discuss case reviews, aim of improving communication and integrated patient care. • Partnership with Northern Health Hospital in the Home program. • Discharge planning meetings with home care packages case managers, district nursing services, Menzies support services and GP's.
A STRONGER WORKFORCE	
GOAL	
MD1 Improve employee experience across four initial focus areas to assure safe high-quality care: Leadership, health and safety, flexibility, and career development and agile.	
Health Service Deliverables	**Achievements/Outcome**
MD1 Develop and deliver programs to improve employee experience and leadership capability across focus areas; leadership, health and safety, flexibility and career development and agility.	**Status: Achieved** • Leadership program developed and implemented. • Leadership fortnightly focus topic. • Health and Safety training – completed for Leadership team. • National Safe Work Month – Focus events/activities undertaken during October 2023 • Risk management training undertaken for the Leadership team.
MD1 Implement and/or evaluate a new/expanded wellbeing and safety program and its improvement on workforce wellbeing.	**Status: Ongoing** • Director of Clinical Services attended the Hume Region Self and Wellbeing program for executives- Recalibrate, Recharge and Re-energise your leadership power. • Cultural analysis survey undertaken, which included face to face individual staff interviews– feedback incorporated into the People Matter Survey action plan. • Succession plan developed for key roles at Alexandra District Health • Alexandra District Health induction training day reviewed to include health & Safety, well-being and all relevant information that contributes to effective service delivery at all levels that is evidence based.

MOVING FROM COMPETITION TO COLLABORATION	
GOAL	
ME1 Partner with other organisations to drive further collaboration and build a more integrated system	
Health Service Deliverables	**Achievements/Outcome**
ME1 Work with relevant PHN and community providers to develop integrated service models that will provide earlier care to patients and support patients following hospital discharge.	**Status: Ongoing** • Participation in multidisciplinary planning for complex care patients with Ambulance Victoria, Local General Practice and other relevant community health providers. • Collaboration partner in the Murrindindi Health Network, includes aged care and disability providers. • Monthly external transfer case review in collaboration with Ambulance Victoria. • Collaboration with Yea and District Memorial Hospital who are the lead organisation in the 'Our Community Our Children' Project' which will be rolled out across the Murrindindi Shire.
GOAL	
ME 2 Engage in integrated planning and service design approaches, whilst assuring consistent and strong clinical governance, with partners to join up the system to deliver seamless and sustainable care pathways and build sector collaboration.	
Health Service Deliverables	**Achievements/Outcome**
ME 2 Undertake joint clinical service plans that agree joint approach to co-ordinating the delivery of health services at a regional level as opposed to individual health service planning.	**Status: Achieved** • Participated in developed of Hume Health Service Partnership strategic clinical service plan.
EMPOWERING PEOPLE KEEP HEALTHY AND SAFE IN THE COMMUNITY	
GOAL	
EA 1 Collaborate with local organisations and communities to better understand local health priorities and deliver collective and collaborative preventative health, mental health and wellbeing services and programs, where all people, sectors and communities have an important role to play enabling people to live their best lives.	
Health Service Deliverables	**Achievements/Outcome**
EA 1 Facilitate and deliver preventative health strategies to improve the wellbeing of people in the community.	**Status: Ongoing** • ADH is a participant in the 'Grow Well Dindi" program, which facilitated community workshops which have prompted planning towards community led cooking programs across the shire. • "Grow Well Dindi" successfully secured funding for its physical footpaths project in partnerships with Murrindindi Shire Council, Dindi Kids and Nexus Primary Health. The project encourages incidental exercise and movement and involves placing footpath stickers around the townships of Alexandra and Yea that provide fun activity options for both children and adults. • Summer and winter wellness campaigns were held in partnership with Ambulance Victoria, local Primary Schools and UGFM radio.

	• Heart Disease/Diabetes education and screening sessions were held in the community in partnership with Alexandra Community Pharmacy, Marysville Trigym and UGFM radio.
GOAL	
EA 4 Enhance health literacy and promote high-quality health information so that the local community, including those in priority cohorts, can apply this knowledge to their own circumstances.	
Health Service Deliverables	**Achievements/Outcome**
EA 4 Continue to strengthen links to community programs and social services to provide a more holistic collaborative service response to people with complex needs.	**Status: Ongoing** • Health at the Hub project and other education activities have supported relationship development between Alexandra District Health and community groups such as; Alexandra Playgroup, local Primary Schools, pathway for Carers and Alexandra Community Hub with a focus on providing services. • Education sessions provided to the Primary Health clinicians included specialist external services such as; Centrelink, Elder Abuse (Seniors Rights Victoria), HOPE program (Goulburn Valley Health) and Murrindindi RESTART (substance abuse support) program.
EA 4 Support shared patient care, promoting collaboration and sharing of knowledge tailored to specific patient's cohorts and circumstances.	**Status: Achieved** • Alexandra District Health partnered with Mansfield District Hospital to successfully deliver a community led drug rehabilitation service within the Alexandra catchment, addressing a gap in local service provision. • Two primary health case review teams were established one for Chronic Disease and Aged Care and one for Paediatric and Family. • Alexandra District Health partnered with Benalla Health to provide adult occupational therapy services to the Alexandra and surrounding community. Consumers were supported by occupational therapy assessments, equipment and home modification prescriptions.
A HEALTH SYSTEM THAT TAKES CLIMATE ACTION	
GOAL	
EC 2 Implement climate adaption initiatives to support the health service's resilience and prepare for future challenges.	
Health Service Deliverables	**Achievements/Outcome**
EC 2 Plan an adaption initiative to improve the health service's resilience to undertake a climate-related risk assessment to identify key vulnerabilities, exposures and information gaps, drawing on best available public climate information.	**Status: Ongoing** • Participated in a Circular Economy Workshop in hosted by Murrindindi Shire Council to explore circular economy principals and opportunities to partner with other businesses in the region. • A Bush fire scenario table top exercise undertaken by the leadership team, including Bush fire preparedness response reviewed and updated. • Alexandra District Health participated in the Murrindindi Shire flood response meetings and the municipal emergency management meetings.

GOAL	
EC 3 Build a better understanding of the health service carbon footprint, including Scope 3 (indirect emissions), to inform effective action.	
Health Service Deliverables	**Achievements/Outcome**
EC 3 Plan for and initiate a project to improve the health service's understanding of its full carbon footprint.	**Status: Ongoing** • Participated in a Circular Economy Workshop in hosted by Murrindindi Shire Council to explore circular economy principals and opportunities to partner with other businesses in the region. • Site energy audit undertaken by Victorian Health Building Authority. The report identifies the areas that the health service will benefit most from energy saving initiatives. The report has provided a better understanding of Alexandra District Health's carbon footprint.

PERFORMANCE PRIORITIES

High quality and safe care

Key performance measure	Target	Actual
Infection prevention and control		
Compliance with the Hand Hygiene Australia program	85%	89.5%
Percentage of healthcare workers immunised for influenza	94%	97%
Patient experience		
Victorian Healthcare Experience Survey - Percentage of positive experience responses – Quarter 1	95%	N/A*
Victorian Healthcare Experience Survey - Percentage of positive experience responses – Quarter 2	95%	100%
Victorian Healthcare Experience Survey - Percentage of positive experience responses – Quarter 3	95%	100%
Aboriginal Health		
Percentage of Aboriginal admitted patients who left against medical advice	25% reduction in gap based on prior years rate	N/A

*Less than 10 responses were received for the period

Note: The data included in this annual report was accurate at the time of publication and is subject to validation by official sources from the Department of Health.

Strong governance, leadership and culture

Key performance measure	Target	Actual
Organisational culture		
People Matter Survey – Percentage of Staff with an overall positive response to safety culture survey questions	62%	83%

Note: The data included in this annual report was accurate at the time of publication and is subject to validation by official sources from the Department of Health.

Effective financial management

Key performance Measure	Target	Actual
Operating Result ($M)	(2.15)	(1.57)
Average number of days to pay trade creditors	60 Days	59
Average number of days to receive patient fee debtors	60 Days	50
Adjusted current asset ratio	0.7 or 3% improvement from Health Service base target	1.62
Variance between forecast and actual Net result from transactions (NRFT) for the current financial year ending 30 June.	≤ $250,000	Achieved
Actual number of days available cash, measured on the last day of each month	14 Days	28 Days

Note: The data included in this annual report was accurate at the time of publication and is subject to validation by official sources from the Department of Health.

PART C: ACTIVITY AND FUNDING

Funding Type	Activity Achievement 2023/24	Unit
Small Rural		
Small Rural Acute	541	NWAU
Small Rural Primary Health & HACC	5,545	Service Hours

Note: The data included in this annual report was accurate at the time of publication and is subject to validation by official sources from the Department of Health.


ACHS

Alexandra District Health

Financial Report

2023-2024

Contents

ALEXANDRA DISTRICT HEALTH

Board Member's, Accountable Officer's and Chief Finance and Accounting Officer's Declaration

The attached financial statements for Alexandra District 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 2024 and the financial position of Alexandra District Health at 30 June 2024.

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 this day 25th September 2024.

Board Member	**Accountable Officer**	**Chief Finance and Accounting Officer**
Mr Kim Flanagan	**Ms Jane Poxon**	**Ms Tracey Spiers**
Chair	Chief Executive Officer	Finance Manager
Alexandra	Alexandra	Alexandra
25th September 2024	25th September 2024	25th September 2024

Independent Auditor's Report

Victorian Auditor-General's Office

To the Board of Alexandra District Health

Opinion	I have audited the financial report of Alexandra District Health (the health service) which comprises the: • balance sheet as at 30 June 2024 • 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 material accounting policy information • board member's, accountable officer's and chief finance & accounting officer's declaration. In my opinion the financial report presents fairly, in all material respects, the financial position of the health service as at 30 June 2024 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the *Financial Management Act 1994* and applicable Australian Accounting Standards.
Basis for Opinion	I have conducted my audit in accordance with the *Audit Act 1994* which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. My independence is established by the *Constitution Act 1975.* My staff and I are independent of the health service in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.
Other Information	The Board of the health service is responsible for the Other Information, which comprises the information in the health service's annual report for the year ended 30 June 2024 but does not include the financial report and my auditor's report thereon. 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. If, based on the work I have performed, I conclude there is a material misstatement of the Other Information, I am required to report that fact. I have nothing to report in this regard.
Board's responsibilities for the financial report	The Board of the health service is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the *Financial Management Act 1994*, and for such internal control as the Board determines is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error. In preparing the financial report, the Board is responsible for assessing the health service's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.

Auditor's responsibilities for the audit of the financial report

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

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

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

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

MELBOURNE
11 October 2024

Dominika Ryan
as delegate for the Auditor-General of Victoria

Alexandra District Health
Comprehensive Operating Statement
For the Financial Year Ended 30 June 2024

	Note	Total 2024 $'000	Total 2023 $'000
Revenue and income from transactions			
Operating activities	2.1	10,128	12,444
Non-operating activities	2.1	158	123
Total revenue and income from transactions		**10,286**	**12,567**
Expenses from transactions			
Employee expenses	3.1	(8,980)	(9,168)
Supplies and consumables	3.1	(758)	(954)
Finance costs	3.1	23	(2)
Depreciation and amortisation	4.4	(1,669)	(1,621)
Other administrative expenses	3.1	(1,238)	(1,065)
Other operating expenses	3.1	(591)	(586)
Total Expenses from transactions		**(13,213)**	**(13,396)**
Net result from transactions - net operating balance		**(2,927)**	**(829)**
Other economic flows included in net result			
Net gain/(loss) on sale of non-financial assets	3.2	(8)	13
Net gain/(loss) on financial instruments	3.2	(2)	(9)
Other gain/(loss) from other economic flows	3.2	-	(7)
Total other economic flows included in net result		**(10)**	**(3)**
Net result for the year		**(2,937)**	**(832)**
Other economic flows - other comprehensive income			
Items that will not be reclassified to net result			
Changes in property, plant and equipment revaluation surplus		7,589	-
Total other comprehensive income		**7,589**	**-**
Comprehensive result for the year		**4,652**	**(832)**

This Statement should be read in conjunction with the accompanying notes

Alexandra District Health
Balance Sheet as at 30 June 2024

	Note	Total 2024 $'000	Total 2023 $'000
Current assets			
Cash and cash equivalents	6.2	3,240	4,393
Receivables	5.1	270	212
Contract assets	5.2	-	250
Inventories	4.5	14	14
Prepaid expenses		209	204
Total current assets		**3,733**	**5,073**
Non-current assets			
Receivables	5.1	439	427
Property, plant and equipment	4.1(a)	32,248	25,959
Right of use assets	4.2(a)	1,705	1,637
Intangible assets	4.3(a)	1	3
Total non-current assets		**34,393**	**28,026**
Total assets		**38,126**	**33,099**
Current liabilities			
Payables	5.3	1,080	945
Contract liabilities	5.4	179	115
Borrowings	6.1	35	49
Employee benefits	3.3	1,802	1,764
Total current liabilities		**3,096**	**2,873**
Non-current liabilities			
Borrowings	6.1	186	64
Employee benefits	3.3	245	215
Total non-current liabilities		**431**	**279**
Total liabilities		**3,527**	**3,152**
Net assets		**34,599**	**29,947**
Equity			
Property, plant and equipment revaluation surplus	SCE	23,656	16,067
Restricted specific purpose reserve	SCE	24	24
Contributed capital	SCE	3,592	3,592
Accumulated surplus/(deficit)	SCE	7,327	10,264
Total equity		**34,599**	**29,947**

This Statement should be read in conjunction with the accompanying notes

Alexandra District Health
Statement of Changes in Equity
For the Financial Year Ended 30 June 2024

Consolidated	Property, Plant and Equipment Revaluation Surplus $'000	Restricted Specific Purpose Reserve $'000	Contributed Capital $'000	Accumulated Surplus/(Deficit) $'000	Total $'000
Balance at 1 July 2022	**16,067**	**24**	**3,592**	**11,096**	**30,779**
Net result for the year	-	-	-	(832)	(832)
Balance at 30 June 2023	**16,067**	**24**	**3,592**	**10,264**	**29,947**
Net result for the year	-	-	-	(2,937)	(2,937)
Other comprehensive income for the year	7,589	-	-	-	7,589
Balance at 30 June 2024	**23,656**	**24**	**3,592**	**7,327**	**34,599**

This Statement should be read in conjunction with the accompanying notes

Alexandra District Health
Cash Flow Statement
For the Financial Year Ended 30 June 2024

	Note	Total 2024 $'000	Total 2023 $'000
Cash Flows from operating activities			
Operating grants from State Government		8,892	9,835
Operating grants from Commonwealth Government		227	175
Capital grants from State Government		178	456
Patient fees received		280	266
Private practice fees received		17	18
Donations and bequests received		25	9
GST received from ATO		285	289
Interest and investment income received		158	123
Other receipts		262	613
Total receipts		**10,324**	**11,784**
Payments to employees		(7,926)	(8,143)
Payments to contractors and consultants		(730)	(857)
Payments for share of rural health alliance		(440)	(134)
Payments for supplies and consumables		(705)	(567)
Payments for repairs and maintenance		(358)	(344)
Finance costs		24	(2)
GST paid to ATO		(27)	(259)
Other payments		(1,105)	(1,358)
Total payments		**(11,267)**	**(11,664)**
Net cash flows from/(used in) operating activities	8.1	**(943)**	**120**
Cash Flows from investing activities			
Purchase of non-financial assets		(281)	(801)
Capital donations and bequests received		100	21
Net cash flows from/(used in) investing activities		**(181)**	**(780)**
Cash flows from financing activities			
Repayment of borrowings		(29)	(21)
Net cash flows from/(used in) financing activities		**(29)**	**(21)**
Net increase/(decrease) in cash and cash equivalents held		**(1,153)**	**(681)**
Cash and cash equivalents at beginning of year		4,393	5,074
Cash and cash equivalents at end of year	6.2	**3,240**	**4,393**

This Statement should be read in conjunction with the accompanying notes

Alexandra District Health
Notes to the Financial Statements
For the Financial Year Ended 30 June 2024

Note 1: Basis of preparation

Structure

These financial statements represent the audited general purpose financial statements for Alexandra District Health for the year ended 30 June 2024. The report provides users with information about Alexandra District Health's stewardship of the resources entrusted to it.

This section explains the basis of preparing the financial statements.

Note 1.1 Basis of preparation of the financial statements

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

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

Alexandra District 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.

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

The financial statements have been prepared on a going concern basis (refer to Note 8.8 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 Alexandra District Health on 25th September 2024.

Note 1.2 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
CCOA	Common Chart of Accounts
DH	Department of Health
DTF	Department of Treasury and Finance
FMA	Financial Management Act 1994
FRD	Financial Reporting Direction
NWAU	National Weighted Activity Unit
SD	Standing Direction
VAGO	Victorian Auditor-General's Office

Note 1.3 Joint arrangements

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

Alexandra District Health has the following joint arrangements:

- Hume Region Health Alliance – Joint Operating

Details of the joint arrangements are set out in Note 8.9.

Note 1.4 Material accounting estimates and judgements

Management makes 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 estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision.

The material accounting judgements and estimates used, and any changes thereto, are identified at the beginning of each section where applicable and relate to the following disclosures:

- Note 2.1: Revenue and income from transactions
- Note 3.3: Employee benefits and related on-costs
- Note 4.1: Property, plant and equipment
- Note 4.2: Right-of-use assets
- Note 4.3: Intangible assets
- Note 4.4: Depreciation and amortisation
- Note 4.6: Impairment of assets
- Note 5.1: Receivables
- Note 5.2: Contract assets
- Note 5.3: Payables
- Note 5.4: Contract liabilities
- Note 6.1(a): Lease liabilities
- Note 7.4: Fair value determination

Note 1.5 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 Alexandra District Health and their potential impact when adopted in future periods is outlined below:

Standard	Adoption Date	Impact
AASB 2022-5: *Amendments to Australian Accounting Standards – Lease Liability in a Sale and Leaseback*	Reporting periods beginning on or after 1 January 2024.	Adoption of this standard is not expected to have a material impact.
AASB 2022-9: *Amendments to Australian Accounting Standards – Insurance Contracts in the Public Sector*	Reporting periods beginning on or after 1 January 2026.	Adoption of this standard is not expected to have a material impact.
AASB 2022-10: *Amendments to Australian Accounting standards – Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities*	Reporting periods beginning on or after 1 January 2024.	Adoption of this standard is not expected to have a material impact.

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

Note 1.6 Goods and Services Tax (GST)

Income, expenses, assets and liabilities are recognised net of the amount of GST, except where the GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.
Receivables and payables in the Balance Sheet are stated inclusive of the amount of GST. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the Balance Sheet.

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

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

Note 1.7 Reporting entity

The financial statements include all the controlled activities of Alexandra District Health.

Alexandra District Health's principal address is:

12 Cooper Street
Alexandra, Victoria 3714

A description of the nature of Alexandra District 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

Alexandra District Health's overall objective is to provide quality health services that support and enhance the wellbeing of all Victorians. Alexandra District Health is predominantly funded by grant funding for the provision of outputs. Alexandra District 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

Material judgements and estimates

This section contains the following key judgements and estimates:

Material judgements and estimates	Description
Identifying performance obligations	Alexandra District Health applies material judgment when reviewing the terms and conditions of funding agreements and contracts to determine whether they contain sufficiently specific and enforceable performance obligations. If this criterion is met, the contract/funding agreement is treated as a contract with a customer, requiring Alexandra District Health to recognise revenue as or when the health service transfers promised goods or services to the beneficiaries. If this criterion is not met, funding is recognised immediately in the net result from operations.
Determining timing of revenue recognition	Alexandra District Health applies material judgement to determine when a performance obligation has been satisfied and the transaction price that is to be allocated to each performance obligation. A performance obligation is either satisfied at a point in time or over time.
Determining time of capital grant income recognition	Alexandra District Health applies material judgement to determine when its obligation to construct an asset is satisfied. Costs incurred is used to measure the health service's progress as this is deemed to be the most accurate reflection of the stage of completion.
Assets and services received free of charge or for nominal consideration	Alexandra District Health applies material judgement to determine the fair value of assets and services provided free of charge ("FOC") or for nominal value. Assets received free of charge from the State's inventory is valued at the cost to the supplier of these FOC assets.

Note 2.1: Revenue and income from transactions

	Note	Total 2024 $'000	Total 2023 $'000
Operating activities			
Revenue from contracts with customers			
Government grants (State) - Operating		54	84
Patient and resident fees		292	285
Private practice fees		17	18
Commercial activities [1]		115	122
Total revenue from contracts with customers	2.1(a)	**478**	**509**
Other sources of income			
Government grants (State) - Operating		8,570	10,668
Government grants (Commonwealth) - Operating		226	175
Government grants (State) - Capital		141	472
Capital donations		100	21
Assets received free of charge or for nominal consideration	2.2	33	180
Other income from operating activities		580	419
Total other sources of income		**9,650**	**11,935**
Total revenue and income from operating activities		**10,128**	**12,444**
Non-operating activities			
Income from other sources			
Other interest		158	123
Total other sources of income		**158**	**123**
Total income from non-operating activities		**158**	**123**
Total revenue and income from transactions		**10,286**	**12,567**

[1]commercial activities represent business activities which Alexandra District Health enters into to support their operations.

2.1 (a) Timing of Revenue from Contracts with Customers

	Total 2024 $'000	Total 2023 $'000
Goods and services transferred to customers:		
At a point in time	169	206
Over time	309	303
Total revenue from contracts with customers	**478**	**509**

How we recognise revenue and income from transactions

Government operating grants

To recognise revenue, Alexandra District 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, the health service:

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

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

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

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

This policy applies to some of Alexandra District Health's revenue streams, with information detailed below relating to these revenue streams:

Government grant	Performance obligation
Activity Based Funding (ABF) paid as National Weighted Activity Unit (NWAU)	NWAU is a measure of health service activity expressed as a common unit against which the national efficient price (NEP) is paid. The performance obligations for NWAU are the number and mix of admissions, emergency department presentations and outpatient episodes, and is weighted for clinical complexity. Revenue is recognised at a point in time, which is when a patient is discharged.

Capital grants

Where Alexandra District 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 Alexandra District 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

The performance obligations related to private practice fees are the provision of specified medical and clinical services by senior medical staff who have signed a Right to Private Practice Agreement with the health service. These performance obligations have been selected as they align with the terms and conditions of providing the services. Revenue is recognised, in accordance with the Right to Private Practice Agreement, when the medical and clinical services have been provided, the patient discharged and an invoice raised. Private practice fees include recoupments from the private practice for the use of hospital facilities.

Commercial activities

Revenue from commercial activities includes items such as training and seminar fees and property rental income. Commercial activity revenue is recognised at a point in time, upon provision of the goods or service to the customer.

How we recognise revenue and income from non-operating activities

Interest Income

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

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

	Total 2024 $'000	Total 2023 $'000
Plant and equipment	-	146
Personal protective equipment and other consumables	33	34
Total fair value of assets and services received free of charge or for nominal consideration	**33**	**180**

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 Alexandra District 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

Under the State Supply Arrangement, Health Share Victoria supplies personal protective equipment to Alexandra District Health for nil consideration.

Contributions of resources

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

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

Volunteer 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. Alexandra District Health greatly values the services provided by volunteers but does not depend on volunteers to deliver its services. Consequently, it has not recorded any income related to volunteer services.

Non-cash contributions from the Department of Health

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

Supplier	Description
Victorian Managed Insurance Authority	The Department of Health purchases non-medical indemnity insurance for Alexandra District 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 with the Department of Health.

Note 3: The cost of delivering our services

This section provides an account of the expenses incurred by Alexandra District 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 the provision of services are recorded.

Structure

3.1 Expenses from transactions
3.2 Other economic flows
3.3 Employee benefits and related on-costs
3.4 Superannuation

Material judgements and estimates

This section contains the following material judgements and estimates:

Material judgements and estimates	Description
Classifying employee benefit liabilities	Alexandra District Health applies material judgement when classifying its employee benefit liabilities. Employee benefit liabilities are classified as a current liability if Alexandra District 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. Employee benefit liabilities are classified as a non-current liability if Alexandra District 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.
Measuring employee benefit liabilities	Alexandra District Health applies material judgement when measuring its employee benefit liabilities. The health service applies judgement to determine when it expects its employee entitlements to be paid. With reference to historical data, if the health service does not expect entitlements to be paid within 12 months, the entitlement is measured at its present value, being the expected future payments to employees. Expected future payments incorporate: ▪ an inflation rate of 4.450%, reflecting the future wage and salary levels ▪ durations of service and employee departures, which are used to determine the estimated value of long service leave that will be taken in the future, for employees who have not yet reached the vesting period. The estimated rates are between 45.27% and 89.30% ▪ discounting at the rate of 4.348%, as determined with reference to market yields on government bonds at the end of the reporting period. All other entitlements are measured at their nominal value.

Note 3.1: Expenses from transactions

	Note	Total 2024 $'000	Total 2023 $'000
Salaries and wages		7,319	7,495
On-costs		768	721
Agency expenses		292	258
Fee for service medical officer expenses		438	599
Workcover premium		163	95
Total employee expenses		**8,980**	**9,168**
Drug supplies		57	62
Medical and surgical supplies (including Prostheses)		417	578
Diagnostic and radiology supplies		72	103
Other supplies and consumables		212	211
Total supplies and consumables		**758**	**954**
Finance costs		(23)	2
Total finance costs		**(23)**	**2**
Other administrative expenses		1,238	1,065
Total other administrative expenses		**1,238**	**1,065**
Fuel, light, power and water		169	165
Repairs and maintenance		151	180
Maintenance contracts		207	206
Medical indemnity insurance		80	78
Expenditure for capital purposes		(16)	(43)
Total other operating expenses		**591**	**586**
Total operating expenses		**11,544**	**11,775**
Depreciation and amortisation	4.4	1,669	1,621
Total depreciation and amortisation		**1,669**	**1,621**
Total non-operating expenses		**1,669**	**1,621**
Total expenses from transactions		**13,213**	**13,396**

How we recognise expenses from transactions

Expense recognition

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

Employee expenses

Employee expenses include:

- salaries and wages (including fringe benefits tax, leave entitlements, termination payments)
- on-costs
- agency expenses
- fee for service medical officer expenses and
- WorkCover premium.

Supplies and consumables

Supplies and consumables 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 bank overdrafts and short-term and long-term borrowings (interest expense is recognised in the period in which it is incurred);
- amortisation of discounts or premiums relating to borrowings;
- amortisation of ancillary costs incurred in connection with the arrangement of borrowings; and
- finance charges in respect of leases which are recognised in accordance with AASB 16 Leases.

Other operating expenses

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

- fuel, light and power
- repairs and maintenance
- other administrative expenses and
- 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 Alexandra District Health. These amounts have been brought to account in determining the operating result for the year, by recording them as revenue and recording a corresponding expense.

Non-operating expenses

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

Note 3.2: Other economic flows

	Total 2024 $'000	Total 2023 $'000
Net gain/(loss) on disposal of property plant and equipment	(8)	13
Total net gain/(loss) on non financial assets	**(8)**	**13**
Allowance for impairment losses of contractual receivables	(2)	(9)
Total net gain/(loss) on financial instruments	**(2)**	**(9)**
Net gain/(loss) arising from revaluation of long service liability	-	(7)
Total other gains/(losses) from other economic flows	**-**	**(7)**
Total gains/(losses) from other economic flows	**(10)**	**(3)**

How we recognise other economic flows

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

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

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

3.3: Employee benefits and related on-costs

	Total 2024 $'000	Total 2023 $'000
Current employee benefits and related on-costs		
Accrued days off		
Unconditional and expected to be settled wholly within 12 months [i]	8	10
	8	**10**
Annual leave		
Unconditional and expected to be settled wholly within 12 months [i]	587	532
Unconditional and expected to be settled wholly after 12 months [ii]	94	100
	681	**632**
Long service leave		
Unconditional and expected to be settled wholly within 12 months [i]	178	184
Unconditional and expected to be settled wholly after 12 months [ii]	713	741
	891	**925**
Provisions related to employee benefit on-costs		
Unconditional and expected to be settled within 12 months [i]	106	87
Unconditional and expected to be settled after 12 months [ii]	116	110
	222	**197**
Total current employee benefits and related on-costs	**1,802**	**1,764**
Non-current employee benefits and related on-costs		
Conditional long service leave	214	190
Provisions related to employee benefit on-costs	31	25
Total non-current employee benefits and related on-costs	**245**	**215**
Total employee benefits and related on-costs	**2,047**	**1,979**

[i] The amounts disclosed are nominal amounts.

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

Note 3.3 (a): Consolidated Employee benefits and related on-costs

	Total 2024 $'000	Total 2023 $'000
Current employee benefits and related on-costs		
Unconditional accrued days off	8	10
Unconditional annual leave entitlements	774	709
Unconditional long service leave entitlements	1,020	1,045
Total current employee benefits and related on-costs	**1,802**	**1,764**
Non-current employee benefits and related on-costs		
Conditional long service leave entitlements	245	215
Total non-current employee benefits and related on-costs	**245**	**215**
Total employee benefits and related on-costs	**2,047**	**1,979**
Attributable to:		
Employee benefits	1,794	1,757
Provision for related on-costs	253	222
Total employee benefits and related on-costs	**2,047**	**1,979**

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

	Total 2024 $'000	Total 2023 $'000
Carrying amount at start of year	222	173
Additional provisions recognised	78	85
Amounts incurred during the year	(47)	(37)
Net gain/(loss) arising from revaluation of long service liability	-	1
Carrying amount at end of year	**253**	**222**

How we recognise employee benefits

Employee benefit recognition

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

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

Annual leave and accrued days off

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

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

- nominal value – if Alexandra District Health expects to wholly settle within12 months or
- present value – if Alexandra District 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 notes to the financial statements as a current liability even where Alexandra District 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 Alexandra District Health expects to wholly settle within12 months or
- present value – if Alexandra District Health does not expect to wholly settle within 12 months.

Conditional LSL is measured at present value and 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.

Provision for on-costs related to employee expense

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

Note 3.4: Superannuation

	Paid Contribution for the Year	
	Total 2024 $'000	**Total 2023 $'000**
Defined benefit plans:[i]		
Aware Super	9	9
Defined contribution plans:		
Aware Super	423	412
Hesta	125	148
Other	203	143
Total	**760**	**712**

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

How we recognise superannuation

Employees of Alexandra District Health are entitled to receive superannuation benefits and Alexandra District Health contributes to both the defined benefit and defined contribution plans.

Defined benefit superannuation plans

A 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 Alexandra District Health to the superannuation plans in respect of the services of current Alexandra District Health 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.

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

The Department of Treasury and Finance discloses the State's defined benefits liabilities in its disclosure for administered items. However, superannuation contributions paid or payable for the reporting period are included as part of employee benefits in the comprehensive operating statement of Alexandra District Health.

The name, details and amounts of the expense in relation to the major employee superannuation funds and contributions made by Alexandra District Health are disclosed above.

Defined contribution superannuation plans

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

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

Note 4: Key assets to support service delivery

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

Structure
4.1 Property, plant and equipment
4.2 Right-of-use assets
4.3 Intangible assets
4.4 Depreciation and amortisation
4.5 Inventories
4.6 Impairment of assets

Material judgements and estimates

This section contains the following material judgements and estimates:

Material judgements and estimates	Description
Estimating useful life of property, plant and equipment	Alexandra District Health assigns an estimated useful life to each item of property, plant and equipment. This is used to calculate depreciation of the asset. Alexandra District Health reviews the useful life and depreciation rates of all assets at the end of each financial year and, where necessary, records a change in accounting estimate.
Estimating useful life of right-of-use assets	The useful life of each right-of-use asset is typically the respective lease term, except where the health service is reasonably certain to exercise a purchase option contained within the lease (if any), in which case the useful life reverts to the estimated useful life of the underlying asset. Alexandra District Health applies material judgement to determine whether or not it is reasonably certain to exercise such purchase options.
Estimating the useful life of intangible assets	Alexandra District Health assigns an estimated useful life to each intangible asset with a finite useful life, which is used to calculate amortisation of the asset.

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

Note 4.1: Property, plant and equipment

Note 4.1 (a) Gross carrying amount and accumulated depreciation

	Total 2024 $'000	Total 2023 $'000
Land at fair value - Freehold	319	450
Total land at fair value	**319**	**450**
Buildings at fair value	30,169	24,802
Less accumulated depreciation	-	(1,225)
Total buildings at fair value	**30,169**	**23,577**
Total land and buildings	**30,488**	**24,027**
Plant and equipment at fair value	1,278	1,221
Less accumulated depreciation	(1,004)	(963)
Total plant and equipment at fair value	**274**	**258**
Motor vehicles at fair value	18	93
Less accumulated depreciation	(18)	(93)
Total motor vehicles at fair value	**-**	**-**
Medical equipment at fair value	3,380	3,316
Less accumulated depreciation	(2,058)	(1,807)
Total medical equipment at fair value	**1,322**	**1,509**
Computer equipment at fair value	353	314
Less accumulated depreciation	(280)	(231)
Total computer equipment at fair value	**73**	**83**
Furniture and fittings at fair value	236	214
Less accumulated depreciation	(145)	(132)
Total furniture and fittings at fair value	**91**	**82**
Total plant, equipment, furniture, fittings and vehicles at fair value	**1,760**	**1,932**
Total property, plant and equipment	**32,248**	**25,959**

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

	Note	Land $'000	Buildings $'000	Plant & equipment $'000	Medical Equipment $'000	Computer Equipment $'000
Balance at 1 July 2022		**450**	**25,560**	**283**	**991**	**89**
Additions		-	3	41	749	33
Disposals		-	-	-	(2)	(1)
Net transfers between classes		-	(761)	(24)	-	-
Depreciation	4.4	-	(1,225)	(42)	(229)	(38)
Balance at 30 June 2023	4.1(a)	**450**	**23,577**	**258**	**1,509**	**83**
Additions		-	96	64	65	39
Revaluation increments/(decrements)		(131)	7,720	-	-	-
Depreciation	4.4	-	(1,224)	(48)	(252)	(49)
Balance at 30 June 2024	4.1(a)	**319**	**30,169**	**274**	**1,322**	**73**

	Note	Furniture & Fittings $'000	Total $'000
Balance at 1 July 2022		**38**	**27,411**
Additions		55	881
Disposals		-	(3)
Net transfers between classes		-	(785)
Depreciation	4.4	(11)	(1,545)
Balance at 30 June 2023	4.1(a)	**82**	**25,959**
Additions		22	286
Revaluation increments/(decrements)		-	7,589
Depreciation	4.4	(13)	(1,586)
Balance at 30 June 2024	4.1(a)	**91**	**32,248**

Land and Buildings Carried at Valuation

The Valuer-General Victoria undertook to re-value all of Alexandra District Health's land and buildings to determine their fair value. The valuation, which conforms to Australian Valuation Standards, was determined with reference to the amount at which an orderly transaction to sell the asset or to transfer the liability would take place between market participants at the measurement date, under current conditions. The valuation was based on independent assessments. The effective date of the valuation was 30 June 2024.

How we recognise property, plant and equipment

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

Initial recognition

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

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

Subsequent measurement

Items of property, plant and equipment are subsequently measured at fair value less accumulated depreciation and impairment losses where applicable.

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

Further information regarding fair value measurement is disclosed in Note 7.4

Revaluation

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

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

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

An independent valuation of Alexandra District Health's property, plant and equipment was performed by the VGV on 30 June 2024. The valuation, which complies with Australian Valuation Standards, was determined with reference to the amount for which an orderly transaction to sell the asset or transfer the liability would take place between market participants at the measurement date, under current market conditions.

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 property, plant and equipment revaluation surplus, except that, to the extent that an increment reverses a revaluation decrement in respect of that same class of asset previously recognised as an expense in net result, 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 property, plant and equipment revaluation surplus in respect of the same class of property, plant and equipment. Otherwise, the decrement is recognised as an expense in the net result.

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

Note 4.2 Right-of-use assets

Note 4.2 (a) Gross carrying amount and accumulated depreciation

	Total 2024 $'000	Total 2023 $'000
Right-of-use concessionary land at fair value	870	870
Less accumulated depreciation	(109)	(87)
Total right of use land at fair value	**761**	**783**
Right-of-use buildings at fair value	761	761
Less accumulated depreciation	(47)	(24)
Total right of use buildings at fair value	**714**	**737**
Total right of use concessionary land and buildings	**1,475**	**1,520**
Right of use equipment and vehicles at fair value	298	198
Less accumulated depreciation	(68)	(81)
Total right of use equipment and vehicles at fair value	**230**	**117**
Total right of use equipment and vehicles at fair value	**230**	**117**
Total right of use assets	**1,705**	**1,637**

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

	Note	Right-of-use - concessionary land at fair value $'000	Right-of-use - buildings at fair value $'000	Right-of-use - PE, FF&V at fair value $'000	Total $'000
Balance at 1 July 2022		**805**	**-**	**24**	**829**
Additions		-	-	89	89
Net transfers between classes		-	761	24	785
Depreciation	4.4	(22)	(24)	(21)	(67)
Balance at 30 June 2023	4.2(a)	**783**	**737**	**116**	**1,636**
Additions		-	-	167	167
Disposals		-	-	(17)	(17)
Depreciation	4.4	(22)	(23)	(36)	(81)
Balance at 30 June 2024	4.2(a)	**761**	**714**	**230**	**1,705**

How we recognise right-of-use assets

Initial recognition

When a contract is entered into, Alexandra District Health assesses if the contract contains or is a lease.

Unless the lease is considered a short-term lease or a lease of a low-value asset (refer to Note 6.1 for further information) the contract gives rise to a right-of-use asset and corresponding lease liability.

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

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

Subsequent measurement

Right-of-use assets are subsequently measured at fair value, with the exception of right-of-use assets arising from leases with significantly below-market terms and conditions, which 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).

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

Note 4.3: Intangible assets

Note 4.3 (a) Gross carrying amount and accumulated amortisation

	Total 2024 $'000	Total 2023 $'000
Software	46	49
Less accumulated amortisation	(45)	(46)
Total software	**1**	**3**
Total intangible assets	**1**	**3**

Note 4.3 (b) Reconciliation of the carrying amount by class of asset

	Note	Software $'000	Total $'000
Balance at 1 July 2022		**3**	**3**
Additions		1	1
Amortisation	4.5	(1)	(1)
Balance at 30 June 2023	4.4(a)	**3**	**3**
Additions		-	-
Disposals		(3)	(3)
Amortisation	4.5	1	1
Balance at 30 June 2024	4.4(a)	**1**	**1**

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.

Alexandra District Health has no internally generated intangible assets.

Subsequent measurement

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

Note 4.4: Depreciation and amortisation

	Total 2024 $'000	Total 2023 $'000
Depreciation		
Property, plant and equipment		
Buildings	1,224	1,225
Plant and equipment	48	49
Medical equipment	252	229
Computer equipment	49	38
Furniture and fittings	13	11
Total depreciation - property, plant and equipment	**1,586**	**1,552**
Right-of-use assets		
Right-of-use land	22	22
Right of-use buildings	23	24
Right-of-use equipment and motor vehicles	36	21
Total depreciation - right-of-use assets	**81**	**67**
Total depreciation	**1,667**	**1,619**
Amortisation		
Software	2	2
Total amortisation	**2**	**2**
Total depreciation and amortisation	**1,669**	**1,621**

How we recognise depreciation

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

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shortest. Where a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that Alexandra District 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 range of expected useful lives of non-current assets on which the depreciation and amortisation charges are based:

	2024	2023
Buildings		
- Structure shell building fabric	0 to 42 years	0 to 42 years
- Site engineering services and central plant	25 to 42 years	25 to 42 years
Central plant		
- Fit out	17 years	17 years
- Trunk reticulated building system	17 years	3 to 5 years
Plant and equipment'	2 to 25 years	2 to 25 years
Medical equipment	3 to 20 years	3 to 20 years
Computers and communication	2 to 20 years	2 to 20 years
Furniture and fittings	4 to 25 years	4 to 25 years
Motor vehicles	3 to 5 years	3 to 5 years
Leasehold improvements	2 to 5 years	2 to 5 years
Intangible assets	3 to 4 years	3 to 4 years

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

Note 4.5: Inventories

	Total 2024 $'000	Total 2023 $'000
Pharmacy supplies at cost	14	14
Total inventories	**14**	**14**

How we recognise inventories

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

Inventories are measured at the lower of cost and net realisable value.

Note 4.6: Impairment of assets

How we recognise impairment

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

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

When performing an impairment test, Alexandra District Health compares the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in net result, unless the asset is carried at a revalued amount.
Where an impairment loss on a revalued asset is identified, this is recognised against the asset revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the cumulative balance recorded in the asset revaluation surplus for that class of asset.

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

Alexandra District Health recorded a land value impairment loss for the year ended 30 June 2024: $0.13m (30 June 2023: nil).

Note 5: Other assets and liabilities

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

Structure
5.1 Receivables
5.2 Contract assets
5.3 Payables
5.4 Contract liabilities

Material judgements and estimates

This section contains the following material judgements and estimates:

Material judgements and estimates	Description
Estimating the provision for expected credit losses	Alexandra District 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 Alexandra District 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. Alexandra District Health applies material 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	Alexandra District Health applies material judgement to measure its progress towards satisfying a performance obligation as detailed in Note 2. Where a performance obligation is yet to be satisfied, the health service assigns funds to the outstanding obligation and records this as a contract liability until the promised good or service is transferred to the customer.
Recognition of other provisions	Other provisions include Alexandra District Health's obligation to restore leased assets to their original condition at the end of a lease term. The health service applies material judgement and estimate to determine the present value of such restoration costs.

Note 5.1 Receivables

	Note	Total 2024 $'000	Total 2023 $'000
Current receivables			
Contractual			
Inter hospital debtors		15	-
Trade receivables		145	97
Patient fees		47	33
Allowance for impairment losses	5.1(a)	(3)	(3)
Accrued investment income		19	19
Amounts receivable from governments and agencies		9	30
Total contractual receivables		**232**	**176**
Statutory			
GST receivable		38	36
Total statutory receivables		**38**	**36**
Total current receivables		**270**	**212**
Non-current receivables			
Contractual			
Long service leave - Department of Health		439	427
Total contractual receivables		**439**	**427**
Total non-current receivables		**439**	**427**
Total receivables		**709**	**639**
(i) Financial assets classified as receivables (Note 7.1(a))			
Total receivables		709	639
GST receivable		(38)	(36)
Provision for impairment		3	3
Total financial assets classified as receivables	7.1(a)	**674**	**606**

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

	Total 2024 $'000	Total 2023 $'000
Balance at the beginning of the year	3	3
Increase in allowance	2	9
Amounts written off during the year	(2)	(9)
Balance at the end of the year	**3**	**3**

How we recognise receivables

Receivables consist of:

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

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

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

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

Impairment losses of contractual receivables

Refer to Note 7.2(a) for Alexandra District Health's contractual impairment losses.

Note 5.2: Contract assets

	Note	Total 2024 $'000	Total 2023 $'000
Current			
Contract assets		-	250
Total current contract assets		-	250
Total contract assets	5.2(a)	**-**	**250**

Note 5.2(a): Movement in contract assets

	Total 2024 $'000	Total 2023 $'000
Balance at the beginning of the year	250	37
Add: Additional costs incurred that are recoverable from the customer	-	250
Less: Transfer to revenue recognition	(250)	(37)
Total contract assets	**-**	**250**

How we recognise contract assets

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

Note 5.3: Payables

	Note	Total 2024 $'000	Total 2023 $'000
Current payables			
Contractual			
Trade creditors		379	286
Accrued salaries and wages		377	251
Accrued expenses		271	407
Deferred capital grant income	5.3(a)	37	-
Inter hospital creditors		16	1
Total contractual payables		**1,080**	**945**
Total current payables		**1,080**	**945**
Total payables		**1,080**	**945**
(i) Financial liabilities classified as payables (Note 7.1(a))			
Total payables		1,080	945
Deferred grant income		(37)	-
Total financial liabilties classified as payables	7.1(a)	**1,043**	**945**

How we recognise payables

Payables consist of:

- **contractual payables,** including payables that relate to the purchase of 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 Alexandra District Health prior to the end of the financial year that are unpaid; and

- **statutory payables,** including Goods and Services Tax (GST) and PAYG tax payable, are recognised and measured similarly to contractual payables but are not classified as financial instruments. They are not classified as financial instruments nor 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 5.4 Contract liabilities

	Note	Total 2024 $'000	Total 2023 $'000
Current			
Contract liabilities		179	115
Total current contract liabilities		179	115
Total contract liabilities	5.4(a)	**179**	**115**

Note 5.4(a) Movement in contract liabilities

	Total 2024 $'000	Total 2023 $'000
Opening balance of contract liabilities	115	408
Add: payments received for performance obligations yet to be completed during the period	64	-
Less: revenue recognised in the reporting period for the completion of a performance obligation	-	(293)
Total contract liabilities	**179**	**115**

How we recognise contract liabilities

Contract liabilities include consideration received in advance from customers in respect of the provision of acute and sub-acute health services. The balance of contract liabilities was significantly higher than the previous reporting period due to Department of Health requiring more unutilised grants to be used in 2023-24.

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

Maturity analysis of payables

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

Note 6: How we finance our operations

This section provides information on the sources of finance utilised by the Alexandra District Health during its operations, along with interest expenses (the cost of borrowings) and other information related to financing activities of Alexandra District 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
6.4 Non-cash financing and investing activities

Material judgements and estimates

This section contains the following material judgements and estimates:

Material judgements and estimates	Description
Determining if a contract is or contains a lease	Alexandra District Health applies material judgement to determine if a contract is or contains a lease by considering if the health service: ▪ has the right-to-use an identified asset ▪ has the right to obtain substantially all economic benefits from the use of the leased asset and ▪ can decide how and for what purpose the asset is used throughout the lease.
Determining if a lease meets the short-term or low value asset lease exemption	Alexandra District Health applies material judgement when determining if a lease meets the short-term or low value lease exemption criteria. Alexandra District Health estimates the fair value of leased assets when new. Where the estimated fair value is less than $10,000, the health service applies the low-value lease exemption. Alexandra District 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 the health service applies the short-term lease exemption.
Discount rate applied to future lease payments	Alexandra District 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 the health service's lease arrangements, Alexandra District Health uses its incremental borrowing rate, which is the amount the Alexandra District 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. For leased land and buildings, Alexandra District Health estimates the incremental borrowing rate to be between 1.2% and 5.4%. For leased equipment and vehicles, the implicit interest rate is between 2.1% and 6.3%.

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

Note 6.1: Borrowings

	Note	Total 2024 $'000	Total 2023 $'000
Current borrowings			
Bank overdraft			
Lease liability [i]	6.1(a)	35	49
Total current borrowings		**35**	**49**
Non-current borrowings			
Lease liability [i]	6.1(a)	186	64
Total non-current borrowings		**186**	**64**
Total borrowings	7.1(a)	**221**	**113**

(i) Secured by the assets leased.

How we recognise borrowings

Borrowings refer to interesting bearing liabilities mainly raised from advances from the Treasury Corporation of Victoria (TCV) and other funds raised through lease liabilities, 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 Alexandra District 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

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

Alexandra District Health's lease liabilities are summarised below:

	Total 2024 $'000	Total 2023 $'000
Total undiscounted lease liabilities	226	113
Less unexpired finance expenses	(5)	-
Net lease liabilities	**221**	**113**

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

	Total 2024 $'000	Total 2023 $'000
Not longer than one year	38	49
Longer than one year but not longer than five years	188	64
Minimum future lease liability	**226**	**113**
Less unexpired finance expenses	(5)	-
Present value of lease liability	**221**	**113**
*** Represented by:**		
- Current liabilities	35	49
- Non-current liabilities	186	64
	221	**113**

How we recognise lease liabilities

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

To apply this definition, Alexandra District 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 Alexandra District Health and for which the supplier does not have substantive substitution rights
- Alexandra District 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 Alexandra District Health has the right to direct the use of the identified asset throughout the period of use; and

- Alexandra District Health has the right to take decisions in respect of 'how and for what purpose' the asset is used throughout the period of use.

Alexandra District Health's lease arrangements consist of the following:

Type of asset leased	Lease term
Leased land	40 years
Leased building	Renewable every 3 years
Leased equipment and vehicles	2 to 5 years

All leases are recognised on the balance sheet, and there are no low value leases (less than $10,000 AUD) and short term leases of less than 12 months.

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 Alexandra District Health's incremental borrowing rate. Our lease liability has been discounted at a rate between 1.21% to 3.25%.

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

- fixed payments (including in-substance fixed payments) less any lease incentive receivable
- variable payments based on an index or rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable under a residual value guarantee
- the exercise price of the purchase option for the leased equipment and vehicles, which the health service is reasonably certain to exercise at the completion or the lease; and
- payments arising from purchase and termination options reasonably certain to be exercised.

The following types of lease arrangements, contain extension and termination options:

- building leases – options to extend can vary from no extensions, month-to-month extensions and up to two fixed-term extensions.
- equipment leases – options to extend can vary from no extension, month-to-month extensions. The equipment leases contain termination options, available to the lessor and lessee, for a range of events.

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

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

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

During the current financial year, no lease terms were revised.

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 to 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.

Leases with significantly below market terms and conditions

Alexandra District Health holds lease arrangements which contain significantly below-market terms and conditions, which are principally to enable the health service to further its objectives. These are commonly referred to concessionary lease arrangements.

The nature and terms of such lease arrangements, including Alexandra District Health's dependency on such lease arrangements is described below:

Description of leased asset	Our dependence on lease	Nature and terms of lease
Lease of land at 12-26 Cooper Street.	The leased land is the site of Alexandra District Health hospital. Alexandra District Health's dependence on this lease is considered high. The land is necessary for the operation of the hospital.	Lease payments of $104 are required per annum. The lease commenced in 2008 and has a lease term of 40 years. There are no extension options. The leased land can only be used for the "operation of a public hospital".
Lease of buildings at 31 Falls Road, Marysville.	The leased buildings are used by Alexandra District Health to provide clinical services. Alexandra District Health's dependence on this lease is considered medium. The clinical services could be undertaken at another location.	Lease payments of $104 are required per annum. The lease commenced in 2004 and renewable every 3 years. There is no lease extension option

Note 6.2: Cash and cash equivalents

	Note	Total 2024 $'000	Total 2023 $'000
Cash on hand (excluding monies held in trust)		-	1
Cash at bank (excluding monies held in trust)		552	1,914
Cash at bank - CBS (excluding monies held in trust)		2,688	2,478
Total cash held for operations		**3,240**	**4,393**
Total cash and cash equivalents	7.1(a)	**3,240**	**4,393**

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).

Cash and cash equivalents are held for the purpose of meeting short term cash commitments rather than for investment purposes and 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 overdraft, which are included as liabilities on the balance sheet. The cash statement includes monies held in trust.

Note 6.3: Commitments for expenditure

Our commitments relate to capital and operating expenditure. There were no commitments for expenditure as at Jun 2024.

Note 6.4: Non-cash financing and investing activities

There were no non-cash financing and investing activities as at Jun 2024

Note 7: Risks, contingencies and valuation uncertainties

Introduction

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

Material judgements and estimates

This section contains the following material judgements and estimates:

Material judgements and estimates	Description
Measuring fair value of non-financial assets	Fair value is measured with reference to highest and best use, that is, the use of the asset by a market participant that is physically possible, legally permissible, financially feasible, and which results in the highest value, or to sell it to another market participant that would use the same asset in its highest and best use. In determining the highest and best use, Alexandra District Health has assumed the current use is its highest and best use. Accordingly, characteristics of the health service's assets are considered, including condition, location and any restrictions on the use and disposal of such assets. Alexandra District Health uses a range of valuation techniques to estimate fair value, which include the following: ▪ Market approach, which uses prices and other relevant information generated by market transactions involving identical or comparable assets and liabilities. The fair value of Alexandra District Health's specialised land is measured using this approach. ▪ Cost approach, which reflects the amount that would be required to replace the service capacity of the asset (referred to as current replacement cost). The fair value of Alexandra District Health's specialised buildings, furniture, fittings, plant, equipment and vehicles are measured using this approach. ▪ Income approach, which converts future cash flows or income and expenses to a single undiscounted amount. Alexandra District Health does not this use approach to measure fair value. Alexandra District Health selects a valuation technique which is considered most appropriate, and for which there is sufficient data available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. Subsequently, Alexandra District Health applies material judgement to categorise and disclose such assets within a fair value hierarchy, which includes: ▪ Level 1, using quoted prices (unadjusted) in active markets for identical assets that the health service can access at measurement date. Alexandra District Health does not categorise any fair values within this level. ▪ Level 2, inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly. Alexandra District Health categorises non-specialised land and non-specialised buildings in this level. ▪ Level 3, where inputs are unobservable. Alexandra District Health categorises specialised land, specialised buildings, plant, equipment, furniture, fittings and vehicles in this level.

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

Note 7.1(a) Categorisation of financial instruments

Consolidated 30 June 2024	Note	Financial Assets at Amortised Cost $'000	Financial Liabilities at Amortised Cost $'000	Total $'000
Contractual Financial Assets				
Cash and Cash Equivalents	6.2	3,240	-	3,240
Receivables and contract assets	5.1	671	-	671
Total Financial Assets [i]		**3,911**	**-**	**3,911**
Financial Liabilities				
Payables	5.3	-	1,043	1,043
Borrowings	6.1	-	221	221
Total Financial Liabilities [i]		**-**	**1,264**	**1,264**

Consolidated 30 June 2023	Note	Financial Assets at Amortised Cost $'000	Financial Liabilities at Amortised Cost $'000	Total $'000
Contractual Financial Assets				
Cash and cash equivalents	6.2	4,393	-	4,393
Receivables and contract assets	5.1	606	-	606
Total Financial Assets [i]		**4,999**	**-**	**4,999**
Financial Liabilities				
Payables	5.3	-	945	945
Borrowings	6.1	-	113	113
Total Financial Liabilities [i]		**-**	**1,058**	**1,058**

[i] The carrying amounts exclude statutory receivables (i.e. GST receivable and DH receivable) and statutory payables (i.e. PAYG, Revenue in advance and DH payable).

How we categorise financial instruments

Categories of financial assets

Financial assets are recognised when Alexandra District Health becomes party to the contractual provisions to the instrument. For financial assets, this is at the date Alexandra District 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 Alexandra District 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 subsequently measured at amortised cost using the effective interest method less any impairment.

Alexandra District Health recognises the following assets in this category:

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

Categories of financial liabilities

Financial liabilities are recognised when Alexandra District 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.

Alexandra District Health recognises the following liabilities in this category:

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

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, Alexandra District 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, Alexandra District 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.

Alexandra District Health's main financial risks include credit risk, liquidity risk, interest rate risk and equity price risk. Alexandra District Health manages these financial risks in accordance with its financial risk management standard.

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

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

In addition, Alexandra District 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, Alexandra District 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 Alexandra District 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 Alexandra District Health's maximum exposure to credit risk without taking account of the value of any collateral obtained.

There has been no material change to Alexandra District Health's credit risk profile in 2023-24.

Impairment of financial assets under AASB 9

Alexandra District 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, the impairment assessment includes the health service's contractual receivables and its investment in debt instruments.

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

Credit loss allowance is classified as other economic flows in the net result.

Contractual receivables at amortised cost

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

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

30 June 2024	Note	Current	Less than 1 month	1–3 months	3 months –1 year	1–5 years	Total
Expected loss rate		0.0%	0.0%	0.0%	22.0%	100.0%	
Gross carrying amount of contractual receivables	5.1	173	13	11	9	1	**207**
Loss allowance		-	-	-	**(2)**	**(1)**	**(3)**

30 June 2023	Note	Current	Less than 1 month	1–3 months	3 months –1 year	1–5 years	Total
Expected loss rate		0.0%	0.0%	0.0%	27.0%	0.0%	
Gross carrying amount of contractual receivables	5.1	104	10	5	11	0	**130**
Loss allowance		-	-	-	**(3)**	-	**(3)**

Statutory receivables at amortised cost

Alexandra District 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.

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

Note 7.2(b): Liquidity risk

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

Alexandra District 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. The health service manages its liquidity risk by:

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

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

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

Consolidated 30 June 2024	Note	Carrying Amount $'000	Nominal Amount $'000	Maturity Dates: Less than 1 Month $'000	1-3 Months $'000	3 months - 1 Year $'000	1-5 Years $'000	Over 5 years $'000
Financial Liabilities at amortised cost								
Payables	5.3	1,043	1,043	1,043	-	-	-	-
Borrowings	6.1	221	221	3	5	25	188	-
Total Financial Liabilities		**1,264**	**1,264**	**1,046**	**5**	**25**	**188**	**-**

Consolidated 30 June 2023	Note	Carrying Amount $'000	Nominal Amount $'000	Maturity Dates: Less than 1 Month $'000	1-3 Months $'000	3 months - 1 Year $'000	1-5 Years $'000	Over 5 years $'000
Financial Liabilities at amortised cost								
Payables	5.3	945	945	945	-	-	-	-
Borrowings	6.1	113	113	0	1	47	65	-
Total Financial Liabilities		**1,058**	**1,058**	**945**	**1**	**47**	**65**	**-**

(i) Ageing analysis of financial liabilities excludes statutory financial liabilities (i.e. PAYG payable).

Note 7.2 (c) Market risk

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

Sensitivity disclosure analysis and assumptions

Alexandra District Health's sensitivity to market risk is determined based on the observed range of actual historical data for the preceding five-year period. Alexandra District 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 1.5% up or down.

Interest rate risk

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

Equity risk

Alexandra District Health has no exposure to equity price risk as it has no investments in listed and unlisted shares and managed investment schemes.

Note 7.3: Contingent assets and contingent liabilities

At the date of this report, Alexandra District Health has no quantifiable or non-quantifiable contingent assets or liabilities to report as at 30 June 2024 (2022-23: Nil).

How we measure and disclose contingent assets and contingent liabilities

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

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

Contingent assets

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

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

Contingent liabilities

Contingent liabilities are:

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

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

Note 7.4: Fair value determination

How we measure fair value

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

The following assets and liabilities are carried at fair value:

- Financial assets and liabilities at fair value through net result
- Financial assets and liabilities at fair value through other comprehensive income
- Property, plant and equipment
- Right-of-use assets

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

Valuation hierarchy

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

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

Alexandra District 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 not been transfers between levels during the period.

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

Identifying unobservable inputs (level 3) fair value measurements

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

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

Note 7.4(a): Fair value determination of non-financial physical assets

	Note	Total carrying amount 30 June 2024 $'000	Fair value measurement at end of reporting period using: Level 1[i] $'000	Level 2[i] $'000	Level 3[i] $'000
Specialised land		-	-	-	319
Total land at fair value	4.2(a)	**-**	**-**	**-**	**319**
Specialised buildings		-	-	-	30,169
Total buildings at fair value	4.2(a)	**-**	**-**	**-**	**30,169**
Plant and equipment	4.2(a)	274	-	-	274
Medical equipment	4.2(a)	1,322	-	-	1,322
Computer equipment	4.2(a)	73	-	-	73
Furniture and fittings	4.2(a)	91	-	-	91
Total plant, equipment, furniture, fittings and vehicles at fair value		**1,760**	**-**	**-**	**1,760**
Right-of-use concessionary land	4.3(a)	761	-	-	761
Right-of-use buildings	4.3(a)	714	-	-	714
Right of use plant, equipment, furniture, fittings and vehicles	4.3(a)	230	-	-	230
Total right-of-use assets at fair value		**1,705**	**-**	**-**	**1,705**
Total non-financial physical assets at fair value		**3,465**	**-**	**-**	**33,953**

[i] Classified in accordance with the fair value hierarchy.

	Note	Total carrying amount 30 June 2023 $'000	Fair value measurement at end of reporting period using: Level 1[i] $'000	Level 2[i] $'000	Level 3[i] $'000
Specialised land		450	-	-	450
Total land at fair value	4.2(a)	**450**	**-**	**-**	**450**
Specialised buildings		23,577	-	-	23,577
Total buildings at fair value	4.2(a)	**23,577**	**-**	**-**	**23,577**
Plant and equipment	4.2(a)	258	-	-	258
Medical equipment	4.2(a)	1,509	-	-	1,509
Computer equipment	4.2(a)	83	-	-	83
Furniture and fittings	4.2(a)	82	-	-	82
Total plant, equipment, furniture, fittings and vehicles at fair value		**1,932**	**-**	**-**	**1,932**
Right-of-use concessionary land	4.3(a)	783	-	-	783
Right-of-use buildings	4.3(a)	737	-	-	737
Right of use plant, equipment, furniture, fittings and vehicles	4.3(a)	117	-	-	117
Total right-of-use assets at fair value		**1,637**	**-**	**-**	**1,637**
Total non-financial physical assets at fair value		**27,596**	**-**	**-**	**27,596**

[i] Classified in accordance with the fair value hierarchy.

How we measure fair value of non-financial physical assets

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

Judgements about highest and best use must consider 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, Alexandra District Health has assumed the current use of a non-financial physical asset is its highest and best use unless market or other factors suggest that a different use by market participants would maximise the value of the asset.

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

Specialised land and specialised buildings

Specialised land includes Crown 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, Alexandra District 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 reflects 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 considers 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 Alexandra District 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 Alexandra District Health's specialised land was performed by the Valuer-General Victoria. The effective date of the valuation was 30 June 2024.

An independent valuation of Alexandra District Health's specialised buildings was performed by the Valuer-General Victoria. The effective date of the valuation was 30 June 2024.

Vehicles

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

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 current replacement cost will be materially different from the existing carrying amount.

There were no changes in valuation techniques throughout the period to 30 June 2024.

Reconciliation of Level 3 fair value measurement

Consolidated	Note	Land $'000	Buildings $'000	Plant, equipment, furniture, fittings and vehicles $'000	Right-of-use Land $'000	Right-of-use buildings $'000	Right-of-use plant, equipment, furniture, fittings $'000
Balance at 1 July 2022		**450**	**25,560**	**1,401**	**805**	**-**	**24**
Additions/(Disposals)		-	3	875	-	-	90
Net Transfers between classes		-	(761)	(24)	-	761	24
- Depreciation and amortisation		-	(1,225)	(320)	(22)	(24)	(21)
Balance at 30 June 2023	7.4(b)	**450**	**23,577**	**1,932**	**783**	**737**	**117**
Additions/(Disposals)		-	96	190	-	-	149
- Depreciation and Amortisation		-	(1,224)	(362)	(22)	(23)	(36)
- Revaluation		(131)	7,720	-	-	-	-
Balance at 30 June 2024	7.4(b)	**319**	**30,169**	**1,760**	**761**	**714**	**230**

(Classified in accordance with the fair value hierarchy – refer Note 7.4)

Fair value determination of level 3 fair value measurement

Asset class	Likely valuation approach	Significant inputs (Level 3 only)
Specialised land	Market approach	Community Service Obligations Adjustments [(i)]
Specialised buildings	Current replacement cost approach	- Cost per square metre - Useful life
Plant, equipment, furniture, fittings and vehicles	Current replacement cost approach	- Cost per unit - Useful life

[i] A Community Service Obligation (CSO) of 20% was applied to the Alexandra District Health's specialised land.

Note 8: Other disclosures

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

Structure

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

	Note	Total 2024 $'000	Total 2023 $'000
Net result for the year		(2,937)	(832)
Non-cash movements:			
(Gain)/Loss on sale or disposal of non-financial assets		27	-
Depreciation of non-current assets	4.4	1,667	1,612
Amortisation of non-current assets	4.4	2	1
Assets and services received free of charge		(33)	(180)
Loss allowance for receivables		2	9
(Gain)/Loss on revaluation of long service leave liability		-	7
Capital donations received		(100)	-
Other non-cash movements		15	31
Movements in Assets and Liabilities:			
(Increase)/Decrease in receivables and contract assets		180	(349)
(Increase)/Decrease in prepaid expenses		(5)	(53)
Increase/(Decrease) in payables and contract liabilities		199	(764)
Increase/(Decrease) in monies in trust		(28)	-
Increase/(Decrease) in employee benefits		68	400
Increase/(Decrease) in other provisions		-	(2)
Net cash inflow from operating activities		**(943)**	**(120)**

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.

	Period
The Honourable Mary-Anne Thomas MP:	
Minister for Health	1 Jul 2022 - 30 Jun 2024
Minister for Health Infrastructure	5 Dec 2022 - 30 Jun 2024
Minister for Ambulance Services	2 Oct 2023 - 30 Jun 2024
The Honourable Ingrid Stitt MP:	
Minister for Mental Health	2 Oct 2023 - 30 Jun 2024
Minister for Ageing	2 Oct 2023 - 30 Jun 2024
Minister for Multicultural Affairs	2 Oct 2023 - 30 Jun 2024
The Honourable Gabrielle Williams MP:	
Minister for Mental Health	1 Jul 2022 - 2 Oct 2023
Minister for Ambulance Services	5 Dec 2022 - 2 Oct 2023
The Honourable Lizzy Blandthorn MP:	
Minister for Children	2 Oct 2023 - 30 Jun 2024
Minister for Disability	2 Oct 2023 - 30 Jun 2024
Governing Boards	
Mr Kim Flanagan (Board Chair)	1 Jul 2023 - 30 Jun 2024
Ms Cindy Neenan	1 Jul 2023 - 30 Jun 2024
Ms Michelle Fleming	1 Jul 2023 - 30 Jun 2024
Mr Alan Studley	1 Jul 2023 - 30 Jun 2024
Ms Melanie Telford	1 Jul 2023 - 30 Jun 2024
Ms Natalie Sheridan-Smith	1 Jul 2023 - 30 Jun 2024
Ms Soulla Nicodimou	1 Jul 2023 - 30 Jun 2024
Mr Ashley Shea	1 Jul 2023 - 30 Jun 2024
Ms Roslyn Pruden	1 Jul 2023 - 30 Jun 2024
Accountable Officers	
Ms Jane Poxon	1 Jul 2023 - 30 Jun 2024

Remuneration of responsible persons

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

Income Band	Consolidated 2024 No	Consolidated 2023 No
$0 - $9,999	9	10
$80,000 - $89,999	-	1
$120,000 - $129,999	-	1
$220,000 - $229,999	1	-
Total Numbers	**10**	**12**

	Consolidated 2024 $'000	Consolidated 2023 $'000
Total remuneration received or due and receivable by Responsible Persons from the reporting entity amounted to:	**255**	**237**

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

Note 8.3: Remuneration of executive officers

Executive officers' remuneration

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)	Total Remuneration 2024 $'000	Total Remuneration 2023 $'000
Short-term benefits	407	309
Post-employment benefits	41	31
Other long-term benefits	8	2
Total remuneration [i]	**456**	**342**
Total number of executives	4	3
Total annualised employee equivalent [ii]	2.0	1.95

[i] The total number of executive officers includes persons who meet the definition of Key Management Personnel (KMP) of Alexandra District 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 hours per week over the reporting period.

Total remuneration payable to executives during the year included a number of executives who received bonus payments. 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

The main factor impacting total remuneration was the inability to recruit a Chief Financial Officer for the whole of 2023-24.

Note 8.4: Related parties

Alexandra District Health is a wholly owned and controlled entity of the State of Victoria. Related parties of Alexandra District 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 – A member of the Hume Regional Health Alliance 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 Alexandra District Health, directly or indirectly.

Key management personnel

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

Entity	KMPs	Position Title
Alexandra District Health	Mr Kim Flanagan	Board Chair
Alexandra District Health	Ms Cindy Neenan	Board Member
Alexandra District Health	Ms Michelle Fleming	Board Member
Alexandra District Health	Mr Alan Studley	Board Member
Alexandra District Health	Ms Melanie Telford	Board Member
Alexandra District Health	Ms Natalie Sheridan-Smith	Board Member
Alexandra District Health	Ms Soulla Nicodimou	Board Member
Alexandra District Health	Mr Ashley Shea	Board Member
Alexandra District Health	Ms Roslyn Pruden	Board Member
Alexandra District Health	Ms Jane Poxon	Chief Executive Officer
Alexandra District Health	Mr Andrew Brown	Director of Clinical Services (1 Jul 2023 to 10 Nov 2023)
Alexandra District Health	Ms Claire Palmer	Director of Clinical Services (13 Nov 2023 to 30 Jun 2024)
Alexandra District Health	Ms Claire Palmer	Director of Quality and Risk (1 Jul 2023 to 12 Nov 2023)
Alexandra District Health	Ms Natasha Bowater	Director of Quality and Risk (27 Nov 2023 to 30 Jun 2024)
Alexandra District Health	Ms Poranee Buttery	Director of Medical Services

The compensation detailed below excludes the salaries and benefits the Portfolio Ministers receive. The Ministers' remuneration and allowances are set by the *Parliamentary Salaries and Superannuation Act 1968*, and are reported within the State's Annual Financial Report.

	Total 2024 $'000	Total 2023 $'000
Compensation - KMPs		
Short-term Employee Benefits [i]	631	522
Post-employment Benefits	67	52
Other Long-term Benefits	13	5
Total [ii]	**711**	**579**

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

[ii] KMPs are also reported in Note 8.2 Responsible Persons or Note 8.3 Remuneration of Executives.

Significant transactions with government related entities

Alexandra District Health received funding from the Department of Health of $9.2 million (2022/23 $10.3 million) and indirect contributions of $0.1 million (2022/23 $0.27 million). The net balance owed to DH at 30 June 2024 is $0 million (2023: net balance owed to DH - $0 million).

At year end, the Long Service Leave funding receivable is $0.44 million (2023: $0.43 million).

Expenses incurred by Alexandra District 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 Alexandra District 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 occurs 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 Alexandra District Health, there were no related party transactions that involved key management personnel, their close family members or their personal business interests. No provision has been required, nor any expense recognised, for impairment of receivables from related parties. There were no related party transactions with Cabinet Ministers required to be disclosed in 2024 (2023: none).

There were no related party transactions required to be disclosed for the Alexandra District Health Board of Directors, Chief Executive Officer and Executive Directors in 2024 (2023: none).

Note 8.5: Remuneration of auditors

	Total 2024 $'000	Total 2023 $'000
Victorian Auditor-General's Office		
Audit of the financial statements	22	19
Total remuneration of auditors	**22**	**19**

Note 8.6: Events occurring after the balance sheet date

There are no events occurring after the Balance Sheet date.

Note 8.7: 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 Alexandra District Health.

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

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

General purpose surplus

The general purpose reserve represents funds set aside by Alexandra District Health for specific purpose, where the funds have been internally generated.

Property, plant and equipment revaluation surplus

The property, plant and equipment revaluation surplus arises on the revaluation of infrastructure, land and buildings. The revaluation surplus is not normally transferred to the accumulated surpluses/(deficits) on derecognition of the relevant asset.

Specific restricted purpose reserves

The specific restricted purpose reserve is established where Alexandra District 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 8.8: Economic dependency

Alexandra District Health is a public health service governed and managed in accordance with the Health Services Act 1988 and its results form part of the Victorian General Government consolidated financial position. The Health Service provides essential services and is predominately dependent on the continued financial support of the State Government, particularly the Department of Health, and the Commonwealth funding via the National Health Reform Agreement (NHRA). The State of Victoria plans to continue Health Service operations and on that basis, the financial statements have been prepared on a going concern basis.

Note 8.9: Joint arrangements

	Principal Activity	Ownership Interest 2024 %	Ownership Interest 2023 %
Hume Rural Health Alliance	Information Technology Services	3.9384	3.529

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

	2024 $'000	2023 $'000
Current assets		
Cash and cash equivalents	451	440
Receivables	92	50
Prepaid expenses	12	12
Total current assets	**555**	**502**
Non-current assets		
Property, plant and equipment	22	17
Total non-current assets	**22**	**17**
Total assets	**577**	**519**
Current liabilities		
Payables	238	188
Other current liabilities	76	110
Lease liabilities	2	2
Total current liabilities	**316**	**300**
Non-current liabilities		
Lease liabilities	9	9
Total non-current liabilities	**9**	**9**
Total liabilities	**325**	**309**
Net assets	**252**	**210**
Equity		
Accumulated surplus	252	210
Total equity	**252**	**210**

Note 8.9: Jointly Controlled Operations (continued)

Alexandra District Health interest in revenues and expenses resulting from joint arrangements are detailed below. The amounts are included in the financial statements under their respective categories.

	2024 $'000	2023 $'000
Revenue and income from transactions		
Operating activities	302	242
Non-operating activities	20	12
Total revenue and income from transactions	**322**	**254**
Expenses from transactions		
Operating expenses	(312)	(261)
Total expenses from transactions	**(312)**	**(261)**
Net result from transactions	**10**	**(7)**
Comprehensive result for the year	**10**	**(7)**