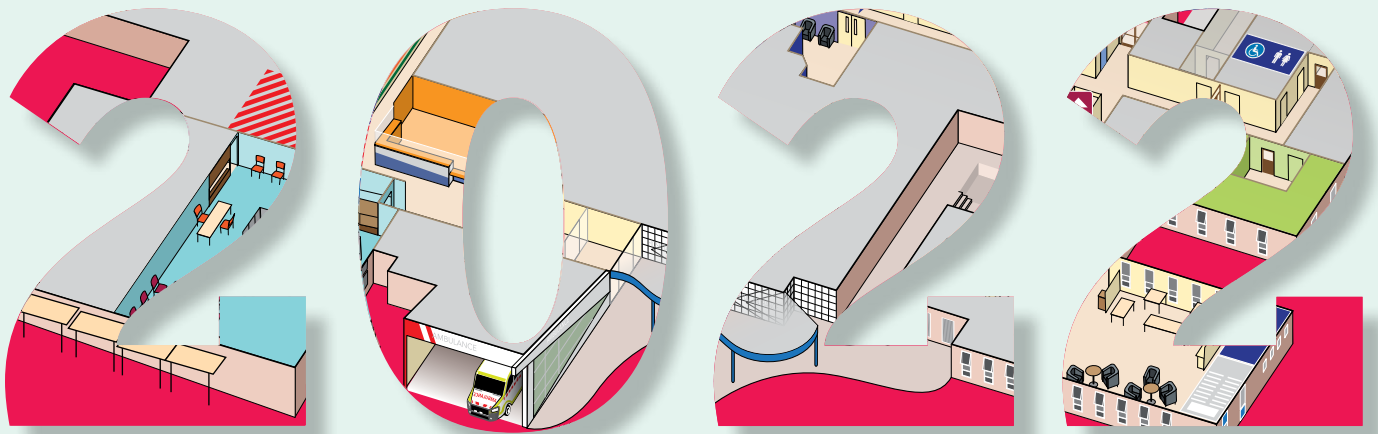
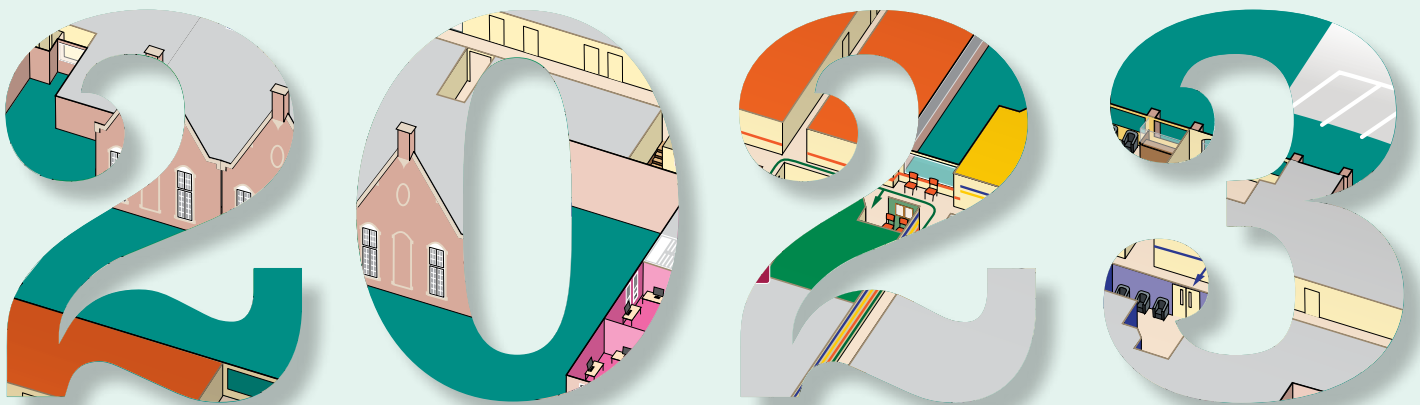


Dhelkaya Health



Annual Report





Welcome to Country Smoking Ceremony, Dhelkaya Health Castlemaine campus, June 2022

Acknowledgement of Country

Dhelkaya Health is located on the traditional lands of the Dja Dja Wurrung People. We pay our respects to their Elders past, present and emerging, and acknowledge all Aboriginal and Torres Strait Islander peoples as the first people of this nation. Dhelkaya Health is committed to achieving equality in health status between Aboriginal and Torres Strait Islander people and non-Indigenous Australians.

Acknowledgements and Feedback

We wish to thank everyone who contributed to this report – staff, members of the community, volunteers and clients. We value your comments and feedback, so please get in touch:

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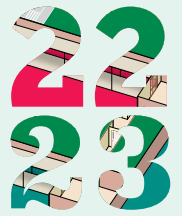
Internal auditor: AFS and Associates Pty Ltd



Dhelkaya Health acknowledges the support of the Victorian Government

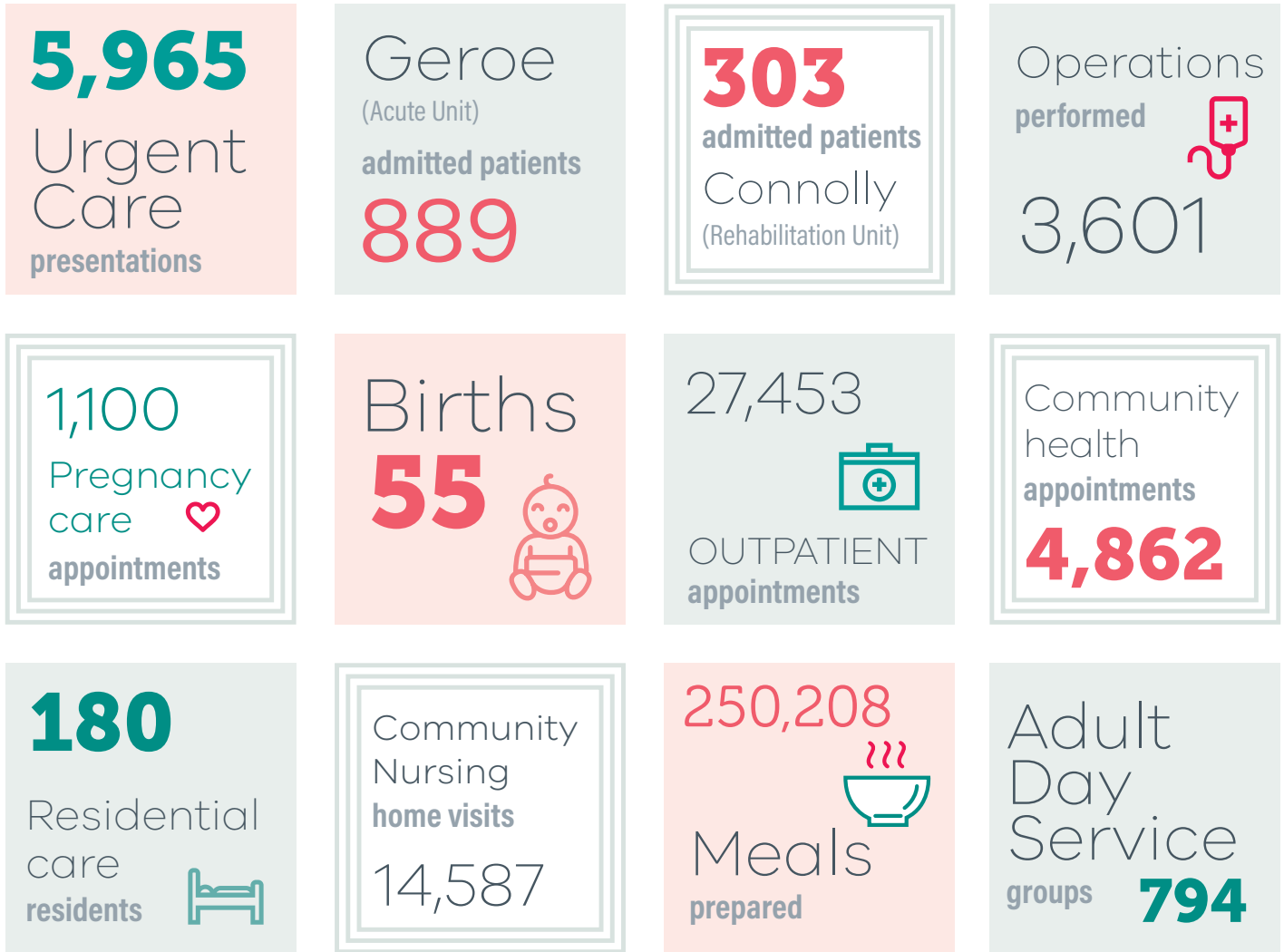
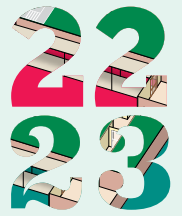


Our services are delivered on the traditional lands of the Dja Dja Wurrung people. Artist: Kerri Douglas

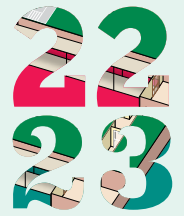


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Our Care – A Snapshot



Our Purpose, Values and Promise



Over the past 12 months we embarked on a strategic planning process to develop the very first Dhelkaya Health Strategic plan.

The process involved hundreds of community members, staff from all areas of the organisation, our board and executive, health and community sector partners and our volunteers.

The resulting 2023-26 Strategic Plan is our roadmap for the next three years. The plan puts people and community first as we strive towards our purpose to be 'healthier together.' It outlines our ambition to become 'One Dhelkaya', an organisation

with integrated culture, systems and processes that works collaboratively with a single focus. It emphasises the crucial role of close and strong working relationships with local and regional partners in improving health outcomes. It sets ambitious goals that we commit to tracking against, learning from and communicating our progress on regularly to the community.

Our purpose and role

Healthier Together – We engage and empower individuals and community

Our values

Our **'Breakthrough Values'** are beliefs that are shared, and visible as behaviours, and that propel us to our desired future. These are:



Empathetic

We are caring, compassionate and kind



Inclusive

We are welcoming, trustworthy and warm



Professional

We are dependable, expert and ethical



Transformative

We are curious, progressive and creative

Our core values

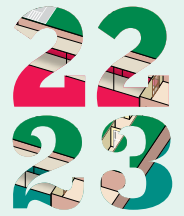
As reflected by the Victorian Public Sector:

- Responsiveness
- Integrity
- Impartiality
- Accountability
- Respect
- Leadership
- Human Rights

Our promise

- We're here for you
- We listen
- We respond to change
- We aim for the best results every time

Our Message to the Community



Welcome to all readers of our 2022-23 Dhelkaya Health Annual Report. We have now passed our first full reporting year as a newly amalgamated organisation.



Throughout this past year we've maintained a relentless momentum. We have developed our first strategic plan and clinical service plan, innovated new service models in primary care and social support, further delivered on our promise to expand community services into the shire, formalised partnerships with First Nations organisations, celebrated achieving accreditation in all service areas through a rigorous program of evaluation, and been delighted to see national recognition awarded to service and staff.

Very early on in the reporting year Dhelkaya Health opened up a range of new community services to the Maldon community. Our amalgamation committed to improving access to high quality health services for the Maldon community and within a few months, that's exactly what we achieved. Our Maldon Community Services Hub offers podiatry, diabetes education, counselling for adults and children, continence services, physiotherapy, dietetics, and alcohol and drug counselling. Maldon residents travelling to Castlemaine to access any of these services were invited to change their appointment location. Take-up of Maldon-based services has been strong and we expect to see more Maldon residents begin accessing services locally.

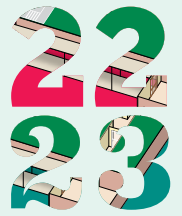
This year Dhelkaya Health took a significant further step to putting our organisation on a more sustainable footing as we took delivery of three electric cars based at Maldon Hospital. Known as ZEVs, these zero emissions vehicles are being used by nurses, staff and volunteers to visit and transport patients in the community. The new Hyundai Kona Electric models have replaced three existing petrol and diesel cars, and their ultra-long-range means fewer stops are needed for charging enroute. As part of our pilot program we also benefited from the installation of three charging stations onsite to minimise the need to charge elsewhere. We're working hard to reduce our environmental footprint and the ZEV vehicles are an important part of this work. Maldon Hospital is a member of the Global Green and Healthy Hospitals network so with 100% of Maldon Hospital's fleet now electric, the hospital is leading the way to more sustainable practices.

The Regional Health Infrastructure Fund (RHIF) also delivered a boost by awarding more than \$1.2 million in funding this year. Our Cornish Street, Maldon Hospital and Halford Street sites will all benefit from the funding to enable major improvement works. Already completed thanks to the funding was the demolition of Halford Street's Old Nurses' Quarter, a building which has lain empty since the 1990s. Projects still to come include redesigning and repurposing the front entrance at the Castlemaine campus, as well as a suite of fire safety and risk management works at both Maldon and Castlemaine campuses. The creation of a dedicated staff amenities space at Maldon Hospital is also in the planning phase, thanks to RHIF funding.

Throughout the year Dhelkaya Health underwent several accreditation assessments. Accreditation involves independent assessors reviewing our practices and processes against compliance requirements. Assessors observe care, talk to consumers and staff and review our governance systems and documentation. Dhelkaya Health was found to be fully compliant with all standards which is reflective of the high-quality care that is provided to the community.

Our Maternity Services and the team themselves enjoyed enormous success on many fronts. La Trobe University was engaged to evaluate the first year of operation of the relaunched service. The service was given a glowing review, with the report demonstrating conclusively that the model is working and is highly valued by staff, women and the community. April Jardine, Dhelkaya Health Maternity Services Manager, also took out the coveted title of Midwife of the Year in the national 2023 HESTA Australian Nursing and Midwifery Awards. April was nominated for her outstanding contribution to improving health outcomes for local women. Midwifery Group Practice Midwife Sam Ward who took part in the Melbourne University Innovation Acceleration Program was awarded funding to develop her 'Mat Link' project, which she pitched to the panel. So many wonderful results on all fronts for this high-performing team.

Our Message to the Community



Partnerships were a firm focus these past 12 months with Dhelkaya Health cementing formal relationships to drive new services. As part of the Public Intoxication Response trial, we launched a general service to the Mount Alexander community which is delivered from our Castlemaine campus. This work has seen us sign a formal Memorandum of Understanding with Bendigo & District Aboriginal Co Operative (BDAC), who in turn works with Aboriginal Community Justice Panels to deliver the Aboriginal-led response. Victoria Police and Ambulance Victoria act as referrers in the trial. The trial is vital to ensuring the right services are available when public drunkenness is decriminalised, and has already provided insights in terms of service design, workforce, and likely demand into the state-wide model.

These vital partnerships also formed a solid basis when Dhelkaya Health agreed with the Department of Justice and Community Safety to take responsibility for delivering primary health services to the women in Tarrengower Prison. While still in its very early days of operation, an enormous amount of work went into creating and agreeing the new service structure and recruiting to roles tasked with delivering the services and health interventions. Dhelkaya Health is the lead agency and will work closely with BDAC to deliver culturally appropriate services. It is testament to the competence, professionalism and responsiveness of our staff that this service was able to be designed, staffed and launched within just six months.

This past year we were incredibly excited to embark on development of our first Reconciliation Action Plan (RAP). We convened a RAP Working Group with Traditional Owner Aunty Kerri Douglas and Elder Aunty Julie McHale, and brought in representatives from across the organisation from a variety of disciplines. The RAP Working Group has met every two months throughout the year and together they have drafted up Dhelkaya Health's RAP. Dhelkaya Health's RAP has been conditionally endorsed by Reconciliation Australia and is now in the design stage in preparation for publication.

We were thrilled this year to enhance our relationship with the local community, in particular within the arts sector. Dhelkaya Health hosted a residence with Jesse Boylan, a local artist, whose Terrace Projection at Castlemaine Art Museum (CAM) 'At the end of the day' movingly communicated the rich and diverse lives of our staff and residents through film and interview. We also joined forces with CAM to host the 'In Praise of First Responders' event thanking local First Responders for their work throughout the pandemic. The well-attended event heard from a range of speakers, including Christine Nixon AO, who spoke about how her own involvement with art helped her destress and maintain wellbeing during her high-profile career as Police Commissioner. The event served to underline how multidimensional the concept of 'health' can be and how diverse our role must be in response to help our community be 'healthier together'.

Community members and consumers serve in diverse volunteer roles across our organisation and they contribute in extraordinary ways every single year. This year we were delighted to welcome a number of consumers and community representatives to join our committees and support our governance work. We welcomed them to the newly convened Community Health and Wellbeing Committee, Consumer Consultative Committee and Clinical Governance Quality and Safety Committee.

This year too marked a wonderful return to normal for our fundraising, with Run the Maine returning to the 'maine as an in-person event, and our Castlemaine Rouleurs saddling up to take on the 520km relay ride from Echuca to Port Fairy. These two events have been so important to our fundraising and to the community. They both embody the very best of community-led support and model health and wellbeing. We are incredibly fortunate to have the support of those involved in organising and running the events, as well as the financial supporters who mean so much to improving our services.

We remain grateful to everyone who has contributed to Dhelkaya Health's achievements in 2022-23. They include our staff, volunteers, General Practitioners, Visiting Medical Officers, committee members and board directors, fundraising supporters, communities and First Nations peoples.

We're also deeply grateful to the community for their support, in particular for their deeply considered contributions to our new strategic plan. The new *Dhelkaya Health Strategic Plan 2023-26* is enriched and improved thanks to your ideas, thoughts and feedback. We are excited to be sharing the plan with staff and community, and collectively working towards our ambition of being 'healthier together'.

Responsible Bodies Declaration

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

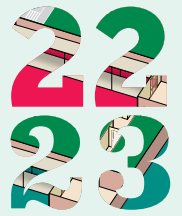
Ms Vanessa Healy
Dhelkaya Health Board Chair

Castlemaine
2 October 2023

I am proud to share Dhelkaya Health's many achievements from 2022-23 and encourage you to read our annual report.

Ms Sue Race
Dhelkaya Health CEO

Castlemaine
2 October 2023



Dhelkaya Health is a community-oriented health service with an integrated hospital, primary care service, residential aged care and a wide range of community and @home services. It is predominantly a nurse and allied health-led service supported by locally credentialled General Practitioners and Visiting Medical Officers.

Dhelkaya Health is a public health service established under the *Health Services Act 1988 (Vic)*. Our responsible ministers for 2022-23 were as follows.

Minister for Health

- The Hon. Mary-Anne Thomas, from 1 July 2022 to 30 June 2023

Minister for Ambulance Services

- The Hon. Mary-Anne Thomas, from 1 July 2022 to 5 December 2022
- The Hon. Gabrielle Williams, from 5 December 2022 to 30 June 2023

Minister for Mental Health

- The Hon. Gabrielle Williams, from 1 July 2022 to 30 June 2023

Minister for Disability, Ageing and Carers

- The Hon. Colin Brooks, from 1 July 2022 to 5 December 2022
- The Hon. Lizzie Blandthorn, from 5 December 2022 to 30 June 2023

Dhelkaya Health is located in central Victoria in the Mount Alexander Local Government Area (LGA). Its two main campuses are located in Cornish Street, Castlemaine and Chapel Street North, Maldon. Dhelkaya Health also operates a Community Health Information Hub co-located with Castlemaine Community House in Templeton Street, Castlemaine.

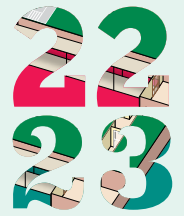
Dhelkaya Health provides a comprehensive range of low to moderate complexity services to a population of more than 20,000 people. Locally we deliver:

- Urgent Care
- Minor Injuries and Illnesses Clinic
- Residential aged care (Penhall Hostel, Thompson House and Ellery House in Castlemaine; Mountview Home and Jessie Bowe House in Maldon)
- Surgical Services
- Medical / Surgical Acute Inpatient Services

- Subacute Inpatient Services including Transition Care
- Allied Health Services
- Community Rehabilitation
- NDIS and Children's Services
- Maternity and Women's Health Services (Level 2 Midwifery Group Practice model partnered with Bendigo Health)
- Specialist Outpatient Services
- Outreach Programs (District Nursing, Palliative Care, Post-Acute Care and Hospital in the Home)
- Home and Community Care
- Community Health, Family and Housing Services.
- Alcohol and Other Drug (AOD) and Counselling Services
- In-reach primary care services to Tarrengower Women's Prison
- Aboriginal Health and Liaison
- LGBTIQ+ Liaison and Engagement
- Clinical Support Services in partnership with Austin Pathology and Bendigo Radiology

We partner with:

- Mount Alexander Shire Council as a service provider and partner in building healthier local communities
- Loddon Mallee Health Network and the Loddon Health Service Partnership as a member agency
- First Nations communities and Traditional Owners, as well as BDAC, Weenthunga Health Network and Nalderun Education Aboriginal Corporation to ensure cultural safety in our health practices
- La Trobe University, Bendigo Kangan Institute, Federation University and Monash University through our education work.



The Board of Directors is appointed by the Governor in Council on the recommendation of the Victorian Minister for Health and is governed by the principles contained within the *Health Services Act 1988* (as amended).

The Board provides governance of Dhelkaya Health and is responsible for its financial performance, strategic directions, the quality of its health care services and strengthening community involvement through greater partnerships. Dhelkaya Health's by-laws enable the Board to delegate certain responsibilities. The by-laws are supported by the delegations of executive and operational responsibility, enabling designated executives and staff to perform their duties through the exercise of specified authority. The Act requires directors to act with integrity and objectivity at all times. They must declare a pecuniary interest during Board debate when applicable and withdraw from proceedings.

There were no occasions that required declaration this year. Conflict of interest is declared during Board proceedings, in accordance with Dhelkaya Health's by-laws. The Board of Directors meets on the first Thursday (excluding January) of each month to deal with a formal agenda and the Chief Executive Officer reports on the health service's performance. In addition to general Board meetings Directors also meet annually to review the strategic plan. The Board endeavours to hold one open

access Board meeting per year which the general public may attend. This is in addition to the Annual General Meeting. The Dhelkaya Health Board has met formally on 10 occasions in the year 2022-23.

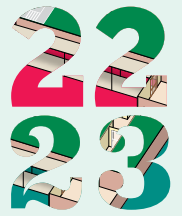
Governance and Remuneration Committee

The Governance and Remuneration Committee includes the following Board Directors: Ms Margaret (Peggy) Ronnau (Chair), Ms Vanessa Healy and Mr Jeffrey Rigby. The Governance and Remuneration Committee meets up to three times per year and is responsible for advising and making recommendations to the Board in relation to matters involving the performance of the Chief Executive Officer, executive staff remuneration; and executive recruitment and terms and conditions of employment.

Audit and Risk Management Committee

The Audit and Risk Management Committee membership comprises three Board Directors and at least one member independent of the agency, in accordance

Board member	Position	First appointment	Appointment expires	2022-23 Attendance
Ms Vanessa Healy	Board Chair	1 March 2022	30 June 2024	10
Ms Margaret (Peggy) Ronnau	Deputy Chair	1 March 2022	30 June 2023	10
Ms Margaret Lewis	Board Director	1 March 2022	30 June 2023	10
Mr Jeffrey Rigby	Board Director	1 March 2022	30 June 2025	10
Ms Cindy Schultz-Ferguson	Board Director	1 March 2022	30 June 2024	10
Ms Shan Welham	Board Director	1 March 2022	30 June 2025	9
Ms Alexandra (Lexi) Randall L'Estrange	Board Director	1 March 2022	30 June 2025	10
Ms Linda McNeill	Board Director	1 March 2022	30 June 2023	9
Dr Heather Holst	Board Director	1 March 2022	30 June 2024	10
Mr James Downing	Board Director	1 March 2022	30 June 2024	9
Ms Libby Fifis	Board Director	1 March 2022	30 June 2025	8



with the independence requirements of the Standing Directions of the Minister of Finance under the *Financial Management Act 1994*. The Committee comprises Mr Jeffrey Rigby (Chair), Ms Linda McNeill, Ms Cindy Schultz-Ferguson and Mr Stephen Bigarelli (Independent member). All the Committee members are independent of management.

The Audit and Risk Management Committee meets bi-monthly and assists the Board in monitoring compliance with laws, regulations, standards and internal controls. Key responsibilities include monitoring the hospital's strategic and operational risks, developing and overseeing the hospital's internal audit plan, review of the draft annual accounts and review of the relevant risk policies and procedures.

Finance and Infrastructure Committee

The Finance and Infrastructure Committee membership comprises three Board Directors namely Mr James Downing (Chair), Dr Heather Holst and Ms Linda McNeill. The Dhelkaya Health Board requires regular review of the financials of the organisation to closely monitor the risks associated with financial management, including liquidity risk, solvency risk and long-term sustainability risk. The Committee also has oversight of the capital equipment replacement program and all major capital projects.

Clinical Governance, Quality and Safety Committee

The Clinical Governance, Quality and Safety Committee membership comprises three Board Directors and four independent members. The membership includes Ms Shan Welham (Chair), Mr James Downing (Board Director), Ms Libby Fife (Board Director), Ms Elizabeth Grainger (Independent Member), Dr Helen McBurney (Independent Member), Mr Kevin Saide (Independent Member) and Dr Louise Bettiol (Medical Staff Group representative). The Clinical Governance, Quality and Safety Committee aims to ensure that the community receives high-quality and safe

care close to home and that Dhelkaya Health is committed to constantly improving all clinical and care services. The Committee meets bi-monthly to review and analyse information detailing the clinical care activities undertaken at Dhelkaya Health.

At the close of 2022-23 we accepted Ms Grainger's resignation from the Clinical Governance, Quality and Safety Committee. Ms Grainger held a key role on this committee and the Community Consultative Committee for many years, providing sound and considered advice from her perspective as a community member. We are grateful for the many hours Ms Grainger has dedicated to our health service over the years and for her continued membership of the Community Consultative Committee as Chair.

Community Consultative Committee

The Community Consultative Committee meets every two months to discuss and progress matters relating to consumer participation, community engagement, and how best to maintain responsive and inclusive services for patients, families and the wider community. The Committee comprises two Board directors and independent members of the community. The Community Consultative Committee membership includes Ms Peggy Ronnau (Deputy Board Chair), Ms Margaret Lewis (Board Director), Ms Elizabeth Grainger (Chair, Independent Member), Ms Ann Roman (Independent Member), Mr Bob Forde (Independent Member), Ms Marlene Bell (Independent Member), Ms Bev Orgill (Independent Member), Ms Joan Casley (Independent Member), Mr Paul Kent (Independent Member) and Mr Kevin Saide (Independent Member).

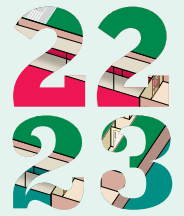
During the past year, we accepted resignations from Ms Ann Roman, who resigned in October 2022, and Ms Joan Casley, who resigned in December 2022. Both esteemed community members had dedicated many years to our committee offering wise counsel and much-valued support in helping to share word of the committee's work with their local

communities. We are grateful to both Ms Roman and Ms Casley for their unwavering support and for choosing to dedicate their time to our health service.

Community Health and Wellbeing Committee

The Community Health and Wellbeing Committee membership comprises three Board Directors, three agency stakeholder members (Mount Alexander Shire Council, Castlemaine Community House and Maldon Neighbourhood House) and four independent members. Membership includes Ms Lexi Randall L'Estrange (Chair), Ms Cindy Schultz-Ferguson (Board Director) and Dr Heather Holst (Board Director), Mr Ian Gould (Independent Member), Ms Lyn McKenzie (Independent Member), Ms Emma Shannon (Independent Member) and Ms Tallace Bissett (Independent Member).

The Community Health and Wellbeing Committee aims to ensure services provided by Dhelkaya Health meet the current and emerging needs of our communities and that the views of the community, users and providers are considered. The Committee will also support effective links and strategic relationships between Dhelkaya Health and other local health and community services, promote environments in which people can be healthy, with a focus on prevention and guide service planning that reduces inequalities in health status and outcomes.



CASE STUDY:

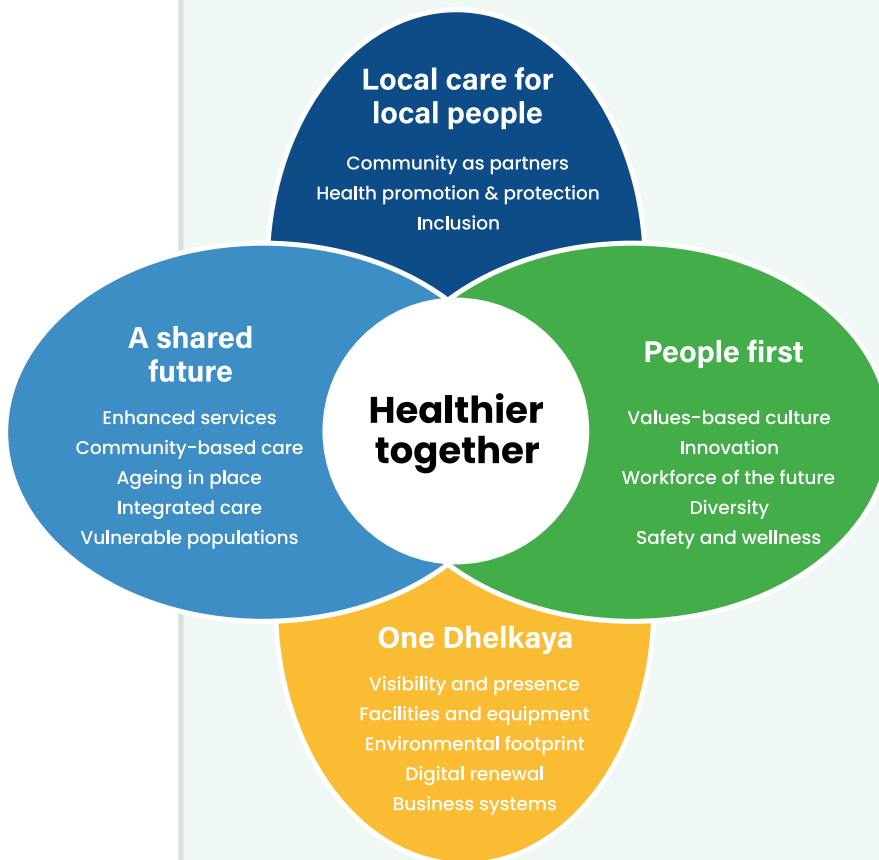
New strategic plan for a new organisation

During 2022-23, the Board of Directors, executive, senior management, staff and volunteers came together to map out the Dhelkaya Health's first strategic plan.

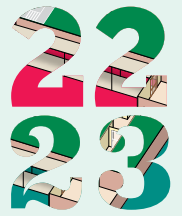
Feeding into the plan were discussions from in-person workshops, which were supported by an engagement campaign to encourage the community to play an active role in shaping the plan. The engagement campaign attracted well over 100 detailed pieces of individual feedback, which informed the plan's final shape and focus.

Our strategy promises to support our ultimate goal of being 'healthier together.' This means that we work with, and for, our local communities, from within. It means developing and improving services that our community wants the most, as part of our shared future. It means putting people first, as we cannot be healthier together unless we do. And, finally, in the first few years of our amalgamation, we are investing in becoming One Dhelkaya Health; integrating our culture, and our systems, and ensuring that we're here for the long term.

Dhelkaya Health's Strategic Plan 2023-26 will be published in the final months of 2023. However, the proof of any strategy is in its execution and Dhelkaya Health has a robust planning, monitoring and reporting cycle in place. The Chief Executive (supported by the Executive team) has accountability for delivering the strategic plan's initiatives. The Board of Directors will track how these contribute to expected results on a quarterly basis. Key results will be the quarterly Victorian Healthcare Experience Survey and the annual People Matter Survey. Health indicators and trend data will show if our promise for a healthier community is on track.



Our Leadership Team



(L to R): Sue Race – Chief Executive Officer; Kerryn James – Executive Director Community Services and Wellbeing; Vicky Mellington – Executive Director People, Safety and Experience; Shannon Vaughan – Executive Director Quality, Development and Improvement; Melodie Heland – Executive Director Clinical and Aged Care Services; Jason Stevens – Executive Director Corporate Services and Chief Financial Officer.

Chief Executive Officer

Ms Sue Race

BAgrSc (Hons), BNutDiet, MPPM, FCHSM, CHE, GAICD

The Chief Executive Officer is accountable to the Board for the efficient and effective management of Dhelkaya Health. Primary responsibilities include executive leadership, development and management of operational policy and strategic priorities agreed with the Board and in accordance with the funding, planning and regulatory framework of the Victorian Department of Health and Victorian Department of Families, Fairness and Housing. The Chief Executive Officer also champions and oversees the Marketing and Communications and Aboriginal Health and Inclusion portfolios.

Executive Director Clinical and Aged Care Services and Chief Nursing and Midwifery Officer

Ms Melodie Heland

RN, Exec MBA, BN, Crit Care Cert, GAICD

The Executive Director Clinical and Aged Care Services is responsible for leading the delivery of inpatient clinical services, maternity services, residential aged care services, clinical support services, after-hours management and Maldon Hospital. The role also has professional responsibility and leadership for all nursing and midwifery staff.

Executive Director Corporate Services and Chief Financial Officer

Mr Jason Stevens

BBus (Acc), MIPA AFA

The Executive Director Corporate Services oversees delivery of a range of support services in a sustainable manner. These include financial management, health information management, support services (hotel services, food production and resident laundry), procurement and contract management, Information Technology, property services, asset management and capital projects.

Executive Director Community Services and Wellbeing and Chief Allied Health Officer

Ms Kerryn James

BSpPath

The Executive Director Community Services and Wellbeing is responsible for leading the delivery of ambulatory care, community nursing, child, youth and family services, Living Well programs and housing, AOD, counselling and Custodial Health services. This includes outreach and in-home services and coordination of the volunteers. The role also has professional responsibility and leadership for all allied health staff.

Executive Director People, Safety and Experience

Ms Vicky Mellington

GDipMan

The Executive Director People, Safety and Experience oversees delivery of a range of people and culture services in a safe and inclusive manner. These include human resource management, employee relations, payroll, worker wellbeing, pastoral care, work health and safety and emergency management and security. The role is also responsible for a range of Human Resources Shared Services.

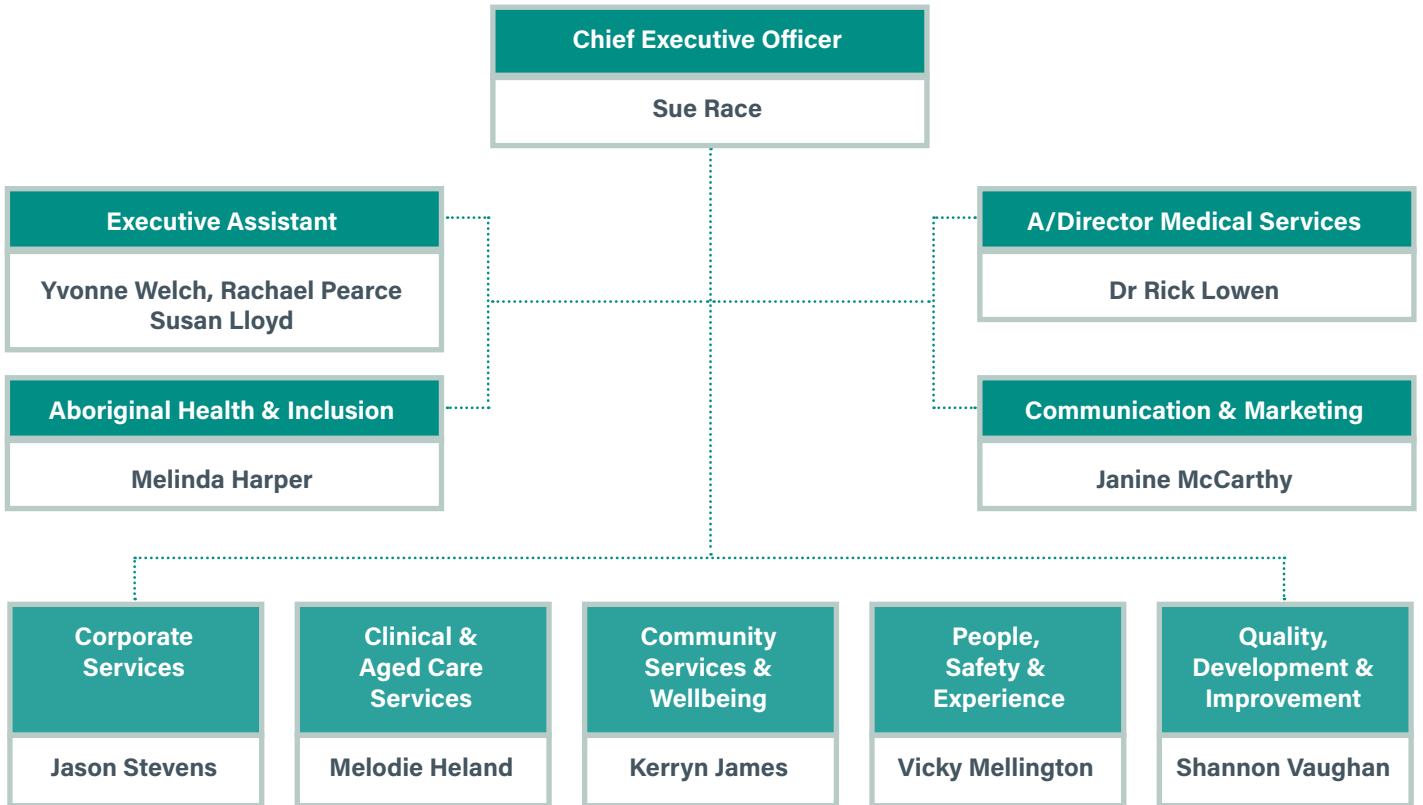
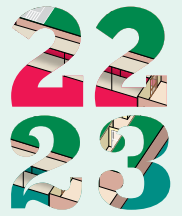
Executive Director Quality, Development and Improvement

Ms Shannon Vaughan

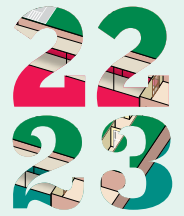
BPod GDip Public Administration

The Executive Director Quality, Development and Improvement is responsible for the effective leadership and management of quality improvement, organisational risk management, accreditation, assurance and compliance programs, learning, development and research. The role also has oversight of coordination and support of student learners and graduate staff.

Our Structure



FUNCTIONS				
Financial Management	After Hours Site Management	Allied Health	People & Culture	Patient Safety
Health Information Services	Clinical Care Services	Ambulatory Care	Payroll	Quality Improvement
Support Services	- Urgent & Acute Care	@ Home Services	Health, Safety & Wellness	Learning & Education
Information Technology	- Maternity Services	Community Nursing & Palliative Care	Pastoral Care	Research & Development
Procurement & Contract Management	- Subacute Care	Children's, Youth & Family Services	Employee Relations	Risk Management
Property Services & Asset Management	Maldon Hospital	NDIS Services	Emergency Management & Security	Systems Improvement
Capital Project Management	Residential Aged Care Services	Community Health	Career Pathways	Internal Audit
Environmental Sustainability	Leisure & Wellbeing	Home Care, Adult Day Services & Volunteers	Organisational Development	Strategic & Service Planning
	Clinical Support Services	Housing, AOD & Counselling Services	Human Resources	Governance Support & Coordination
	- Infection Control	Custodial Health	Shared Services	
	- Pharmacy			
	- Pathology & Radiology			



Hospitals labour category	June current month FTE		Average monthly FTE	
	2022*	2023	2022*	2023
Nursing	237.79	220.41	234.31	217.40
Administration and Clerical	89.22	89.25	89.04	80.57
Medical Support	2.20	79.29	2.05	74.24
Hotel and Allied Services	120.33	83.49	118.86	80.69
Medical Officers (including Hospital Medical Officers)	1.86	1.13	1.78	1.54
Sessional Clinicians	0	0	0	0
Ancillary Support (Allied Health)	43.04	13.12	45.08	11.49
Total	494.44	486.69	491.12	465.93

* Reporting period for 2021-22 was 1 March 2022 to 30 June 2022. Dhelkaya Health was established on 1 March 2022 so no prior data exists.

Application of employment and conduct principles

Dhelkaya Health is committed to upholding the principles of merit and equity in all aspects of the employment relationship. To this end, we have policies and practices in place to ensure all employment-related decisions, including recruitment, promotion, training and retention, are based on merit. Any complaints, allegations or incidents involving discrimination, vilification, bullying or harassment are taken seriously and addressed. All staff are provided with education and training on their rights and responsibilities and are provided with the necessary resources to ensure equal opportunity principles are upheld.

Organisational Development

Dhelkaya Health engaged Bendigo TAFE to deliver a leadership development program for people in middle management positions and emerging leaders. The Care to Lead Program comprises modules relating to managing self, managing others and managing the business and is delivered one day a week for six weeks. Three cohorts are planned with the first cohort completing the program in June 2023.

Workplace Wellbeing

Dhelkaya Health appointed a Staff Health and Wellbeing Nurse in 2023 to initiate and drive wellbeing initiatives across the organisation. One of the functions of this role is to create activities that will help harbour unity, mindfulness and enjoyment amongst staff in the workplace. Since the role's inception various awareness events have been celebrated, such as International Women's Day, Harmony Day and Australia's Biggest Morning Tea. A Walking Group for staff has been convened where staff are invited to come together three days a week for a social walk around the nearby Botanic Gardens.

Workplace Health and Safety

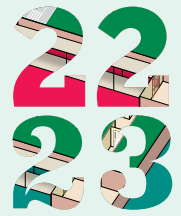
The Workplace Health and Safety team continue to focus on improving the safety culture. A full review of the Work Health and Safety Committee occurred this year which has resulted in an increase in participation from work group Health and Safety Representatives.

Our top three reported occupational health and safety events in 2022-23 were:

- occupational violence and aggression (OVA)
- manual handling of patients
- slips, trips and falls in both indoor and outdoor environments.

A review of our risk controls for OVA has commenced and will continue into 2023-24. One WorkSafe notifiable incident (trip and fall) occurred on the grounds in 2022-23 where a staff member broke their ankle and required medical attention. This resulted in a significant Lost Time Injury (LTI). Our carparks, grounds and walkways are planned for upgrade through a major capital project funded to improve the accessibility and safety of the Cornish Street site.

Manual handling incidents remains our highest contributing factor resulting in a WorkCover claim. To reduce both the occurrence and severity of these events a reinvigoration of the MOVE Patient Handling Program has been undertaken.



A review of emergency management systems and processes is underway. The emergency code drills have been reviewed and a revised schedule implemented. We have invested in new two-way radios which will significantly improve the ability of staff to communicate when they're responding to emergency codes or other emergency events.

We continue to implement a range of targeted actions to improve our workplace health and safety culture and environment, which remain an ongoing challenge with ageing buildings and grounds. These actions include:

- training on the importance of hazard, near miss and incident reporting
- Department of Health occupational violence and aggression training delivered with 89 staff
- Maintenance of the Respiratory Protection Program (Fit Testing)
- Preventure wearable technology to track high load movements and overall load to reduce injury risks in key roles
- Purchase of bed mover to reduce manual handling risk when staff are transferring beds, primarily from the Operating Suite to the Geroe Unit
- 12-month extension of the MOVE Patient Handling Program

Learning and Development

The Learning and Development team conduct regular face-to-face and online training to continually improve the performance and capability of our staff. Education programs are specific for nursing, medical, allied health, support services and administrative staff. The compulsory training framework outlines training requirements by role. The online learning management system profiles individual training schedules of mandatory and professionally recommended education courses for staff to ensure they maintain the knowledge and skills to perform their role safely.

Occupational Health and Safety

Occupational Health and Safety Statistics	2021-22*	2022-23
The number of reported hazards/incidents for the year per 100 FTE	17.1	67.69
The number of 'lost time' standard WorkCover claims for the year per 100 FTE	1.27	4.5
The average cost per WorkCover claim for the year ('000)	\$9.02	\$11.30

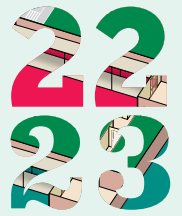
* Reporting period for 2021-22 was 1 March 2022 to 30 June 2022. Dhelkaya Health was established on 1 March 2022 so no prior data exists.

Occupational Violence

Occupational Violence Statistics	2022-23
WorkCover accepted claims with an occupational violence cause per 100 FTE	0
Number of accepted WorkCover claims with lost time injury with an occupational violence cause per 1,000,000 hours worked	0
Number of occupational violence incidents reported	58
Number of occupational violence incidents reported per 100 FTE	11.93
Percentage of occupational violence incidents resulting in a staff injury, illness or condition	74%

Definitions

- Occupational violence – any incident where an employee is abused, threatened or assaulted in circumstances arising out of, or in the course of, their employment.
- Incident – an event or circumstance that could have resulted in, or did result in, harm to an employee. Incidents of all severity rating must be included. Code Grey reporting is not included, however, if an incident occurs during the course of a planned or unplanned Code Grey, the incident must be included.
- Accepted Workcover claims – accepted Workcover claims that were lodged in 2022-23.
- Lost time – is defined as greater than one day.
- Injury, illness or condition – this includes all reported harm as a result of the incident, regardless of whether the employee required time off work or submitted a claim.



Speaking up for Safety

Through 2023 Dhelkaya Health has implemented the Speaking Up for Safety program for all staff. The program of seminars aims to build a culture of safety by empowering staff to support each other and raise concerns about safety issues that could lead to poor patient outcomes. Speaking Up for Safety focuses on achieving culture change and offering a practical framework on how to approach these often-difficult conversations with more senior staff. All current staff are required to attend a training session and it is included with orientation for new staff.

Workplace training experience

From 1 July 2022 to 30 June 2023, Dhelkaya Health provided placement opportunities for 345 undergraduate students, enrolled nurses and TAFE students.

Dhelkaya Health has developed formal partnerships with many universities and training organisations including La Trobe University, Federation University, Monash University and Bendigo Kangan Institute. Students attend placement for one to eighteen weeks depending on the course requirements and each placement is tailored to ensure the student achieves agreed upon objectives. The Learning and Development team participate in annual placement planning activities by the Department of Health to support ongoing facilitation of student placement, support and best practice in learning and education.

Goldfields Hub

This is the 14th year Dhelkaya Health has been involved in coordinating the 4th year Medical Student Goldfields Hub in partnership with Monash Rural Health Bendigo. A total of 15 medical students attended during Semester 2 2022 and Semester 1 2023 for a weekly education day facilitated mainly by Castlemaine GPs and also attend two days per week in a GP Medical Centre in Castlemaine, Kyneton Maryborough and Bendigo. The remaining two days per week are for integrated study where the students attend primary and community health placement days in the local community programs.

Continuing Nursing and Midwifery Professional Development

Dhelkaya Health in collaboration with Maryborough District Health Services has planned and facilitated numerous targeted professional development and training opportunities utilising funding from the Continuing Nursing and Midwifery Education grant over 2022-23. These education opportunities have targeted improving skills and knowledge of nurses and midwives in the following areas: Maternity Services Education, Paediatric Infant Perinatal Emergency Retrieval, Foetal Surveillance Education Program and Neonatal Resuscitation. We have had 70 nurses, midwives and local GP's attend these events.

Dhelkaya Health Graduate Nurse Program

The Learning and Development team coordinate the Dhelkaya Health Graduate Nurse Program (GNP). This program is an important feature of our service delivery to ensure we are supporting and growing our early career workforce as they take on their first roles as Registered Nurses (RNs) and Endorsed Enrolled Nurses (EENs). Between July 1 2022 and June 30 2023, we have had five RNs complete their Graduate year at Dhelkaya Health and have had another six RNs commence the 12-month program in January 2023. Dhelkaya Health offers a varied and exciting experience for our new graduates who have the opportunity to experience acute, aged care and rural nursing rotations.

In January 2023 with support from the Department of Health we also implemented a GNP for EENs. This program runs for six months and incorporates two rotations for the graduate EENs. Thus far four EENs have completed their Graduate year in 2023 and another three commenced the program in June. In 2023 we have also been able to employ a RN to support and coordinate the GNP. This development was in response to feedback that the Graduate Nurses require more support and so far, the feedback has been overwhelming and a value add to the Graduate Nurse experience at Dhelkaya Health.



CASE STUDY:

April Jardine wins Midwife of the Year

In May 2023 April Jardine, Maternity Unit Manager, won the coveted title of Midwife of the Year in the national 2023 HESTA Australian Nursing and Midwifery Awards.

Ms Jardine was nominated for her outstanding contribution to improving health outcomes for local women and for being the driving force behind implementation of Dhelkaya Health's innovative Midwifery Group Practice model. Ms Jardine also played a pivotal part in encouraging women to take part in studies evaluating women's views and experiences of maternity care at Dhelkaya Health. Ms Jardine said of her work, and her win:

"It's such a rewarding position to be in, to be part of women's experiences and share those beautiful experiences with them - there's nothing better. And to see families so happy with the care they receive. I work with a fantastic team of nurses and midwives, and we share a vision of where we want to go. We get to spend each day providing women-centred care and keeping the focus on what's important to women and families."



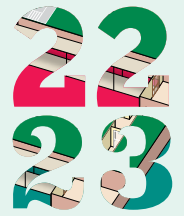
CASE STUDY:

Maternity Service applauded in milestone review

Dhelkaya Health's Maternity Service received a glowing review from women who gave birth at the service in its first year of operation.

The feedback from the women was gathered as part of a formal evaluation review undertaken by La Trobe University. Publication of the evaluation report was celebrated at an event held at Buda Historic Home & Garden in early March 2023. The event was attended by local GP obstetricians, Bendigo Health, La Trobe University researchers, staff and representatives from Dhelkaya Health's Board of Directors and committees. The research team's work also included in-depth consultation with women to explore their satisfaction with the service, their clinical outcomes and the workings of the collaborative relationship between Dhelkaya Health and Bendigo Health. The voices of local women birthing in Castlemaine played a critical role in this evaluation.

Our Supporters



The financial donations and funding we receive enable us to improve our services to patients through the purchase of new equipment. From 1 July 2022 to 30 June 2023 we received a total of \$118,087 through donations, fundraising and bequests.

We would like to acknowledge the very special efforts of our supporters from Run the Maine, who celebrated their 14th run in September 2022. The talented and dedicated volunteer committee led by Director Gavin Krasner successfully returned the run to Castlemaine after several years of virtual runs. The event raised \$20,000, which enabled the purchase of a BiPAP machine for Dhelkaya Health's Urgent Care Centre. The BiPAP machine is the latest non-invasive option to support a patient's breathing, shown to be very effective in cases of acute heart failure and some types of respiratory failure by reducing the effort needed to breathe and increasing the volume of space in the lungs for respiration to occur.

We would also like to acknowledge the unwavering support from our Murray to Moyne riders, the Castlemaine Rouleurs led by Team Captain Gary Bunn, who has been doing the relay for 25 years. The team were more than happy to be in the saddle for the 520km ride from Echuca to

Port Fairy. Their fundraising and team sponsorship enabled the purchase of two Vital Signs Monitors for our Acute Unit. The monitors are used for monitoring essential body functions such as heartbeat, breathing rate, temperature and blood pressure. Fundraising from the ride also contributed \$11,000 to our next equipment fundraising campaign.

We would like to express our thanks and acknowledge the contribution made by Castlemaine Rouleur Phil Priest, who passed away in 2023. Phil was a long-time member of the Rouleurs and helped the team obtain sponsorship even while he was unable to ride. Phil made a great impact on our community as a father, husband, friend and team member who cycled and fundraised for 20 years, which is an extraordinary commitment.

We would like to thank our donors, committees, supporters and the local community who have supported our fundraising efforts over the past 12 months.

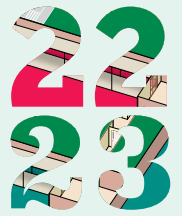


CASE STUDY:

Helping hand for health

In 2022-23 Dhelkaya Health donated two shipping containers of surplus medical equipment and furniture to young charity Fesidev Australia so it can be assessed, repurposed and reused by hospitals and communities in Africa.

Fesidev works with a world-wide organisation that takes equipment which may otherwise add to landfill and places it to meet needs in developing countries. This partnership has created a fantastic opportunity for communities across the world to help each other with positive health and environmental outcomes. Donations were assisted by local company Castlemaine Honey who supplied the trucks to transport equipment to Melbourne where it was packed into shipping containers. The equipment will be used to set up a hospital facility and teaching hospital in Kampala and Gulu in Uganda.



Volunteers

Dhelkaya Health has 114 dedicated volunteers supporting our operations across our Maldon and Castlemaine campuses, and in the community. We have 32 volunteers at Maldon Hospital, 28 volunteering at our Castlemaine campus in residential care, Patient Transport Service, the Adult Day Service and the hospital. There are 54 volunteers in Castlemaine assisting with programs and activities out in the community including walking groups, companion walking, youth mentoring, Tai Chi groups, the TAC L2P program and many more. Our volunteers also sit on committees, support fundraisers, and help in many other settings across Dhelkaya Health.

All volunteers are required to maintain a satisfactory Criminal Record Check and an additional NDIS check is now required for residential aged care volunteers. Some roles also require a Working with Children Check.

We have recently created a new Volunteer Coordinator role, and will shortly welcome the new incumbent to that position. We look forward to promoting the recruitment of new volunteers in 2023-24 with the dedicated focus this role will bring.

We sincerely thank all our volunteers for their commitment to Dhelkaya Health and look forward to continuing our relationship with them over the next 12 months. We are also grateful to the many consumers and community members who dedicate their time as volunteers to sit on our committees and working groups.

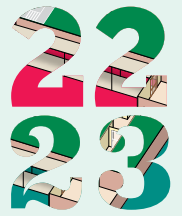
CASE STUDY:

In praise of First Responders

Staff and volunteers from the CFA, SES, Ambulance Victoria, Dhelkaya Health and others involved in responding to local emergencies gathered at Castlemaine Art Museum in April 2023 for the 'In Praise of First Responders'.

Presented in partnership by Castlemaine Art Museum and Dhelkaya Health, the event acknowledged the extraordinary teamwork and collaboration between services through the COVID-19 pandemic. Speakers expressed their gratitude and thanks for efforts of first responders from across the shire.

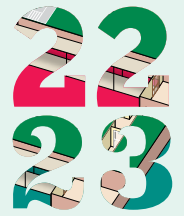




Dhelkaya Health has 10 major State-funded projects completed or underway at 30 June 2023:

Capital projects

- Castlemaine campus – **Main Entry Works Project** (\$5,379,677) involving new demountable office building, demolition of the existing property services building and relocation into the existing supplies building, sterile stock room fit out, re-purposing and refurbishment of the existing front reception area, re-surfacing of asphalted areas, creation of new car parking and improved signage and wayfinding.
- Castlemaine campus – **Residential Aged Care Quality and Improvement Project** (\$2,020,690) to upgrade each of the three facilities at Castlemaine covering interior fit-out works and improvements, and enhancements to external landscape areas and grounds.
- Castlemaine campus – **Header Tank and Steam Reticulation Works Project** (\$291,072) to replace the reticulated steam condensate tank, domestic hot water heat exchanger, condensate return pumps, and repairs to the building automation monitoring system (Complete).
- Castlemaine campus – **Nurse Call System and Security Project** (\$171,918) to improve residential aged care facilities through the procurement and installation of a new nurse call system at Ellery House and replacement of the perimeter gate and fence at Penhall (Complete).
- Castlemaine campus – **Solar Panels** (\$55,043) to supply and install a solar array at Ellery House and further contribute to the sustainability objectives and performance at Castlemaine (Complete).
- Castlemaine campus – **Critical Electrical Infrastructure Works Project** (\$420,000) to design and install transfer switches and additional back-up systems for the supply of power and to develop a scoping study and asset replacement strategy in relation to the main distribution board and other critical equipment and systems.
- Maldon Hospital – **Staff Amenities Facility Project** (\$225,000) to develop a new staff amenities room including handwashing facilities, change room, kitchenette and seating facilities.
- Maldon Hospital – **Bushfire Resistance Project** (\$175,375) to conduct a program of passive fire management works and commission a scoping study for the acquisition of major infrastructure and fire management improvements.
- Castlemaine and Maldon Hospital campuses – **Fire Safety and Risk Management Works Project** (\$494,860) to undertake infrastructure upgrades at Castlemaine and Maldon recommended from fire safety audits.
- Halford Street campus – **Demolition of former Nurses Quarters** (\$418,600) to demolish the old nurses' quarters, remove and remediate asbestos, recycling of building materials and land levelling and make good (Complete).



Energy consumption

Campus	Castlemaine	Maldon
Net Greenhouse Gas Emissions	2,657 tonnes CO² This is a reduction of 4.3% on the previous year	256 tonnes CO² This is an increase of 3.7% on the previous year
Energy and Water	Water 29,383 kL This is an increase of 12.4% on the previous year	Water 2,035 kL This is an increase of 0.9% on the previous year
	Electricity consumption 2,314.57 MWh This is an increase of 1.6% on the previous year	Electricity consumption 172.53 MWh This is an increase of 5.8% on the previous year
	Natural Gas 20,252,178.4 MJ This is a reduction of 4.9% on the previous year	LPG 1,321,106 MJ This is a reduction of 3.1% on the previous year
Waste and Recycling	General waste 131,842 kg This is an increase of 4.2% on the previous year	General waste 14,762 kg This is an 8% reduction on the previous year
	Clinical waste 10,424 kg This is an increase of 9.8% on the previous year	Clinical waste 365 kg This is a 13.8% reduction on the previous year
	Recycling 47,108kg This is an increase of 1.2% on the previous year	Recycling 9,231 kg This is a 17.4% increase on the previous year



CASE STUDY:

Demolition of Old Nurses' Quarter

Demolition of the Old Nurses' Quarter in Halford Street kicked off in April 2023 thanks to Regional Health Infrastructure Funding received in 2022.

The Halford Street buildings were decommissioned around 25 years ago and had lain empty since then, which led to them becoming unsafe and unsightly. Digga Group were contracted for their eco-friendly recycling-focused approach. Local group The Salvage Yard were invited in to remove all materials that could be resold and recycled. The team carefully removed old timber flooring and timber structural supports, the cast iron hydronic radiator panel system, bricks and fittings, and trucked them all to their sale yard in Castlemaine for cleaning and reuse.

Our Strategic Priorities (Part A)

Keep people healthy and safe in the community

Deliverable	Strategy	Achievements and Impact	Progress
Maintain COVID-19 readiness	Maintain a robust COVID-19 readiness and response	<ul style="list-style-type: none"> Monthly COVID-19 Response Working Group meeting chaired by Executive Director Clinical & Aged Care Services, with meeting frequency increased in response to COVID-19 risk and during outbreaks. The group works through a formal action log and agenda, reviewing furlough, pandemic orders, and applying an evidence-informed approach via the Loddon Mallee Public Health Unit (LMPHU). 	Complete
		<ul style="list-style-type: none"> Worked closely with LMPHU and in partnership with Bendigo Health as regional COVID-19 streaming hospital to transfer COVID-19 positive patients to help mitigate risks of COVID-19 transmission and related hospitalisations, support contact tracing efforts, avoid community lockdowns and harmonise visitor restrictions and screening. 	Complete
		<ul style="list-style-type: none"> Actively managed workforce coverage as a key component of effective outbreak management and the delivery of safe, quality care. 	Complete
		<ul style="list-style-type: none"> Regularly reviewed, updated and communicated changes to visitor and mask restrictions to reduce risk to patients, staff and visitors. Maintaining COVID-19 Safe Plan and associated policies and procedures in accordance with the Department of Health directives and guidelines. 	Complete
		<ul style="list-style-type: none"> Running and promoting a COVID-19 vaccination pop-up clinic in our Auditorium for staff in conjunction with Bendigo Health, and continuing to communicate the importance of COVID-19 vaccinations to staff and community. 	Complete



CASE STUDY:

Maintaining COVID-19 readiness

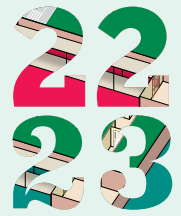
Dhelkaya Health's COVID-19 response team continued to maintain a rigorous and coordinated response to managing staff, sites and organisational response to COVID-19.

Our COVID-19 vaccination clinics too played a vital role in that response, with the clinics greatly contributing to the high vaccination rates in the Mount Alexander Shire population.

The last COVID-19 vaccination clinic was held onsite at Dhelkaya Health in December 2022. The clinic was run jointly with Bendigo Health and its final day of operation represented a landmark achievement for everyone involved.

Dhelkaya Health's onsite clinic administered over 15,000 COVID-19 vaccinations to staff and community. At the point of the clinic's closure more than 95% of eligible residents in Mount Alexander Shire had received their two primary COVID vaccine doses and more than 85% of those aged 16 and over were up-to-date with their booster.

Our Strategic Priorities (Part A)



Keep improving care

Deliverable	Strategy	Achievements and Impact	Progress
Improve quality and safety of care	Reduce hospital acquired complications (HAC), low value care and target preventable harm	<ul style="list-style-type: none"> Monitoring and reviewing all hospital acquired complications; identifying and implementing any opportunities for improvement; achieving very low rates of HAC and consistently tracking lower than peer organisations in benchmarking. 	Complete
		<ul style="list-style-type: none"> Developed and implemented new workforce model for Castlemaine residential aged care to improve consumer and staff experience, and meet clinical, care and social needs. 	In progress
		<ul style="list-style-type: none"> Three staff completed Speaking Up for Safety (SUFS) Train the Trainer program and delivered 19 seminars with 212 staff. 	In progress
		<ul style="list-style-type: none"> Increase capability of senior leaders through a targeted leadership development program 'Care to Lead' Program delivered via Bendigo TAFE to cohort of senior managers. 	
		<ul style="list-style-type: none"> Underwent several accreditation assessments involving independent assessors reviewing our practices and processes against compliance requirements. Dhelkaya Health was found to be fully compliant with all standards which is reflective of the high-quality care that is provided to the community: <ul style="list-style-type: none"> ✓ National Safety & Quality Healthcare Service Standards (June 2023) ✓ National Disability Insurance Standards (May 2023) ✓ Aged Care Quality and Safety Standards (May 2023 Maldon Hospital and May 2023 Castlemaine campus) ✓ Human Service Standards (September 2022) 	Complete
		<ul style="list-style-type: none"> La Trobe University's <i>Evaluation of the Operational Maternity Service Model of Care</i> report published, formally evaluating outcomes from the first 12 months of the relaunched Maternity Services. The report concluded that: <ul style="list-style-type: none"> ✓ maternity care model is highly valued by staff, women and the community ✓ midwives are working within their full scope of practice and are fully supported by committed GP Obstetricians and Bendigo Health, building supportive relationships with mothers and partners along the continuum of pregnancy, birth and parenthood ✓ the Midwifery Group Practice model is working and equips Dhelkaya Health to be responsible and responsive, and offer the care pathways which meet individual needs and preferences, as well as mapping out priority issues for sustainable growth. Recommendations from the report incorporated into action plan and work commenced on implementation. 	Complete
		<ul style="list-style-type: none"> As part of the Mount Alexander Public Intoxication Trial, established a new model to divert people away from a police response and increase access to health and social services as the primary response to public intoxication. Offered outreach services, training for first responders and set up a 'Place of Safety' at Dhelkaya Health's Cornish Street campus. Signed MOU with BDAC and worked collaboratively on a standalone Aboriginal-led response delivered by BDAC and Aboriginal Community Justice Panels (ACJP) which is delivered alongside a general service to the Mount Alexander community. 	Complete
		<ul style="list-style-type: none"> Commenced delivery of primary healthcare services to women and their accompanying children at Tarrengower Women's Prison in Maldon on 1 July 2023. Services include a primary care clinic, allied health, medication management, primary mental healthcare and diagnostic services, as well as referrals and pathways to dental and specialist services. Partnered with BDAC to ensure that the distinct needs of First Nations women in custody are met as part of the service model. Commenced work to enhance the existing service model as we develop a deeper understanding of the diverse needs of the women and their children. 	Complete

Our Strategic Priorities (Part A)

Keep improving care

Deliverable	Strategy	Achievements and Impact	Progress
Plan to update nutrition and food quality standards	Implement <i>Healthy choices: policy directive for Victorian public health services</i>	<ul style="list-style-type: none"> Healthy Choices Working Party convened to steer implementation of the policy. Healthy Eating and Catering Procedure developed to promote and encourage employees to make healthy choices. Actively promoting healthy food and drink choices at point of sale, increasing availability of healthy food and drink, decreasing the availability and promotion of unhealthy food and drink. Increased employee knowledge of nutrition and healthy eating through screensavers, table promotions in the café, via communications in the staff newsletter and surveys. Staff assessed to find that the majority have positive attitudes towards the changes. New traffic light rating system for drinks based on their nutritional value, with a larger selection of healthy GREEN choices, less AMBER drinks, and no sugary RED drinks. Supported local Castlemaine Football Netball Club – Juniors to win the first Vic Kids Eat Well Awards, acknowledging their amazing effort to provide healthier food and drink options. 	Complete



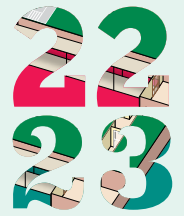
CASE STUDY:

Vic Kids Eat Well win

Castlemaine Football Netball Club – Juniors was one of 10 winners in the first Vic Kids Eat Well Awards.

The awards recognise amazing efforts by organisations to provide healthier food and drink options for kids across the state. Dhelkaya Health's Health Promotion Officer Liza Shaw worked closely with the club to implement healthy changes to the canteen for their junior players. The judges commended the club's creative and significant changes to their menu and were impressed with how delicious and healthy options were promoted to young players. The club has refreshed their canteen fridge and changed the menu, boosting veggies and promoting healthy options for kids at games. Baked beans and tomato slices were added to wholemeal toasties. Free fresh fruit is also available.

Our Strategic Priorities (Part A)



Keep improving care

Deliverable	Strategy	Achievements and Impact	Progress
Climate change commitments	Contribute to enhancing health system resilience by improving the environmental sustainability of our health service	<ul style="list-style-type: none"> Transitioned entire Maldon Hospital vehicle fleet from petrol-driven vehicles to ultra-long-range electric Zero Emission Vehicles (ZEVs). 	Complete
		<ul style="list-style-type: none"> Maldon Hospital maintained membership of Global Green and Healthy Hospitals Network. 	In progress
		<ul style="list-style-type: none"> Donated two shipping containers of surplus medical equipment and furniture to young charity Fesidev Australia so it can be assessed, repurposed and reused by hospitals and communities in Africa. 	Complete
		<ul style="list-style-type: none"> Digga Group were contracted for the Halford Street demolition for their eco-friendly approach which engaged local company The Salvage Yard to remove all materials and fittings from Halford Street prior to demolition for reuse and resale. 	Complete
		<ul style="list-style-type: none"> Installation of a 200kWp solar array in Ellery House. 	Complete
		<ul style="list-style-type: none"> Replace the reticulated steam condensate tank, domestic hot water heat exchanger, condensate return pumps, and make repairs to the building automation monitoring system on the Castlemaine campus. 	Complete
Asset Management and Maintenance	Improve health service and Department Asset Management Accountability Framework compliance	<ul style="list-style-type: none"> Asset Management Plan completed and submitted to the Department of Health by 31 December 2022. Consultants Macutex engaged and asset stocktake underway for creation of a comprehensive asset register for Dhelkaya Health. 	In progress



CASE STUDY:

ZEV fleet lands at Maldon Hospital

In October 2022 Dhelkaya Health converted its entire Maldon-based vehicle fleet to zero emission vehicles (ZEVs).

The ZEV cars are used by nurses, other staff and volunteers to visit and transport patients in the community. Fixed electric charging stations were installed on the hospital site to help keep them powered but their ultra-long range means they don't need frequent charging. As well as reducing emissions to make towns, cities and regions more liveable, the ZEVs will also deliver ongoing savings due to having lower maintenance and running costs than their petrol or diesel predecessors.

Our Strategic Priorities (Part A)

Improve Aboriginal Health and Wellbeing

Deliverable	Strategy	Achievements and Impact	Progress
Improve Aboriginal Cultural Safety	Reconciliation Action Plan	<ul style="list-style-type: none"> Convened Reconciliation Action Working Party with local Traditional Owners and representation from across Dhelkaya Health, meeting every two months. Drafted organisation's first Reconciliation Action Plan and submitted to Reconciliation Australia for sign-off. 	Complete
	Meaningful partnerships	<ul style="list-style-type: none"> Signed Memorandum of Understanding with BDAC in support of primary health service delivery for Tarrengower Prison and Public Intoxication Response Trial. Became a paid member of Kinaway Chamber of Commerce to improve connections with First Nations businesses and increase % spend with First Nations owned businesses. Continued partnerships with Weenthunga Health Network, Nalderun Education Aboriginal Cooperation and the local Indigenous Round Table with Mount Alexander Shire Council. 	Complete
	Education, training & employment	<ul style="list-style-type: none"> Offered Aboriginal & Torres Strait Islander Cadetship and promoted opportunity widely through local media, social media and networks. Recruited two new Aboriginal Health Liaison Officers to the Aboriginal Health and Inclusion program. 	Complete
	Culturally safe and responsive healthcare	<ul style="list-style-type: none"> Aboriginal and Torres Strait Islander Cultural Safety Framework Progress Report submitted to the Department of Health reporting positive achievement against all areas within the plan. 	Complete



CASE STUDY:

Reconciliation Action Plan – Reflect

Dhelkaya Health will soon be launching its first Reconciliation Plan (RAP) - Reflect.

The RAP details our reconciliation journey so far and outlines our commitments to reconciliation over the next 18 months. While we have achieved much formally and informally in the last few years, we now look forward to the future as an organisation that has formalised its commitment to reconciliation.

Our RAP working group comprises 11 members including Dhelkaya Health First Nations staff and non-First Nations staff. We would like to acknowledge Aunty Julie McHale and Aunty Kerri Douglas as key members. Both have been fundamental in ensuring First Nation voices are embedded in our planning.



Our Strategic Priorities (Part A)

Moving from competition to collaboration

Deliverable	Strategy	Achievements and Impact	Progress
Foster and develop local partnerships	Strengthen cross-service collaboration, and participation in Health Service Partnerships (HSP)	<ul style="list-style-type: none"> Actively contribute to the Loddon Mallee region through the following forums: <ul style="list-style-type: none"> ✓ LMHN Board Director representing local health services ✓ Chair Loddon Health Service Partnership ✓ Member LMHN Corporate Services Committee ✓ Member LMSS Executive Committee ✓ LM CEO representative on the Aged Care Steering Committee ✓ Member LM Climate Change and Health Steering Committee ✓ Interim Chair Primary Care and Population Health Advisory Subcommittee (Loddon) ✓ Executive Directors participate in LMHN subject matter committees and working groups. ✓ Participated in the Speaking Up For Safety training for the Loddon HSP. ✓ Implemented the Care to Lead program in partnership with Bendigo TAFE 	Complete
	Work with HSP partners on strategic system priorities	<ul style="list-style-type: none"> Implemented Better@Home initiative to enhance in-home and virtual models of patient care when it is safe, appropriate and consistent with patient preference. Residential In Reach service model established with 513 client service events provided >110% increase in Hospital in the Home separations and 145% increase in discharged bed days YTD compared to 2021-22 full year activity achievement. Regional Community Platform scheduling and reporting system project continues in partnership with LMSS and LM Better@Home teams. 	In progress
Planned Surgery Recovery and Reform Program	Develop and implement reforms to improve long term sustainability of safe and high quality planned surgical services	<ul style="list-style-type: none"> Moving patients to day surgery when safe to do so and scheduling certain surgeries for mornings rather than afternoon to increase number of same-day discharges Reduced elective surgery waiting lists by adjusting patient flow to maximise use of theatre time and ensure optimum balance of public cases from waiting list Working with consumers on discharge to clarify expectations around length of stay and applying criteria-led discharge to make sure patients can go home as soon as they're medically ready 	Complete



CASE STUDY:

Care at Home

Dhelkaya Health is a member of the Loddon Mallee Health Network and member agency of the Loddon Health Service Partnership

Made possible through the Department of Health's Better at Home (B@H) funding, the Loddon Mallee B@H team has produced a suite of digital marketing resources to support the promotion of home based care in the region. As a member of the network, Dhelkaya Health has benefited from the complementary tools which reflect the physical environment of the Mount Alexander Shire. The tools aim to increase community awareness of home-based care as an option, leading to an increase in home referrals initiated by patients, carers or their family members.

Our Strategic Priorities (Part A)

A stronger workforce

Deliverable	Strategy	Achievements and Impact	Progress
Improve Worker Wellbeing	Occupational Violence and Aggression Training	<ul style="list-style-type: none"> 89 staff completed the Department of Health Occupational Violence and Aggression training program 	Complete
	Strengthening Hospital Responses to Family Violence (SHRFV)	<ul style="list-style-type: none"> Strengthening Hospital Responses to Family Violence Project Officer appointed in July 2022 Consolidation and review of Multi-Agency Risk Assessment and Management (MARAM) framework implementation across the organisation Creation of a SHRFV workplan with recommendations for future actions to ensure ongoing education and support for staff and best practice response to clients/patients experiencing family violence MARAM, Family Violence Information Sharing Scheme & Child Information Sharing Scheme training module completion rates reported quarterly Face-to-face MARAM training delivered to community health teams International Women's Day Event coordinated and held at Castlemaine Secondary College to promote gender equity with a focus on career pathways for women in STEM. 	Complete
	Prioritise wellbeing of healthcare workers	<ul style="list-style-type: none"> Finalised spend of funds from the Department of Health's Wellbeing Grant to upgrade gym equipment and general facilities in the onsite gym at our Castlemaine campus. Free personal training, yoga and meditation sessions were made free to all staff throughout November and December. Free fresh fruit continues to be offered across both campuses with take up remaining high and its availability greatly valued by staff. 	Complete



CASE STUDY:

Improving worker wellbeing

Dhelkaya Health was the successful recipient of a Health and Wellbeing grant in 2021-22, with the grant spend finalised in 2022-23.

Spending was targeted on priorities identified by staff over two phases. Phase One included fresh fruit, filtered water stations and meals for shift workers, night staff and non-emergency patient transport drivers.

Phase Two saw breakout spaces improved, training of mental health first aiders and a comprehensive upgrade for the onsite gym located at the Castlemaine campus. Gym users are benefiting from the replacement of tired and broken equipment, a new multimedia sound system, and a refreshed layout for the entire space.

The relaunch was celebrated with complimentary passes to fitness and wellbeing sessions held onsite. Gym access is now free to all staff.



Our Performance Priorities (Part B)

High quality and safe care

Key performance measure	Target	2022-23 result
Infection prevention and control		
Compliance with the Hand Hygiene Australia program	85%	88.8%
Percentage of healthcare workers immunised for influenza	92%	95%
Continuing care		
Functional independence gain from an episode of rehabilitation admission to discharge relative to length of stay	≥ 0.645	0.557
Patient experience		
Victorian Healthcare Experience Survey – percentage of positive patient experience responses – Quarter 1	95%	100%
Victorian Healthcare Experience Survey – percentage of positive patient experience responses – Quarter 2	95%	99.6%
Victorian Healthcare Experience Survey – percentage of positive patient experience responses – Quarter 3	95%	96.5%
Maternity and newborn		
Percentage of full-term babies (without congenital anomalies) who are considered in poor condition shortly after birth (APGAR score <7 to 5 minutes)	≤ 1.4%	0%
Percentage of singleton babies with severe fetal growth restriction (FGR) delivered at 40 or more weeks gestation	≤ 28.6%	N/A*

* Less than 10 records were obtained for the period due to the relative size of the health service

Strong governance, leadership and culture

Key performance measure	Target	2022-23 result
Organisational culture		
People matter survey – Percentage of staff with an overall positive response to safety culture survey questions	62%	61%

Effective financial management

Key performance indicator	Target	2022-23 result
Finance		
Operating result (\$m)	\$0.0m	\$0.044m
Average number of days to paying trade creditors	60 days	27 days
Average number of days to receiving patient fee debtors	60 days	25 days
Adjusted current asset ratio	0.7 or 3% improvement from health service base target	0.83
Actual number of days a health service can maintain its operations with unrestricted available cash, measured on the last day of each month	14 days	3 days
Variance between forecast and actual Net result from transactions (NRFT) for the current financial year ending 30 June	Variance ≤ \$250,000	\$2.632m

Our Performance at a glance (Part C)



Funding Type	2022-23 Activity Achievement
Consolidated Activity Funding	
Acute admitted, subacute admitted, emergency services, non-admitted NWAU	5,627
Acute Admitted	
Acute admitted DVA – NWAU	39
National Bowel Cancer Screening Program NWAU	21
Aged Care	
Residential Aged Care – Bed Days	65,449
HACC – Hours of Service	2,746
Primary Health	
Community Health Other – Appointments	4,862
Community Health / Primary Care Programs – Appointments	4,581
Subacute/Non-Acute, Admitted & Non-admitted	
Subacute NWAU – DVA	36
Small Rural	
Small Rural Acute – Bed Days	346
Small Rural Residential Aged Care – Bed Days	9,985

Summary of Financial Results For the period 1 July 2022 to 30 June 2023

	2023 \$000	2022 \$000
Operating Result*	44	1,603
Total revenue	76,033	26,375
Total expenses	80,945	26,585
Net result from transactions	(4,912)	(210)
Total other economic flows	(18)	245
Net result	(4,930)	35
Total assets	106,376	114,271
Total liabilities	46,556	49,349
Net assets/Total equity	59,820	64,922

* The Operating result is the result for which the health service is monitored in its Statement of Priorities

Reconciliation of Net Result from Transactions and Operating Result

	2023 \$000	2022 \$000
Net Operating Result*	44	1,603
Capital Purpose Income	1,582	473
COVID 19 State Supply Arrangements		
- Assets received free of charge or for nil consideration under the State Supply	268	191
- State supply items consumed up to 30 June 2023	(268)	(293)
Depreciation and Amortisation	(6,496)	(2,172)
Expenditure for Capital Purpose	(38)	0
Finance Costs (other)	(4)	(12)
Net Result from Transactions	(4,912)	(210)

* The Operating result is the result for which the health service is monitored in its Statement of Priorities

Significant changes in financial position

Dhelkaya Health was established on 1 March 2022, therefore comparative information is for four months only. There are no significant changes in financial position.

Summary of major changes or factors which have affected the achievement of operational objectives for the year

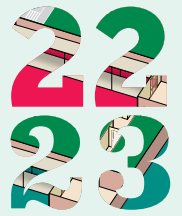
The amalgamations from the previous financial year continued to impact on operational objectives.

There were no other major changes affecting the achievement of operational objectives.

Events subsequent to balance sheet date

There are no events subsequent to balance sheet date.

Our Finances



Details of consultancies (under \$10,000)

In 2022-23, there were 5 consultancies where the total fees payable to the consultants were less than \$10,000. The total expenditure incurred during 2022-23 in relation to these consultancies is \$26,375 (excl. GST).

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

In 2022-23, there were five consultancies where the total fees payable to the consultants were \$10,000 or greater. The total expenditure incurred during 2022-23 in relation to these consultancies is \$329,153 (excl. GST). Details of individual consultancies can be viewed at www.castlemainehealth.org.au

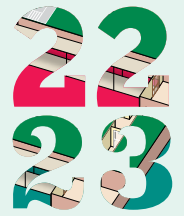
Consultancies over \$10,000

Consultant	Purpose of consultancy	Start date	End date	Total approved project fee (excluding GST)	Expenditure 2022-23 (excluding GST)	Future expenditure (excluding GST)
Aspex Consulting	Clinical Service Plan development	November 2022	May 2023	\$107,862	\$107,862	Nil
Workwell Consulting	Strategic Plan development	July 2022	June 2023	\$76,000	\$76,000	Nil
Thrive Aged Care Consultants	Quality and safety review and support	March 2023	June 2023	\$59,737	\$59,737	Nil
La Trobe University	Evaluation of Maternity Model of Care	August 2021	October 2022	\$46,885	\$18,754	Nil
ARJO Australia Pty Ltd	Consultancy Services for Ergocoaches	October 2022	September 2023	\$66,800	\$66,800	Nil

The total ICT expenditure incurred during 2022-23 is \$1,778,432 (excluding GST) with the details shown below:

ICT expenditure

Business as Usual (BAU) ICT expenditure	Non Business as Usual (non-BAU) ICT expenditure		
Total (excluding GST)	Total=Operational expenditure and Capital expenditure (excluding GST) (a) + (b)	Operational expenditure (excluding GST) (a)	Capital expenditure (excluding GST) (b)
\$1,778,432	\$55,250	\$55,250	0



Financial Management Compliance Attestation Statement

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

Ms Vanessa Healy
Responsible Officer
Dhelkaya Health
2 October 2023

Data Integrity Declaration

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

Ms Sue Race
Accountable Officer
Dhelkaya Health
2 October 2023

Conflict of Interest Declaration

I, Sue Race, certify that Dhelkaya Health has put in place appropriate internal controls and processes to ensure that it has complied with the requirements of hospital circular 07/2017 Compliance reporting in health portfolio entities (Revised) and has implemented a 'Conflict of Interest' policy consistent with the minimum accountabilities required by the VPSC. Declaration of private interest forms have been completed by all executive staff within Dhelkaya Health and members of the board, and all declared conflicts have been addressed and are being managed. Conflict of interest is a standard agenda item for declaration and documenting at each executive board meeting.

Ms Sue Race
Accountable Officer
Dhelkaya Health
2 October 2023

Integrity, Fraud and Corruption Declaration

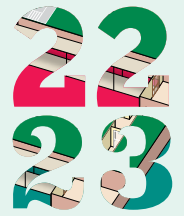
I, Sue Race, certify that Dhelkaya Health has put in place appropriate internal controls and processes to ensure that integrity, fraud and corruption risks have been reviewed and addressed at Dhelkaya Health during the year.

Ms Sue Race
Accountable Officer
Dhelkaya Health
2 October 2023

Compliance with Health Share Victoria (HSV) Purchasing Policies

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

Ms Sue Race
Accountable Officer
Dhelkaya Health
2 October 2023



Freedom of Information Act 1982

During the 2022-23 financial year, Dhelkaya Health received 32 Freedom of Information applications. All were personal requests. All applications were processed according to the provisions of the *Freedom of Information Act 1982 (Vic)*, which provides a legally enforceable right of access to information held by government agencies. Dhelkaya Health provides a report on all Freedom of Information requests, to the Office of the Victorian Information Commissioner. The applications were processed as follows: 27 access granted in full; 1 not proceeded with; 1 no documents exist; 3 not finalised as of 30 June 2023.

The Freedom of Information Act prescribes that all requests for access to documentation be in writing and include an application fee, or evidence for a waiver of the application fee. For the 2022-23 financial year the application fee was \$30.60.

Information about how to make a FOI request is available on the Dhelkaya Health website. The website contains a link to our application form, information about FOI access (including the current application fee charge and contact details), along with a link to the website of the Office of the Victorian Information Commissioner.

Building Act 1993

All building works have been undertaken in accordance with the Department of Health Guidelines and comply with the *Building Act 1993* and the Building Code of Australia 1996. In order to ensure buildings are maintained in a safe and functional condition, ongoing maintenance programs are in place. In addition, Dhelkaya Health complies substantially with the Department of Health Fire Risk Management Guidelines.

Public Interest Disclosures Act 2012

This Act enables people to make disclosures about improper conduct within the public sector without fear of reprisal. The Act aims to ensure openness and accountability by encouraging people to make disclosures and protecting them when they do. The procedures established by Dhelkaya Health under Part 9 are available in the Public Interest Disclosure Policy. There were no disclosures notified to the IBAC under section 21(2) in 2022-23.

Statement on National Competition Policy

In accordance with the Competition Principles Agreement, Victoria is obliged to apply competitive neutrality policy and principles to all significant business activities undertaken by government agencies and local authorities. Dhelkaya Health continues to comply with the National Competition Policy. The Victorian Government's competitive neutrality pricing principles for all relevant business activities have also been applied by Dhelkaya Health.

Carers Recognition Act 2012

The *Carers Recognition Act 2012* recognises, promotes and values the role of carers. Dhelkaya Health understands the different needs of carers and the value they provide to the community. Dhelkaya Health takes practical measures to ensure that our staff have an awareness and understanding of the care relationship principles and this is reflected in our commitment to a model of patient- and family-centred care and to involving carers in the development and delivery of our services. Dhelkaya Health was not required to make any disclosures during the reporting period.

Environmental Performance

Dhelkaya Health is committed to improving the way we manage our energy, materials and waste for a sustainable and thriving future. As a health service, we have a responsibility to contribute to a sustainable environment through planned and well managed policies and actions.

Additional information available on request

The items listed below have been retained by Dhelkaya Health and are available to the relevant Ministers, Members of Parliament and the public on request (subject to 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 Dhelkaya Health about itself, and how these can be obtained
- details of changes in prices, fees, charges, rates and levies charged by Dhelkaya Health
- details of major external reviews carried out on Dhelkaya Health
- details of major research and development activities undertaken by Dhelkaya Health 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 to develop community awareness of Dhelkaya Health and its services

Our Statutory Compliance

- details of assessments and measures undertaken to improve the occupational health and safety of employees
- a general statement on industrial relations within Dhelkaya Health 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 Dhelkaya Health, 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.

Local Jobs First Act 2003

In 2022-23 there were no contracts requiring disclosure under the Local Jobs First Policy. Dhelkaya Health complies with the intent of the *Victorian Industry Participation Policy Act 2003* and has no requirements of disclosures for the 2022-23 financial year. The Act requires, wherever possible, local industry participation in supplies, taking into consideration the principle of value for money and transparent tendering processes.

Gender Equality Act 2020

Dhelkaya Health is a new defined entity under the *Gender Equality Act 2020*. Dhelkaya Health's legal obligations under the Gender Equality Act for the remainder of the current four-year cycle include:

- A duty to promote gender equality since 1 July 2022
- Undertake gender impact assessments (GIA) on policies, programs, and services since 1 July 2022
- Undertake a workplace gender audit by 31 October 2025
- Prepare a GEAP by 31 October 2025
- Prepare a progress report by 31 October 2027.

Dhelkaya Health has also committed to voluntary submissions of a Workplace Gender Audit and a Gender Equality Action Plan by February 2024.

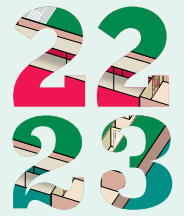
Dhelkaya Health appointed a Project Officer-Gender Equality who has undertaken priority work to ensure that Dhelkaya Health is in progress to meet these obligations. This work has included:

- reconfiguring Dhelkaya Health's employee data collection systems and processes
- surveying existing employees to capture retrospective data
- development of an online portal for Gender Impact Assessment education and submission of assessments.

Safe Patient Care Act 2015

Under Part 3 - Compliance and reporting (Clause 40) of the Act, the operator of a hospital has an obligation to report certain matters (Clause 40 subsections (a) to (e)) in its report of operations for a financial year. Hospitals to which this applies are those hospitals identified in part 1 Clause 3 'hospital', and Schedule 1 to the Act. Dhelkaya Health has no matters to report in relation to its obligations under section 40 of the *Safe Patient Care Act 2015*.

Disclosure Index



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

Legislation	Requirement	Page Reference
Ministerial Directions		
Report of Operations		
Charter and purpose		
FRD 22	Manner of establishment and the relevant Ministers	6
FRD 22	Purpose, functions, power and duties	6
FRD 22	Nature and range of services provided	6
FRD 22	Activities, programs and achievements for the reporting period	20-26
FRD 22	Significant changes in key initiatives and expectations for the future	4-5
Management and structure		
FRD 22	Organisational structure	11
FRD 22	Workforce data/employment and conduct principles	12
FRD 22	Occupational Health and Safety	13
Financial information		
FRD 22	Summary of the financial results for the year	29
FRD 22	Significant changes in financial position during the year	29
FRD 22	Operational and budgetary objectives and performance against objectives	29
FRD 22	Subsequent events	29
FRD 22	Details of consultancies under \$10,000	30
FRD 22	Details of consultancies over \$10,000	30
FRD 22	Disclosure of ICT expenditure	30
Legislation		
FRD 22	Application and operation of <i>Freedom of Information Act 1982</i>	32
FRD 22	Compliance with building and maintenance provisions of <i>Building Act 1993</i>	32
FRD 22	Application and operation of <i>Public Interest Disclosure Act 2012</i>	32
FRD 22	Statement on National Competition Policy	32
FRD 22	Application and operation of <i>Carers Recognition Act 2012</i>	32
FRD 22	Additional information available on request	32
FRD 24	Environmental data reporting	19
FRD 25	<i>Local Jobs First Act 2003</i> disclosures	33
SD 5.1.4	Financial Management Compliance attestation	31
SD 5.2.3	Declaration in report of operations	5
Attestations		
	Attestation on Data Integrity	31
	Attestation on managing Conflicts of Interest	31
	Attestation on Integrity, fraud and corruption	31
	Compliance with HealthShare Victoria (HSV) Purchasing Policies	31
Other reporting requirements		
	Reporting of outcomes from Statement of Priorities 2022-23	20-28
	Occupational violence reporting	13
	<i>Gender Equality Act 2020</i>	33
	Reporting obligations under the <i>Safe Patient Care Act 2015</i>	33

Independent Auditor's Report

To the Board of Dhelkaya Health

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

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.

A handwritten signature in black ink that reads "D Ryan".

MELBOURNE
6 October 2023

Dominika Ryan
as delegate for the Auditor-General of Victoria

Financial Year ended 30 June 2023

Board Member's, Accountable Officer's, and Chief Finance & Accounting Officer's Declarations

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

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2023 and the financial position of Dhelkaya Health at 30 June 2023.

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

We authorise the attached financial statements for issue on 2nd October 2023.

Board member



Vanessa Healy

Chair

Castlemaine
2nd October 2023

Accountable Officer



Sue Race

Chief Executive Officer

Castlemaine
2nd October 2023

Chief Finance & Accounting Officer



Jason Stevens

Chief Finance and Accounting Officer

Castlemaine
2nd October 2023

Comprehensive Operating Statement For the Financial Year ended 30 June 2023

		For the Period 1 March 2022 to 30 June 2022
	2023 \$'000	\$'000
Note	\$'000	\$'000
Revenue and income from transactions		
Operating activities	2.1 73,178	25,046
Non-operating activities	2.1 1,150	57
Share of revenue from joint operations	8.7 1,705	1,272
Total revenue and income from transactions	76,033	26,375
Expenses from transactions		
Employee expenses	3.1 (60,021)	(18,991)
Supplies and consumables	3.1 (5,465)	(2,032)
Finance costs	3.1 (114)	(18)
Depreciation	3.1 (6,496)	(2,172)
Other administrative expenses	3.1 (3,957)	(1,070)
Other operating expenses	3.1 (3,340)	(1,042)
Other non-operating expenses	3.1 (6)	(29)
Share of expenditure from joint operations	8.7 (1,546)	(1,231)
Total Expenses from transactions	(80,945)	(26,585)
Net result from transactions - net operating balance	(4,912)	(210)
Other economic flows included in net result		
Net gain/(loss) on sale of non-financial assets	3.2 51	13
Net gain/(loss) on financial instruments	3.2 (2)	13
Other gain/(loss) from other economic flows	3.2 (67)	219
Total other economic flows included in net result	(18)	245
Net result for the period	(4,930)	35
Other comprehensive income		
Items that will not be reclassified to net result		
Changes in property, plant and equipment revaluation surplus	4.4 -	2,186
Comprehensive result for the period	(4,930)	2,221

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

Balance Sheet

As at 30 June 2023

		2023	For the Period 1 March 2022 to 30 June 2022
	Note	\$'000	\$'000
Current assets			
Cash and cash equivalents	6.2	33,192	37,387
Receivables and contract assets	5.1	1,452	949
Inventories	4.6	285	206
Investments and other financial assets	4.1	1,725	1,725
Prepaid expenses		526	297
Total current assets		37,180	40,564
Non-current assets			
Receivables and contract assets	5.1	3,357	3,145
Property, plant and equipment	4.2 (a)	65,045	69,892
Right of use assets	4.3 (b)	794	670
Total non-current assets		69,196	73,707
Total assets		106,376	114,271
Current liabilities			
Payables and contract liabilities	5.2	9,197	6,964
Borrowings	6.1	531	221
Employee benefits	3.3	11,814	11,304
Other provisions	5.4	-	130
Other liabilities	5.3	23,447	28,834
Total current liabilities		44,989	47,453
Non-current liabilities			
Borrowings	6.1	506	699
Employee benefits	3.3	1,061	1,197
Total non-current liabilities		1,567	1,896
Total liabilities		46,556	49,349
Net assets		59,820	64,922
Equity			
Property, plant and equipment revaluation surplus	4.4	2,186	2,186
Restricted specific purpose reserve	SCE	2,006	2,006
Contributed capital	SCE	60,695	60,695
Accumulated deficit	SCE	(5,067)	35
Total equity		59,820	64,922

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

Statement of Changes in Equity

For the Financial Year ended 30 June 2023

		Property, Plant and Equipment Revaluation Surplus	Restricted Specific Purpose Reserve	Contributed Capital	Accumulated Deficit	Total
	Note	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 March 2022		-	-	-	-	-
Net assets transferred on administrative restructure	8.10	-	2,006	60,695	-	62,701
Net result for the period		-	-	-	35	35
Other comprehensive income for the period	4.4	2,186	-	-	-	2,186
Balance at 30 June 2022		2,186	2,006	60,695	35	64,922
Net result for the period		-	-	-	(4,930)	(4,930)
Other comprehensive income for the period	4.4	-	-	-	-	-
Transfer from/(to) accumulated deficits *		-	-	-	(172)	(172)
Balance at 30 June 2023		2,186	2,006	60,695	(5,067)	59,820

* This amount relates to clearing account balances from amalgamation with Maldon Hospital in 2022 which have been adjusted in the current year.

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

Cash Flow Statement

For the Financial Year ended 30 June 2023

	2023	For the Period 1 March 2022 to 30 June 2022
Note	\$'000	\$'000
Cash Flows from operating activities		
Operating grants from government - State	50,244	23,750
Operating grants from government - Commonwealth	13,154	3,958
Capital grants from government - State	1,222	247
Patient fees received	5,298	1,480
Donations and bequests received	79	15
Interest and investment income received	1,099	57
Commercial Income Received	325	103
Other receipts	3,380	2,339
Total receipts	74,801	31,949
Employee expenses paid	(59,634)	(16,244)
Payments for supplies and consumables	(3,036)	(605)
Payments for medical indemnity insurance	(643)	(197)
Payments for repairs and maintenance	(1,726)	(613)
Finance Costs	(114)	(18)
GST paid to ATO	(6)	(100)
Cash outflow for leases	(115)	(21)
Other payments	(6,662)	(14,858)
Total payments	(71,936)	(32,656)
Net cash flows from operating activities	8.1 2,865	(707)
Cash Flows from investing activities		
Purchase of property, plant and equipment	(1,801)	(261)
Proceeds from disposal of property, plant and equipment	79	13
Net cash used in investing activities	(1,722)	(248)
Cash flows from financing activities		
Receipt / (Repayment) of borrowings	115	(108)
Receipt of accommodation deposits	5,121	2,120
Repayment of accommodation deposits	(10,402)	(3,490)
Net cash flows from financing activities	(5,166)	(1,478)
Net increase in cash and cash equivalents held	(4,023)	(2,433)
Cash and cash equivalents at beginning of period	37,387	-
Cash and cash equivalents - transfer on administrative restructure *	(172)	39,820
Cash and cash equivalents at end of period	6.2 33,192	37,387

* This amount relates to clearing account balances from amalgamation with Maldon Hospital in 2022 which have been adjusted in the current year.

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

Note 1: Basis of preparation

Structure

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

These financial statements represent the audited general purpose financial statements for Dhelkaya Health for the period ended 30 June 2023. The report provides users with information about Dhelkaya Health's stewardship of the resources entrusted to it.

This section explains the basis of preparing the financial statements.

Note 1.1: Basis of preparation of the financial statements

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

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

Notes to the Financial Statements For the Financial Year ended 30 June 2023

Dhelkaya Health is a newly formed registered funded agency under the Health Services Act 1988 . It was formed effective 1 March 2022, following the voluntary amalgamation of Castlemaine Health and Maldon Hospital. The amalgamation and formation of the new agency was by an Order in Council under the Health Services Act 1988 , declared in Victoria Government Gazette No. S 94 on 22 February 2022, and is considered an administrative restructure.

As the health service was formed 1 March 2022, the comparative period is only 4 months.

Dhelkaya Health acquired all the rights, responsibilities, assets, liabilities and equity of the former Castlemaine Health and Maldon Hospital on amalgamation.

The net assets assumed by Dhelkaya Health as a result of the administrative restructure are recognised in the balance sheet at the carrying amount of those assets in the former entities balance sheet statements immediately before transfer. The net asset transfers were treated as a contribution of capital by the State as detailed in Note 8.10.

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

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Apart from the changes in accounting policies, standards and interpretations as noted below, material accounting policies adopted in the preparation of these financial statements are the same as those adopted in the previous period by the former health services.

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

The financial statements have been prepared on a going concern basis (refer to Note 8.9 Economic Dependency).

The financial statements are in Australian dollars.

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

The annual financial statements were authorised for issue by the Board of Dhelkaya Health on 2nd October 2023.

Notes to the Financial Statements For the Financial Year ended 30 June 2023

Note 1.2 Impact of COVID-19 pandemic

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

Where financial impacts of the pandemic are material to Dhelkaya Health, they are disclosed in the explanatory notes. For Dhelkaya Health, this includes:

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

Note 1.3 Abbreviations and terminology used in the financial statements

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

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

Note 1.4 Joint arrangements

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

Dhelkaya Health has the following joint arrangements:

- Loddon Mallee Rural Health Alliance (LMRHA).

Details of the joint arrangements are set out in Note 8.7.

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.

Notes to the Financial Statements For the Financial Year ended 30 June 2023

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

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

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

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

Standard	Adoption Date	Impact
AASB 17: <i>Insurance Contracts</i>	Reporting periods beginning on or after 1 January 2023	Adoption of this standard is not expected to have a material impact.
AASB 2020-1: <i>Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current</i>	Reporting periods beginning on or after 1 January 2023.	Adoption of this standard is not expected to have a material impact.
AASB 2022-5: <i>Amendments to Australian Accounting Standards - Lease Liability in a Sale and Leaseback</i>	Reporting periods beginning on or after 1 January 2024.	Adoption of this standard is not expected to have a material impact.
AASB 2022-6: <i>Amendments to Australian Accounting Standards - Non-Current Liabilities with Covenants</i>	Reporting periods beginning on or after 1 January 2023.	Adoption of this standard is not expected to have a material impact.
AASB 2022-8: <i>Amendments to Australian Accounting Standards - Insurance Contracts: Consequential Amendments</i>	Reporting periods beginning on or after 1 January 2023.	Adoption of this standard is not expected to have a material impact.

Notes to the Financial Statements

For the Financial Year ended 30 June 2023

Note 1.6 Accounting standards issued but not yet effective (continued)

Standard	Adoption Date	Impact
AASB 2022-9: <i>Amendments to Australian Accounting Standards - Insurance Contracts in the Public Sector</i>	Reporting periods beginning on or after 1 January 2026.	Adoption of this standard is not expected to have a material impact.
AASB 2022-10: <i>Amendments to Australian Accounting Standards - Fair Value Measurement of Non-Financial Assets of No-for-profit Public Sector Entities</i>	Reporting periods beginning on or after 1 January 2024.	Adoption of this standard is not expected to have a material impact.

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

Note 1.7 Goods and Services Tax (GST)

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

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

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

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

Note 1.8 Reporting Entity

The financial statements include all activities of Dhelkaya Health.

Dhelkaya Health's principal address is:
142 Cornish Street
Castlemaine VIC 3450

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

Notes to the Financial Statements

For the Financial Year ended 30 June 2023

Note 2: Funding delivery of our services

Dhelkaya Health's overall objective is to provide quality health service and to be a leading regional healthcare provider delivering timely, accessible, integrated and responsive services to local community. Dhelkaya Health is predominantly funded by grant funding for the provision of outputs. Dhelkaya Health also receives income from the supply of services.

Structure

2.1 Revenue and income from transactions

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

Telling the COVID-19 story

Revenue recognised to fund the delivery of our services during the financial year was not materially impacted by the COVID-19 Coronavirus pandemic and scaling down the COVID-19 public health response during the year ended 30 June 2023.

Notes to the Financial Statements For the Financial Year ended 30 June 2023

Key judgements and estimates

This section contains the following key judgements and estimates:

Key judgements and estimates	Description
Identifying performance obligations	<p>Dhelkaya Health applies significant judgment when reviewing the terms and conditions of funding agreements and contracts to determine whether they contain sufficiently specific and enforceable performance obligations.</p> <p>If this criteria is met, the contract/funding agreement is treated as a contract with a customer, requiring Dhelkaya Health to recognise revenue as or when the health service transfers promised goods or services to customers.</p> <p>If this criteria is not met, funding is recognised immediately in the net result from operations.</p>
Determining timing of revenue recognition	<p>Dhelkaya Health applies significant judgement to determine when a performance obligation has been satisfied and the transaction price that is to be allocated to each performance obligation. A performance obligation is either satisfied at a point in time or over time.</p>
Determining timing of capital grant income recognition	<p>Dhelkaya Health applies significant judgement to determine when its obligation to construct an asset is satisfied. Costs incurred is used to measure the health service's progress as this is deemed to be the most accurate reflection of the stage of completion.</p>
Assets and services received free of charge or for nominal consideration	<p>Dhelkaya Health applies significant judgement to determine the fair value of assets and services provided free of charge or for nominal value. Where a reliable market value exists it is used to calculate the equivalent value of the service being provided. Where no reliable market value exists, the service is not recognised in the financial statements.</p>

Notes to the Financial Statements

For the Financial Year ended 30 June 2023

Note 2.1 Revenue and income from transactions

	2023	For the Period 1 March 2022 to 30 June 2022
Note	\$'000	\$'000
Operating activities		
Revenue from contracts with customers		
Government grants (State) - Operating	50,362	17,593
Government grants (Commonwealth) - Operating	13,154	3,958
Patient and resident fees	5,472	1,800
Commercial activities ¹	325	103
Total revenue from contracts with customers	69,313	23,454
	2.1(a)	
Other sources of income		
Government grants (State) - Capital	1,222	247
Other capital purpose income	-	209
Capital donations	76	15
Assets received free of charge or for nominal consideration	271	191
Other revenue from operating activities (including non-capital dona	4,001	2,202
Total other sources of income	5,570	2,864
	2.2	
Total revenue and income from operating activities	74,883	26,318
Non-operating activities		
Income from other sources		
Capital interest	234	2
Other interest	865	55
Other revenue from non-operating activities	51	-
Total other sources of income	1,150	57
Total income from non-operating activities	1,150	57
Total revenue and income from transactions	76,033	26,375

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

Notes to the Financial Statements For the Financial Year ended 30 June 2023

Note 2.1 Revenue and income from transactions (continued)

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

Dhelkaya Health disaggregates revenue by the timing of revenue recognition.

Goods and services transferred to customers:

At a point in time

Over time

Total revenue from contracts with customers

	2023 \$'000	For the Period 1 March 2022 to 30 June 2022 \$'000
At a point in time	64,092	21,905
Over time	5,221	1,549
Total revenue from contracts with customers	69,313	23,454

How we recognise revenue and income from transactions

Government operating grants

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

When both these conditions are satisfied, the health service:

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

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

- recognises the asset received in accordance with the recognition requirements of other applicable Accounting Standards (for example, AASB 9, AASB 16, AASB 116 and AASB 138)
- recognises related amounts (being contributions by owners, lease liabilities, financial instruments, provisions, revenue or contract liabilities from a contract with a customer), and
- recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount in accordance with *AASB 1058 - Income for not-for profit entities*.

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

Notes to the Financial Statements For the Financial Year ended 30 June 2023

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

Government grant	Performance obligation
<p>Activity Based Funding (ABF) paid as National Weighted Activity Unit (NWAU)</p>	<p>NWAU funding commenced 1 July 2022 and supersedes WIES for acute, sub-acute and state-wide services (which includes specified grants, state-wide services and teaching and training). Services not transitioning at this time include mental health and small rural services.</p> <p>NWAU is a measure of health service activity expressed as a common unit against which the national efficient price (NEP) is paid.</p> <p>The performance obligations for NWAU are the number and mix of admissions, emergency department presentations and outpatient episodes, and is weighted for clinical complexity.</p> <p>Revenue is recognised at point in time, which is when a patient is discharged.</p>
<p>Commonwealth Residential Aged Care Grants</p>	<p>Funding is provided for the provision of care for aged care residents within facilities at Dhelkaya Health.</p> <p>The performance obligations include provision of residential accommodations and care from nursing staff and personal care workers.</p> <p>Revenue is recognised at the point in time when the service is provided within the residential aged care facility.</p>

Notes to the Financial Statements

For the Financial Year ended 30 June 2023

Note 2.1 Revenue and income from transactions (continued)

Capital grants

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

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

Patient and resident fees

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

Commercial activities

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

How we recognise revenue and income from non-operating activities

Interest Income

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

Notes to the Financial Statements For the Financial Year ended 30 June 2023

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

	2023 \$'000	For the Period 1 March 2022 to 30 June 2022 \$'000
Cash donations and gifts	3	-
Personal protective equipment	268	191
Total fair value of assets and services received free of charge or for nominal consideration	271	191

How we recognise the fair value of assets and services received free of charge or for nominal consideration

Personal protective equipment

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

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

Contribution of resources

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

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

Voluntary Services

Dhelkaya Health receives volunteer services from members of the community in the following areas:

- meals on wheels, community transport, social support groups, residential aged care facility visitors, gardening, advisory groups, auxiliaries and special events.

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

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

Note 3: The cost of delivering our services

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

Structure

3.1 Expenses from transactions

3.2 Other economic flows

3.3 Employee benefits in the balance sheet

3.4 Superannuation

Telling the COVID-19 story

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

Notes to the Financial Statements

For the Financial Year ended 30 June 2023

Key judgements and estimates

This section contains the following key judgements and estimates:

Key judgements and estimates	Description
Classifying employee benefit liabilities	<p>Dhelkaya Health applies significant judgment when measuring and classifying its employee benefit liabilities.</p> <p>Employee benefit liabilities are classified as a current liability if Dhelkaya Health does not have an unconditional right to defer payment beyond 12 months. Annual leave, accrued days off and long service leave entitlements (for staff who have exceeded the minimum vesting period) fall into this category.</p> <p>Employee benefit liabilities are classified as a non-current liability if Dhelkaya Health has a conditional right to defer payment beyond 12 months. Long service leave entitlements (for staff who have not yet exceeded the minimum vesting period) fall into this category.</p>
Measuring employee benefit liabilities	<p>Dhelkaya Health applies significant judgment when measuring its employee benefit liabilities.</p> <p>The health service applies judgement to determine when it expects its employee entitlements to be paid.</p> <p>With reference to historical data, if the health service does not expect entitlements to be paid within 12 months, the entitlement is measured at its present value, being the expected future payments to employees.</p> <p>Expected future payments incorporate:</p> <ul style="list-style-type: none"> • an inflation rate of 4.35%, reflecting the future wage and salary levels • durations of service and employee departures, which are used to determine the estimated value of long service leave that will be taken in the future, for employees who have not yet reached the vesting period. The estimated rates are between 22% and 86% • discounting at the rate of 4.063%, as determined with reference to market yields on government bonds at the end of the reporting period. <p>All other entitlements are measured at their nominal value.</p>

Notes to the Financial Statements

For the Financial Year ended 30 June 2023

Note 3.1 Expenses from transactions

	2023	For the Period 1 March 2022 to 30 June 2022
Note	\$'000	\$'000
Salaries and wages	48,525	14,222
On-costs	4,791	3,361
Agency expenses	2,157	153
Fee for service medical officer expenses	3,424	962
Workcover premium	1,124	293
Total employee expenses	60,021	18,991
Drug supplies	558	183
Medical and surgical supplies (including Prostheses)	2,588	1,125
Diagnostic and radiology supplies	298	108
Other supplies and consumables	2,021	616
Total supplies and consumables	5,465	2,032
Finance costs	114	18
Total finance costs	114	18
Other administrative expenses	5,503	2,301
Total other administrative expenses	5,503	2,301
Fuel, light, power and water	856	211
Repairs and maintenance	1,334	472
Maintenance contracts	392	141
Medical indemnity insurance	643	197
Expenses related to short term leases	5	-
Expenses related to leases of low value assets	110	21
Total other operating expenses	3,340	1,042
Total operating expense	74,443	24,384
Depreciation	4.5 6,496	2,172
Total depreciation and amortisation	6,496	2,172
Specific expense	1	-
Bad and doubtful debt expense	5	29
Total other non-operating expenses	6	29
Total non-operating expense	6,502	2,201
Total expenses from transactions	80,945	26,585

Notes to the Financial Statements For the Financial Year ended 30 June 2023

How we recognise expenses from transactions

Expense recognition

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

Employee expenses

Employee expenses include:

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

Supplies and consumables

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

Finance costs

Finance costs include:

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

Other operating expenses

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

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

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

Non-operating expenses

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

Notes to the Financial Statements

For the Financial Year ended 30 June 2023

Note 3.2 Other economic flows included in net result

	2023 \$'000	For the Period 1 March 2022 to 30 June 2022 \$'000
Net gain/(loss) on disposal of property plant and equipment	51	13
Total net gain/(loss) on non financial assets	51	13
Net gain/(loss) on disposal of financial instruments	(2)	13
Total net gain/(loss) on financial instruments	(2)	13
Net gain/(loss) arising from revaluation of long service liability	(67)	219
Total other gains/(losses) from other economic flows	(67)	219
Total gains/(losses) from other economic flows	(18)	245

How we recognise other economic flows

Other economic flows are changes in the volume or value of an asset or liability that do not result from transactions. Other gains/(losses) from other economic flows include the gains or losses from:

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

Notes to the Financial Statements

For the Financial Year ended 30 June 2023

Note 3.3 Employee benefits in the balance sheet

	2023 \$'000	For the Period 1 March 2022 to 30 June 2022 \$'000
Current employee benefits and related on-costs		
<i>Accrued days off</i>		
Unconditional and expected to be settled wholly within 12 months ⁱ	126	89
	126	89
<i>Annual leave</i>		
Unconditional and expected to be settled wholly within 12 months ⁱ	3,835	3,638
Unconditional and expected to be settled wholly after 12 months ⁱⁱ	608	589
	4,443	4,227
<i>Long service leave</i>		
Unconditional and expected to be settled wholly within 12 months ⁱ	1,135	1,108
Unconditional and expected to be settled wholly after 12 months ⁱⁱ	4,588	4,655
	5,723	5,763
<i>Provisions related to employee benefit on-costs</i>		
Unconditional and expected to be settled within 12 months ⁱ	717	564
Unconditional and expected to be settled after 12 months ⁱⁱ	805	661
	1,522	1,225
Total current employee benefits and related on-costs	11,814	11,304
Non-current provisions and related on-costs		
Conditional long service leave (i)	917	1,062
Provisions related to employee benefit on-costs (ii)	144	135
Total non-current employee benefits and related on-costs	1,061	1,197
Total employee benefits and related on-costs	12,875	12,501

ⁱ The amounts disclosed are nominal amounts.

ⁱⁱ The amounts disclosed are discounted to present values.

Notes to the Financial Statements

For the Financial Year ended 30 June 2023

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

	2023 \$'000	For the Period 1 March 2022 to 30 June 2022 \$'000
Current employee benefits and related on-costs		
Unconditional accrued days off	126	89
Unconditional annual leave entitlements	5,080	4,741
Unconditional long service leave entitlements	6,608	6,474
Total current employee benefits and related on-costs	11,814	11,304
Conditional long service leave entitlements	1,061	1,197
Total non-current employee benefits and related on-costs	1,061	1,197
Total employee benefits and related on-costs	12,875	12,501
Attributable to:		
Employee benefits	11,209	11,141
Provision for related on-costs	1,666	1,360
Total employee benefits and related on-costs	12,875	12,501

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

	Total 2023 \$'000	Total 2022 \$'000
Carrying amount at start of period	1,360	-
Administration restructure / additional provisions recognised	1,020	1,510
Net gain/(loss) arising from revaluation of long service liability	(8)	26
Amounts incurred during the period	(706)	(176)
Carrying amount at end of period	1,666	1,360

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.

Notes to the Financial Statements For the Financial Year ended 30 June 2023

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 Dhelkaya Health does not have an unconditional right to defer settlements of these liabilities.

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

- Nominal value – if Dhelkaya Health expects to wholly settle within 12 months or
- Present value – if Dhelkaya Health does not expect to wholly settle within 12 months.

Long service leave

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

Unconditional LSL is disclosed in the notes to the financial statements as a current liability even where the Dhelkaya Health does not expect to settle the liability within 12 months because it will not have the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months. An unconditional right arises after a qualifying period.

The components of this current LSL liability are measured at:

- Nominal value – if Dhelkaya Health expects to wholly settle within 12 months or
- Present value – if Dhelkaya Health 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.

Termination benefits

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

Provision for on-costs related to employee benefits

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

Notes to the Financial Statements For the Financial Year ended 30 June 2023

Note 3.4 Superannuation

	Paid contribution for the period		Contribution outstanding at period-end	
	Total	For the Period 1 March 2022 to 30 June 2022	Total	For the Period 1 March 2022 to 30 June 2022
	2023	2023	2023	2023
	\$'000	\$'000	\$'000	\$'000
Defined benefit plans:ⁱ				
Aware Super	45	18	-	-
Defined contribution plans:				
Aware Super	2,403	716	-	-
Hesta	1,405	396	-	-
Other	1,244	337	-	-
Total	5,097	1,467	-	-

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

How we recognise superannuation

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

Defined benefit superannuation plans

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

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

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

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

Defined contribution superannuation plans

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

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

Note 4: Key assets to support service delivery

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

Structure

- 4.1 Other financial assets**
- 4.2 Property, plant & equipment**
- 4.3 Right-of-use assets**
- 4.4 Revaluation surplus**
- 4.5 Depreciation and amortisation**
- 4.5 Inventories**
- 4.7 Impairment of assets**

Telling the COVID-19 story

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

Notes to the Financial Statements For the Financial Year ended 30 June 2023

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	Dhelkaya Health assigns an estimated useful life to each item of property, plant and equipment. This is used to calculate depreciation of the asset. The health service reviews the useful life and depreciation rates of all assets at the end of each financial year and where necessary, records a change in accounting estimate.
Estimating useful life of right-of-use assets	<p>The useful life of each right-of-use asset is typically the respective lease term, except where the health service is reasonably certain to exercise a purchase option contained within the lease (if any), in which case the useful life reverts to the estimated useful life of the underlying asset.</p> <p>Dhelkaya Health applies significant judgement to determine whether or not it is reasonably certain to exercise such purchase options.</p>
Identifying indicators of impairment	<p>At the end of each year, Dhelkaya Health assesses impairment by evaluating the conditions and events specific to the health service that may be indicative of impairment triggers. Where an indication exists, the health service tests the asset for impairment.</p> <p>The health service 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 health service uses an asset ▪ If an asset is obsolete or damaged ▪ If the asset has become idle or if there are plans to discontinue or dispose of the asset before the end of its useful life ▪ If the performance of the asset is or will be worse than initially expected. <p>Where an impairment trigger exists, the health services applies significant judgement and estimate to determine the recoverable amount of the asset.</p>

Notes to the Financial Statements

For the Financial Year ended 30 June 2023

Note 4.1 Other financial assets

	Capital Fund		Total	
	2023 \$'000	For the Period 1 March 2022 to 30 June 2022 \$'000	2023 \$'000	For the Period 1 March 2022 to 30 June 2022 \$'000
Current				
Term deposits > 3 months	1,725	1,725	1,725	1,725
Total current financial assets	1,725	1,725	1,725	1,725
Represented by:				
Monies Held in Trust - Malcolm Archer Bequest	1,725	1,725	1,725	1,725
Total other financial assets	1,725	1,725	1,725	1,725

How we recognise investments and other financial assets

Dhelkaya Health's investments and other financial assets are made in accordance with Standing Direction 3.7.2 - Treasury Management, including the Central Banking System.

Dhelkaya Health manages its investments and other financial assets in accordance with an investment policy approved by the Board.

Investments are recognised when Dhelkaya Health enters into a contract to either purchase or sell the investment (i.e. when it becomes a party to the contractual provisions to the investment). Investments are initially measured at fair value, net of transaction costs.

Dhelkaya Health classifies its other financial assets between current and non-current assets based on the Board's intention at balance date with respect to the timing of disposal of each asset. Term deposits with original maturity dates of three to twelve months are classified as current, whilst term deposits with original maturity dates in excess of 12 months are classified as non-current.

Dhelkaya Health assesses at each balance sheet date whether a financial asset or group of financial assets is impaired.

All financial assets, except for those measured at fair value through the Comprehensive Operating Statement are subject to annual review for impairment.

Notes to the Financial Statements

For the Financial Year ended 30 June 2023

Note 4.2: Property, plant and equipment

Note 4.2 (a) Gross carrying amount and accumulated depreciation

	2023 \$'000	For the Period 1 March 2022 to 30 June 2022 \$'000
Land at fair value - Freehold	7,298	7,298
Total land at fair value	7,298	7,298
Buildings at fair value	73,295	73,283
Less accumulated depreciation	(21,146)	(15,812)
Total buildings at fair value	52,149	57,471
Total land and buildings	59,447	64,769
Plant and equipment at fair value	5,558	5,410
Less accumulated depreciation	(3,628)	(3,410)
Total plant and equipment at fair value	1,930	2,000
Motor vehicles at fair value	483	764
Less accumulated depreciation	(402)	(599)
Total motor vehicles at fair value	81	165
Medical equipment at fair value	7,122	7,059
Less accumulated depreciation	(4,999)	(4,940)
Total medical equipment at fair value	2,123	2,119
Computer equipment at fair value	1,723	1,753
Less accumulated depreciation	(1,547)	(1,499)
Total computer equipment at fair value	176	254
Furniture and fittings at fair value	786	821
Less accumulated depreciation	(436)	(439)
Total furniture and fittings at fair value	350	382
Total plant, equipment, furniture, fittings and vehicles at fair value	4,660	4,920
Work in Progress - Buildings at cost	938	203
Total Work in Progress - Buildings at cost	938	203
Total property, plant and equipment	65,045	69,892

Notes to the Financial Statements

For the Financial Year ended 30 June 2023

Note 4.2 (b) Reconciliations of the carrying amounts of each class of asset

	Note	Land \$'000	Buildings \$'000	Building Work in Progress \$'000	Plant & equipment \$'000	Computers & Communication Equipment \$'000	Motor Vehicles \$'000	Medical Equipment \$'000	Furniture & Fittings \$'000	Total \$'000
Transfer on Administrative Restructure	8.10	5,112	59,244	120	2,126	236	180	2,148	407	69,573
Additions		-	5	83	2	68	-	109	-	267
Disposals		-	-	-	-	-	-	-	(6)	(6)
Revaluation increments/(decrements)	4.4	2,186	-	-	-	-	-	-	-	2,186
Depreciation	4.5	-	(1,778)	-	(128)	(50)	(15)	(138)	(19)	(2,128)
Balance at 30 June 2022	4.2 (a)	7,298	57,471	203	2,000	254	165	2,119	382	69,892
Additions		-	11	766	296	16	-	425	29	1,543
Disposals		-	-	-	-	-	(43)	-	-	(43)
Joint arrangements		-	-	-	-	15	-	-	-	15
Transfer to capital expenditure		-	-	(23)	-	-	-	-	(4)	(27)
Net Transfers between classes		-	(12)	(8)	20	-	-	-	-	-
Depreciation	4.5	-	(5,321)	-	(386)	(109)	(41)	(421)	(57)	(6,335)
Balance at 30 June 2023	4.2 (a)	7,298	52,149	938	1,930	176	81	2,123	350	65,045

Notes to the Financial Statements

For the Financial Year ended 30 June 2023

Note 4.2 (b) Reconciliations of the carrying amounts of each class of asset

Land and Buildings Carried at Valuation

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

How we recognise property, plant and equipment

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

Initial recognition

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

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

Subsequent measurement

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

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

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

Notes to the Financial Statements

For the Financial Year ended 30 June 2023

Note 4.2 (b) Reconciliations of the carrying amounts of each class of asset

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

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

An independent valuation of Dhelkaya Health's property was performed by the VGV on 30 June 2019 for buildings and 30 June 2022 for land. The valuation, which complies with Australian Valuation Standards, was determined by reference to the amount for which assets could be exchanged between knowledgeable willing parties in an arm's length transaction. A managerial assessment was performed at 30 June 2023, which indicated an overall:

- increase in fair value of buildings of 5.00% (\$2.579m).
- increase in fair value of land of 5.51% (\$0.400m).

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 2023.

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

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

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

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

Notes to the Financial Statements

For the Financial Year ended 30 June 2023

Note 4.3 Right-of-use assets

Note 4.3 (a) Gross carrying amount and accumulated depreciation

	2023 \$'000	For the Period 1 March 2022 to 30 June 2022 \$'000
Right-of-use land at fair value	70	70
Less accumulated depreciation	(48)	(36)
Total right of use land at fair value	22	34
Total right of use concessionary land	22	34
Right of use vehicles at fair value	1,189	945
Less accumulated depreciation	(417)	(309)
Total right of use vehicles at fair value	772	636
Total right of use vehicles at fair value	772	636
Total right of use assets	794	670

Notes to the Financial Statements

For the Financial Year ended 30 June 2023

Note 4.3 (b) Reconciliations of the carrying amounts by class of asset

	Note	Right-of-use - Land \$'000	Right-of-use - Vehicles \$'000	Total \$'000
Transfer on Administrative Restructure	8.10	38	676	714
Depreciation	4.5	(4)	(40)	(44)
Balance at 30 June 2022	4.3 (a)	34	636	670
Additions		-	370	370
Disposals		-	(27)	(27)
Net Transfers between classes		-	(58)	(58)
Depreciation	4.5	(12)	(149)	(161)
Balance at 30 June 2023	4.3 (a)	22	772	794

How we recognise right-of-use assets

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

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

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

Class of right-of-use asset	Lease term
Leased land	6 years
Vehicles	3 years

Initial recognition

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

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

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

Subsequent measurement

Right-of-use assets are subsequently measured at fair value, with the exception of right-of-use asset arising from leases with significantly below-market terms and conditions, which are subsequently measured at cost, less accumulated depreciation and accumulated impairment losses where applicable.

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

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

Notes to the Financial Statements

For the Financial Year ended 30 June 2023

Note 4.4 Revaluation surplus

Note	2023 \$'000	For the Period 1 March 2022 to 30 June 2022 \$'000
Balance at the beginning of the reporting period	2,186	-
Revaluation increment		
- Land	-	2,186
Balance at the end of the Reporting period*	2,186	2,186
* Represented by:		
- Land	2,186	2,186
	2,186	2,186

Notes to the Financial Statements For the Financial Year ended 30 June 2023

Note 4.5 Depreciation

	2023 \$'000	For the Period 1 March 2022 to 30 June 2022 \$'000
Depreciation		
Buildings	5,321	1,778
Plant and equipment	386	128
Motor vehicles	41	15
Medical equipment	421	138
Computer equipment	109	50
Furniture and fittings	57	19
Total depreciation - property, plant and equipment	6,335	2,128
Right-of-use assets		
Right of use - land	12	4
Right of use - motor vehicles	149	40
Total depreciation - right-of-use assets	161	44
Total depreciation	6,496	2,172

How we recognise depreciation

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

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

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

	2023	2022
Buildings		
- Structure shell building fabric	7 to 42 years	7 to 42 years
- Site engineering services and central plant	40 years	40 years
Central Plant		
- Fit out	20 to 25 years	20 to 25 years
- Trunk reticulated building system	20 to 25 years	20 to 25 years
Plant and equipment		
Medical equipment	5 to 10 years	5 to 10 years
Computers and communication	10 years	10 years
Furniture and fitting	3 to 5 years	3 to 5 years
Motor vehicles	10 years	10 years
	3 to 8 years	3 to 8 years

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

Notes to the Financial Statements

For the Financial Year ended 30 June 2023

Note 4.6 Inventories

	2023 \$'000	For the Period 1 March 2022 to 30 June 2022 \$'000
Medical and surgical consumables at cost	214	134
Pharmacy supplies at cost	43	47
General stores at cost	28	25
Total inventories	285	206

How we recognise inventories

Inventories include goods held either for sale, consumption or for distribution at no or nominal cost in the ordinary course of business operations. It excludes depreciable assets. Inventories are measured at the lower of cost and net realisable value.

Notes to the Financial Statements For the Financial Year ended 30 June 2023

Note 4.7: Impairment of assets

How we recognise impairment

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

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

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 Dhelkaya Health which changes the way in which an asset is used or expected to be used.

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

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

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

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

Dhelkaya Health did not record any impairment losses for the financial year ended 30 June 2023.

Notes to the Financial Statements
For the Financial Year ended 30 June 2023

Note 5: Other assets and liabilities

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

Structure

5.1 Receivables and contract assets

5.2 Payables and contract liabilities

5.3 Other liabilities

5.4 Other provisions

Telling the COVID-19 story

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

Key judgements and estimates

This section contains the following key judgements and estimates:

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

Notes to the Financial Statements

For the Financial Year ended 30 June 2023

Note 5.1 Receivables and contract assets

	2023	For the Period 1 March 2022 to 30 June 2022
Notes	\$'000	\$'000
Current receivables and contract assets		
Contractual		
Inter hospital debtors	76	198
Trade receivables	490	215
Patient fees	459	291
Provision for impairment - Patient Fees	(97)	(77)
Provision for impairment - Trade Debtors	(13)	(28)
Accrued revenue	414	130
Amounts receivable from governments and agencies	17	120
Total contractual receivables	1,346	849
Statutory		
GST receivable	106	100
Total statutory receivables	106	100
Total current receivables and contract assets	1,452	949
Non-current receivables and contract assets		
Contractual		
Long service leave - Department of Health	3,357	3,145
Total contractual receivables	3,357	3,145
Total non-current receivables and contract assets	3,357	3,145
Total receivables and contract assets	4,809	4,094
<i>(i) Financial assets classified as receivables and contract assets (Note 7.1(a))</i>		
Total receivables and contract assets	4,809	4,094
Provision for impairment	110	105
GST receivable	(106)	(100)
Total financial assets	7.1(a) 4,813	4,099

As at 30 June 2023, Dhelkaya Health has contract assets of \$1.452 million which is net of an allowance for expected credit losses of \$0.11 million. This is included in the contractual revenue balances presented above.

Notes to the Financial Statements

For the Financial Year ended 30 June 2023

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

	2023 \$'000	For the Period 1 March 2022 to 30 June 2022 \$'000
Balance at the beginning of the period	105	-
Transfer on administrative restructure	-	346
Increase in allowance	10	-
Amounts written off during the period	(5)	(29)
Reversal of allowance written off during the period as uncollectable	-	(212)
Balance at the end of the period	110	105

How we recognise receivables

Receivables consist of:

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

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

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

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

Impairment losses of contractual receivables

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

Notes to the Financial Statements For the Financial Year ended 30 June 2023

Note 5.2 Payables and contract liabilities

		For the Period 1 March 2022 to 30 June 2022
Note	2023 \$'000	\$'000
Current payables and contract liabilities		
Contractual		
Trade creditors	297	78
Accrued salaries and wages	2,085	2,007
Accrued expenses	2,039	739
Deferred capital grant income	5.2(a) 2,297	2,506
Contract liabilities	5.2(b) 1,516	1,516
Inter hospital creditors	173	3
Amounts payable to governments and agencies	775	102
Total contractual payables	9,182	6,951
Statutory		
Fringe benefits tax payable	15	13
Total statutory payables	15	13
Total current payables and contract liabilities	9,197	6,964
Total payables and contract liabilities	9,197	6,964
<i>(i) Financial liabilities classified as payables and contract liabilities (Note 7.1(a))</i>		
Total payables and contract liabilities	9,197	6,964
Deferred capital grant income	(2,297)	(2,506)
Contract liabilities	(1,516)	(1,516)
Fringe benefits tax payable	(15)	(13)
Total financial liabilities	7.1(a) 5,369	2,929

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

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

Notes to the Financial Statements

For the Financial Year ended 30 June 2023

Note 5.2 (a) Deferred capital grant income

	2023	For the Period
	\$'000	1 March 2022 to
		30 June 2022
		\$'000
Opening balance of deferred capital grant income	2,506	-
Transfer on administrative restructure	-	1,906
Grant consideration for capital works received during the period	1,222	600
Deferred grant revenue recognised as revenue due to completion of capital works	(1,431)	-
Closing balance of deferred capital grant income	2,297	2,506

How we recognise deferred capital grant income

Grant consideration was received from Department of Health Victoria to support the upgrades in order to achieve "Significant Refurbishment Status" from the Commonwealth Government - \$1.99M. The remaining funds are spread across 5 Department of Health Victoria funded projects. Capital grant income is recognised progressively as the asset is constructed, since this is the time when Dhelkaya Health Service 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, Dhelkaya Health has deferred recognition of a portion of the grant consideration received as a liability for the outstanding obligations.

Dhelkaya Health expects to recognise all of the remaining deferred capital grant income for capital works by 30 June 2024.

Notes to the Financial Statements

For the Financial Year ended 30 June 2023

Note 5.2 (b) Contract liabilities

	2023 \$'000	For the Period 1 March 2022 to 30 June 2022 \$'000
Opening balance of contract liabilities	1,516	-
Grant consideration for sufficiently specific performance obligations received during the period	69,313	24,970
Revenue recognised for the completion of a performance obligation	(69,313)	(23,454)
Total contract liabilities	1,516	1,516
* Represented by:		
- Current contract liabilities	1,516	1,516
	1,516	1,516

How we recognise contract liabilities

Contract liabilities include consideration received in advance from customers in respect of activity based services.

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

Maturity analysis of payables

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

Notes to the Financial Statements

For the Financial Year ended 30 June 2023

Note 5.3 Other liabilities

	2023	For the Period
Notes	\$'000	1 March 2022 to 30 June 2022 \$'000
Current monies held in trust		
Patient monies	236	342
Refundable accommodation deposits	23,211	28,492
Total current monies held in trust	23,447	28,834
Total other liabilities	23,447	28,834
* Represented by:		
- Cash assets	6.2 23,447	28,834
	23,447	28,834

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 Dhelkaya Health upon admission. These deposits are liabilities which fall due and payable when the resident leaves the home. As there is no unconditional right to defer payment for 12 months, these liabilities are recorded as current liabilities.

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

Notes to the Financial Statements
For the Financial Year ended 30 June 2023

Note 5.4 Other Provisions

	2023 \$'000	For the Period 1 March 2022 to 30 June 2022 \$'000
Current other provisions		
Make good provision	-	130
Total other current provisions	-	130
Balance at the beginning of the period	130	-
Transfer on administrative restructure	-	130
Reduction due to transfer out	(130)	-
Total other provisions	-	130

How we recognise other provisions

Other provisions are recognised when Dhelkaya Health has a present obligation, the future sacrifice of economic benefits is probable, and the amount of the provision can be measured reliably. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be received from a third party, the receivable is recognised as an asset if it is virtually certain that recovery will be received and the amount of the receivable can be measured reliably.

Present obligations arising under onerous contracts are recognised as a provision to the extent that the present obligation exceeds the estimated economic benefits to be received.

Make good provisions are recognised when Dhelkaya Health has contractual obligations to remove leasehold improvements from leased properties and restore the leased premises to their original condition at the end of the lease term. The related expenses of making good such properties are included in the measurement of the right-of-use asset.

Notes to the Financial Statements

For the Financial Year ended 30 June 2023

Note 6: How we finance our operations

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

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

Structure

6.1 Borrowings

6.2 Cash and cash equivalents

6.3 Commitments for expenditure

Telling the COVID-19 story

Our finance and borrowing arrangements were not materially impacted by the COVID-19 Coronavirus pandemic and scaling down of the COVID-19 public health response during the year ended 30 June 2023.

Notes to the Financial Statements For the Financial Year ended 30 June 2023

Key judgements and estimates

This section contains the following key judgements and estimates:

Key judgements and estimates	Description
Determining if a contract is or contains a lease	<p>Dhelkaya Health applies significant judgement to determine if a contract is or contains a lease by considering if the health service:</p> <ul style="list-style-type: none"> ▪ has the right-to-use an identified asset ▪ has the right to obtain substantially all economic benefits from the use of the leased asset and ▪ can decide how and for what purpose the asset is used throughout the lease.
Determining if a lease meets the short-term or low value asset lease exemption	<p>Dhelkaya Health applies significant judgement when determining if a lease meets the short-term or low value lease exemption criteria.</p> <p>The health service estimates the fair value of leased assets when new. Where the estimated fair value is less than \$10,000, the health service applies the low-value lease exemption.</p> <p>The health service also estimates the lease term with reference to remaining lease term and period that the lease remains enforceable. Where the enforceable lease period is less than 12 months the health service applies the short-term lease exemption.</p>
Discount rate applied to future lease payments	<p>Dhelkaya Health discounts its lease payments using the interest rate implicit in the lease. If this rate cannot be readily determined, which is generally the case for the health service's lease arrangements, Dhelkaya Health uses its incremental borrowing rate, which is the amount the health service would have to pay to borrow funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. For leased plant, equipment, furniture, fittings and vehicles, the implicit interest rate is between 1.27% and 2.28%.</p>
Assessing the lease term	<p>The lease term represents the non-cancellable period of a lease, combined with periods covered by an option to extend or terminate the lease if Dhelkaya Health is reasonably certain to exercise such options.</p> <p>Dhelkaya Health determines the likelihood of exercising such options on a lease-by-lease basis through consideration of various factors including:</p> <ul style="list-style-type: none"> ▪ if there are significant penalties to terminate (or not extend), the health service is typically reasonably certain to extend (or not terminate) the lease. ▪ if any leasehold improvements are expected to have a significant remaining value, the health service is typically reasonably certain to extend (or not terminate) the lease. ▪ historical lease durations and the costs and business disruption to replace such leased assets.

Notes to the Financial Statements For the Financial Year ended 30 June 2023

Note 6.1 Borrowings

		For the Period 1 March 2022 to 30 June 2022
Note	2023 \$'000	\$'000
Current borrowings		
Lease liability - Land ⁽ⁱ⁾	12	12
Lease liability - Vehicles ⁽ⁱ⁾	454	144
Advances from government ⁽ⁱⁱ⁾	65	65
Total current borrowings	531	221
Non-current borrowings		
Lease liability - Land ⁽ⁱ⁾	24	24
Lease liability - Vehicles ⁽ⁱ⁾	365	495
Advances from government ⁽ⁱⁱ⁾	117	180
Total non-current borrowings	506	699
Total borrowings	1,037	920

ⁱ Secured by the assets leased.

ⁱⁱ These are arranged in a manner to fund solar panels for a loan term of 5 years which bears no interest.

How we recognise borrowings

Borrowings refer to interest bearing liabilities mainly raised from VicFleet vehicle lease liabilities and other non interest-bearing arrangements with the Department of Health Victoria and the lease from a private landowner of land for car parking.

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 Dhelkaya Health has categorised its liability as either 'financial liabilities designated at fair value through profit or loss', or financial liabilities at 'amortised cost'.

Subsequent measurement

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

Maturity analysis

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

Defaults and breaches

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

Notes to the Financial Statements For the Financial Year ended 30 June 2023

Note 6.1 (a) Lease liabilities

Dhelkaya Health's lease liabilities are summarised below:

	2023 \$'000	For the Period 1 March 2022 to 30 June 2022 \$'000
Total undiscounted lease liabilities	870	696
Less unexpired finance expenses	(15)	(21)
Net lease liabilities	855	675

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

	2023 \$'000	For the Period 1 March 2022 to 30 June 2022 \$'000
Not longer than one year	466	156
Longer than one year but not longer than five years	404	540
Minimum future lease liability	870	696
Less unexpired finance expenses	(15)	(21)
Present value of lease liability	855	675
* Represented by:		
- Current liabilities	466	156
- Non-current liabilities	389	519
	855	675

How we recognise lease liabilities

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

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

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

Dhelkaya Health's lease arrangements consist of the following:

Type of asset leased	Lease term
Leased land	6 years
Leased vehicles	3 years

Notes to the Financial Statements For the Financial Year ended 30 June 2023

Note 6.1 (a) Lease liabilities (continued)

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

Type of payment	Description of payment	Type of leases captured
Low value lease payments	Leases where the underlying asset's fair value, when new, is no more than \$10,000	Printer / Photocopier Hardware

Separation of lease and non-lease components

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

Initial measurement

The lease liability is initially measured at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease if that rate is readily determinable or Dhelkaya Health's incremental borrowing rate. Our lease liability has been discounted by rates of between 2% to 5%.

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

- fixed payments (including in-substance fixed payments) less any lease incentive receivable
- variable payments based on an index or rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable under a residual value guarantee and
- payments arising from purchase and termination options reasonably certain to be exercised.

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

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

During the current financial year, the financial effect of revising lease terms to reflect the effect of exercising extension and termination options was an increase in recognised lease liabilities and right-of-use assets of \$Nil.

Subsequent measurement

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

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

Notes to the Financial Statements

For the Financial Year ended 30 June 2023

Note 6.2 Cash and Cash Equivalents

	2023	For the Period 1 March 2022 to 30 June 2022
Note	\$'000	\$'000
Cash on hand (excluding monies held in trust)	2	5
Cash at bank (excluding monies held in trust)	5,771	6,724
Cash at bank - CBS (excluding monies held in trust)	3,972	1,824
Total cash held for operations	9,745	8,553
Cash at bank - CBS (monies held in trust)	23,447	28,834
Total cash held as monies in trust	23,447	28,834
Total cash and cash equivalents	33,192	37,387

How we recognise cash and cash equivalents

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

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

Notes to the Financial Statements

For the Financial Year ended 30 June 2023

Note 6.3 Commitments for expenditure

	2023 \$'000	For the Period 1 March 2022 to 30 June 2022 \$'000
Capital expenditure commitments		
Less than one year	588	621
Total capital expenditure commitments	588	621
Operating Expenditure Commitments		
Less than one year	481	-
Longer than one year but not longer than five years	721	-
Total non-cancellable short term and low value lease commitments	1,202	-
Non-cancellable short term and low value lease commitments		
Less than one year	53	100
Longer than one year but not longer than five years	31	61
Total non-cancellable short term and low value lease commitments	84	161
Total commitments for expenditure (exclusive of GST)	1,874	782
Less GST recoverable from Australian Tax Office	(170)	(71)
Total commitments for expenditure (exclusive of GST)	1,704	711

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

How we disclose our commitments

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

Expenditure commitments

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

Short term and low value leases

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

Note 7: Risks, contingencies and valuation uncertainties

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

Structure

- 7.1 Financial instruments**
- 7.2 Financial risk management objectives and policies**
- 7.3 Contingent assets and contingent liabilities**
- 7.4 Fair value determination**

Key judgements and estimates

This section contains the following key judgements and estimates:

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

Notes to the Financial Statements
For the Financial Year ended 30 June 2023

Key judgements and estimates (continued)

Key judgements and estimates	Description
<p>Measuring fair value of non-financial assets (continued)</p>	<p>Dhelkaya Health 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 Dhelkaya Health's [specialised land, non-specialised land, non-specialised buildings, investment properties and cultural assets] 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 Dhelkaya Health's [specialised buildings, furniture, fittings, plant, equipment and vehicles] are measured using this approach. <p>The health service selects a valuation technique which is considered most appropriate, and for which there is sufficient data available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.</p> <p>Subsequently, the health service applies significant judgement to categorise and disclose such assets within a fair value hierarchy, which includes:</p> <ul style="list-style-type: none"> ▪ Level 1, using quoted prices (unadjusted) in active markets for identical assets that the health service can access at measurement date. Dhelkaya Health does not categorise any fair values within this level. ▪ Level 2, inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly. Dhelkaya Health categorises non-specialised land, right-of-use concessionary land and vehicles in this level. ▪ Level 3, where inputs are unobservable. Dhelkaya Health categorises specialised land, non-specialised buildings, specialised buildings, plant, equipment, furniture, fittings, right-of-use buildings and right-of-use plant, equipment, furniture and fittings in this level.

Notes to the Financial Statements

For the Financial Year ended 30 June 2023

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

Note 7.1 (a) Categorisation of financial instruments

Total 30 June 2023	Note	Financial Assets at Amortised Cost \$'000	Financial Liabilities at Amortised Cost \$'000	Total \$'000
Contractual Financial Assets				
Cash and Cash Equivalents	6.2	33,192	-	33,192
Receivables and contract assets	5.1	4,813	-	4,813
Investments and other financial assets	4.1	1,725	-	1,725
Total Financial Assetsⁱ		39,730	-	39,730
Financial Liabilities				
Payables	5.2	-	5,369	5,369
Borrowings	6.1	-	1,037	1,037
Other Financial Liabilities - Refundable Accommodation Deposits	5.3	-	23,211	23,211
Other Financial Liabilities - Other monies held in trust	5.3	-	236	236
Total Financial Liabilitiesⁱ		-	29,853	29,853

Notes to the Financial Statements

For the Financial Year ended 30 June 2023

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

Total		Financial Assets at	Financial Liabilities	Total
30 June 2022	Note	Amortised Cost	at Amortised Cost	Total
		\$'000	\$'000	\$'000
Contractual Financial Assets				
Cash and cash equivalents	6.2	37,387	-	37,387
Receivables and contract assets	5.1	4,099	-	4,099
Investments and other financial assets	4.1	1,725	-	1,725
Total Financial Assetsⁱ		43,211	-	43,211
Financial Liabilities				
Payables	5.2	-	2,929	2,929
Borrowings	6.1	-	920	920
Other Financial Liabilities - Refundable Accommodation Deposits	5.3	-	28,492	28,492
Other Financial Liabilities - Other monies held in trust	5.3	-	342	342
Total Financial Liabilitiesⁱ		-	32,683	32,683

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

Notes to the Financial Statements

For the Financial Year ended 30 June 2023

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

How we categorise financial instruments

Categories of financial assets

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

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

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

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

Financial assets at amortised cost

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

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

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

Dhelkaya Health recognises the following assets in this category:

- cash and cash equivalents and
- receivables (excluding statutory receivables) and contract assets.

Categories of financial liabilities

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

Changes in fair value are recognised in the net results as other economic flows, unless the changes in fair value relate to changes in Dhelkaya Health's own credit risk. In this case, the portion of the change attributable to changes in Dhelkaya Health's own credit risk is recognised in other comprehensive income with no subsequent recycling to net result when the financial liability is derecognised.

Notes to the Financial Statements

For the Financial Year ended 30 June 2023

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

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.

Dhelkaya Health recognises the following liabilities in this category:

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

Offsetting financial instruments

Financial instrument assets and liabilities are offset and the net amount presented in the consolidated balance sheet when, and only when, Dhelkaya Health has a legal right to offset the amounts and intend either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Some master netting arrangements do not result in an offset of balance sheet assets and liabilities. Where Dhelkaya Health does not have a legally enforceable right to offset recognised amounts, because the right to offset is enforceable only on the occurrence of future events such as default, insolvency or bankruptcy, they are reported on a gross basis.

Notes to the Financial Statements

For the Financial Year ended 30 June 2023

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

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

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

Derecognition of financial liabilities

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

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

Reclassification of financial instruments

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

A financial liability reclassification is not permitted.

Notes to the Financial Statements

For the Financial Year ended 30 June 2023

Note 7.2: Financial risk management objectives and policies

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

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

Dhelkaya Health's main financial risks include credit risk, liquidity risk, interest rate risk, foreign currency risk and equity price risk. Dhelkaya Health manages these financial risks in accordance with its financial risk management policy.

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

Note 7.2 (a) Credit risk

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

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

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

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

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

Except as otherwise detailed in the following table, the carrying amount of contractual financial assets recorded in the financial statements, net of any allowances for losses, represents Dhelkaya Health's maximum exposure to credit risk without taking account of the value of any collateral obtained.

There has been no material change to Dhelkaya Health's credit risk profile in 2022-23.

Notes to the Financial Statements For the Financial Year ended 30 June 2023

Note 7.2 (a) Credit risk (continued)

Impairment of financial assets under AASB 9

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

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

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

Contractual receivables at amortised cost

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

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

Note 7.2 (a) Contractual receivables at amortised cost

		Note	Current	30 Days	60 Days	90 Days	180 Days	365 + Days	Total
30 June 2023									
Expected loss rate			0.0%	5.0%	15.0%	30.0%	50.0%	100.0%	
Gross carrying amount of contractual receivables	\$'000	5.1	1,110	66	40	123	107	10	1,456
Loss allowance			-	(3)	(6)	(37)	(54)	(10)	(110)
30 June 2022									
Expected loss rate			0.0%	5.0%	15.0%	30.0%	50.0%	100.0%	
Gross carrying amount of contractual receivables	\$'000	5.1	625	49	44	112	123	1	954
Loss allowance			-	(2)	(7)	(34)	(62)	(1)	(105)

Notes to the Financial Statements

For the Financial Year ended 30 June 2023

Note 7.2 (a) Contractual receivables at amortised cost

Statutory receivables and debt investments at amortised cost

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

Dhelkaya Health also has investments in term deposits.

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

Note 7.2 (b) Liquidity risk

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

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

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

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

Notes to the Financial Statements

For the Financial Year ended 30 June 2023

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

Note 7.2 (b) Payables and borrowings maturity analysis

Total	Note	Maturity Dates						
		Carrying Amount	Nominal Amount	Less than 1 Month	1-3 Months	3 months - 1 Year	1-5 Years	Over 5 years
30 June 2023		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Payables	5.2	5,369	5,369	3,853	-	1,516	-	-
Borrowings	6.1	1,037	1,037	38	113	380	506	-
Other Financial Liabilities - Refundable Accommodation Deposits	5.3	23,211	23,211	1,160	2,321	10,445	8,124	1,161
Other Financial Liabilities - Patient monies held in trust	5.3	236	236	12	24	106	82	12
Total Financial Liabilities		29,853	29,853	5,063	2,458	12,447	8,712	1,173

Total	Note	Maturity Dates						
		Carrying Amount	Nominal Amount	Less than 1 Month	1-3 Months	3 months - 1 Year	1-5 Years	Over 5 years
30 June 2022		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial Liabilities at amortised cost								
Payables	5.2	2,929	2,929	1,413	-	1,516	-	-
Borrowings	6.1	920	920	13	39	169	699	-
Other Financial Liabilities - Refundable Accommodation Deposits	5.3	28,492	28,492	1,425	2,849	12,821	9,972	1,425
Other Financial Liabilities - Patient monies held in trust	5.3	342	342	17	34	154	120	17
Total Financial Liabilities		32,683	32,683	2,868	2,922	14,660	10,791	1,442

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

ⁱⁱ Ageing of Refundable Accommodation Deposits are based upon historical redemption rates.

Notes to the Financial Statements

For the Financial Year ended 30 June 2023

Note 7.2 (c) Market risk

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

Sensitivity disclosure analysis and assumptions

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

- a change in interest rates of 2% to 2.5% up.

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

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

Notes to the Financial Statements For the Financial Year ended 30 June 2023

Note 7.3: Contingent assets and contingent liabilities

At the date of this report, the Board are not aware of any contingent assets or liabilities.

How we measure and disclose contingent assets and contingent liabilities

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

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

Contingent assets

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

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

Contingent liabilities

Contingent liabilities are:

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

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

Notes to the Financial Statements For the Financial Year ended 30 June 2023

Note 7.4: Fair Value Determination

How we measure fair value

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

The following assets and liabilities are carried at fair value:

- Property, plant and equipment
- Right-of-use assets.

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.

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

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

Identifying unobservable inputs (level 3) fair value measurements

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

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

Notes to the Financial Statements For the Financial Year ended 30 June 2023

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

Note	Total carrying amount 30 June 2023 \$'000	Fair value measurement at end of reporting period using:		
		Level 1 ⁱ \$'000	Level 2 ⁱ \$'000	Level 3 ⁱ \$'000
Non-specialised land	1,086	-	1,086	-
Specialised land	6,212	-	-	6,212
Total land at fair value	7,298	-	1,086	6,212
Non-specialised buildings	602	-	602	-
Specialised buildings	51,547	-	-	51,547
Total buildings at fair value	52,149	-	602	51,547
Plant and equipment at fair value	1,930	-	-	1,930
Motor vehicles at fair value	81	-	81	-
Medical equipment at Fair Value	2,123	-	-	2,123
Computer equipment at fair value	176	-	-	176
Furniture and fittings at fair value	350	-	-	350
Total plant, equipment, furniture, fittings and vehicles at fair value	4,660	-	81	4,579
Right of use assets at fair value - land	22	-	-	22
Right of use assets at fair value - vehicles	772	-	-	772
Total right-of-use assets at fair value	794	-	-	794
Total property, plant and equipment at fair value	64,901	-	1,769	63,132

Note	Total carrying amount 30 June 2022 \$'000	Fair value measurement at end of reporting period using:		
		Level 1 ⁱ \$'000	Level 2 ⁱ \$'000	Level 3 ⁱ \$'000
Non-specialised land	1,086	-	1,086	-
Specialised land	6,212	-	-	6,212
Total land at fair value	7,298	-	1,086	6,212
Non-specialised buildings	602	-	602	-
Specialised buildings	56,869	-	-	56,869
Total buildings at fair value	57,471	-	602	56,869
Plant, equipment and vehicles at fair value	2,000	-	-	2,000
Motor vehicles at fair value	165	-	165	-
Medical equipment at Fair Value	2,119	-	-	2,119
Computer equipment at fair value	254	-	-	254
Furniture and fittings at fair value	382	-	-	382
Total plant, equipment, furniture, fittings and vehicles at fair value	4,920	-	165	4,755
Right of use assets at fair value - land	34	-	-	34
Right of use assets at fair value - vehicles	636	-	-	636
Total right-of-use assets at fair value	670	-	-	670
Total Property, Plant and Equipment	70,359	-	1,853	68,506

ⁱ Classified in accordance with the fair value hierarchy.

Notes to the Financial Statements For the Financial Year ended 30 June 2023

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

Theoretical opportunities that may be available in relation to the asset(s) are not 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 2022 for land and 30 June 2019 for buildings.

Specialised land and specialised buildings

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

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

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

For Dhelkaya Health, the current 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 Dhelkaya Health's specialised land and specialised buildings was performed by the Valuer-General Victoria. The effective date of the valuation is 30 June 2022 for land and 30 June 2019 for buildings.

Notes to the Financial Statements For the Financial Year ended 30 June 2023

Vehicles

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

Furniture, fittings, plant and equipment

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

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

Notes to the Financial Statements

For the Financial Year ended 30 June 2023

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

	Land	Buildings	Plant and equipment	Medical equipment	Computer equipment	Furniture & fittings	Right of use assets
Note	\$'000	\$'000	\$'000	\$'000	\$'000	Fittings \$'000	\$'000
Transfer on Administrative Restructure	4,162	58,642	2,126	2,148	236	407	714
Additions/(Disposals)	-	5	2	109	68	(6)	-
- Depreciation	-	(1,778)	(128)	(138)	(50)	(19)	(44)
- Revaluation	2,050	-	-	-	-	-	-
Balance at 30 June 2022	6,212	56,869	2,000	2,119	254	382	670
7.4 (a)							
Additions/(Disposals)	-	11	296	425	31	29	343
Transfers to capital expenditure	-	-	-	-	-	(4)	-
Net Transfers between classes	-	(12)	20	-	-	-	(58)
- Depreciation	-	(5,321)	(386)	(421)	(109)	(57)	(161)
Balance at 30 June 2023	6,212	51,547	1,930	2,123	176	350	794
7.4 (a)							

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

Asset class	Likely valuation approach	Significant inputs (Level 3 only)
Specialised land (Freehold)	Market approach	Community Service Obligations Adjustments ⁽ⁱ⁾
Specialised buildings	Depreciated replacement cost approach	- Cost per square metre - Useful life
Furniture, fittings, plant and equipment	Depreciated replacement cost approach	- Cost per unit - Useful life

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

Notes to the Financial Statements

For the Financial Year ended 30 June 2023

Note 8: Other disclosures

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

Structure

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

8.2 Responsible persons disclosure

8.3 Remuneration of executives

8.4 Related parties

8.5 Remuneration of auditors

8.6 Events occurring after the balance sheet date

8.7 Jointly controlled operations

8.8 Equity

8.9 Economic dependency

8.10 Net assets transferred on administrative restructure

Telling the COVID-19 story

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

Notes to the Financial Statements

For the Financial Year ended 30 June 2023

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

	2023	For the Period
	\$'000	1 March 2022 to
Note	\$'000	30 June 2022
		\$'000
Net result for the period	(4,930)	35
Non-cash movements:		
(Gain)/Loss on sale or disposal of non-financial assets	3.2 (51)	(13)
Depreciation of non-current assets	4.5 6,496	2,172
Movement in allowance for impairment losses	5.1 (a) 5	105
(Gain)/Loss on revaluation of long service leave liability	3.2 (67)	219
Discount (interest) / expense on loan	3.2 2	(13)
Movements in Assets and Liabilities:		
(Increase)/Decrease in receivables and contract assets	(720)	1,122
(Increase)/Decrease in inventories	(79)	186
(Increase)/Decrease in prepaid expenses	(229)	455
Increase/(Decrease) in payables and contract liabilities	2,233	(5,736)
Increase/(Decrease) in employee benefits	441	289
Increase/(Decrease) in other liabilities	(236)	472
Net cash inflow from operating activities	2,865	(707)

Notes to the Financial Statements For the Financial Year ended 30 June 2023

Note 8.2 Responsible persons

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

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

	Period
The Honourable Mary-Anne Thomas MP	
Minister for Health	1 Jul 2022 - 30 Jun 2023
Minister for Health Infrastructure	5 Dec 2022 - 30 Jun 2023
Minister for Medical Research	5 Dec 2022 - 30 Jun 2023
Former Minister for Ambulance Services	1 Jul 2022 - 5 Dec 2022
The Honourable Gabrielle Williams MP	
Minister for Mental Health	1 Jul 2022 - 30 Jun 2023
Minister for Ambulance Services	5 Dec 2022 - 30 Jun 2023
The Honourable Lizzy Blandthorn MP	
Minister for Disability, Ageing and Carers	5 Dec 2022 - 30 Jun 2023
The Honourable Colin Brooks MP	
Former Minister for Disability, Ageing and Carers	1 Jul 2022 - 5 Dec 2022
Governing Boards	
Vanessa Healy (Board Chair)	1 Jul 2022 - 30 Jun 2023
Margaret Ronnau	1 Jul 2022 - 30 Jun 2023
Lexi Randall-L'Estrange	1 Jul 2022 - 30 Jun 2023
Shan Welham	1 Jul 2022 - 30 Jun 2023
Jeffrey Rigby	1 Jul 2022 - 30 Jun 2023
Libby Fifis	1 Jul 2022 - 30 Jun 2023
Cindy Schultz-Ferguson	1 Jul 2022 - 30 Jun 2023
Dr Heather Holst	1 Jul 2022 - 30 Jun 2023
James Downing	1 Jul 2022 - 30 Jun 2023
Linda McNeil	1 Jul 2022 - 30 Jun 2023
Margaret Lewis	1 Jul 2022 - 30 Jun 2023
Accountable Officers	
Sue Race (Chief Executive Officer)	1 Jul 2022 - 30 Jun 2023

Notes to the Financial Statements

For the Financial Year ended 30 June 2023

Note 8.2 Responsible persons (continued)

Remuneration of Responsible Persons

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

Income Band	2023	For the Period
	No	1 March 2022 to 30 June 2022 No
\$0,000 - \$9,999	10	11
\$10,000 - \$19,999	1	-
\$90,000 - \$99,999	-	1
\$280,000 - \$289,999	1	-
Total Numbers	12	12

Total remuneration received or due and receivable by Responsible Persons from the reporting entity amounted to:	2023	For the Period
	\$'000	1 March 2022 to 30 June 2022 \$'000
	338	111

Amounts relating to Responsible Ministers are reported within the State's Annual Financial Report

Notes to the Financial Statements

For the Financial Year ended 30 June 2023

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)

	Total Remuneration	
	2023 \$'000	For the Period 1 March 2023 to 30 June 2023 \$'000
Short-term benefits	779	334
Post-employment benefits	72	23
Other long-term benefits	-	6
Total remunerationⁱ	851	364
Total number of executives	7	5
Total annualised employee equivalent ⁱⁱ	6.9	4.3

i The total number of executive officers includes persons who meet the definition of Key Management Personnel (KMP) of Dhelkaya Health's 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.

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

Short-term Employee Benefits

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

Post-employment Benefits

Pensions and other retirement benefits paid or payable on a discrete basis when employment has ceased.

Other Long-term Benefits

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

Termination Benefits

Termination of employment payments, such as severance packages.

Notes to the Financial Statements

For the Financial Year ended 30 June 2023

Note 8.4: Related Parties

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

- all key management personnel (KMP) and their close family members and personal business interests
- cabinet ministers (where applicable) and their close family members
- jointly controlled operations – A member of the Loddon Mallee 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 the Dhelkaya Health and its controlled entities, directly or indirectly.

Key management personnel

The Board of Directors, Chief Executive Officer and Executive Directors of Dhelkaya Health are deemed to be KMPs.

KMPs	Position Title
Vanessa Healy	Chair of the Board
Margaret Ronnau	Board Director
Lexi Randall-L'Estrange	Board Director
Shan Welham	Board Director
Jeffrey Rigby	Board Director
Libby Fifis	Board Director
Cindy Schultz-Ferguson	Board Director
Dr Heather Holst	Board Director
James Downing	Board Director
Linda McNeil	Board Director
Margaret Lewis	Board Director
Sue Race	Chief Executive Officer
Jason Stevens	Executive Director Corporate Services (CFO)
Vicky Mellington	Executive Director People, Safety and Experience
Kerryn James	Executive Director Community Services and Wellbeing
Katrina Sparrow	Acting Executive Director Clinical and Aged Care Services - 4/7/2022 to 9/10/2022
Mark Nally	Acting Executive Director Clinical and Aged Care Services - 11/10/2022 to 30/12/2022
Melodie Heland	Executive Director Clinical and Aged Care Services - commenced 3/1/2023
Shannon Vaughan	Executive Director Quality, Development and Improvement - commenced 13/3/2023

Notes to the Financial Statements For the Financial Year ended 30 June 2023

Note 8.4: Related Parties (continued)

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.

	2023 \$'000	For the Period 1 March 2022 to 30 June 2022 \$'000
Compensation - KMPs		
Short-term Employee Benefits ⁱ	1,093	437
Post-employment Benefits	96	30
Other Long-term Benefits	-	8
Totalⁱⁱ	1,189	475

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

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

Significant transactions with government related entities

Dhelkaya Health received funding from the Department of Health of \$49.0 million (2022: \$16.0 million) and indirect contributions of \$0.3 million (2022: \$1.2 million). Balances recallable as at 30 June 2023 are \$1.8 million (2022: \$1.6 million) and receivable amounts total \$3.3 million (2022: \$3.1 million).

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

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

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

Transactions with KMPs and other related parties

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

Outside of normal citizen type transactions with Dhelkaya Health, there were no related party transactions that involved key management personnel, their close family members or their personal business interests. No provision has been required, nor any expense recognised, for impairment of receivables from related parties. There were no related party transactions with Cabinet Ministers required to be disclosed in 2023 (2022: none).

Notes to the Financial Statements

For the Financial Year ended 30 June 2023

Note 8.4: Related Parties (continued)

There were no related party transactions required to be disclosed for the Dhelkaya Health Board of Directors, Chief Executive Officer and Executive Directors in 2023 (2022: none).

Note 8.5: Remuneration of Auditors

Victorian Auditor-General's Office

Audit of the financial statements

Total remuneration of auditors

2023 \$'000	For the Period 1 March 2022 to 30 June 2022 \$'000
43	43
43	43

Note 8.6: Events occurring after the balance sheet date

There are no events occurring after the Balance Sheet date.

Notes to the Financial Statements

For the Financial Year ended 30 June 2023

Note 8.7 Joint arrangements

Principal Activity	Ownership Interest	
	2023 %	2022 %
Loddon Mallee Rural Health Alliance Provision of Information Technology Services	10.41	10.10

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

	2023 \$'000	For the Period 1 March 2022 to 30 June 2022 \$'000
Current assets		
Cash and cash equivalents	1,467	804
Receivables	214	55
Prepaid expenses	301	246
Total current assets	1,982	1,105
Non-current assets		
Property, plant and equipment	86	83
Total non-current assets	86	83
Total assets	2,068	1,188
Current liabilities		
Payables	694	411
Other Current Liabilities	439	24
Total current liabilities	1,133	435
Total liabilities	1,133	435
Net assets	935	753
Equity		
Accumulated surplus	935	753
Total equity	935	753

Notes to the Financial Statements

For the Financial Year ended 30 June 2023

Note 8.7 Joint arrangements

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

	2023 \$'000	For the Period 1 March 2022 to 30 June 2022 \$'000
Income		
Grants	1,677	1,253
Other income	28	19
Total income	1,705	1,272
Expenses		
Other Expenses from Continuing Operations	1,522	1,211
Depreciation	24	20
Total expenses	1,546	1,231
Net result	159	41

Contingent liabilities and capital commitments

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

Notes to the Financial Statements For the Financial Year ended 30 June 2023

Note 8.8: 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 Dhelkaya Health.

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

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

Specific restricted purpose reserves

The specific restricted purpose reserve is established where Dhelkaya Health has possession or title to the funds but has no discretion to amend or vary the restriction and/or condition underlying the funds received.

Note 8.9: Economic dependency

Dhelkaya Health is dependent on the Department of Health for the majority of its revenue used to operate the health service. At the date of this report, the Board of Directors believes the Department of Health will continue to support Dhelkaya Health.

Notes to the Financial Statements For the Financial Year ended 30 June 2023

Note 8.10: Net assets transferred on administrative restructure As at 28 February 2022

The table below represents the carrying value of the net assets in the balance sheet of the former entities of Castlemaine Health and Maldon Hospital immediately before the transfer.

The net assets assumed by Dhelkaya Health as a result of the administrative restructure is recognised in the balance sheet at the carrying amount of those assets in the former entities balance sheet statements immediately before transfer.

	Castlemaine Health \$'000	Maldon Hospital \$'000	\$'000
Current assets			
Cash and cash equivalents	31,338	8,482	39,820
Receivables and contract assets	3,124	224	3,348
Inventories	392	-	392
Investments and other financial assets	1,725	-	1,725
Prepaid expenses	657	95	752
Total current assets	37,236	8,801	46,037
Non-current assets			
Receivables and contract assets	1,611	362	1,973
Property, plant and equipment	62,454	7,119	69,573
Right of use assets	714	-	714
Total non-current assets	64,779	7,481	72,260
Total assets	102,015	16,282	118,297
Current liabilities			
Payables and contract liabilities	11,732	968	12,700
Borrowings	214	-	214
Employee benefits	9,616	718	10,334
Other liabilities	23,933	5,929	29,862
Total current liabilities	45,495	7,615	53,110
Non-current liabilities			
Borrowings	827	-	827
Employee benefits	1,586	73	1,659
Total non-current liabilities	2,413	73	2,486
Total liabilities	47,908	7,688	55,596
Net assets	54,107	8,594	62,701
Equity			
Restricted specific purpose reserve	2,006	-	2,006
Contributed capital	52,101	8,594	60,695
Total equity	54,107	8,594	62,701



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