



ANNUAL REPORT 2021-22



Yea & District Memorial Hospital (YDMH) acknowledges the traditional owners of the land, the Waring-illam-balluk clan, on which the health service operates. We pay respect to their elders past, present and emerging. We celebrate their continuing culture and the diversity of cultures.

Manner in which the Health Service was Established

In 1928 the Fernley Private Hospital opened in Mary Street, Yea. In 1939 the name of the hospital was changed to the Yea Bush Nursing Hospital. The hospital and Charities Commission assumed responsibility for the hospital in 1948 and took the current name of Yea & District Memorial Hospital.

Responsible Ministers

1 July 2021 – 27 June 2022

The Hon Martin Foley MP
Minister for Health
Minister for Equality
Minister for Ambulance Services

27 June 2022 – 30 June 2022

The Hon Mary-Anne Thomas MP
Minister for Health
Minister for Ambulance Services

1 July 2021 – 27 June 2022

The Hon James Merlino MP
Minister for Mental Health

27 June 2022 – 30 June 2022

The Hon Gabrielle Williams MP
Minister for Mental Health

1 July 2021 – 11 October 2021

The Hon Luke Donnellan MP
Minister for Disability, Ageing and Carers
Minister for Child Protection

11 October 2021 – 6 December 2021

The Hon James Merlino
Minister for Disability, Ageing and Carers

6 December 2021 – 27 June 2022

The Hon Anthony Carabines MP
Minister for Disability, Ageing and Carers
Minister for Child Protection and Family Services

27 June 2022 – 30 June 2022

The Hon Colin Brooks MP
Minister for Disability, Ageing and Carers

Life Governors

1959	Keith Bryant Fred Pilfoot
1964	Arthur Bett MBE
1965	Harry Gordon G Henderson Alec Robinson
1968	Arnold Bennetts Grace Bennetts OAM
1969	Gerald Coonan Owen Jackson
1970	Dinah Purvis Tom Dignam
1971	Pamela Henneberry
1972	Ivy Morgan Dot Bassett Michael Coonan
1973	Katherine Byrne Jessie Tosh Kath Homewood
1979	Florence Knight Dorothy Patterson MBBS Charles Hosking MBBS
1981	Harold Bamford
1984	Dougal Drysdale
1986	Colin Egan Robert Morgan Noel Moore
1989	Mary Walker
1992	Joan Coles
1994	Norma Tobias
2004	Alan Cuthbertson FRACS
2006	John Benston
2009	Judy Hard Margaret Mahon
2014	Ruth Crockett

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Chair Report



Another year. Another year which has been largely framed by the COVID-19 global pandemic. Another extraordinary year for Yea & District Memorial Hospital. Our focus has continued to provide high quality care and work with our community in an environment of constant change and uncertainty.

The Yea community is fortunate to have had the quality of leadership and the commitment of staff to be able to steer our health service through these most challenging of times. Our staff especially have shown such great dedication to our patients, residents and our wider community during what has been such a difficult and prolonged period of pandemic uncertainty.

With general oversight by the Board, almost all available hospital management time has been consumed in continuing to take appropriate action within our own health service and community setting actions to manage the virus in both acute care and residential care settings. This has required constant vigilance and increased external accountability on the part of management, continued training of all staff on infection control, an increased focus on the well-being and welfare of all YDMH staff and a sustained focus on communication and concern for hospital patients, residents and their carers.

The gradual lifting of COVID-19 lockdown restrictions within metropolitan Melbourne and across the State that occurred in late 2021 has not eased the pressure on YDMH services and staff. The more infectious Omicron variant and the opening up of intrastate and interstate travel resulted in increased exposure to the virus among our staff and residents. Resulting increased levels of sick leave and periodic forced closure of health service facilities to visitors have meant greater strain on our staff and required access at times to draw on State-auspiced COVID-19 clinical nursing agency resources.

The Board is grateful to the whole hospital community for the manner in which they have responded and the commitment shown to our residents and patients.

For much of the year the hospital continued as a hub for COVID-19 testing. This activity was undertaken in partnership with the Yea General Practice, whose collaboration on all aspects of pandemic management has been greatly appreciated. Priority has also been given to continuing the roll out of booster vaccinations to our residents and staff.

In partnership with Mansfield District Hospital and Goulburn Valley Health (GVH) we were also able to support the delivery of numerous COVID-19 vaccination clinics for the community across the year. This was supported by the development of a vaccination hub room within the organisation and Yea staff completing vaccination training.

On the facilities front, during the year the installation of solar panels on the hospital's roof was completed leading to a significant saving in energy costs. A Department of Health grant has enabled refitting and expansion of hospital facilities to provide much needed expansion of staff amenities space for staff. The replacement of the hospital's ageing power boards was completed and split system climate control appliances were installed in resident rooms in the aged care centre. The Board is grateful for the funding support which has contributed to these improvements.

In March 2022 the health service underwent the periodic audit of its acute care services. This resulted in advice from the National Safety and Quality Healthcare Standards that the hospital had been awarded accreditation through to May 2025. Preparing for and participating in the accreditation have been important and massive additional responsibilities for our clinical leaders and staff. The Board particularly wants to acknowledge the leadership displayed by Executive Director Clinical Operations, Louise Sharkey and the Director Performance Improvement, Maria Collins in ensuring the hospital was well prepared to meet the seven rigorous Safety and Quality Standards.

Although face to face meetings were infrequent during the year due to COVID restrictions, Board members were delighted to be able to attend an awards night for hospital staff in December 2021. In doing so we were able to recognise staff who have provided outstanding service to the hospital and our community over many years.

Throughout the pandemic, YDMH has sought to work closely with the Yea General Practice and other health care providers to ensure COVID-19 testing has been available to our residents, to make adequate provision of personal protective equipment (PPE) and to maintain continuity of health care for our community. Yea is fortunate to have local access to such a range of health services and well-qualified health professionals. In particular the Board acknowledges the important contributions from the members of the Yea General Practice who have played such an important role in our community over the past year.

Notwithstanding the continuing impact the global pandemic has had on costs associated with additional workloads and protection controls, Yea & District Memorial Hospital has enjoyed another successful year financially. This is a tribute to the quality of management oversight of the health service's revenue and expenditure streams.

During the year the Board was pleased to be able formally to confirm Louise Sharkey's appointment as Director, Clinical Services. Louise continues to provide extraordinary leadership across the range of health service activities.

In September 2021, the hospital's shared Chief Executive Officer (CEO) relationship with Mansfield District Hospital came to an end. The Board is appreciative of the support Mansfield District Hospital has provided since 2019. In particular the Board wishes to acknowledge the leadership provided by Mansfield CEO, Cameron Butler.

After a brief period when Frank Megens served as interim CEO for six weeks up to December 2021, the Board appointed Frank Evans as its CEO. Unfortunately for personal reasons Frank was unable to continue in this role and resigned with effect from 30 June 2022. Frank Evans has contributed greatly to hospital governance and management and leaves behind a valuable legacy from his brief time at Yea. At the end of the year the recruitment for a fulltime CEO replacement was well underway.

The Board is also grateful to GVH for its willingness to continue long standing arrangements enabling YDMH to have access in a cost-effective manner to a range of corporate and business services. In particular we appreciate the time and interest that Peter Hutchinson as GVH Chief Finance Officer has been able to offer to oversee YDMH's finances.

Notwithstanding the pandemic, many community members continue to support the hospital either as volunteers or members of the Hospital Auxiliary. Their selfless commitment is so valuable and greatly appreciated.

Finally, I thank each of my fellow directors for the collegial manner in which they have contributed to the governance of our health service. The continuing reliance on virtual meetings has inhibited the opportunity for informal interaction with the Board and between the Board and hospital management. New directors have had limited opportunity to meet colleagues in person. Nevertheless, everyone has worked to ensure this does not impact on the quality of our interactions.

In July 2021 the Board welcomed three new Directors – Ms Lisa Somerville, and Dr Abhishek Verma and Mr Richard Wilson. Regrettably Richard Wilson had to resign early in the year due to his appointment to another Government role. YDMH is fortunate to have the expertise, experience and commitment that its directors contribute.

With sound governance, excellent leadership and a committed workforce, Yea & District Memorial Hospital is well-placed to deal with the public health challenges that inevitably lie ahead and to continue to build a stronger and more resilient health framework for our community.



Mr Ian Marshman AM
Board Chair

Board Chair - Responsible Bodies Declaration

In accordance with the *Financial Management Act 1994*, I am pleased to present the report of operations for Yea & District Memorial Hospital for the year ending 30 June 2022.



Mr Ian Marshman AM
Board Chair
Yea & District Memorial Hospital
29th August 2022

Acting Chief Executive Officer Report



Despite the ongoing COVID-19 pandemic challenges experienced this year, we have continued to deliver high quality health care across the organisation service areas, ensuring, maintaining and adhering to infection control standards in the support of our residents, patients, staff and contractors.

We have continued to deliver COVID-19 testing/ screening on an appointment basis, and in collaboration with Mansfield District Hospital and Goulburn Valley Health who have supported the delivery onsite of sixteen COVID-19 vaccination clinics. Our valued staff have continued to adapt to any necessary change in the delivery of care, including the offer of remote telehealth contact in the community health. We are grateful also for the support of the COVID-19 'surge' workforce and agency staff who have assisted us in care delivery when our roster shortfall has warranted.

Our successful National Standards accreditation assessment in March this year being further testimony to the hard work that every staff member contributes to the organisation. I would like to acknowledge the support and leadership of the three CEOs, Cameron Butler, Frank Megens and Frank Evans who have been with the organisation over the year, and we look forward to embedding the new organisational structure endorsed and commenced in the late part of the year that will assist the organisation, its services, and its staff to continue to develop, progress and move forward in whatever opportunities present in the coming year.

I recommend our Annual Report to you, highlighting the accomplishments of the year 2021-22.

A handwritten signature in black ink, appearing to read 'Louise Sharkey'.

Louise Sharkey
Acting CEO

About Us

Yea & District Memorial Hospital is a multidisciplinary healthcare provider that offers care directly to the community while also facilitating access to a range of services offered by third party providers.

We offer:

- A four bay Urgent Care Centre, operating under a nurse-led model of care.
- A 10-bed acute care ward.
- An adjoining residential aged care facility, Rosebank Nursing Home with 10 high care beds and Rosebank Hostel with 15 low care beds (with ageing in place).
- Yea Community Health operates from the hospital owned and managed, The Grace Bennetts Centre and provides diabetes education, dietetics and psychology services and paediatric speech pathology (off-site at Kinglake and Yea).
- Yea District Nursing Services provides in home nursing care to the western region of the Murrindindi Shire.
- The Grace Bennetts Centre also provides for a private medical clinic, staffed by General Practitioners (who are accredited to provide services in the acute ward, residential aged care and urgent care centre), allied health services such as podiatry, clinical psychology, audiology, and physiotherapy and pathology collection services.

Yea & District Memorial Hospital works in partnership with other agencies to provide services to the people of Yea and surrounding areas in the western part of Murrindindi Shire which has a combined catchment of some 7,000 people. The hospital is a major employer in the local area and works in partnership with the local community whose past generosity and continuing support contributes to the long-term viability of the Hospital and the services it provides.

Objectives, Functions, Powers and Duties

The objects of the Health Service are:

- To provide to persons, entitled under the Health Services Act 1988, medical care, nursing assistance, and / or other support.
- To aid persons affected by disease or injured as a result of accident.
- To provide facilities for the treatment of both public and private patients as required. To provide specific services that meet the needs of the frail, aged and disabled persons in our community.

Vision and Mission

Our Vision

An exceptional rural health service serving and engaging our local community.

Our Mission

To provide coordinated services that enhance the health and wellbeing of the community.

Administrative Structure

Board of Directors

Board of Directors Chair:

Mr Ian Marshman AM

Directors:

Ms Jo-Anne Cavill

Ms Kirstie-Bree Fotheringham

Mr Dylan Hesselberg

Dr Jennifer Keast

Mr Gary Pollard

Ms Teresa Smith

Ms Kerry Stubbings

Dr Abhishek Verma

Ms Lisa Somerville

Finance, Audit & Risk Management Chair:

Ms Kerry Stubbings

Finance, Audit & Risk Management Committee:

Ms Kirstie-Bree Fotheringham

Mr Ian Marshman AM

Mr Gary Pollard

Mr Dylan Hesselberg

Clinical Governance Chair:

Ms Jo-Anne Cavill

Clinical Governance Committee:

Dr Jennifer Keast

Ms Teresa Smith

Ms Lisa Somerville

Dr Abhishek Verma

Leadership Team

Chief Executive Officer:

Mr Cameron Butler RN, B Bus

July to Mid-September 2021

Mr Butler is currently Chief Executive Officer of Mansfield District Hospital, a role he has held since July 2016. In September 2018, the Board of Yea & District Memorial Hospital contracted CEO services from Mansfield

Mr Butler is committed to rural health care and is passionate about the vital role that local health services play in their communities in terms of health care, employment and economic contribution. He has more than fifteen years experience as a Chief Executive Officer in Victorian Small Rural Health Services.

Interim Chief Executive Officer:

Mr Frank Megens

End September 2021 to beginning December 2021

Frank Megens has considerable experience in leadership of small rural hospitals having served as CEO at Kooweerup Regional Health Service and Omeo District Health. Frank has a background and qualifications in Nursing and is a past Director of Nursing at Mansfield District Hospital.

Chief Executive Officer:

Dr Frank Evans BSc, MHSM, DHSM

6th December 2021 to 27th June 2022

Frank has worked in health service manager roles in regional New South Wales at Narrabri and Deniliquin before becoming Chief Executive Officer and Director of Nursing at Upper Murray Health and Community Services, based at Corryong, from 1997 to 2008.

Subsequent to that, from November 2008 until June 2021, Frank was CEO, Central Gippsland Health.

Leadership Team continued

Acting Chief Executive Officer:

Ms Louise Sharkey BSc, RGN, RMN, DN(Cert),
Dip Business, Dip Human Resources, AFCHSM
(CHM), AICG
27th June 2022 to date

Executive Director of Clinical Operations:

Ms Louise Sharkey BSc, RGN, RMN, DN(Cert),
Dip Business, Dip Human Resources, AFCHSM
(CHM), AICG

The Executive Director of Clinical Operations is responsible for the management of all inpatient, residential aged care and non-admitted clinical services within the organisation. This role also oversees includes support services including Hotel Services (Cleaning & Food Services) Clerical/administration Services, Maintenance, Allied Health Services, Education and training, Student Placements and Volunteers.

Ms Sharkey also oversees the operational management of effective organisation wide Quality Improvement, Risk Management, Occupational Health and Safety, Performance monitoring, Infection Prevention & Control as well as Complaints Management and Freedom of Information requests.

Director of Medical Services:

Dr Richard Lowen, MBBS, Dip ObsRCOG,
FRACGP, AFCHSE

The Director of Medical Services provides clinical advice to the organisation, contributes to Clinical Governance Committee meetings and supports Yea's Visiting Medical Officers. Dr Lowen attends the Yea & District Memorial Hospital monthly, during which time he attends Medical Staff Group meetings, reviews clinical policies of the Hospital, provides advice and support to the Executive Director of Clinical Operations and staff and responds to day to day operational issues of medical importance.

Chief Financial Officer:

Mr Peter Hutchinson B Commerce, MIPA, AFA

As Chief Finance Officer Peter Hutchinson is responsible for the overall financial management of the Health Service. Mr Hutchinson oversees finance, payroll, health information services, information and communication technology portfolios as part of the directorate. The role also contributes to the Finance, Audit and Risk Management Committee of the YDMH Board.

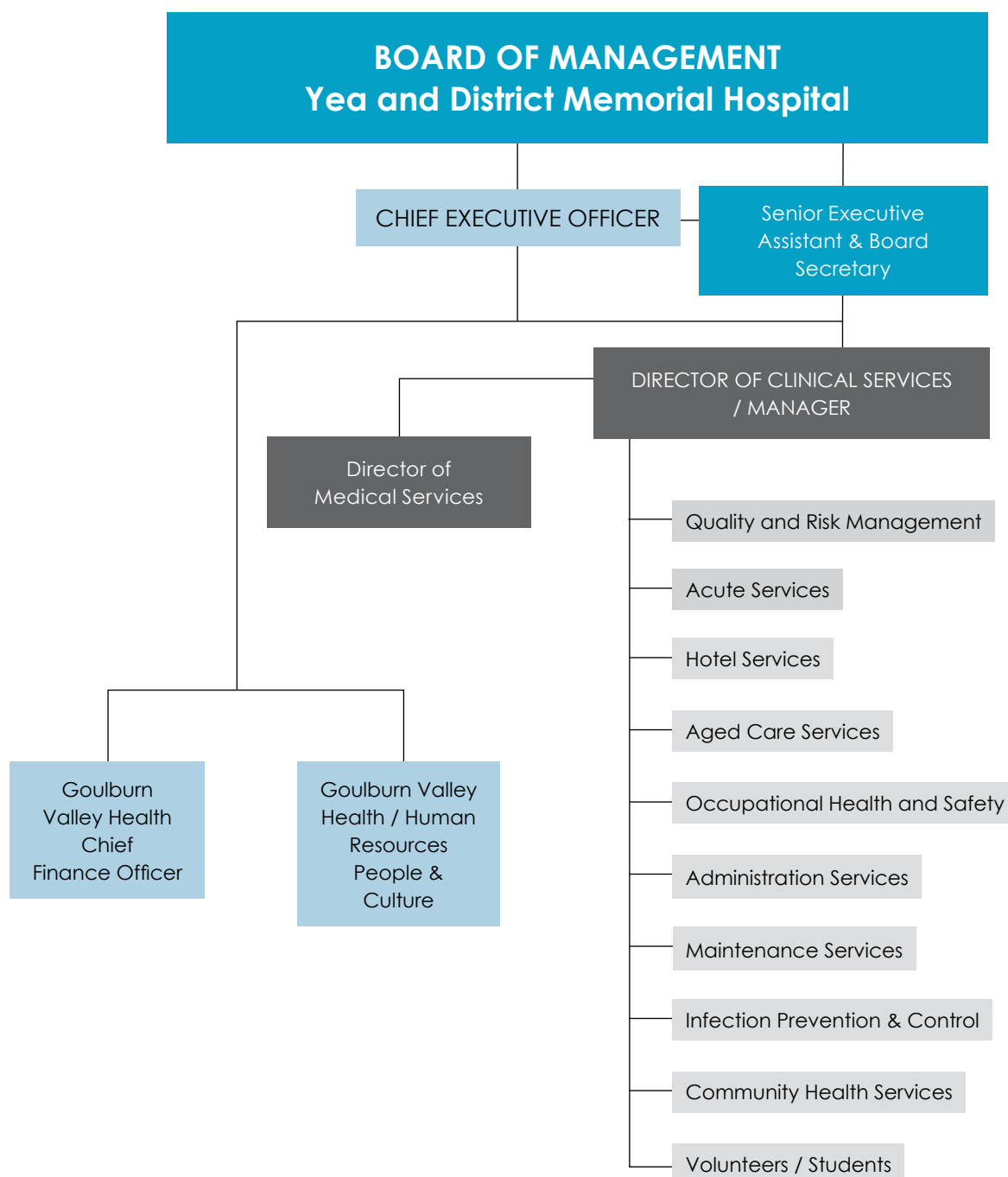
Mr Hutchinson commenced with Goulburn Valley Health in February 2019. He held a similar role at Eastern Health in Melbourne for the previous 18 years, being responsible for Eastern Health's financial services, management accountant services, procurement and supply, facilities and infrastructure, security,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

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

Visiting Medical Officers:

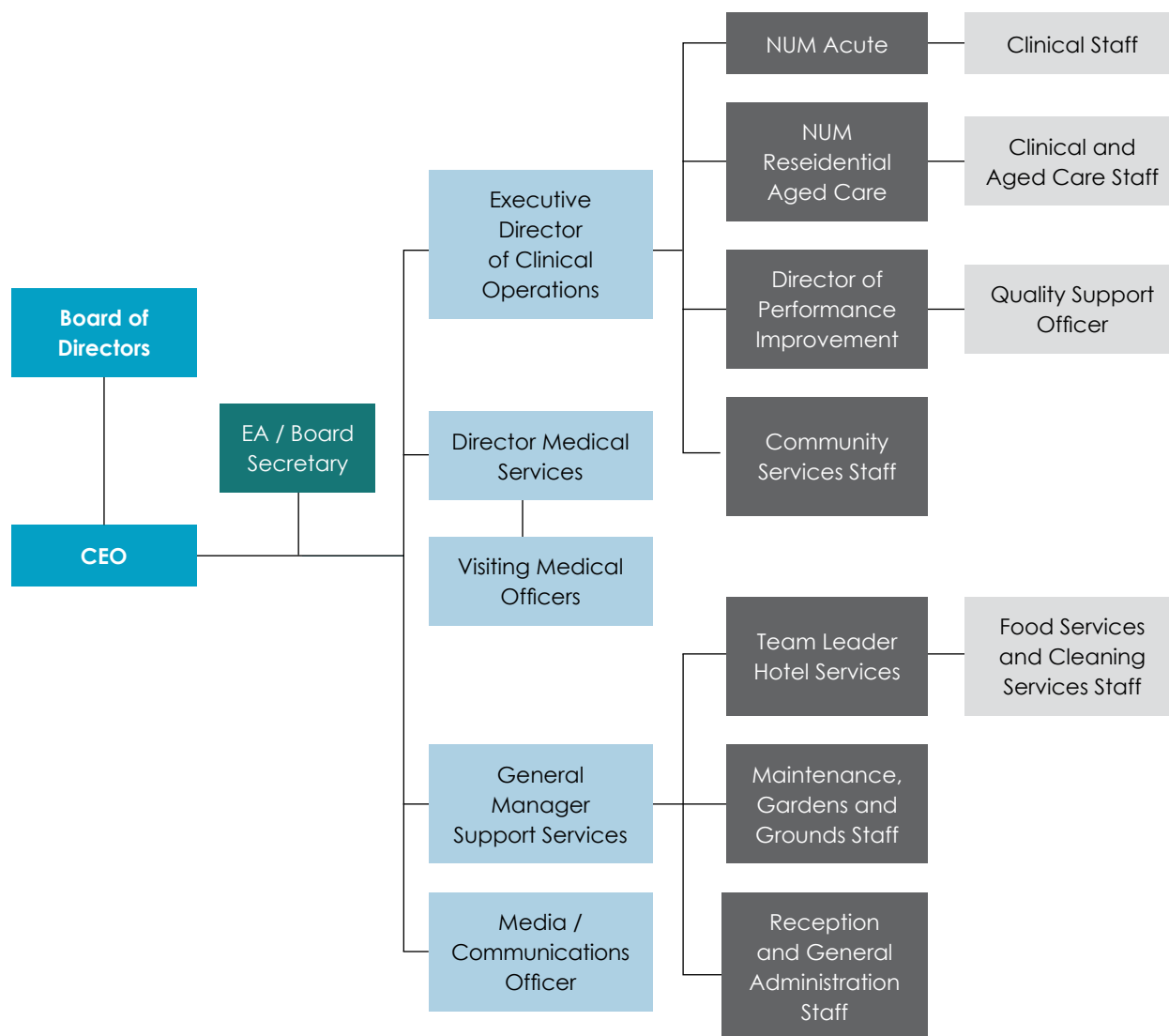
Dr T C Chuah MBBS
Dr M Lowe MBBS

Organisational Structure 2021-2022



Organisational Structure 2021-2022

Updated June 2022



Awards, Recognitions and Achievements

Staff Achievement & Recognition (STAR) Award

Ms Paula Antrobus was nominated and awarded for her commitment to the care she provides and support for her colleagues.

Long Service Recognition

The following staff were recognised for their long service and commitment to Yea & District Memorial Hospital.

10 years

- Melanie Glen, Enrolled Nurse
- Lyn Munro, Hotel & Food Services
- Ann Tracy, Food Services
- Wendy Thompson, Hotel & Food Services

20 Years

- Jacky Baynes, Senior Executive Assistant / Board Secretary
- Fiona Zimmerman, District Nursing / Registered Nurse

30 years

- Pam Wearne, Administration / Reception

Also recognised and acknowledged for the Medical Services support to the organisation

- Dr Richard Lowen, Director of Medical Services – 17 years
- Dr Martin Lowe, Visiting Medical Officer – 32 years
- Dr Teong Chuah, Visiting Medical Officer – 17 years

YDMH adheres to the public sector employment principles. Together with our organisational values they define the working environment we offer to our employees. We strive for a workplace culture underpinned by strong and collegial relationships, where employees feel supported to safely raise their concerns and are provided with opportunities to develop both personally and professionally.

YDMH Values

INTEGRITY

We are honest and fair in our dealings with our clients, our staff and our community. We are truthful in our communications and do so in a way that is clear and easy to understand. We strive to ensure that we all act in accordance with our beliefs.

RESPECT

We respect the rights, dignity and independence of our clients. We demonstrate empathy, kindness and understanding. We are mindful that we are caring for people who may be vulnerable and fearful and we work closely with them and their families to build trust.

ACCOUNTABILITY

We recognise that we are accountable to our community and operate within the framework specified by the Victorian government. We hold ourselves responsible for our actions and never lose sight of the responsibility that we hold in our role as a provider of health care to our community. We value feedback and use this to learn and improve.

RESPONSIVENESS

We are flexible and responsive to the needs of individuals. We know and understand our community as a whole and the individuals within it. We use this knowledge to tailor our care to meet their needs in a timely way. We collaborate in a way that allows us to work together to meet the health needs of the community.

IMPARTIALITY

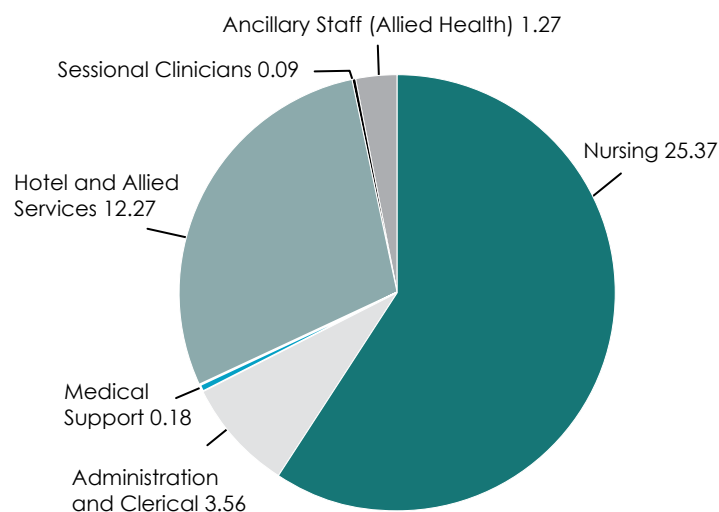
We provide evidence-based health services designed to best meet the needs of clients in all circumstances. We are an inclusive organisation that values uniqueness of an individual. We welcome and value diversity as a means to help us develop and broaden our understanding.

Workforce Data

LABOUR CATEGORY	JUNE MONTHLY FTE*		AVERAGE MONTHLY FTE*	
	2021	2022	2021	2022
Nursing	27.65	25.17	25.70	25.37
Administration and Clerical	2.99	3.98	2.91	3.56
Medical Support	-	0.32	-	0.18
Hotel & Allied Services	12.14	12.69	11.35	12.27
Sessional Clinicians	0.16	0.10	0.12	0.09
Ancillary Staff (Allied Health)	2.23	1.51	2.10	1.27
Total	45.17	43.77	42.18	42.75
Nursing	27.65	25.17	25.70	25.37
Casual	2.58	0.92	2.23	0.43
Part time	23.24	22.25	1.88	22.95
Full time	1.83	2.0	21.59	1.99
Administration and Clerical	2.99	3.98	2.91	3.56
Part time	2.99	3.45	2.91	3.56
Full time	-	0.53	-	0.0
Medical Support	-	0.32	-	0.18
Part time	-	0.32	-	0.18
Hotel & Allied Services	12.14	12.69	11.35	12.27
Casual	1.93	1.20	1.97	0.99
Part time	10.21	11.49	9.38	11.28
Sessional Clinicians	0.16	0.10	0.12	0.09
Part time	0.16	0.10	0.12	0.09
Ancillary Staff (Allied Health)	2.23	1.51	2.10	1.27
Part time	2.23	1.51	2.10	1.27
Total	45.17	43.77	42.18	42.75

*The FTE figures in the above table excludes overtime and contracted staff (i.e. Nurse agency, Fee-for-Service or Visiting Medical Officers)

The FTE figures required in the table above are those excluding overtime. These do not include contracted staff (e.g. Agency nurses, Fee-for-Service Visiting Medical Officers) who are not regarded as employees for this purpose. The above data should be consistent with the information provided in the Minimum Employee Data Set.



Workforce Data continued

Occupational Health and Safety

YDMH is committed to providing a safe environment for employees, consumers and members of the public. The Health Service complies with the requirements of the Occupational Health and Safety Act (Vic) 2004 and the Victorian Occupational Health and Safety Regulations 2017.

There is strong and proactive engagement with Health and Safety Representatives to find ways to eliminate or mitigate the risk of injury within the workplace. Where injury has occurred, the organisation seeks to achieve the safe, appropriate, supportive and timely return to work of its employees.

Occupational Health and Safety Statistics	2021-22	2020-21	2019-20
The number of reported hazards / incidents for the year per 100 FTE	18	62	51
The number of 'lost time' standard WorkCover claims for the year per 100 FTE	0	2.21	0
The average cost per WorkCover claim for the year ('000)	\$0	\$17,500	\$0

Reported Incidents

There remains a strong emphasis on reducing workplace injuries. The Occupational Health and Safety Committee deals with matters of workplace safety through the early identification of workplace risks and timely and effective risk mitigation. All employees are encouraged and supported to report hazards and incidents. Training has been provided for representatives of the committee.

Occupational Violence

Occupational Violence Statistics	2021-22
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	6
Number of occupational violence incidents reported per 100 FTE	14.04
Percentage of occupational violence incidents resulting in a staff injury, illness or condition	0

General Information

Local Jobs First Act 2003

There were no contracts undertaken requiring reporting in this category in 2021-22.

Gender Equality Act 2020

The Gender Equality Act commenced on 31 March 2021 with defined entities (which includes YDMH) being required to meet their obligations under the Gender Equality Act 2020. YDMH submitted workforce data for review in December 2021, using these results to inform inclusions in the development of an organisational Gender Equality Action Plan (GEAP) submitted in mid-June 2022 which will highlight our commitment work to improve gender equality within the organisation.

Safe Patient Care Act 2015

The hospital 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

Complaints about certain serious misconduct or corruption involving public health services in Victoria can be made by individuals directly to the Independent Broad-based Anti-corruption Commission (IBAC). Individuals who have concerns about corrupt or improper conduct are encouraged to raise the matter directly with IBAC.

Yea & District Memorial Hospital is committed to extending the protections under the *Public Interest Disclosure Act 2012* (Vic) to individuals who make protected disclosures under that Act, or who cooperate with investigations into protected disclosures. Websites of interest for complaint procedures regarding this Act are: <http://www.ombudsman.vic.gov.au> and <http://www.health.vic.gov.au/hsc>

No disclosures were made in 2021-22

Building Act 1993

Yea & District Memorial Hospital has met the requirements of the *Building Act 1993* in accordance with DHS Capital Development Guidelines (Minister for Finance Guideline Building Act 1993/Standards for Publicly Owned Buildings 1994/Building (Interim) Regulations 2005 and Building Code of Australia 2004).

National Competition Policy

Yea & District Memorial Hospital complies with the National Competition Policy and with the requirements of the *Competitive Neutrality Policy Victoria*.

Carers Recognition Act 2012

The organisation recognises and supports its responsibilities and obligations under the Act for people in care relationships and the role of carers in our community. Yea & District Memorial Hospital 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. Yea & District Memorial Hospital has complied with its obligations under Section 11 of the Act for the reporting period 1st July 2021 to 30th June 2022.

Freedom of Information Act 1982

The organisation is subject to the provisions of the *Freedom of Information Act 1982*.

In 2021-22 there was 1 application made to the organisation under these provisions.

Freedom of Information applications are made to the Freedom of Information Officer and are dealt with in accordance with the Act. Any charges applied are in accordance with the Act and Regulations. Information on making a Freedom of Information request can be found at <https://yeahospital.org.au/foi-request/>. Applications may be submitted by post or in person.

Financial Information

SUMMARY OF THE FINANCIAL RESULTS FOR THE LAST FIVE YEARS

	2022 \$'000	2021 \$'000	2020 \$'000	2019 \$'000	2018 \$'000
OPERATING RESULT*	26	63	293	333	181
Total revenue*	8,051	6,920	6,549	6,152	5,797
Total expenses*	(8,120)	(7,412)	(6,825)	(6,434)	(6,232)
Net result from transactions	(69)	(492)	(276)	(282)	(435)
Total other economic flows	89	50	(12)	(41)	(5)
Net result	19	(442)	(288)	(323)	(440)
Total assets	21,690	21,329	19,021	19,094	18,064
Total liabilities	(8,645)	(8,304)	(5,553)	(5,337)	(4,928)
Net assets/Total equity	13,045	13,025	13,468	13,757	13,136

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

RECONCILIATION OF NET RESULT FROM TRANSACTIONS AND OPERATING RESULT

	2022 \$'000	2021 \$'000	2020 \$'000	2019 \$'000	2018 \$'000
NET OPERATING RESULT*	26	63	276	333	181
Capital purpose income	698	196	143	89	142
COVID-19 State Supply Arrangements	176	60	7	N/A	N/A
State supply items consumed up to 30 June 2022	(176)	(60)	(7)	N/A	N/A
Expenditure for capital purpose	(30)	(11)	5	(28)	(110)
Depreciation and amortisation	(761)	(728)	(710)	(656)	(613)
Finance costs (other)	(2)	(12)	(7)	(20)	(35)
Net results from transactions	(69)	(492)	(276)	(282)	(435)

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

Summary of significant changes in financial position

Yea & District Memorial Hospital's major financial objective is to provide the necessary resources to meet anticipated activity levels, address essential capital needs and ensure cash sustainability.

For the 2021-22 financial year, Yea & District Memorial Hospital delivered an operating surplus of \$25,778 against a budget surplus of \$25,000. Yea & District Memorial Hospital had an overall net result surplus of \$19,218 for the 2021-22 financial year.

Total cash increased by \$0.18m from \$11.89m to \$12.07m in 2021-22. Contract liabilities and deferred capital grant revenue decreased by \$0.484m as a result of the 2020-2021 revenue being recognised during the 2021-2022 year.

Monies held in trust increased by \$0.886m due to additional Accommodation Bonds received throughout the year. Equity increased as a result of the net surplus.

Summary of operational and budgetary objectives and factors affecting performance

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

A \$25,000 operating surplus (excluding capital, depreciation and specific items) was agreed in the 2021-22 SoP. Yea & District Memorial Hospital was able to deliver on its accountabilities in 2021-22, with an operating surplus result of \$25,778. The major factor contributing to the surplus for the year was the additional government grant revenue received from Department of Health.

It is important to note that the financial focus for Yea & District Memorial Hospital is on the operating result given that depreciation is unfunded and capital income from the Department of Health is project dependent and therefore highly variable year-to-year.

Events subsequent to balance date

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

Consultancies

Details of consultancies (under \$10,000)

In 2021-22, there were four consultancies where the total fees payable to the consultants were less than \$10,000. The total expenditure incurred during 2021-22 in relation to these consultancies is \$23,190 (excluding GST).

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

In 2021-22, there were no consultancies where the total fees payable to the consultants were \$10,000 or greater.

Financial Information continued

Information and Communication Technology (ICT) Expenditure

The total ICT expenditure incurred during 2021-22 is \$494,858 (excluding GST) with the details shown below:

Business As Usual (BAU) ICT expenditure	Non-Business As Usual (non-BAU) ICT expenditure		
	Total = Operational expenditure and capital expenditure (excluding GST)	Operational expenditure (excluding GST)	Capital expenditure (excluding GST)
Total (excluding GST)			
\$227,049	\$267,809	\$247,569	\$20,240

Additional information available upon 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):

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

Environmental Performance

Reducing the impact of our health services on the environment is a priority area for Yea & District Memorial Hospital.

STATIONARY ENERGY

Total stationary energy purchased by energy type (GJ)	2021/22	2020/21
Electricity	58	1,136
Liquefied Petroleum Gas	1,853	2,005
Total	1,911	3,027

WATER

Total water consumption by type (kL)	2021/22	2020/21
Potable Water	3,612	7,137
Total	3,612	7,137

WASTE AND RECYCLING

Waste (kg)	2021/22	2020/21
Total waste generated by organisation	29,406	21,750
Waste directed to landfill	20,866	14,620
Recycling rate %	29.04	32.78
Total waste generated	20,406	21,750

YDMH continues to recognise the importance of using resources more efficiently and continues working to reduce everyday environmental impacts. The health service acknowledges its environmental and community obligations and adopts a minimisation and management approach to levels of waste produced and energy consumed by the organisation.

In the 2021-22 year the hospital has increased the electrical load, with the installation of split system air conditioning throughout the site, yet a large drop in electrical usage, which is largely due to the switch to clean energy through solar. This has also seen reduction in hydronic heating, and our overall LPG usage.

Our waste levels remain consistent with the previous year and recycling levels remain consistent with the previous 2 years regardless of the increased protective equipment consumed through COVID-19.

Water consumption decreased significantly on the previous year, after repairs to long-standing issues. YDMH will continue to identify ways of improving consumption and waste through 2022 and beyond.

Statement of Priorities 2021-22

STRATEGIC PRIORITIES	OUTCOMES
Maintain robust COVID-19 readiness and response, working with the Department to ensure a rapid response to outbreaks, if and when, they occur, which includes providing testing for community and staff, where necessary, and if required. This includes preparing to participate in, and assist with, the implementation of COVID-19 vaccine immunisation program rollout, ensuring our local community's confidence in the program	<ul style="list-style-type: none">• YDMH have responded to the numerous exposures and outbreaks that have occurred within the facility – acute & aged care over the past year. All have been managed in collaboration with the Public Health unit and with all reporting completed as required.• COVID-19 testing has been available to the community – with promotion via website also – during 2021/22 a total of 2,886 tests were completed – Rapid Antigen Test (RAT) testing kits was also supported from January 2022.• Commencing in May 2021 in collaboration with Mansfield District Hospital and Goulburn Valley Health – 16 COVID-19 Vaccination clinics have been held on site within the organisation supported and assisted by YDMH staff who completed the required training. Vaccination for our Rosebank Residential aged care residents have also occurred during the year.• Community communication around the COVID-19 response and service by the organisation has been ongoing throughout the year via website/ social media radio updates and local newspaper features.
Actively collaborate on the development and delivery of priorities within your Health Service Partnership, contribute to inclusive and consensus-based decision making, support optimum utilisation of services, facilities and resources within the partnership, and be collectively accountable for delivering against Partnership accountabilities as set out in the Health Service Partnership Policy and Guidelines.	<ul style="list-style-type: none">• YDMH have participated in the Hume Health Service Partnership throughout the year attending meetings in the region to oversee COVID-19 response Plan, COVID Positive Pathways, Capacity building, Telehealth work, Residential In reach and annual work plan.
Engage with your community to address the needs of patients, especially our vulnerable Victorians whose care has been delayed due to the pandemic and provide the necessary "catch-up" care to support them to get back on track. Work collaboratively with your Health Service Partnership to implement the Better at Home initiative to enhance in-home and virtual models of patient care when it is safe, appropriate and consistent with patient preference.	<ul style="list-style-type: none">• YDMH has supported the development of the Better @ Home initiative within the catchment in collaboration with the Hume Health Service Partnership. We have been unable to deliver and coordinate this solely as an organisation due to workforce impact of COVID-19 but have worked with local partners in its delivery to the community.

STRATEGIC PRIORITIES

OUTCOMES

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

- YDMH continues to support mental health of community members in its acute inpatient area with support from Goulburn Valley Mental health service and our YDMH community health psychology/ counselling support.

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

- Staff education and awareness in cultural safety for Aboriginal & Torres Strait Islander service users has been ongoing throughout the year, with national days and weeks being celebrated/commemorated and both flags now raised outside of the building.

Statement of Priorities 2021-22 continued

HIGH QUALITY AND SAFE CARE

Key Performance Measure	Target	2021-22 Result
INFECTION PREVENTION AND CONTROL		
Compliance with the Hand Hygiene Australia program	85%	89.8%
Percentage of healthcare workers immunised for influenza	100%	97%
PATIENT EXPERIENCE		
Victorian Healthcare Experience Survey – percentage of positive patient experience responses - Quarter 1-3	95%	N/A*

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

STRONG GOVERNANCE, LEADERSHIP AND CULTURE

Key Performance Measure	Target	2021-22 Result
ORGANISATIONAL CULTURE		
People matter survey - Percentage of staff with an overall positive response to safety culture survey questions	62%	73%

EFFECTIVE FINANCIAL MANAGEMENT

Key performance Indicator	Target	2021-22 Result
Operating result (\$m)	0.02	0.03m
Average number of days to paying trade creditors	60 days	29 days
Average number of days to receiving patient fee debtors	60 days	48 days
Adjusted current asset ratio (improvement from health service base target)	0.7 or 3%	1.57%
Actual number of days Yea & District Memorial Hospital can maintain its operations with unrestricted available cash, measured on the last day of each month	14 days	240.3 days
Measures the accuracy of forecasting the Net result from transactions (NRFT) for the current financial year ending 30 June.	Variations < \$250,000	\$190,000

ACTIVITY AND FUNDING

Funding Type	Target	2021-22 Activity Achievement	Units
ACUTE			
Small Rural Acute	8	13	WIES equivalents
Urgent Care Presentations	8	680	Presentations
COVID-19 Swabbing Presentations	8	2,886	Presentations
SMALL RURAL PRIMARY HEALTH & HACC			
Nursing (Diabetes Education)	2,830	277.59 (261)	Service hours
Counselling/Casework	2,830	913 (1,091)	Service hours
Dietetics	2,830	342.27 (570)	Service hours
Speech Therapy	2,830	307.83 (312)	Service hours
Case Care Coordination	2,830	285.02 (360)	Service hours
Initial Needs Identification	2,830	27.31 (116)	Service hours
Small Rural HACC	2,830	190 (180)	Service hours
Funding Type	Available	Actual	Units
SMALL RURAL RESIDENTIAL CARE			
Residential Aged Care	9,040	9,063	Bed days
ACUTE CARE			
Acute	3,279	1,654	Bed days
Transition Care Program	371	108	Bed days

Declarations

Financial Management Compliance Attestation

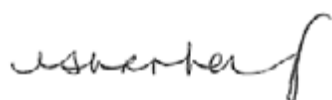
I, Ian Marshman AM, on behalf of the Responsible Body, certify that Yea & District Memorial Hospital has no Material Compliance Deficiency with respect to the applicable Standing Directions under the Financial Management Act 1994 and Instructions.



Ian Marshman AM
Board Chair
29th August 2022

Data Integrity

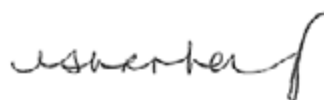
I, Louise Sharkey, certify that Yea & District Memorial Hospital has put in place appropriate internal controls and processes to ensure that reported data accurately reflects actual performance. Yea & District Memorial Hospital has critically reviewed these controls and processes during the year.



Louise Sharkey
Acting Chief Executive Officer
29th August 2022

Conflict of Interest

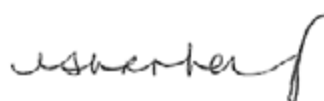
I, Louise Sharkey, certify that Yea & District Memorial Hospital has put in place appropriate internal controls and processes to ensure that it has complied with the requirements of hospital circular 07/2017 Compliance reporting in health portfolio entities (Revised) and has implemented a Conflict of Interest policy consistent with the minimum accountabilities required by the VPSC. Declaration of private interest forms have been completed by all executive staff within Yea & District Memorial Hospital 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 documentation at each executive board meeting.



Louise Sharkey
Acting Chief Executive Officer
29th August 2022

Integrity, Fraud and Corruption

I, Louise Sharkey, certify that Yea & District Memorial Hospital has put in place appropriate internal controls and processes to ensure that integrity, fraud and corruption risks have been reviewed and addressed at Yea & District Memorial Hospital during the year.



Louise Sharkey
Acting Chief Executive Officer
29th August 2022

Disclosure Index

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

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YEA & DISTRICT MEMORIAL HOSPITAL

FINANCIAL REPORT - How this report is structured

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Yea & District Memorial Hospital

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

The attached financial statements for Yea and District Memorial Hospital 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 2022 and the financial position of Yea and District Memorial Hospital at 30 June 2022.

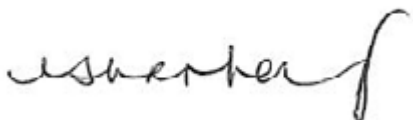
At the time of signing, we are not aware of any circumstance which would render any particulars included in the financial statements to be misleading or inaccurate.

We authorise the attached financial statements for issue on the 29 August 2022.



Ian Marshman AM
Board Chair

Yea
29 August 2022



Louise Sharkey
Chief Executive Officer

Yea
29 August 2022



Peter Hutchinson
Chief Finance Officer

Yea
29 August 2022

Independent Auditor's Report

To the Board of Yea and District Memorial Hospital

Opinion I have audited the financial report of Yea and District Memorial Hospital (the health service) which comprises the:

- Balance Sheet as at 30 June 2022
- Comprehensive Operating Statement for the year then ended
- Statement of Changes in Equity for the year then ended
- Cash Flow Statement for the year then ended
- Notes to the Financial Statements, including significant accounting policies
- Board member's, accountable officer's and chief finance & accounting officer's declaration.

In my opinion the financial report presents fairly, in all material respects, the financial position of the health service as at 30 June 2022 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the *Financial Management Act 1994* and applicable Australian Accounting Standards.

Basis for Opinion I have conducted my audit in accordance with the *Audit Act 1994* which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report.

My independence is established by the *Constitution Act 1975*. My staff and I are independent of the health service in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Board's responsibilities for the financial report The Board of the health service is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the *Financial Management Act 1994*, and for such internal control as the Board determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Board is responsible for assessing the health service's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.

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
21 September 2022

Dominika Ryan
as delegate for the Auditor-General of Victoria

Yea & District Memorial Hospital
Comprehensive Operating Statement
For the Financial Year Ended 30 June 2022

		Total 2022 \$	Total 2021 \$
Revenue and income from transactions			
Operating activities	2.1	7,787,536	6,673,758
Non-operating activities	2.1	106,738	113,437
Share of revenue from joint operations	8.8	156,446	132,374
Total revenue and income from transactions		8,050,720	6,919,569
Expenses from transactions			
Employee expenses	3.1	(5,285,327)	(4,830,673)
Supplies and consumables	3.1	(620,851)	(535,214)
Finance costs	3.1	(2,354)	(12,658)
Depreciation and amortisation	3.1	(756,418)	(716,498)
Share of expenditure from joint operations	8.8	(155,416)	(135,263)
Other administrative expenses	3.1	(762,515)	(695,928)
Other operating expenses	3.1	(537,132)	(486,033)
Other non-operating expenses	3.1	(119)	-
Total expenses from transactions		(8,120,132)	(7,412,267)
Net result from transactions - net operating balance		(69,412)	(492,698)
Other economic flows included in net result			
Net gain on sale of non-financial assets	3.2	22,466	-
Net loss on financial instruments	3.2	(320)	(1,740)
Share of other economic flows from joint arrangements	8.8	13	(4,845)
Other gain from other economic flows	3.2	66,471	56,446
Total other economic flows included in net result		88,630	49,861
Net result for the year		19,218	(442,837)
Comprehensive result for the year		19,218	(442,837)

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

Yea & District Memorial Hospital
Balance Sheet as at 30 June 2022

	Note	Total 2022 \$	Total 2021 \$
Current assets			
Cash and cash equivalents	6.2	12,069,582	11,889,353
Receivables and contract assets	5.1	195,375	148,282
Share of assets in joint operations	8.8	219,256	232,925
Prepaid expenses		64,025	62,275
Total current assets		12,548,238	12,332,835
Non-current assets			
Receivables and contract assets	5.1	503,986	400,256
Share of assets in joint operations	8.8	3,990	7,535
Property, plant and equipment	4.1	8,619,220	8,586,481
Intangible assets	4.3	14,068	2,014
Total non-current assets		9,141,264	8,996,286
Total assets		21,689,502	21,329,121
Current liabilities			
Payables and contract liabilities	5.2	526,792	1,030,633
Borrowings	6.1	13,245	13,245
Employee benefits	3.3	1,266,212	1,207,904
Share of liabilities in joint operations	8.8	115,164	132,021
Other liabilities	5.3	6,619,535	5,733,890
Total current liabilities		8,540,948	8,117,693
Non-current liabilities			
Borrowings	6.1	36,606	52,579
Employee benefits	3.3	65,604	130,355
Share of liabilities in joint operations	8.8	1,730	3,099
Total non-current liabilities		103,940	186,033
Total liabilities		8,644,888	8,303,726
Net assets		13,044,613	13,025,395
Equity			
Revaluation surplus	4.2	8,841,434	8,841,434
General purpose surplus	SCE	3,955,648	3,640,648
Restricted specific purpose reserve	SCE	45,478	45,478
Contributed capital	SCE	2,447,448	2,447,448
Accumulated deficits	SCE	(2,245,395)	(1,949,613)
Total equity		13,044,613	13,025,395

The balance sheet should be read in conjunction with the accompanying notes.

Yea & District Memorial Hospital
Statement of Changes in Equity
For the Financial Year Ended 30 June 2022

	Revaluation surplus \$	General purpose surplus \$	Restricted specific purpose surplus \$	Contributed capital \$	Accumulated deficits \$	Total \$
Balance at 1 July 2020	8,841,434	3,476,449	45,478	2,447,448	(1,342,577)	13,468,232
Net result for the year	-	-	-	-	(442,837)	(442,837)
Transfer from/(to) accumulated surplus/(deficits)	-	164,199	-	-	(164,199)	-
Balance at 30 June 2021	8,841,434	3,640,648	45,478	2,447,448	(1,949,613)	13,025,395
Net result for the year	-	-	-	-	19,218	19,218
Transfer from/(to) accumulated surplus/(deficits)	-	315,000	-	-	(315,000)	-
Balance at 30 June 2022	8,841,434	3,955,648	45,478	2,447,448	(2,245,395)	13,044,613

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

Yea & District Memorial Hospital
Cash Flow Statement
For the Financial Year Ended 30 June 2022

	Total 2022 \$	Total 2021 \$
Cash flows from operating activities		
Operating grants from government	5,454,348	6,129,549
Capital grants from government - Commonwealth	374,380	14,032
Patient and resident fees received	736,250	905,817
Donations and bequests received	12,775	4,257
GST received from ATO	219,083	156,832
Interest income received	101,967	113,226
Other receipts	574,340	356,189
Total receipts	7,473,143	7,679,902
Employee expenses paid	(5,026,641)	(4,501,962)
Non salary labour costs	(249,751)	(166,048)
Payments for supplies and consumables	(2,116,692)	(1,619,776)
Payments for medical indemnity insurance	(22,285)	(25,000)
Payments for repairs and maintenance	(133,199)	(135,513)
Finance costs	(124)	(163)
GST paid to ATO	(13,881)	(11,057)
Cash outflow for leases	(16,129)	(12,417)
Payment for share of Hume Rural Health Alliance	(84,454)	(76,110)
Total payments	(7,663,155)	(6,548,046)
Net cash flows from/(used in) operating activities	8.1 (190,012)	1,131,856
Cash flows from investing activities		
Purchase of property, plant and equipment	(611,587)	(82,504)
Purchase of intangible assets	(15,000)	-
Proceeds from disposal of property, plant and equipment	22,479	-
Net cash flows from/(used in) investing activities	(604,108)	(82,504)
Cash flows from financing activities		
Proceeds from/(repayment of) borrowings	(15,974)	397
Receipt of accommodation deposits	1,340,280	2,850,000
Repayment of accommodation deposits	(450,000)	(970,278)
Other monies held in trust	84,261	-
Share of joint venture funds	17,451	(52,759)
Repayment of finance leases	(1,670)	(3,685)
Net cash flows from/(used in) financing activities	974,348	1,823,675
Net increase in cash and cash equivalents held	180,228	2,873,028
Cash and cash equivalents at beginning of year	11,889,354	9,016,325
Cash and cash equivalents at end of year	6.2 12,069,582	11,889,353

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

Note 1: Basis of preparation

These financial statements represent the audited general purpose financial statements for Yea & District Memorial Hospital for the year ended 30 June 2022. The report provides users with information about Yea & District Memorial Hospital's stewardship of the resources entrusted to it.

This section explains the basis of preparing the financial statements.

Structure

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

Note 1.1: Basis of preparation of the financial statements

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

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

Yea & District Memorial Hospital 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 are prepared on a going concern basis (refer to Note 8.10: Economic dependency).

The financial statements are presented in Australian dollars.

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

The annual financial statements were authorised for issue by the Board of Yea & District Memorial Hospital on 24 August 2022.

Note 1.2: Impact of COVID-19 pandemic

In March 2020 a state of emergency was declared in Victoria due to the global coronavirus pandemic, known as COVID-19. On 2 August 2020 a state of disaster was added with both operating concurrently. The state of disaster in Victoria concluded on 28 October 2020 and the state of emergency concluded on 15 December 2021.

The COVID-19 pandemic has created economic uncertainty. Actual economic events and conditions in the future may be materially different from those estimated by Yea & District Memorial Hospital at the reporting date. Management recognises that it is difficult to reliably estimate with certainty, the potential impact of the pandemic after the reporting date on Yea & District Memorial Hospital, its operations, its future results and financial position.

In response to the ongoing COVID-19 pandemic, Yea & District Memorial Hospital has:

- introduced restrictions on non-essential visitors
- utilised telehealth services

Note 1.2: Impact of COVID-19 pandemic (continued)

- performed COVID-19 testing
- established and operated vaccine clinics
- changed infection control practices
- implemented work from home arrangements where appropriate
- implemented facility entry requirements for all staff and visitors including temperature checks, QR scanning and entry attestations

Where financial impacts of the pandemic are material to Yea & District Memorial Hospital, they are disclosed in the explanatory notes.

Note 1.3: Abbreviations and terminology used in the financial statements

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

Reference	Title
AASB	Australian Accounting Standards Board
AASs	Australian Accounting Standards, which include Interpretations
CBS	Centralised Banking arrangements
CEO	Chief Executive Officer
CFO	Chief Finance Officer
DH	Department of Health
DTF	Department of Treasury and Finance
FMA	Financial Management Act 1994
FRD	Financial Reporting Direction
HRHA	Hume Rural Health Alliance
GST	Goods and Services Tax
LSL	Long service leave
NWAU	National Weighted Activity Unit
SD	Standing Direction
VMIA	Victorian Managed Insurance Authority
VAGO	Victorian Auditor General's Office
WIES	Weighted Inlier Equivalent Separation

Note 1.4: Joint arrangements

Interests in joint arrangements are accounted for by recognising Yea & District Memorial Hospital's share of assets and liabilities and any revenue and expenses of such joint arrangements within the financial statements.

Yea & District Memorial Hospital has the following joint arrangement:

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

Under the *Health Services Act 1988*, all public hospitals and public health services must enter into an Alliance within the region where they are geographically located and operate in accordance with the terms of the joint venture agreement (JVA). These requirements form part of the funding conditions for Yea & District Memorial Hospital under the health service agreements entered by the department, or under the relevant statement of priorities.

Yea & District Memorial Hospital as a mandatory Alliance member is jointly responsible for the operation of HRHA.

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

Note 1.5: Key accounting estimates and judgements

Management make estimates and judgements when preparing the financial statements.

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

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

Note 1.5: Key accounting estimates and judgements (continued)

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

Note 1.6: Accounting standards issued but not yet effective

An assessment of accounting standards and interpretations issued by the AASB that are not yet mandatorily applicable to Yea & District Memorial Hospital and their potential impact when adopted in future periods is outlined below:

Standard	Adoption date	Impact
AASB 17: <i>Insurance Contracts</i>	Reporting periods on or after 1 January 2023.	Adoption of this standard is not expected to have a material impact.
AASB 2020-1: <i>Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current</i>	Reporting periods on or after 1 January 2022.	Adoption of this standard is not expected to have a material impact.
AASB 2020-3: <i>Amendments to Australian Accounting Standards – Annual Improvements 2018-2020 and Other Amendments</i>	Reporting periods on or after 1 January 2022.	Adoption of this standard is not expected to have a material impact.
AASB 2021-2: <i>Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definitions of Accounting Estimates.</i>	Reporting periods on or after 1 January 2023.	Adoption of this standard is not expected to have a material impact.
AASB 2021-5: <i>Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>	Reporting periods on or after 1 January 2023.	Adoption of this standard is not expected to have a material impact.
AASB 2021-6: <i>Amendments to Australian Accounting Standards – Disclosure of Accounting Policies: Tier 2 and Other Australian Accounting Standards</i>	Reporting periods on or after 1 January 2023.	Adoption of this standard is not expected to have a material impact.
AASB 2021-7: <i>Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections</i>	Reporting periods on or after 1 January 2023.	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 Yea & District Memorial Hospital in future periods.

Note 1.7: Goods and Services Tax (GST)

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

Receivables and payables in the Balance Sheet are stated inclusive of the amount of GST. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the Balance Sheet.

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

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

Note 1.8: Reporting Entity

The financial statements include all the controlled activities of Yea & District Memorial Hospital.

The principal address is:
45 Station Street
Yea, Victoria 3717

A description of the nature of Yea & District Memorial Hospital'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

Yea & District Memorial Hospital's overall objective is to provide quality health services that promote healthy communities and improve the quality of life of Victorians. Yea & District Memorial Hospital is predominantly funded through block funding for the provision of outputs. Yea & District Memorial Hospital also receives income from the supply of services.

Structure

2.1 Revenue and income from transactions

Telling the COVID-19 story

Revenue recognised to fund the delivery of our services during the financial year was not materially impacted by the COVID-19 pandemic.

Key judgements and estimates

This section contains the following key judgements and estimates:

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

Note 2.1: Revenue and income from transactions

	Note	Total 2022 \$	Total 2021 \$
Operating activities			
Revenue from contracts with customers			
Government grants (State) - Operating		71,408	67,282
Government grants (Commonwealth) - Operating		1,355,710	1,312,788
Patient and resident fees		739,378	860,763
Patient fees - transition care		21,845	106,939
Commercial activities ⁱ		92,119	94,093
Total revenue from contracts with customers	2.1(a)	2,280,460	2,441,865
Other sources of income			
Government grants (State) - Operating		4,577,095	4,081,993
Government grants (Commonwealth) - Operating		3,500	-
Government grants (State) - Capital		374,380	14,032
Government grants (Commonwealth) - Capital		72,936	52,415
Assets received free of charge of for nominal consideration	2.1(b)	176,130	60,308
Other income from operating activities		303,035	23,145
Total other sources of income		5,507,076	4,231,893
Total revenue and income from operating activities		7,787,536	6,673,758
Non-operating activities			
Income from other sources			
Capital interest		526	11,759
Other interest		106,212	101,678
Total income other sources of income		106,738	113,437
Total income from non-operating activities		106,738	113,437
Total revenue and income from transactions		7,894,274	6,787,195

ⁱ Commercial activities represent business activities which Yea & District Memorial Hospital enters into to support operations.

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

	Total 2022 \$	Total 2021 \$
Yea & District Memorial Hospital disaggregates revenue by the timing of revenue recognition.		
Goods and services transferred to customers:		
At a point in time	151,206	182,700
Over time	2,129,254	2,259,165
Total revenue from contracts with customers	2,280,460	2,441,865

How we recognise revenue and income from operating activities

Government operating grants

To recognise revenue, Yea & District Memorial Hospital 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, Yea & District Memorial Hospital:

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

If a contract liability is recognised, Yea & District Memorial Hospital recognises revenue in profit or loss as and when it satisfies its obligations under the contract, unless a contract modification is entered into between all parties.

Note 2.1: Revenue and income from transactions (continued)

A contract modification may be obtained in writing, by oral agreement or implied by customary business practices.

Where the contract is not enforceable and/or does not have sufficiently specific performance obligations, Yea & District Memorial Hospital:

- 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 Yea & District Memorial Hospital's goods or services. Yea & District Memorial Hospital'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 each of Yea & District Memorial Hospital's revenue streams, with information detailed below relating to Yea & District Memorial Hospital's significant revenue streams:

Government grant	Performance obligation
Activity Based Funding (ABF) paid as Weighted Inlier Equivalent Separation (WIES) casemix for TAC & DVA patients.	<p>The performance obligations for ABF are the number and mix of patients admitted to hospital (defined as 'casemix') in accordance with the levels of activity agreed to, with the Department of Health in the annual Statement of Priorities.</p> <p>Revenue is recognised at a point in time, which is when a patient is discharged.</p> <p>WIES activity is a cost weight that is adjusted for time spent in hospital, and represents a relative measure of resource use for each episode of care in a diagnosis related group (DRG).</p> <p>WIES was superseded by National Weighted Activity Unit (NWAU) from 1 July 2021, for acute, sub-acute and state-wide (which includes specified grants and state-wide services). As a small rural service, Yea & District Memorial Hospital has not yet transitioned to the NWAU at this time.</p>
Commonwealth Aged Care Funding	<p>The performance obligations for Commonwealth Aged Care Funding are the number and mix of residents in the Aged Care facility.</p> <p>Revenue is recognised at a point in time, when the Commonwealth claim is received.</p>
PSRACS Kitchen Garden Initiative	<p>The kitchen garden initiative funding's objective is to start, refresh or further enhance an established garden to create an accessible kitchen garden and 'garden to plate' concept within Yea & District Memorial Hospital. The benefits of this would include encouraging residents to be more active, improving nutrition, increasing resident connections with each other, their families and communities, taking advantage of volunteering opportunities whilst also enhancing person centred models of care.</p> <p>The project guidelines are:</p> <ul style="list-style-type: none"> • all garden/planter boxes must be raised and can be accessible for a person seated or in a wheelchair. • all plants must be edible • all produce grown must be used by the residents or in lifestyle activities involving the residents. <p>Performance obligations are met when the garden beds/planter boxes are ready for planting by residents and the evaluation of the benefits to the residents has been delivered.</p> <p>Revenue will be brought in over the period of the project to offset the costs involved in completing the task.</p>

Note 2.1: Revenue and income from transactions (continued)

Capital grants

Where Yea & District Memorial Hospital 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 Yea & District Memorial Hospital's obligation to construct the asset. The progressive percentage of costs incurred is used to recognise income, as this most accurately reflects the stage of completion.

Patient and resident fees

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

Private practice fees

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

Commercial activities

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

How we recognise revenue and income from non-operating activities

Interest income

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

Note 2.1(b): Fair value of assets and services received free of charge or for nominal consideration

Personal protective equipment and other consumables

Total fair value of assets and services received free of charge or for nominal consideration

	Total 2022 \$	Total 2021 \$
Personal protective equipment and other consumables	176,130	60,308
Total fair value of assets and services received free of charge or for nominal consideration	176,130	60,308

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 Yea & District Memorial Hospital usually obtained control of the asset) as they do not contain sufficiently specific and enforceable performance obligations. Where sufficiently specific and enforceable performance obligations exist, revenue is recorded as and when the performance obligation is satisfied.

Personal protective equipment

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

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

Note 2.1(b): Fair value of assets and services received free of charge or for nominal consideration (continued)

Voluntary Services

Yea & District Memorial Hospital greatly values the services contributed by volunteers but it does not depend on volunteers to deliver its services.

Non-cash contributions from the Department of Health

The Department of Health (DH) makes some payments on behalf of Yea & District Memorial Hospital as follows:

Supplier	Description
Victorian Managed Insurance Authority	The Department of Health purchases non-medical indemnity insurance for Yea & District Memorial Hospital 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 LSL funding arrangements with the DH.

Note 3: The cost of delivering our services

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

Structure

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

Telling the COVID-19 story

Expenses incurred to deliver services during the financial year were not materially impacted by the COVID-19 pandemic.

Key judgements and estimates

This section contains the following key judgements and estimates:

Key judgements and estimates	Description
Classifying employee benefit liabilities	Yea & District Memorial Hospital applies significant judgment when measuring and classifying its employee benefit liabilities. Employee benefit liabilities are classified as a current liability if Yea & District Memorial Hospital 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 Yea & District Memorial Hospital 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	Yea & District Memorial Hospital applies significant judgment when measuring its employee benefit liabilities. Yea & District Memorial Hospital applies judgement to determine when it expects its employee entitlements to be paid. With reference to historical data, if Yea & District Memorial Hospital 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 anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by 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

	Total 2022 \$	Total 2021 \$
Salaries and wages	3,983,381	3,688,240
On-costs	1,034,663	939,759
Agency expenses	71,538	-
Fee for service medical officer expenses	161,607	166,048
Workcover premium	34,138	36,626
Total employee expenses	5,285,327	4,830,673
Drug supplies	35,277	31,718
Medical and surgical supplies (including prostheses)	243,974	108,659
Diagnostic and radiology supplies	6,350	10,396
Other supplies and consumables	335,250	384,441
Total supplies and consumables	620,851	535,214
Finance costs	2,354	12,658
Total finance costs	2,354	12,658
Other administrative expenses	762,515	695,928
Total other administrative expenses	762,515	695,928
Fuel, light, power and water	119,527	130,302
Repairs and maintenance	119,648	135,513
Maintenance contracts	183,846	109,282
Medical indemnity insurance	23,905	23,379
Expenses related to leases of low value assets	14,887	12,417
Expenditure for capital purposes	75,319	75,140
Total other operating expenses	537,132	486,033
Total operating expense	7,208,179	6,560,506
Depreciation and amortisation	756,418	716,498
Total depreciation and amortisation	756,418	716,498
Bad and doubtful debt expense	119	-
Total other non-operating expenses	119	-
Total non-operating expense	756,537	716,498
Total expenses from transactions	7,964,716	7,277,004

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, termination payments)
- on-costs (leave entitlements, superannuation)
- agency expenses
- fee for service medical officer expenses
- work cover premiums

Supplies and consumables

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

Note 3.1: Expenses from transactions (continued)

Finance costs

Finance costs include:

- interest on short-term and long-term borrowings (interest expense is recognised in the period in which it is incurred)
- interest on Refundable Accommodation Deposits (RAD)
- finance charges in respect of leases 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, power and water
- repairs and maintenance
- other administrative expenses
- expenditure for capital purposes (represents expenditure related to the purchase of assets that are below the capitalisation threshold of \$1,000).

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

Non-operating expenses

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

Note 3.2: Other economic flows

	Total 2022 \$	Total 2021 \$
Net gain/(loss) on disposal of property plant and equipment	22,466	-
Total net gain/(loss) on non-financial assets	22,466	-
Allowance for impairment losses of contractual receivables	(320)	(1,740)
Total net gain/(loss) on financial instruments	(320)	(1,740)
Net gain/(loss) arising from revaluation of long service liability	66,471	56,446
Total other gains/(losses) from other economic flows	66,471	56,446
Total gains/(losses) from other economic flows	88,617	54,706

How we recognise other economic flows

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

Other gains/(losses) from other economic flows

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

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

Net gain/ (loss) on non-financial assets

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

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

Impairment of non-financial assets

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

Note 3.3: Employee benefits and related on-costs

Current employee benefits and related on-costs

Accrued days off

Unconditional and expected to be settled wholly within 12 months ⁱ

Annual leave

Unconditional and expected to be settled wholly within 12 months ⁱ

Unconditional and expected to be settled wholly after 12 months ⁱⁱ

Long service leave

Unconditional and expected to be settled wholly within 12 months ⁱ

Unconditional and expected to be settled wholly after 12 months ⁱⁱ

Provisions related to employee benefit on-costs

Unconditional and expected to be settled wholly within 12 months ⁱ

Unconditional and expected to be settled wholly after 12 months ⁱⁱ

Total current employee benefits and related on-costs

Non-current employee benefits and related on-costs

Conditional long service leave

Provisions related to employee benefit on-costs

Total non-current employee benefits and related on-costs

Total employee benefits and related on-costs

ⁱ The amounts disclosed are nominal amounts.

ⁱⁱ The amounts disclosed are discounted to present values.

	Total 2022 \$	Total 2021 \$
	15,776	7,328
	15,776	7,328
	350,231	293,768
	150,014	131,284
	500,245	425,052
	98,950	109,841
	513,501	544,948
	612,451	654,789
	54,505	45,771
	83,235	74,964
	137,740	120,735
	1,266,212	1,207,904
	58,059	117,326
	7,545	13,029
	65,604	130,355
	1,331,816	1,338,259

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

Current employee benefits and related on-costs

Unconditional accrued days off

Unconditional annual leave entitlements

Unconditional long service leave entitlements

Total current employee benefits and related on-costs

Non-current employee benefits and related on-costs

Conditional long service leave entitlements

Total non-current employee benefits and related on-costs

Total employee benefits and related on-costs

Attributed to:

Employee benefits

Provision for related on-costs

Total employee benefits and related on-costs

	Total 2022 \$	Total 2021 \$
	18,499	8,573
	557,796	471,827
	689,916	727,504
	1,266,211	1,207,904
	65,605	130,355
	65,605	130,355
	1,331,816	1,338,259
	1,186,531	1,204,495
	145,285	133,764
	1,331,816	1,338,259

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

	Total 2022 \$	Total 2021 \$
Carrying amount at start of year	1,338,259	1,288,801
Additional provisions recognised	554,158	482,820
Amounts incurred during the year	(560,601)	(433,362)
Carrying amount at end of year	1,331,816	1,338,259

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 it is taken.

Annual leave and accrued days off

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

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

- Nominal value – if Yea & District Memorial Hospital expects to wholly settle within 12 months or
- Present value – if Yea & District Memorial Hospital does not expect to wholly settle within 12 months.

Long service leave

The liability for long service leave (LSL) is recognised in the provision for employee benefits.

Unconditional LSL is disclosed in the notes to the financial statements as a current liability even where Yea & District Memorial Hospital 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 Yea & District Memorial Hospital expects to wholly settle within 12 months or
- Present value – if Yea & District Memorial Hospital does not expect to wholly settle within 12 months.

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

On-costs related to employee benefits

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

Note 3.4: Superannuation

Defined benefit plansⁱ

Aware Super

Total defined benefit plansⁱ

Defined contribution plans

Aware Super

Hesta

Other

Total defined contribution plans

Total superannuation

Paid contribution for the year	
Total 2022 \$	Total 2021 \$
2,074	2,504
2,074	2,504
250,681	243,967
132,168	124,861
29,663	25,446
412,512	394,274
414,586	396,778

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

There were no outstanding superannuation contributions due at the 30th June 2022.

How we recognise superannuation

Employees of Yea & District Memorial Hospital are entitled to receive superannuation benefits and it contributes to both defined benefit and defined contribution plans.

Defined benefit superannuation plans

The defined benefit plan provides benefits based on years of service and final average salary. The amount charged to the Comprehensive Operating Statement in respect of defined benefit superannuation plans represents the contributions made by Yea & District Memorial Hospital to the superannuation plans in respect of the services of current Yea & District Memorial Hospital's staff during the reporting period. Superannuation contributions are made to the plans based on the relevant rules of each plan and are based upon actuarial advice.

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

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

The name, details and amounts that have been expensed in relation to the major employee superannuation fund and contributions made by Yea & District Memorial Hospital are disclosed above.

Defined contribution superannuation plans

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

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

Note 4: Key assets to support service delivery

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

Structure

- 4.1 Property, plant and equipment
- 4.2 Right-of-use assets
- 4.2 Revaluation surplus
- 4.3 Intangible assets
- 4.4 Depreciation and amortisation
- 4.5 Impairment of assets

Telling the COVID-19 story

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

Key judgements and estimates

This section contains the following key judgements and estimates:

Key judgements and estimates	Description
Estimating useful life of property, plant and equipment	Yea & District Memorial Hospital assigns an estimated useful life to each item of property, plant and equipment. This is used to calculate depreciation of the asset. Yea & District Memorial Hospital reviews the useful life, residual value and depreciation rates of all assets at the end of each financial year and where necessary, records a change in accounting estimate.
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 Yea & District Memorial Hospital 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. Yea & District Memorial Hospital applies significant judgement to determine whether or not it is reasonably certain to exercise such purchase options.
Estimating the useful life of intangible assets	Yea & District Memorial Hospital assigns an estimated useful life to each intangible asset with a finite useful life, which is used to calculate amortisation of the asset.
Identifying indicators of impairment	<p>At the end of each year, Yea & District Memorial Hospital assesses impairment by evaluating the conditions and events specific to Yea & District Memorial Hospital that may be indicative of impairment triggers. Where an indication exists, Yea & District Memorial Hospital tests the asset for impairment.</p> <p>Yea & District Memorial Hospital considers a range of information when performing its assessment, including considering:</p> <ul style="list-style-type: none"> • if an asset's value has declined more than expected based on normal use • if a significant change in technological, market, economic or legal environment which adversely impacts the way the hospital uses an asset • if an asset is obsolete or damaged • if the asset has become idle or if there are plans to discontinue or dispose of the asset before the end of its useful life • if the performance of the asset is or will be worse than initially expected. <p>Where an impairment trigger exists, the hospital applies significant judgement and estimate to determine the recoverable amount of the asset.</p>

Note 4.1: Property, plant and equipment

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

	Total 2022 \$	Total 2021 \$
Land at fair value - Freehold	731,000	731,000
Total land at fair value	731,000	731,000
Buildings at fair value	9,156,101	8,788,794
Less accumulated depreciation	(1,866,523)	(1,243,947)
Total buildings at fair value	7,289,578	7,544,847
Works in progress at fair value	125,102	11,724
Total land and buildings	8,145,680	8,287,571
Plant and equipment at fair value	371,144	320,309
Less accumulated depreciation	(252,357)	(217,227)
Total plant and equipment at fair value	118,787	103,082
Motor vehicles at fair value	-	60,876
Less accumulated depreciation	-	(55,629)
Total motor vehicles at fair value	-	5,247
Medical equipment at fair value	423,336	221,114
Less accumulated depreciation	(195,951)	(149,747)
Total medical equipment at fair value	227,385	71,367
Computer equipment at fair value	298,087	292,847
Less accumulated depreciation	(248,642)	(216,139)
Total computer equipment at fair value	49,445	76,708
Furniture and fittings at fair value	168,271	117,176
Less accumulated depreciation	(90,348)	(74,670)
Total furniture and fittings at fair value	77,923	42,506
Total plant, equipment, vehicles, furniture and fittings at fair value	473,540	298,910
Total property, plant and equipment	8,619,220	8,586,481

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

	Note	Land \$	Buildings \$	Work in progress \$	Plant & equipment \$	Motor vehicles \$	Medical equipment \$	Computer equipment \$	Furniture & fittings \$	Total \$
Balance at 1 July 2020		731,000	8,161,782	9,024	63,345	8,560	30,450	105,006	53,893	9,163,060
Additions		-	5,504	2,700	63,417	-	58,396	4,907	3,300	138,224
Depreciation	4.3	-	(622,439)	-	(23,679)	(3,314)	(17,479)	(33,205)	(14,687)	(714,803)
Balance at 30 June 2021	4.1(a)	731,000	7,544,847	11,724	103,082	5,247	71,367	76,708	42,506	8,586,481
Additions		-	-	510,201	50,836	-	202,222	5,240	21,578	790,077
Disposals		-	-	-	-	(3,866)	-	-	-	(3,866)
Net transfers between classes		-	367,307	(396,823)	-	-	-	-	29,516	-
Depreciation	4.3	-	(622,576)	-	(35,131)	(1,381)	(46,204)	(32,503)	(15,677)	(753,472)
Balance at 30 June 2022	4.1(a)	731,000	7,289,578	125,102	118,787	-	227,385	49,445	77,923	8,619,220

How we recognise property, plant and equipment

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

Note 4.1(b): Reconciliations of carrying amount by class of asset (continued)

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.

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, Yea & District Memorial Hospital perform a managerial assessment to estimate possible changes in fair value of land and buildings since the date of the last independent valuation with reference to Valuer-General of Victoria (VGV) indices.

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

An independent valuation of Yea & District Memorial Hospital's property, plant and equipment was performed by the VGV on 30 June 2019. The valuation, which complies with Australian Valuation Standards, was determined by reference to the amount for which assets could be exchanged between knowledgeable willing parties in an arm's length transaction. The managerial assessment performed at 30 June 2022 indicated an overall:

- increase in fair value of land of 2.00%.
- increase in fair value of buildings of 4.87%.

As the cumulative movement was less than 10% for land and buildings since the last revaluation, a managerial revaluation adjustment was not required as at 30 June 2022.

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: Revaluation surplus

Balance at the beginning of the reporting period

Balance at the end of the reporting period*

***Represented by:**

- Land
- Buildings
- Plant and equipment

Total

	Total 2022 \$	Total 2021 \$
Balance at the beginning of the reporting period	8,841,434	8,841,434
Balance at the end of the reporting period*	8,841,434	8,841,434
*Represented by:		
- Land	349,090	349,090
- Buildings	8,491,202	8,491,202
- Plant and equipment	1,142	1,142
Total	8,841,434	8,841,434

Note 4.3: Intangible assets

Note 4.3(a): Gross carrying amount and accumulated amortisation

Intangible produced assets - software

Less accumulated amortisation

Total intangible produced assets - software

Total intangible assets

	Total 2022 \$	Total 2021 \$
Intangible produced assets - software	41,423	26,423
Less accumulated amortisation	(27,355)	(24,409)
Total intangible produced assets - software	14,068	2,014
Total intangible assets	14,068	2,014

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

Balance at 1 July 2020

Amortisation

Balance at 30 June 2021

Additions

Amortisation

Balance at 30 June 2022

Note	Software \$	Total \$
	3,710	3,710
4.3(b)	(1,696)	(1,696)
4.3	2,014	2,014
	15,000	15,000
4.3(b)	(2,946)	(2,946)
4.3	14,068	14,068

How we recognise intangible assets

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

Initial recognition

Purchased intangible assets are initially recognised at cost.

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

- the technical feasibility of completing the intangible asset so that it will be available for use or sale
- an intention to complete the intangible asset and use or sell it
- the ability to use or sell the intangible asset
- the intangible asset will generate probable future economic benefits
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

Subsequent measurement

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

Note 4.4: Depreciation and amortisation

	Total 2022 \$	Total 2021 \$
Depreciation		
Buildings	622,576	622,439
Plant and equipment	35,131	23,679
Motor vehicles	1,381	3,314
Medical equipment	46,204	17,479
Computer equipment	32,503	33,205
Furniture and fittings	15,677	14,687
Total depreciation - property, plant and equipment	753,472	714,803
Amortisation		
Software	2,946	1,696
Total amortisation	2,946	1,696
Total depreciation and amortisation	756,418	716,499

How we recognise depreciation

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

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

How we recognise amortisation

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

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

	2022	2021
Buildings	10 to 25 years	2 to 47 years
Plant and equipment	5 to 10 years	5 to 10 years
Motor vehicles	7 years	7 years
Medical equipment	5 to 10 years	5 to 15 years
Computer equipment	3 to 10 years	3 to 10 years
Furniture and fittings	5 to 10 years	5 to 10 years
Intangible assets	3 years	1 to 3 years

Note 4.5: Impairment of assets

How we recognise impairment

At the end of each reporting period, Yea & District Memorial Hospital reviews the carrying amount of its tangible and intangible assets that have a finite useful life, to determine whether there is any indication that an asset may be impaired.

The assessment will include consideration of external sources of information and internal sources of information.

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

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

Note 4.5: Impairment of assets (continued)

When performing an impairment test, Yea & District Memorial Hospital 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, Yea & District Memorial Hospital estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Yea & District Memorial Hospital did not record any impairment losses for the year ended 30 June 2022.

Note 5: Other assets and liabilities

This section sets out the assets and liabilities that arose from Yea & District Memorial Hospital's operations.

Structure

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

Telling the COVID-19 story

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

Key judgements and estimates

This section contains the following key judgements and estimates:

Key judgements and estimates	Description
Estimating the provision for expected credit losses	Yea & District Memorial Hospital 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 Yea & District Memorial Hospital 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. Yea & District Memorial Hospital applies significant judgement when measuring the deferred capital grant income balance, which references the estimated the stage of completion at the end of each financial year.
Measuring contract liabilities	Yea & District Memorial Hospital applies significant judgement to measure its progress towards satisfying a performance obligation as detailed in Note 2. Where a performance obligation is yet to be satisfied, Yea & District Memorial Hospital assigns funds to the outstanding obligation and records this as a contract liability until the promised good or service is transferred to the customer.

Note 5.1: Receivables and contract assets

	Note	Total 2022 \$	Total 2021 \$
Current receivables and contract assets			
Contractual			
Inter hospital debtors			
Trade receivables		17,298	31,523
Patient fees		103,260	92,094
Allowance for impairment losses	5.1(a)	(2,060)	(1,740)
Accrued revenue		9,506	-
Accrued revenue - Department of Health		30,821	-
Total contractual receivables		158,825	121,877
Statutory			
GST receivable		36,550	26,405
Total statutory receivables		36,550	26,405
Total current receivables and contract assets		195,375	148,282
Non-current receivables and contract assets			
Contractual			
Long service leave - Department of Health		503,986	400,256
Total contractual receivables		503,986	400,256
Total non-current receivables and contract assets		503,986	400,256
Total receivables and contract assets		699,361	548,538
(i) Financial assets classified as receivables and contract assets in Note 7.1(a)			
Total receivables and contract assets		699,361	548,538
GST receivable		(36,550)	(26,405)
Total financial assets	7.1(a)	662,811	522,133

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

	Total 2022 \$	Total 2021 \$
Balance at the beginning of the year	1,740	-
Increase in allowance	320	1,740
Balance at the end of the year	2,060	1,740

How we recognise receivables

Receivables consist of:

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

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

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

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*.

Yea & District Memorial Hospital is not exposed to any significant credit risk exposure to any single counter-party or any group of counter-parties having similar characteristics. Trade receivables consist of a large number of customers in various geographical areas. Based on historical information about customer default rates, management consider the credit quality of trade receivables that are not past due or impaired to be good.

Impairment losses of contractual receivables

Refer to Note 7.2(a) for Yea & District Memorial Hospital's contractual impairment losses.

Note 5.2: Payables and contract liabilities

	Note	Total 2022 \$	Total 2021 \$
Current payables and contract liabilities			
Contractual			
Trade creditors		140,606	224,783
Accrued salaries and wages		48,556	59,800
Accrued expenses		203,875	128,264
Deferred capital grant income	5.2(a)	133,755	490,000
Contract liabilities	5.2(b)	-	127,786
Total contractual payables		526,792	1,030,633
Total current payables and contract liabilities		526,792	1,030,633
(i) Financial liabilities classified as payables and contract liabilities in Note 7.1(a)			
Total current payables and contract liabilities		526,792	1,030,633
Deferred capital grant income		(133,755)	(490,000)
Contract liabilities		-	(127,786)
Total financial liabilities	7.1(a)	393,037	412,847

How we recognise payables and contract liabilities

Payables consist of:

- **Contractual payables**, which mostly includes payables in relation to goods and services. These payables are classified as financial instruments and measured at amortised cost. Accounts payable and salaries and wages payable represent liabilities for goods and services provided to Yea & District Memorial Hospital prior to the end of the financial year that are unpaid.
- **Statutory payables**, are recognised and measured similarly to contractual payables, but are not classified as financial instruments and not included in the category of financial liabilities at amortised cost, because they do not arise from contracts.

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

Note 5.2(a): Deferred capital grant income

Opening balance of deferred capital grant income

Grant consideration for capital works received during the year
Deferred capital grant income recognised as income due to completion of capital works

Closing balance of deferred capital grant income

	Total 2022 \$	Total 2021 \$
Opening balance of deferred capital grant income	490,000	-
Grant consideration for capital works received during the year	-	490,000
Deferred capital grant income recognised as income due to completion of capital works	(356,245)	-
Closing balance of deferred capital grant income	133,755	490,000

How we recognise deferred capital grant revenue

Grant consideration was received from the Department of Health in the 2021/22 financial year to support the construction of shared staff amenities which supports physical distancing in light of the COVID-19 pandemic and PSRACS Kitchen Garden Initiative.

Capital grant revenue is recognised progressively as the asset is constructed, since this is the time when Yea & District Memorial Hospital satisfies its obligations. The progressive percentage of costs incurred is used to recognise income because this most closely reflects the percentage of completion of the building works. As a result, Yea & District Memorial Hospital has deferred recognition of a portion of the grant consideration received as a liability for the outstanding obligations.

Yea & District Memorial Hospital expects to recognise all of the remaining deferred capital grant revenue for capital works by 30 June 2023.

Note 5.2(b): Contract liabilities

Opening balance of contract liabilities

Grant consideration for sufficiently specific performance obligations received during the year

Revenue recognised for the completion of a performance obligation

Total contract liabilities

*Represented by

- Current liabilities

	Total 2022 \$	Total 2021 \$
Opening balance of contract liabilities	127,786	6,272
Grant consideration for sufficiently specific performance obligations received during the year	-	121,514
Revenue recognised for the completion of a performance obligation	(127,786)	-
Total contract liabilities	-	127,786
*Represented by		
- Current liabilities	-	127,786
	-	127,786

How we recognise contract liabilities

Contract liabilities include consideration received in advance from customers in respect to Commonwealth Residential Age Care, Department of Health operating grant revenue and COVID-19 funding. The balance of contract liabilities was significantly lower than the previous reporting period (2020/21) due to the liabilities being derecognised and recorded as revenue in 2021/22.

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

Note 5.3: Other liabilities

Current monies held in trust

Refundable accommodation deposits

Employee trust funds

Total current monies held in trust

Total other liabilities

*Represented by:

- Cash assets

Note	Total 2022 \$	Total 2021 \$
	6,624,170	5,733,890
	(4,635)	-
	6,619,535	5,733,890
	6,619,535	5,733,890
6.2	6,619,535	5,733,890
	6,619,535	5,733,890

How we recognise other liabilities

Refundable Accommodation Deposit (RAD)/accommodation bond liabilities

RADs/accommodation bonds are non-interest-bearing deposits made by some aged care residents to Yea & District Memorial Hospital upon admission to Rosebank Hostel or Rosebank Nursing Home. These deposits are liabilities which fall due and payable when the resident leaves the facility. As there is no unconditional right to defer payment for 12 months, these liabilities are recorded as current liabilities.

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

Note 6: How we finance our operations

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

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

Structure

6.1 Borrowings

6.2 Cash and cash equivalents

Telling the COVID-19 story

Our finance and borrowing arrangements during the financial year were not materially impacted by the COVID-19 pandemic.

Key judgements and estimates

This section contains the following key judgements and estimates:

Key judgements and estimates	Description
Determining if a contract is or contains a lease	Yea & District Memorial Hospital applies significant judgement to determine if a contract is or contains a lease by considering if the hospital: <ul style="list-style-type: none"> • has the right-to-use an identified asset • has the right to obtain substantially all economic benefits from the use of the leased asset and • can decide how and for what purpose the asset is used throughout the lease.
Determining if a lease meets the short-term or low value asset lease exemption	Yea & District Memorial Hospital applies significant judgement when determining if a lease meets the short-term or low value lease exemption criteria. The hospital estimates the fair value of leased assets when new. Where the estimated fair value is less than \$10,000, the hospital applies the low-value lease exemption.

Note 6: How we finance our operations (continued)

Key judgements and estimates	Description
Determining if a lease meets the short-term or low value asset lease exemption (continued)	The hospital 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 hospital applies the short-term lease exemption.
Discount rate applied to future lease payments	Yea & District Memorial Hospital 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 hospital's lease arrangements, Yea & District Memorial Hospital uses its incremental borrowing rate, which is the amount the hospital 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.
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 Yea & District Memorial Hospital is reasonably certain to exercise such options. Yea & District Memorial Hospital determines the likelihood of exercising such options on a lease-by-lease basis through consideration of various factors including: <ul style="list-style-type: none"> • If there are significant penalties to terminate (or not extend), the hospital is typically reasonably certain to extend (or not terminate) the lease. • The hospital considers historical lease durations and the costs and business disruption to replace such leased assets.

Note 6.1: Borrowings

Current borrowings

Advances from government ⁱ

Total current borrowings

Non-current borrowings

Advances from government ⁱ

Total non-current borrowings

Total borrowings

ⁱ These are secured loans which bear no interest.

Note	Total 2022 \$	Total 2021 \$
	13,245	13,245
	13,245	13,245
	36,606	52,579
	36,606	52,579
	49,851	65,824

How we recognise borrowings

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

Initial recognition

All borrowings are initially recognised at fair value of the consideration received, less directly attributable transaction costs. The measurement basis subsequent to initial recognition depends on whether the Yea & District Memorial Hospital 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'.

Note 6.1: Borrowings (continued)

Maturity analysis

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

Defaults and breaches

During the current and prior year, there were no defaults and breaches of the Department of Health loan.

Note 6.2: Cash and cash equivalents

	Total 2022 \$	Total 2021 \$
Note		
Cash on hand (excluding monies held in trust)	400	400
Cash at bank (excluding monies held in trust)	89,997	506,512
Cash at bank - CBS (excluding monies held in trust)	5,349,276	5,648,551
Total cash held for operations	5,439,673	6,155,463
Cash at bank - CBS (monies held in trust - RAD/Accommodation bonds)	6,629,909	5,733,890
Total cash held as monies in trust	6,629,909	5,733,890
Total cash and cash equivalents	12,069,582	11,889,353

How we recognise cash and cash equivalents

Cash and cash equivalents recognised on the Balance Sheet comprise cash on hand and in banks, which are held for the purpose of meeting short term cash commitments rather than for investment purposes, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

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

Note 7: Risks, contingencies and valuation uncertainties

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

Telling the COVID-19 story

Our financial instruments during the financial year were not materially impacted by the COVID-19 pandemic.

Key judgements and estimates

This section contains the following key judgements and estimates:

Key judgements and estimates	Description
Measuring fair value of non-financial assets	<p>Fair value is measured with reference to highest and best use, that is, the use of the asset by a market participant that is physically possible, legally permissible, financially feasible, and which results in the highest value, or to sell it to another market participant that would use the same asset in its highest and best use.</p> <p>In determining the highest and best use, Yea & District Memorial Hospital has assumed the current use is its highest and best use. Accordingly, characteristics of the hospital's assets are considered, including condition, location and any restrictions on the use and disposal of such assets.</p> <p>Yea & District Memorial Hospital uses a range of valuation techniques to estimate fair value, which include the following:</p> <ul style="list-style-type: none"> • Market approach, which uses prices and other relevant information generated by market transactions involving identical or comparable assets and liabilities. The fair value of Yea & District Memorial Hospital's specialised land, non-specialised land and non-specialised buildings are 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 Yea & District Memorial Hospital'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. Yea & District Memorial Hospital does not this use approach to measure fair value. <p>Yea & District Memorial Hospital selects a valuation technique which is considered most appropriate, and for which there is sufficient data available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.</p> <p>Subsequently, Yea & District Memorial Hospital applies significant judgement to categorise and disclose such assets within a fair value hierarchy, which includes:</p> <ul style="list-style-type: none"> • Level 1, using quoted prices (unadjusted) in active markets for identical assets that the health service can access at measurement date. Yea & District Memorial Hospital does not categorise any fair values within this level.

Note 7: Risks, contingencies and valuation uncertainties (continued)

Key judgements and estimates	Description
	<ul style="list-style-type: none"> Level 2, inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly. Yea & District Memorial Hospital categorises non-specialised land in this level. Level 3, where inputs are unobservable. Yea & District Memorial Hospital categorises specialised land, non-specialised buildings, specialised buildings, plant, equipment, furniture, fittings, vehicles, right-of-use buildings and right-of-use plant, equipment, furniture and fittings 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 Yea & District Memorial Hospital's activities, certain financial assets and financial liabilities arise under statute rather than a contract (for example, taxes). Such financial assets and financial liabilities do not meet the definition of financial instruments in AASB 132 *Financial Instruments: Presentation*.

Note 7.1(a): Categorisation of financial instruments

	Note	Financial assets at amortised cost \$	Financial liabilities at amortised cost \$	Total \$
30 June 2022				
Contractual financial assets				
Cash and cash equivalents	6.2	12,069,582	-	12,069,582
Receivables and contract assets	5.1	662,811	-	662,811
Total financial assetsⁱ		12,732,393	-	12,732,393
Financial liabilities				
Payables	5.2	-	393,037	393,037
Borrowings	6.1	-	49,851	49,851
Other financial liabilities				
- Refundable accommodation bond	5.3	-	6,624,170	6,624,170
- Other funds held in trust	5.3	-	(4,635)	(4,635)
Total financial liabilitiesⁱ		-	7,071,693	7,071,693
30 June 2021				
Contractual financial assets				
Cash and cash equivalents	6.2	11,889,353	-	11,889,353
Receivables and contract assets	5.1	522,133	-	522,133
Total financial assetsⁱ		12,411,486	-	12,411,486
Financial liabilities				
Payables	5.2	-	412,847	412,847
Borrowings	6.1	-	65,824	65,824
Other financial liabilities				
- Refundable accommodation bond	5.3	-	5,733,890	5,733,890
Total financial liabilitiesⁱ		-	6,212,561	6,212,561

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

Note 7.1(a): Categorisation of financial instruments (continued)

How we categorise financial instruments

Categories of financial assets

Financial assets are recognised when Yea & District Memorial Hospital becomes party to the contractual provisions to the instrument. For financial assets, this is at the date Yea & District Memorial Hospital 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 Yea & District Memorial Hospital solely to collect the contractual cash flows and
- the assets' contractual terms give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specific dates.

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

Yea & District Memorial Hospital recognises the following assets in this category:

- cash and deposits
- receivables (excluding statutory receivables)

Categories of financial liabilities

Financial liabilities are recognised when Yea & District Memorial Hospital 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.

Yea & District Memorial Hospital recognises the following liabilities in this category:

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

Derecognition of financial assets

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

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

Note 7.1(a): Categorisation of financial instruments (continued)

Where Yea & District Memorial Hospital has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset is recognised to the extent of Yea & District Memorial Hospital's continuing involvement in the asset.

Derecognition of financial liabilities

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

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

Reclassification of financial instruments

A financial asset is required to be reclassified between fair value between amortised cost, fair value through net result and fair value through other comprehensive income when, and only when, Yea & District Memorial Hospital'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, Yea & District Memorial Hospital'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.

Yea & District Memorial Hospital's main financial risks include credit risk, liquidity risk, interest rate risk and foreign currency risk. Yea & District Memorial Hospital manages these financial risks in accordance with its financial risk management policy.

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

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

In addition, Yea & District Memorial Hospital 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, Yea & District Memorial Hospital'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 Yea & District Memorial Hospital 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.

Note 7.2(a): Credit risk (continued)

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 Yea & District Memorial Hospital's maximum exposure to credit risk without taking account of the value of any collateral obtained.

There has been no material change to Yea & District Memorial Hospital's credit risk profile in 2021-22

Impairment of financial assets under AASB 9

Yea & District Memorial Hospital records the allowance for expected credit loss for the relevant financial instruments applying AASB 9's Expected Credit Loss approach. Subject to AASB 9, impairment assessment includes Yea & District Memorial Hospital's contractual receivables.

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

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

Contractual receivables at amortised cost

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

On this basis, Yea & District Memorial Hospital determines the closing loss allowance at the end of the financial year as follows:

		Current	1 - 3 months -	1 Year	1 - 5 years	Total
	Note	\$	months	\$	\$	\$
30 June 2022						
Expected loss rate		0.00%	0.00%	0.00%	0.00%	
Gross carrying amount of contractual receivables	5.1(a)	99,631	22,115	1,870	-	123,616
Loss allowance		-	-	-	-	-
	Note	Current	1 - 3 months -	1 Year	1 - 5 years	Total
		\$	months	\$	\$	\$
30 June 2021						
Expected loss rate		0.00%	0.00%	0.00%	0.00%	
Gross carrying amount of contractual receivables	5.1(a)	90,900	20,563	9,095	-	120,558
Loss allowance		-	-	-	-	-

Statutory receivables at amortised cost

Yea & District Memorial Hospital's non-contractual receivables arising from statutory requirements are not financial instruments. However, they are nevertheless recognised and measured in accordance with AASB 9 requirements as if those receivables are financial instruments.

Note 7.2(b): Liquidity risk

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

Yea & District Memorial Hospital is exposed to liquidity risk mainly through the financial liabilities as disclosed in the face of the balance sheet. Yea & District Memorial Hospital 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

Note 7.2(b): Liquidity risk (continued)

- maintaining an adequate level of uncommitted funds that can be drawn at short notice to meet its short-term obligations
- holding 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.

Yea & District Memorial Hospital's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk.

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

				Maturity Dates			
		Carrying amount	Nominal amount	Less than 1 month	1 - 3 months	3 months - 1 Year	1 - 5 years
Note		\$	\$	\$	\$	\$	\$
30 June 2022							
Payables	5.2	526,792	526,792	526,792	-	-	-
Borrowings	6.1	49,851	49,851	1,104	2,208	9,933	36,606
Other financial liabilities							
- Refundable accommodation bonds	5.3	6,624,170	6,624,170	6,624,170	-	-	-
- Other funds held in trust	5.3	(4,635)	(4,635)	(4,635)			
Total financial liabilities		7,196,178	7,196,178	7,147,431	2,208	9,933	36,606

				Maturity Dates			
		Carrying amount	Nominal amount	Less than 1 month	1 - 3 months	3 months - 1 Year	1 - 5 years
Note		\$	\$	\$	\$	\$	\$
30 June 2021							
Payables	5.2	1,030,633	1,030,633	1,030,633	-	-	-
Borrowings	6.1						
Other financial liabilities		65,824	65,824	1,104	2,208	9,934	52,579
- Refundable accommodation bonds	5.3	5,733,890	5,733,890	5,733,890	-	-	-
Total financial liabilities		6,830,347	6,830,347	6,765,627	2,208	9,934	52,579

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

Note 7.2(c): Market risk

Yea & District Memorial Hospital's exposures to market risk are primarily through interest rate risk and foreign currency risk. Objectives, policies and processes used to manage each of these risks are disclosed below.

Sensitivity disclosure analysis and assumptions

Yea & District Memorial Hospital's sensitivity to market risk is determined based on the observed range of actual historical data for the preceding five-year period. Yea & District Memorial Hospital's management 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 2.15% 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. Yea & District Memorial Hospital 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. Yea & District Memorial Hospital has minimal exposure to cash flow interest rate risks through cash and deposits that are at floating rate.

Note 7.2(c): Market risk (continued)

Foreign currency risk

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

Yea & District Memorial Hospital has minimal exposure to foreign currency risk.

Note 7.3: Contingent assets and contingent liabilities

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

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.

Yea & District Memorial Hospital determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. There have been no transfers between levels during the period.

Yea & District Memorial Hospital 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 Yea & District Memorial Hospital'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

		Carrying amount 30 June \$	Fair value measurement at end of reporting period using:		
	Note		Level 1 ⁱ \$	Level 2 ⁱ \$	Level 3 ⁱ \$
Non-specialised land		96,000	-	96,000	-
Specialised land - Station Street, Yea		635,000	-	-	635,000
Total land at fair value	4.1	731,000	-	96,000	635,000
Non-specialised buildings		286,300	-	286,300	-
Specialised buildings		7,003,278	-	-	7,003,278
Total buildings at fair value	4.1	7,289,578	-	286,300	7,003,278
Plant and equipment	4.1	118,787	-	-	118,787
Medical equipment	4.1	227,385	-	-	227,385
Computer equipment	4.1	49,445	-	-	49,445
Furniture and fittings	4.1	77,923	-	-	77,923
Total plant, equipment, motor vehicles, furniture and fittings fair value		473,540	-	-	473,540
Total non-financial physical assets at fair value		8,494,118	-	382,300	8,111,818

		Carrying amount 30 June \$	Fair value measurement at end of reporting period using:		
	Note		Level 1 ⁱ \$	Level 2 ⁱ \$	Level 3 ⁱ \$
Non-specialised land		96,000	-	96,000	-
Specialised land - Station Street, Yea		635,000	-	-	635,000
Total land at fair value	4.1	731,000	-	96,000	635,000
Non-specialised buildings		312,200	-	312,200	-
Specialised buildings		7,232,647	-	-	7,232,647
Total buildings at fair value	4.1	7,544,847	-	312,200	7,232,647
Plant and equipment	4.1	103,082	-	-	103,082
Motor vehicles	4.1	5,247	-	-	5,247
Medical equipment	4.1	71,367	-	-	71,367
Computer equipment	4.1	76,708	-	-	76,708
Furniture and fittings	4.1	42,506	-	-	42,506
Total plant, equipment, motor vehicles, furniture and fittings fair value		298,910	-	-	298,910
Total non-financial physical assets at fair value		8,574,757	-	408,200	8,166,557

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 takes into account the market participant's ability to use the asset in its highest and best use, or to sell it to another market participant that would use the same asset in its highest and best use.

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

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

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

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

Non-specialised land and non-specialised buildings

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

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

The effective date of the valuation is 30 June 2019.

Specialised land and specialised buildings

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

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

The market approach is also used for specialised land although it is adjusted for the community service obligation (CSO) to reflect the specialised nature of the assets being valued. Specialised assets contain significant, unobservable adjustments; therefore, these assets are classified as Level 3 under the market based direct comparison approach.

The CSO adjustment is a reflection of the valuer's assessment of the impact of restrictions associated with an asset to the extent that is also equally applicable to market participants. This approach is in light of the highest and best use consideration required for fair value measurement and takes into account the use of the asset that is physically possible, legally permissible and financially feasible. As adjustments of CSO are considered as significant unobservable inputs, specialised land would be classified as Level 3 assets.

For Yea & District Memorial Hospital, 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 Yea & District Memorial Hospital's specialised land and specialised buildings was performed by the Valuer-General Victoria. The effective date of the valuation is 30 June 2019.

Motor vehicles

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

Furniture, fittings, plant and equipment

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

There were no changes in valuation techniques throughout the period to 30 June 2022.

Note 7.4(b): Reconciliation of level 3 fair value measurement

		Land \$	Buildings \$	Plant, equipment, motor vehicles, furniture and fittings \$
Balance at 1 July 2020		635,000	7,823,682	261,254
Additions/(Disposals)		-	-	130,020
<i>Gains/(losses) recognised in net result</i>				
- Depreciation and amortisation		-	(591,035)	(92,364)
Balance at 30 June 2021	7.4(a)	635,000	7,232,647	298,910
Additions/(Disposals)		-	-	279,876
Net transfers between classes		-	367,307	-
<i>Gains/(losses) recognised in net result</i>				
- Depreciation and amortisation		-	(596,676)	(130,896)
Balance at 30 June 2022	7.4(a)	635,000	7,003,278	447,890

¹ Classified in accordance with the fair value hierarchy, refer Note 7.4.

Note 7.4(c): Fair value determination of level 3 fair value measurement

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

(i) A community service obligation (CSO) of 20% applied to Yea & District Memorial Hospital's specialised land, effective date 30 June 2019.

Note 8: Other disclosures

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

Structure

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

Telling the COVID-19 story

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

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

	Note	Total 2022 \$	Total 2021 \$
Net result for the year		19,218	442,837
Non-cash movements:			
(Gain)/loss from disposal of non-financial physical assets	3.4	(22,479)	-
Depreciation of non-current assets	4.4	753,472	714,803
Amortisation of non-current assets	4.4	2,946	1,696
Depreciation and amortisation of non-current assets from Joint venture	8.8	5,052	11,539
Impairment of non-current assets		-	4,845
Assets and services received free of charge	2.1(b)	(176,130)	(60,308)
Movements in asset and liabilities:			
(Increase)/decrease in receivables and contract assets		(155,313)	40,128
(Increase)/decrease in prepaid expenses		(1,043)	(12,990)
Increase/(decrease) in payables and contract liabilities		(609,293)	825,521
Increase/(decrease) in employee benefits		(6,442)	49,458
Net cash inflow from operating activities		190,012	1,131,856

Note 8.2: Responsible persons disclosures

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

Responsible Ministers

	Period	
The Honourable Mary-Anne Thomas MP Minister for Health	27 Jun 2022	30 Jun 2022
The Honourable Colin Brooks MP: Minister for Disability, Ageing and Carers	27 Jun 2022	30 Jun 2022
The Honourable Martin Foley MP: Former Minister for Health	1 Jul 2021	26 Jun 2022
The Honourable Anthony Carbines MP Minister for Disability, Ageing and Carers	6 Dec 2021	26 Jun 2022
The Honourable James Merlino MP Former Minister for Disability, Ageing and Carers	11 Oct 2021	6 Dec 2021
The Honourable Luke Donnellan MP Former Minister for Disability, Ageing and Carers	1 Jul 2021	11 Oct 2021

Governing Board

Ian Marshman AM (Chair of the Board)	1 Jul 2021	30 Jun 2022
Jo-Anne Cavill	1 Jul 2021	30 Jun 2022
Kirstie Fotheringham	1 Jul 2021	30 Jun 2022
Dylan Hesselberg	1 Jul 2021	30 Jun 2022
Dr. Jennifer Keast	1 Jul 2021	30 Jun 2022
Gary Pollard	1 Jul 2021	30 Jun 2022
Teresa Smith	1 Jul 2021	30 Jun 2022
Lisa Someville	1 Jul 2021	30 Jun 2022
Kerry Stubbings	1 Jul 2021	30 Jun 2022
Abhishek Verma	1 Jul 2021	30 Jun 2022
Richard Wilson	1 Jul 2021	6 Sep 2022

Note 8.2: Responsible persons disclosures (continued)

Accountable Officers

Cameron Butler - Chief Executive Officer (resigned 19 September 2021)
Frank Megens - Acting Chief Executive Officer (resigned 13 December 2021)
Frank Evans - Chief Executive Officer (resigned 23 June 2022)
Louise Sharkey - Acting Chief Executive Officer (CEO)

Period	
1 Jul 2021	19 Sep 2021
20 Sep 2021	5 Dec 2021
6 Dec 2021	22 Jun 2022
23 Jun 2022	30 Jun 2022

Remuneration of Responsible Persons

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

Income band	2022 No.	2021 No.
\$ 0 - \$9,999	12	9
\$40,000 - \$49,999	1	-
\$70,000 - \$79,999	1	-
Total	14	9

Total 2022	Total 2021
149,132	33,103

Total remuneration received or due and receivable by Responsible Persons from Yea & District Memorial Hospital amounted to:

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

During the financial year, Yea & District Memorial Hospital paid \$16,709 (2021: \$58,080) to Mansfield District Hospital in relation to services provide by Mr Cameron Butler as the Accountable Officer. Mr Butler resigned from the CEO position on the 13 September 2021. Information regarding the remuneration of Mr Butler as the Accountable Officer is disclosed within the respective financial statements of Mansfield District Hospital.

Note 8.3: Remuneration of executives

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

Remuneration of executive officers

(including Key Management Personnel disclosed in Note 8.4)

Short-term benefits
Post-employment benefits
Total remunerationⁱ

Total number of executives

Total annualised employee equivalentⁱⁱ

Total Remuneration	
Total 2022 \$	Total 2021 \$
156,161	-
15,616	-
171,777	-
1	-
1.00	-

ⁱ The total number of executive officers includes persons who meet the definition of Key Management Personnel (KMP) of Yea & District Memorial Hospital under AASB 124 *Related Party Disclosures* and are also reported within Note 8.4 Related Parties.

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

Yea & District Memorial Hospital undertook an organisational restructure during the 2021/22 financial year with new executive and senior management positions implemented. No comparative information is stated for the prior year, given that these roles commenced within the 2021/22 financial year.

The Chief Finance Officer (CFO) is employed by Goulburn Valley Health. Information regarding the remuneration the CFO is disclosed within the respective financial statements of Goulburn Valley Health.

During the financial year, Yea & District Memorial Hospital paid \$167,267 (2021: \$193,945) to Goulburn Valley Health in relation to services provided by the CFO and administrative staff.

Note 8.3: Remuneration of executives (continued)

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.

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.

Other factors

Several factors affected total remuneration payable to executives over the year. A number of employment contracts were completed and renegotiated.

Note 8.4: Related parties

Yea & District Memorial Hospital is a wholly owned and controlled entity of the State of Victoria. Related parties of the hospital include:

- all key management personnel (KMP) and their close family members and personal business interests
- cabinet ministers (where applicable) and their close family members
- Jointly controlled operations - A member of the Hume Rural 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 Yea & District Memorial Hospital directly or indirectly.

Key management personnel

The Board of Directors, Chief Executive Officer and Executive Directors of Yea & District Memorial Hospital are deemed to be KMP's. This includes the following:

Entity	KMPs	Position title
Yea & District Memorial Hospital	Ian Marshman AM	Chair of the Board
Yea & District Memorial Hospital	Jo-Anne Cavill	Board member
Yea & District Memorial Hospital	Kirstie Fotheringham	Board member
Yea & District Memorial Hospital	Dylan Hesselberg	Board member
Yea & District Memorial Hospital	Dr. Jennifer Keast	Board member
Yea & District Memorial Hospital	Gary Pollard	Board member
Yea & District Memorial Hospital	Teresa Smith	Board member
Yea & District Memorial Hospital	Lisa Someville	Board member
Yea & District Memorial Hospital	Kerry Stubbings	Board member
Yea & District Memorial Hospital	Abhishek Verma	Board member
Yea & District Memorial Hospital	Richard Wilson	Board member
Yea & District Memorial Hospital	Louise Sharkey	Acting Chief Executive Officer
Yea & District Memorial Hospital	Robert Harmeston	General Manager Support Services
Yea & District Memorial Hospital	Peter Hutchinson	Chief Finance Officer
Yea & District Memorial Hospital	Louise Sharkey	Executive Director Clinical Operations
Yea & District Memorial Hospital	Cameron Butler	Former Chief Executive Officer
Yea & District Memorial Hospital	Frank Evans	Former Chief Executive Officer
Yea & District Memorial Hospital	Frank Megens	Former Chief Executive Officer

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

Note 8.4: Related parties (continued)

Compensation - KMPs

Short-term employee benefits
Post-employment benefits
Termination benefits

Totalⁱ

ⁱ Total remuneration paid to KMPs employed through contracted services during the reporting period have been reported under short-term employee benefits.

	Total 2022	Total 2021
Short-term employee benefits	293,195	88,908
Post-employment benefits	25,792	1,109
Termination benefits	1,922	-
Total	320,909	90,017

Significant transactions with government related entities

Yea & District Memorial Hospital received funding from the Department of Health of \$4,457,064 (2021: \$4,737,324) and indirect contributions of \$25,503 (2021: \$16,606). Balances outstanding as at 30 June 2022 are \$49,851 (2021: \$65,824) this is in relation to a loan issued by the Department of Health.

Expenses incurred by Yea & District Memorial Hospital 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 (VMIA).

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

Transactions with KMPs and other related parties

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

Outside of normal citizen type transactions with Yea & District Memorial Hospital, there were no related party transactions that involved key management personnel, their close family members and their personal business interests. No provision has been required, nor any expense recognised, for impairment of receivables from related parties. There were no related party transactions with Cabinet Ministers required to be disclosed in 2022 (2021: none).

There were no related party transactions required to be disclosed for Yea & District Memorial Hospital Board of Directors, Chief Executive and Executive Directors in 2022 (2021: none).

Note 8.5: Remuneration of auditors

Victorian Auditor-General's Office

Audit of the financial statements

Total remuneration of auditors

	Total 2022 \$	Total 2021 \$
Audit of the financial statements	18,000	16,900
Total remuneration of auditors	18,000	16,900

Note 8.6: Ex-gratia expenses

In accordance with FRD 11A *Disclosure of ex-gratia expenses*, there were no ex-gratia expenses required to be disclosed for Yea & District Memorial Hospital in 2022 (2021: none).

Note 8.7: Events occurring after the Balance Sheet date

There are no events occurring after the balance sheet date.

Note 8.8: Joint arrangements

Name of arrangement	Principal activity	Ownership interest	
		2022 %	2021 %
Hume Rural Health Alliance (HRHA)	To improve patient safety, health and care experiences by providing resilient technology services. HRHA works with the Department of Health to rollout state wide initiatives to the member health services in alignment with the Victorian Digital Health Roadmap.	2.26	2.04

Yea & District Memorial Hospital's interest in assets and liabilities resulting from the joint arrangement are detailed below.

	Total 2022 \$*	Total 2021 \$*
Current assets		
Cash and cash equivalents	196,890	214,341
Receivables	18,106	13,616
Prepaid expenses	4,260	4,968
Total current assets	219,256	232,925
Non-current assets		
Property, plant and equipment	4,057	6,860
Intangible assets	(67)	675
Total non-current assets	3,990	7,535
Total assets	223,246	240,460
Current liabilities		
Payables	25,919	131,371
Borrowings - lease liabilities	349	650
Other liabilities	88,896	-
Total current liabilities	115,164	132,021
Non-current liabilities		
Borrowings - lease liabilities	1,730	3,099
Total non-current liabilities	1,730	3,099
Total liabilities	116,894	135,120
Net assets	106,352	105,340

Note 8.8: Joint arrangements (continued)

Yea & District Memorial Hospital's interest in revenues and expenses resulting from joint arrangement are detailed below.

	Total 2022 \$*	Total 2021 \$*
Revenue and income from transactions		
Operating activities	155,886	132,097
Non-operating activities	625	277
Total revenue and income from transactions	156,511	132,374
Expenses from transactions		
Management fee	(49,990)	(41,888)
Supplies and consumables	(8,197)	(11,579)
Finance costs	(126)	(163)
Depreciation and amortisation	(5,052)	(11,539)
Other administrative expenses	(6,731)	(3,545)
Other operating expenses	(85,409)	(66,548)
Total expenses from transactions	(155,505)	(135,262)
Net result from transactions	1,006	(2,888)
Other economic flows included in net result		
Net gain/(loss) on sale of non-financial assets	14	(4,847)
Total other economic flows included in net result	14	(4,847)
Comprehensive result for the year	1,020	(7,735)

*Figures obtained from the audited HRHA Annual Financial Statements

Contingent liabilities and capital commitments

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

Note 8.9: Equity

Contributed capital

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

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

General purpose reserves

The general purpose reserve is established where Yea & District Memorial Hospital has accumulated funds of surplus from donations, specific projects, fundraising activities and community support programs. These funds can be used on a discretionary basis.

Specific restricted purpose reserves

The specific restricted purpose reserve is established where Yea & District Memorial Hospital has possession or title to the funds but has no discretion to amend or vary the restriction and/or condition underlying the funds received.

Note 8.10: Economic dependency

Yea & District Memorial Hospital is dependent on the Department of Health for the majority of its revenue used to operate the hospital. At the date of this report, the Board of Directors has no reason to believe the Department of Health will not continue to support Yea & District Memorial Hospital.





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