

Annual Report | 23-24

BESTCARE
@ Benalla
HEALTH



Best Care

Benalla Health acknowledges the Traditional Owners of the lands from across our region. Our commitment to improving the health and wellbeing of Aboriginal and Torres Strait Island peoples is supported by our recognition and respect for their connection to their ancestral lands.

We value our community diversity. We are committed to being an inclusive health service and work environment where people of all cultures, beliefs, abilities, genders, sexualities, and ages feel safe, accepted, affirmed, and celebrated.



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About this report

This annual report outlines the operational and financial performance for Benalla Health from 1 July 2023 to 30 June 2024. We are a public health service established under the *Health Services Act 1988 (Vic)*.



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History

With a ten-bed bush nursing hospital established in 1935, the Benalla community has always been committed to supporting and promoting a local health service to meet the needs of the community. Today, Benalla Health provides a range of acute, midwifery, residential aged care, community health and urgent care services and is one of the largest employers in Benalla. The health service has evolved in recent years to increase its focus on community-based services and has become recognised for its expertise in ophthalmology. We believe our greatest strength is our people, their passion and commitment to provide best care, every person, every time.

Our Vision

Healthy, thriving and resilient communities in and around Benalla.

Our Purpose

To care for our community by providing safe, high-quality healthcare for everyone.

Registered Objectives

The objectives of the hospital are to:

1. Organise and provide health care services in the Benalla district and, in particular hospital based services, including services provided jointly with other agencies in accordance with the *Health Services Act 1988*, and all existing or future relevant Acts and Regulations;
2. Utilise appropriate physical and personal resources, knowledge and available technologies to promote health and to prevent, treat and alleviate disease, disability, injury and suffering so far as is possible in the prevailing conditions;
3. Set and achieve standards consistent with prevailing principles of quality patient care and community health needs;
4. Foster continuing improvement in standards through education, research and training and;
5. Manage and maintain a Community Health Service which will provide facilities, personnel and services to achieve the following aims:
 - promoting health awareness;
 - improving health standards;
 - fostering awareness and prevention of illness and disability;
 - supporting persons in their home environment; and
 - rehabilitation.



Disclosure Index

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

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Board Chair & Chief Executive Officer's Report

We are delighted to present the 2023–2024 Annual Report for Benalla Health on behalf of the Board of Directors and all staff.

We would like to express our gratitude to the Board of Directors for their dedication, and invaluable contributions. Additionally, we extend our appreciation to Alok Mathur and John Papatheohari, retiring Directors, for their 11 months and 2 years and 2 months of service, respectively. We welcome aboard our new Directors, Dr. Naveen Tenneti and Melinda Lawley, and look forward to their valuable contributions.

We commend our exceptional staff and medical workforce for their collaborative efforts and unwavering commitment to delivering exceptional care to each individual. Their hard work and dedication, especially during times of immense pressure, exemplify their resilience and unwavering commitment to our consumers and the community.

Benalla Health continues to deliver high quality maternity care to women and their families, with General Practice Obstetricians working closely with our Maternity services team. We are proud to report that 58 babies were born at Benalla Health during the 2023–2024 period. The fully funded public antenatal clinic continues to thrive, providing access to registered midwives and GP obstetricians. Our midwives and lactation consultants provide emergency and planned antenatal care, postnatal inpatient services, domiciliary care, and breastfeeding support services. Our midwives also work closely with physiotherapists, dietitians and Maternal and Child Health nurses to provide pregnancy, birthing and parenting classes. Additionally, our partnership with the Centre of Perinatal Excellence, continues to support the mental health of new and expectant mothers in the region via an on-line screening program.


In the Urgent Care Centre (UCC), our highly qualified nursing team has provided care to 6,298 consumers, a significant increase from the previous year since the introduction of Nurse Practitioners to the UCC, receiving positive feedback from the community. Furthermore, our use of the Victorian Virtual Emergency Department (VVED) continues to enhance support for our nursing staff and General Practitioners in their care for the community. Over

25% of all presentations to UCC are managed by a Nurse Practitioner or by VVED ensuring that consumers have access to the best possible care to suit their needs free of charge for Medicare patients. If needed, consumers can be seen promptly by a doctor or transferred to Northeast Health in Wangaratta. Fees may apply as Benalla Health is not staffed by doctors but our local GPs are on call as required.

Benalla Health continues to be recognised for its expertise in ophthalmology, maintaining a strong partnership with Goulburn Valley Health. Out of a total of 2839 theatre procedures completed at Benalla Health in 2023–2024, 1723 were ophthalmology procedures of which 692 were carried out for GV Health. The satisfaction of our patients with the service is exceptionally high, a testament to the professionalism and skill of our surgeons and perioperative staff.

Benalla Health's Morrie Evans Wing offers fully accredited residential aged care, including end-of-life (palliative) care, with qualified nursing staff available 24/7 to ensure residents' safety, effectiveness, and quality of care. The completion of the Morrie Evans Garden project's landscaping in September 2023 involved residents in planting vegetables, which they continue to tend to and enjoy. The garden's design allows easy resident access and is integrated into individual care plans. Additionally, activities like Armchair travel, Men's Club, and visits from allied health services, including Speech pathology, Dietetics, Occupational Therapy, Podiatry, and Physiotherapy, enhance resident well-being. Erika, the visiting physiotherapist, conducts group exercises and 1:1 session to maintain residents' mobility, strength, and balance, providing massages for those with chronic pain. Benalla Health is currently in the midst of its three-year Aged Care Accreditation cycle, anticipating an unannounced visit at any time.

Enhancing Aboriginal Cultural Safety and building our relationship with the local Yorta Yorta community are important priorities for our health Service. Several initiatives have been implemented in the past year. These include developing an on-line training module and offering face-to-face Aboriginal Cultural training for staff. We have completed our first Reconciliation Action Plan, and recruited an Aboriginal Patient and Family Support Officer. We actively participate in National Reconciliation Week and NAIDOC Week events, and collaborate



Bronwyn Beadle
Nurse Practitioner – Benalla Health

closely with the local Aboriginal Reference Group. Additionally, we have expanded our collection of Aboriginal artworks and introduced staff uniforms featuring Aboriginal-designed shirts and scrubs.

On the 9th May 2024, Benalla Health successfully completed the National Safety and Quality Health Service (NSQHS) Standards Short Notice Assessment confirming continued accreditation for a further 3 years from 7th October 2024 – 6th October 2027. Two assessors visited Benalla Health and spent time engaging closely with staff to gain real life understanding of the Best Care we provide over two full days. The assessors noted the multidisciplinary approach to delivering high quality care and service improvement initiatives across the organisation. The assessment resulted in met ratings for all applicable actions – a very commendable result. Cara Hammond, Operational Director Performance Improvement, said, “It is a testament to the amazing work everyone did in the lead up to the accreditation and a true reflection of our Best Care at Benalla Health philosophy.”

In November 2023, Benalla Health employees gathered to celebrate our staff awards. It was a fantastic night of recognition for the outstanding performance of our staff. We congratulate the winners in various categories: Fiona Stewart, Skye Black, Greg van Popering, Jacinta Mathieson, June Lowen, Jillian Cook, Melissa Moon, Hannah Capstick, Poppy Aggenbach, Hannah Hein, Kylie Evans, Shara Gillahan and Simone Sammon.

Last year we received Regional Health Infrastructure funding of \$1 million to upgrade our chiller infrastructure and install a state-of-the-art communication system. This year the new communication system (Vocera) has now been fully implemented and chillers infrastructure is nearing completion. Regarding Vocera, Fiona Coad, Operational Director of Continuum of Care, stated, “Vocera has greatly enhanced our ability to promptly reach staff members. The hands-free system, with voice activation, eliminates the need to press a bell and enables immediate access to assistance. This feature is particularly valuable in our Morrie Evans Wing, with its single rooms, and for staff looking after patients in isolation rooms, ensuring swift assessment of consumer needs without any delays.”

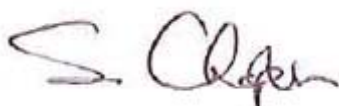
Benalla Health invested in key capital equipment this year, including a new Theatre Steriliser valued at \$183,000 and a Theatre Colonoscope priced at \$54,000.

The Benalla and District Memorial Hospital Auxiliary raised \$40,000 to buy new furniture for residents in the Morrie Evans Wing. We thank the Auxiliary members, stakeholders, community groups, individuals, volunteers, and the community for their generous support, which has allowed us to make significant purchases benefiting our organisation.

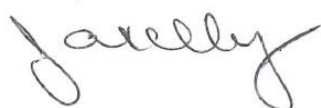
We embarked on a new strategic journey, developing a strategic plan for 2024-2027 with the assistance of Ninety Mile Consulting. This collaboration enabled us to refine and enhance the healthcare services we provide to our community, providing an opportunity to reaffirm why we exist, what we stand for, and what the future of Benalla Health looks like through listening and understanding what is important to our community and finally identify the goals required to achieve it. As we plan for the future, we understand the changing landscape and are committed to evolving our services to meet the needs of our community, strengthening cultural safety, fostering collaboration, and enhancing the consumer journey across the care continuum.

Benalla Health is dedicated to fostering a health service and community that is respectful and inclusive of all backgrounds, cultures, sexualities, genders, and abilities. We are committed to eliminating discrimination, harassment, and victimisation from our services. In 2024, Benalla Health successfully achieved Rainbow Tick Accreditation, reflecting our commitment to integrating an LGBTQIA+ perspective across all our systems to ensure inclusive and culturally safe practices. We want LGBTQIA+ individuals and communities to feel included, connected, and accepted. Though this is an ongoing process, small changes can lead to significant positive outcomes so that everyone feels valued, respected, seen, heard, supported and safe. As we continue this journey, collaboration with our staff, partners, and the community is essential. Together, we strive for a future of excellence, with inclusivity and cultural safety at the heart of our services.

Lastly, we express our heartfelt gratitude to the Department of Health, our dedicated staff, medical officers, partner organisations and volunteers for their steadfast support. We deeply appreciate the trust bestowed upon us by the community and are dedicated to enhancing our care services continuously. Your ongoing support and feedback are invaluable in motivating us to provide exceptional care to every person, every time.



Sarah Chaplin
Board Chair



Jackie Kelly
Chief Executive Officer



Sarah Chaplin
Board Chair

4th September 2024

In accordance with the *Financial Management Act 1994*, I am pleased to present the report of operations for Benalla Health for the year ending 30th June 2024.

Morrie Evans Wing (MEW) Resident
Mary enjoying the produce from the
MEW Garden Project



Corporate Governance – Board

The organisation is governed by a board appointed by the Governor-in-Council upon the recommendation of the Minister for Health.

Government Policy

Health service boards are responsible to the Minister for setting the strategic directions of rural public healthcare agencies within the framework of Government policy. They are accountable for ensuring that rural public healthcare agencies:

- Are effectively and efficiently managed;
- Provide high quality care and service delivery;
- Meet the needs of the community; and
- Meet financial and non-financial performance targets.

The Government is committed to ensuring that there is strong governance and accountability of the board for the performance of the organisation and delivery of health services. Each rural public healthcare agency needs a balanced board, which has the right mix of relevant skills, knowledge, attributes and expertise to be effective and achieve its objectives. This includes skills and expertise relating to the governance of health services, and an ability to represent the views of the community.

Board Committees

Finance and Audit Committee

The committee receives and makes recommendations relating to internal and external audit reports and ensures compliance with any matters raised by the Auditor General's office. The Committee assists the Board of Directors in fulfilling its responsibilities by acting in an advisory capacity and providing recommendations to the Board to improve the financial performance, management and control mechanisms of Benalla Health. The committee meets monthly.

Appointments Committee

The committee has the important role of assessing medical and dental practitioners as well as nurse practitioners and recommending their scope of practice within Benalla Health. The committee meets four times per year.

Medical Consultative Committee

The committee provides a forum for local medical practitioners to meet with the Board to discuss common issues. The committee meets as required.

Quality and Safety Committee

The Quality and Safety Committee provides clinical governance leadership and monitors the delivery of care, quality improvement and risk management (both clinical and non-clinical) throughout the organisation. The committee meets monthly.

Community Advisory Committee

The committee provides direction and leadership in relation to the integration of consumer care and community views across all levels of health service planning, development and operations. The committee meets bimonthly.

Pecuniary Interest

Members of the Board of Directors are required at each meeting to declare any pecuniary interest which might give rise to a conflict of interest. The Board has developed a Policy and Code of Conduct which clarifies the responsibilities of Board Directors.



Responsible Ministers During the Financial Year

The manner in which the Health Service was established and its relevant Minister. Benalla Health is a public health service established under the *Health Services Act 1988 (Vic)*.

The responsible Minister is the Minister for Health:

Minister for Health

The Hon Mary-Anne Thomas MP

From 1 July 2023 to 30 June 2024

Minister for Ambulance Services

The Hon. Gabrielle Williams

From 1 July 2023 to 2 October 2023

The Hon Mary-Anne Thomas MP

From 2 October 2023 to 30 June 2024

Minister for Mental Health

The Hon. Gabrielle Williams

From 1 July 2023 to 2 October 2023

The Hon. Ingrid Stitt

From 2 October 2023 to 30 June 2024

Minister for Disability, Ageing and Carers

The Hon. Lizzie Blandthorn

From 1 July 2023 to 30 June 2024

Minister for Disability / Minister for Children

The Hon. Lizzie Blandthorn

From 2 October 2023 to 30 June 2024

Minister for Ageing

The Hon. Ingrid Stitt

From 2 October 2023 to 30 June 2024

Auditors: RSD Chartered Accountants, Agents for the Auditor General

Banker: National Australia Bank

Board of Directors and Executive Team



Dr Sarah Chaplin

Chair 2nd August 2023
– 30th June 2023

*BSC (Hons) Leeds; MSC Edin;
PHD Gla; GCERT Uniteach Melb;
GAICD*

Committee Membership

- Community Advisory
- Medical Consultative
- Quality and Safety

Sarah Chaplin is an animal welfare specialist with expertise in project management, analysis, communication and stakeholder engagement. She is employed

as a Senior Policy Officer in Animal Welfare Victoria, providing policy advice to the Victorian government on matters relating to animal welfare. Sarah was born in England and came to Australia in 2000 to take up a lecturing position at the University of Melbourne. She was based at Dookie Campus for nearly 10 years and both her children were born at Benalla Hospital. Sarah is a Fairley Fellow (2017) and a graduate of the Australian Institute of Company Directors. Sarah runs a Murray Grey stud at Yabba North with her husband.



Leanne Turner (Vice Chair)

*RN, BHealthSci (Nursing),
PostGradDip (Health
Administration), MBA, GAICD*

Committee Membership

- Finance and Audit
- Quality and Safety (Chair)

Leanne was appointed to the Benalla Health Board in July 2021. Leanne is currently the Executive Director Operations and Chief Nursing Officer at the Royal Victorian Eye and Ear Hospital. Prior to this, Leanne was the Chief Operating Officer at Yooralla and responsible for leading the delivery of all client services. Before joining Yooralla in 2017, Leanne was the Executive Director of the Royal Dental Hospital of Melbourne at Dental Health Services Victoria for three years where she developed new models of care and implemented a new clinical governance framework. Prior to joining Dental Health Services Victoria, Leanne was the Director of Specialty Services at Austin Health for eight years.

In this role, she was responsible for the strategic leadership and operational management of Cardiac Services, Vascular Surgery, Neurosciences, Neuropsychology and Respiratory Services. Leanne's qualifications include a Bachelor of Health Sciences (Nursing), a Post Graduate Diploma in Health Administration (La Trobe University) and a Master of Business Administration (RMIT). She is also a Graduate of the Australian Institute of Company Directors. Leanne has extensive experience in clinical governance and risk management, service planning and financial management. She is passionate about improving patient outcomes. Leanne has previously held Board Director position with the Eastern Domestic Violence Service and in Community Health organisations. Leanne holds the role of Vice Chair and chairs the Quality and Safety Committee. She is also a member of the Finance and Audit Committee and the Performance and Remuneration Committee.

Board of Directors and Executive Team cont.



Binda Gokahale (Treasurer)

FCPA, GAICD

Committee Membership

- Appointments
- Finance & Audit (Chair)
- Quality & Safety

Binda joined the Benalla Health Board of Directors in July 2021 and has considerable experience in corporate finance, strategic planning, and governance. She is currently the Chief Financial Officer at Wyndham City Council and has previously worked at Telstra. Binda's financial and operational experience is supported by directorships and committee roles held with a number of corporate, statutory, and not-for profit entities. Currently

these include Trust for Nature, Satellite Foundation and the Victorian Disability Worker Commission. She is also currently the Chair of the Public Sector and Not for Profit Committee of CPA Australia and on the Executive Committee of the Victorian Local Government Finance Professionals (FinPro), engaging in policy and professional development. Her attributes include strategic planning, analysis, performance management, corporate governance, compliance, and risk management.

Binda is keen to work with her fellow Board members and Benalla Health's Executive on strengthening community engagement and service outcomes in the health sector.



Dr Dennis O'Brien

BSC (AG) University of Sydney; MSc, University of Manitoba Canada; PhD, Oregon State University USA

Committee Membership

- Community Advisory
- Medical Consultative
- Quality and Safety

After graduating with his PhD, Dennis worked for five years in the Philippines and Indonesia. He has also worked in Canada, USA, Bangladesh, Singapore, Malaysia, Sri Lanka, Vietnam, Papua New Guinea and China. He and Gail returned to Australia with their three children in 1985 to take up a position at the University of Wollongong. He moved

to Southern Cross University in 1993, where he was Head of the School of Business. In 2002 he was appointed Associate Professor and Head of the Dookie Campus of the University of Melbourne. He was the foundation Director of Postgraduate Studies at Marcus Oldham College from 2009 to 2010. In addition to his current role as a Director on the Benalla Health Board, he is currently interim CEO of the Winton Wetlands Committee of Management and a member of the Waminda Board. He has a long history of commitment to community development locally and in his home state of NSW. He and Gail operate a small Wagyu cattle farm at Goomalibee.

Board of Directors and Executive Team cont.



Dr Naveen Tenneti

FAFPHM, BSc (Economics and Development), MBBS, BMedSci (Hons), MPH

Committee Membership

- Quality and Safety

Naveen was appointed to the Benalla Health Board of Directors in July 2023 and is a member of the Quality and Safety sub-committee. Naveen is a Public Health Physician and is currently the Medical Director at the Loddon Mallee Public

Health Unit, Bendigo Health. He is also an Adjunct Associate Professor with the La Trobe Rural Health School. He has previously held senior executive roles across the Victorian Department of Families, Fairness and Housing and Department of Health, and research roles at the Nossal Institute for Global Health and Grattan Institute. Naveen is committed to building strong health systems underpinned by a social determinants approach.



Melinda Lawley

MPH, GCertScCommun, BEd(HSc)

Committee Membership

- Finance and Audit

Melinda was appointed to the Benalla Health Board of Directors in July 2023. Melinda has extensive experience working with Boards and Executive teams across Health, Education and Community Services. Currently the CEO of a community service organisation

specialising in support to Young People, and a Director with Benalla community's Tomorrow Today Foundation, Melinda has a demonstrated record in governance and strategic planning. Her studies in Public Health drive her desires to improve the health of the population, focusing on local, community-based solutions to access quality health care. She and is committed to collaboration and believes partnerships are key delivering the best outcomes.



Alok Mathur

(01/07/2022 - 21/05/2024)

FCPA, GAICD, EMPA, PFIIA

Committee Membership

- Finance and Audit

Alok has thirty years experience in the fields of internal and external auditing, finance and management accounting, risk management and corporate governance and is a Board Director for Murray City Country Coast GP Training Victoria.

Executive Team



Chief Executive Officer **Jackie Kelly**

BNurs, MLD, Dip. HR.

The Chief Executive Officer is responsible to the Board of Directors for the efficient and effective management of the Health Service. Key responsibilities include the development and implementation of operational and strategic planning, maximising service efficiency, quality improvement and minimisation of risk.



Executive Director of Clinical Services **Lisa Waite**

RN, RM, Bachelor of Nursing, and currently studying Masters Of Health Administration.

The Executive Director of Clinical Services (EDCS) is responsible for all clinical services. The EDCS role encompasses leadership of clinical services, clinical governance, clinical leadership and standards of practice, service and strategic planning, clinical risk management, quality improvement and resource management.



Executive Director of Finance and Corporate Services **Mewan Dissanayake**

MBA(USQ), CA, CPA, GAICD, FCMA(UK), CGMA, FCA(SL), BBA Hons (Specialised in Financial Mgt)

The Executive Director of Finance and Corporate Services is responsible for the finance and administration, ICT, health information, supply, linen and hospitality departments. The Executive Director of Finance and Corporate Services provides leadership in the management of financial and corporate support services.



Director of Medical Services **Dr Ken Cheng**

*MBBS, BMedSc (Hons), MBA, M
Com (Dist), MHM, MPH, FRACMA,
FCHSM, CHE, MAICD*

As Director of Medical Services Dr Cheng ensures all visiting medical officers are credentialed and have appropriate clinician privileges for the Organisation. The DMS role involves liaison with visiting specialists and General Practitioners as well as the provision of senior medical administrative support, advice and guidance to staff on clinical governance, medical services, quality and medico-legal matters.



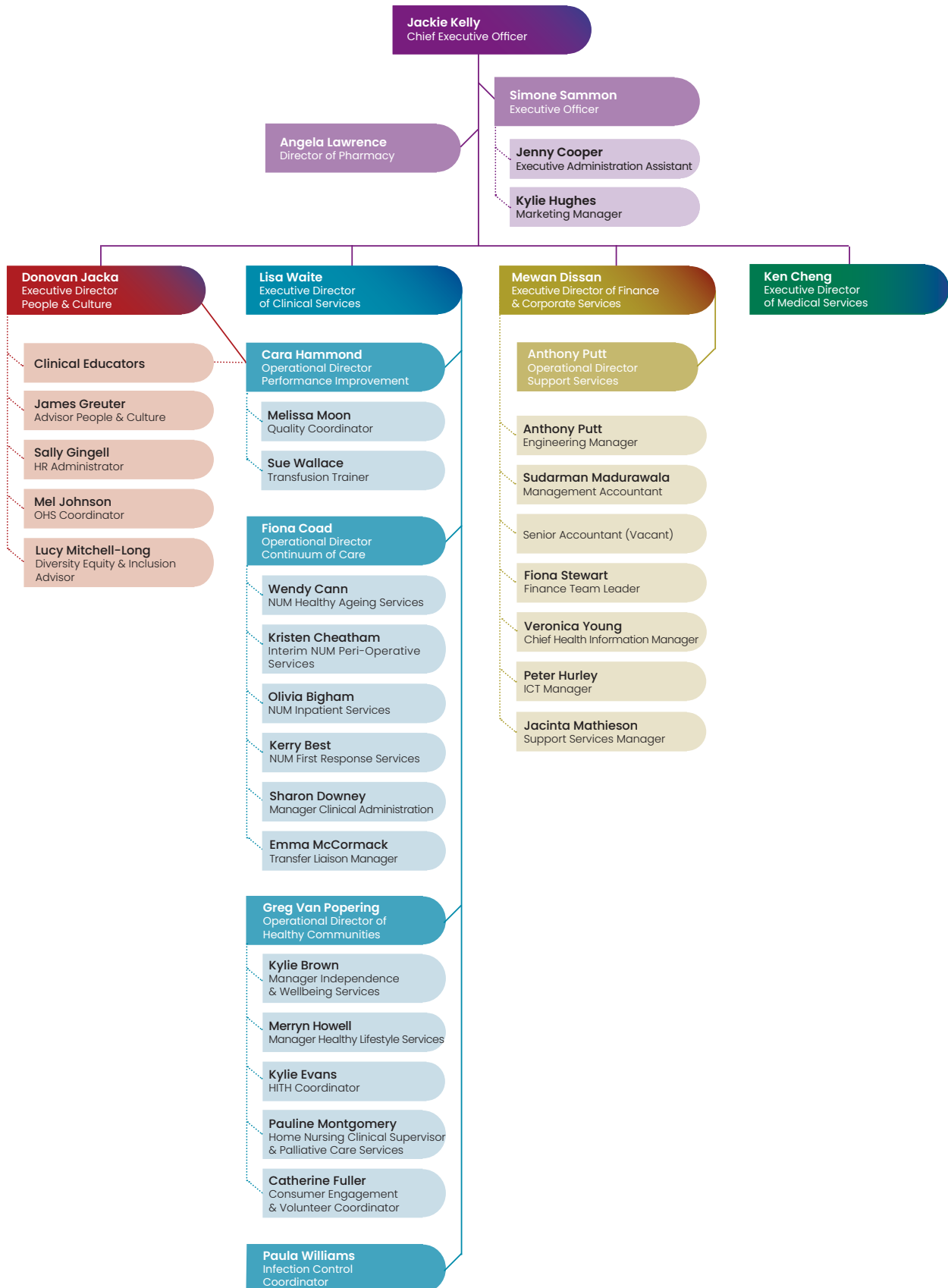
Executive Director of People & Culture **Donovan Jacka**

*Grad Dip HR/IR Grad Cert
Mediation*

As Executive Director of People and Culture Donovan drives organisational excellence by providing strategic leadership and operational delivery of people and organisational development functions and services for Benalla Health, including management of Employment Services, Employee Relations, Industrial Relations, Diversity, Equity and Inclusion, Health and Safety, Wellbeing Services and Injury Management programs.

Organisational Structure 2024

30th June 2024



Workforce Information

Current Full Time Equivalent (FTE) and other payroll information is consistent with that provided to the Department in the Minimum Employee Data Set (MDS).

Hospitals Labour Category	June Current Month FTE		Average Monthly FTE	
	2023	2024	2023	2024
Nursing	99.68	118.24	98.42	112.63
Administration and Clerical	32.11	33.93	32.85	34.01
Medical Support	9.22	10.38	8.73	10.96
Hotel and Allied Services	41.70	39.49	40.32	41.07
Medical Officers	0.00	0.00	0.00	0.00
Hospital Medical Officers	0.00	0.00	0.00	0.00
Sessional Clinicians	0.00	0.00	0.00	0.00
Ancillary Staff (Allied Health)	19.87	17.67	18.34	18.79
Total	202.58	219.71	198.66	217.46

The FTE figures in this table exclude overtime and do not include contracted staff (i.e. agency nurses and fee for service Visiting Medical Officers) who are not regarded as employees for this purpose.

Employment & Conduct Principles

Benalla Health is committed to applying merit and equity principles to all employment policies, programs and resources and ensures our values; Respect, Empathy, Excellence, Compassion and Accountability, are implemented throughout the organisation, including through performance planning and employee recognition processes.

Occupational Health & Safety

The objective of Health and Safety is prevention and active response. This is achieved by supportive and ongoing consultation between management, the Occupational Health and Safety Committee, employees, volunteers, students, Visiting Medical Officers, contractors and consumers. We aim to continuously review our practices, look for improvements and evaluate our systems on a regular basis, to ensure excellence in safety management.

Occupational Health & Safety Statistics	2021-2022	2022-2023	2023-2024
Number of reported hazards/incidents for the year per 100 FTE	82	92	90
Number of lost time standard WorkCover claims for the year per 100 FTE	3.33	5	2.41
Average cost per WorkCover claim for the year	\$61,202	\$42,001	\$7,745

Occupational Violence

Occupational violence statistics for 2023-2024 are reported as per the table below.

Occupational Violence Statistics	2023-2024
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	12
Number of occupational violence incidents reported per 100 FTE	5.52
Percentage of occupational violence incidents resulting in staff injury, illness or condition	8

Definitions

For the purposes of the above statistics the following definitions apply:

- **Occupational violence:** Any incident where an employee is abused, threatened or assaulted in circumstances arising out of, or in the course of their employment.
- **Incident:** An event or circumstance that could have resulted in, or did result in, harm to an employee. Incidents of all severity rating must be included. Code Grey reporting is not included, however if an incident occurs during the course of a planned or unplanned Code Grey, the incident must be included.
- **Accepted WorkCover claims:** Accepted WorkCover claims that were lodged in 2023-2024.
- **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.

5 Year Performance

	2024 \$'000	2023 \$'000	2022 \$'000	2021 \$'000	2020 \$'000
Operating Result	(1,240)	245	682	197	134
Total revenue	39,245	38,376	33,208	32,005	32,555
Total expenses	41,677	38,039	34,382	33,861	32,637
Net result from transactions	(2,432)	337	(1,174)	(1,856)	(82)
Total other economic flows	80	(54)	227	225	(42)
Net result	(2,352)	283	(947)	(1,631)	(124)
Total assets	67,894	50,436	48,820	46,553	47,100
Total liabilities	12,963	10,936	9,603	9,143	8,309
Net assets/Total equity	54,931	39,500	39,217	37,410	38,791

Reconciliation of Net Result from Transactions and Operating Result	2023-2024 \$'000
Operating result	(1,240)
Capital purpose income	1,197
Specific income	-
COVID 19 State Supply Arrangements – Assets received free of charge or for nil consideration under the State Supply	63
State Supply items consumed up to 30 June 2024	(63)
Assets provided free of charge	-
Assets received free of charge	-
Expenditure for capital purpose	(144)
Depreciation and amortisation	(2,249)
Impairment of non-financial assets	-
Finance costs (other)	4
Net result from transactions	(2,432)

An operating deficit of \$1.24 million was recorded for the year, surpassing our Statement of Priorities target of a \$3.15 million deficit. Benalla Health had an increase in revenue from operating transactions as a result of increase in commonwealth grants and other income. However, the expenses for the year also increased due to workforce related costs and patient expenses.

Consultancies

Details of consultancies (under \$10,000)

In 2023-2024 there were 5 consultancies where the total fees payable to the consultants were less than \$10,000 (excl. GST). The total expenditure incurred during 2023-2024 in relation to these consultancies is \$15,057 (excl. GST).

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

In 2023-2024 there were 3 consultancies where the total fees payable to the consultants were \$10,000 (excl. GST) or greater. The total expenditure incurred during 2023-2024 in relation to these consultancies is \$78,066 (excl. GST). Details of these consultancies can be viewed below.

Consultant	Purpose of Consultancy	Start Date	End Date	Total Approved Project Fee (excluding GST)	Expenditure 2023-2024 (excluding GST)	Future Expenditure (excluding GST)
Ninety Mile Consulting Pty Ltd	Development of Strategic Plan	Jan 2024	Jun 2024	\$38,700	\$29,412	\$9,288
Porter Novelli Australia Pty Ltd	Staff, student & carer accommodation	Oct 2024	Jun 2024	\$38,654	\$38,654	Nil
Mercer Consulting Australia Pty Ltd	Remuneration Market Benchmarking	Aug 2023	Aug 2023	\$10,000	\$10,000	Nil

Information & Communication Technology (ICT)

The total ICT expenditure incurred during 2023–2024 is \$1.675 million (excluding GST) with the details shown below:

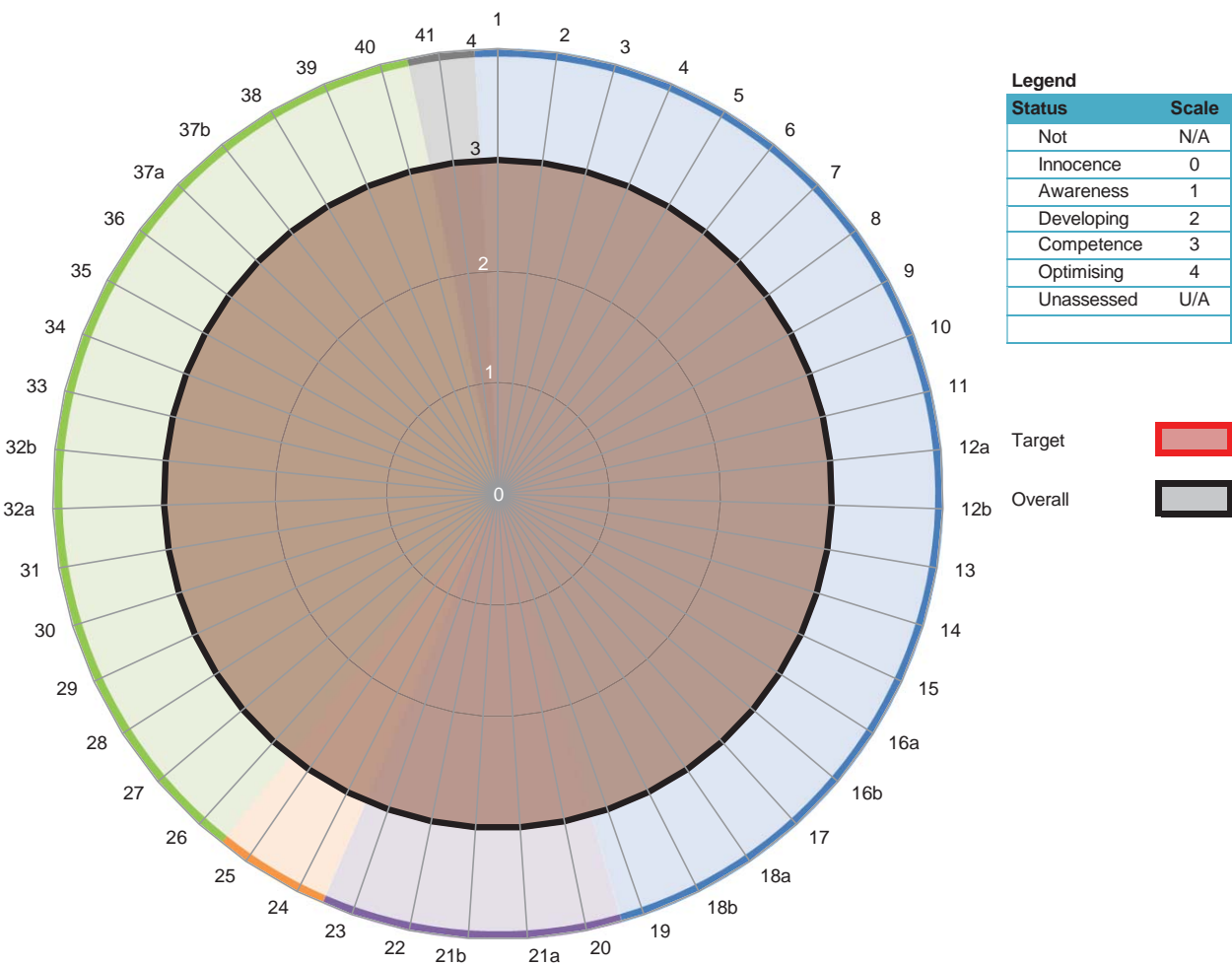
Business As Usual (BAU) ICT Expenditure	Non-Business As Usual (non-BAU) ICT Expenditure		
Total (excluding GST)	Total = Operational expenditure and Capital expenditure (excluding GST)	Operational expenditure (excluding GST)	Capital expenditure (excluding GST)
\$1.378 million	\$0.297 million	\$0 million	\$0.297 million

Asset Management Accountability Framework

It is Government policy that publicly funded organisations adhere to the Asset Management Accountability Framework. Benalla Health complies with the management and reporting requirements of the Framework as it so applies in order to manage its asset portfolios and provide better services to Victorians through the Benalla Health Audit Committee. See also attestations within this Annual Report insofar as they relate to Benalla Health’s compliance with the *Financial Management Act 1994*.

Compliance and maturity rating tool

Asset Management Maturity



Statutory Reporting

Freedom of Information Act 1982

Benalla Health is an agency subject to the *Freedom of Information Act 1982* (Victoria). The Chief Executive Officer is the nominated Freedom of Information Officer. Persons wishing to make an FOI request should do so by completing the FOI Request form (available from the Benalla Health website or at the hospital reception desk). The FOI Request form contains information relating to costs of accessing information, what information can be provided and timeline for provision of information to an applicant by Benalla Health. Further information about the *Freedom of Information Act* is available from the Office of the Victorian Information Commissioner (www.ovic.gov.au).

During 2023–2024, Benalla Health received 18 applications. Of these requests, 17 were from Medical Services, and 1 was legal. Benalla Health made 18 FOI decisions during the 12 months ended 30 June 2024. There were 18 decisions made within the statutory time periods. A total of 18 FOI access decisions were made where access to documents was granted in full.

Public Interest Disclosure Act 2012

Benalla Health is an agency subject to the *Public Interest Disclosure Act 2012*. The *Public Interest Disclosure Act 2012* 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. Policies and guidelines are in place to protect people against actions that might be taken against them if they choose to make a protected disclosure. Access to the Benalla Health Public Interest Disclosure Policy can be found via our Feedback page on the Benalla Health website www.benallahealth.org.au. There were no disclosures in 2023–2024.

Carers Recognition Act 2012

Benalla Health is an agency subject to the *Carers Recognition Act 2012*. The *Carers Recognition Act 2012* formally recognises and values the role of carers and the importance of care relationships in the Victorian community. The Act includes a set of principles about the significance of care relationships, and specifies obligations for State Government agencies, local Councils, and other organisations that interact with people in care relationships.



Benalla Health has taken all practical measures to comply with its obligations under the Act. These include considering the care relationships principles set out in the Act when setting policies and providing services (e.g. reviewing our employment policies such as flexible working arrangements and leave provisions to ensure that these comply with the statement of principles in the Act).

Building Act 1993

Benalla Health has complied with the requirements of the *Building Act 1993*. Routine inspections and ongoing maintenance programs were undertaken to ensure buildings on all sites are maintained in a safe and serviceable condition. Where noted Benalla Health implemented recommendations arising from inspections through rectification and maintenance works. Benalla Health complies with Department of Health fire risk management guidelines.

National Competition Policy

It is Government policy that the costing policies of publicly funded organisations should reflect any competitive advantage available to the private sector. Benalla Health complies with the National Competition Policy and Competitive Neutrality Policy Victoria and its subsequent reforms.

Social Procurement Framework Objectives & Outcomes

SPF Objective	SPF Outcome	Metric	2023-2024 (Actual)
Sustainable Victorian social enterprises & Aboriginal business sectors	Purchasing from Victorian social enterprises & Aboriginal businesses	Number of Victorian social enterprises engaged	1
		Total expenditure with Victorian social enterprises (excl.GST)	\$16.00

As part of the Benalla Health Reconciliation Action Plan Benalla Health will develop and communicate opportunities for procurement of goods and services from Aboriginal and Torres Strait Islander businesses and is dedicated to developing and implementing an Aboriginal and Torres Strait Islander procurement strategy prior to June 2025. Part of this strategy includes investigating memberships with Supply Nation and Kinaway.

Environmental Performance Summary

Benalla Health is committed to protecting the environment. When developing changes or making improvements, consideration is always given to conserving energy and water, reducing greenhouse emissions and improving waste management.

Environmental Impacts & Energy Usage	2020-2021	2021-2022	2022-2023	2023-2024
Energy Usage				
Electricity (MWh)	1489	1488	1434	1524
Gas (MJ)	11.48	11.72	12.32	10.43
Carbon Emissions (Thousand Tones of CO2e)				
Electricity	1.46	1.35	1.38	1.55
Gas	0.59	0.60	0.60	0.58
Total Emissions	2.05	1.96	1.98	2.13
Water Use (Millions Litres)				
Potable Water	9.28	8.93	8.01	9.2

Additional Information

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

- a statement that declarations of pecuniary interests have been duly completed by all relevant officers;
- details of shares held by a senior officer as nominee or held beneficially in a statutory authority or subsidiary;
- details of publications produced by the

entity about itself, and how these can be obtained;

- details of changes in prices, fees, charges, rates and levies charged by the entity;
- details of any major external reviews carried out on the entity;
- details of major research and development activities undertaken by the entity;
- details of overseas visits undertaken including a summary of the objectives and outcomes of each visit;
- details of major promotional, public relations and marketing activities undertaken by the entity to develop

community awareness of the entity and its services;

- details of assessments and measures undertaken to improve the occupational health and safety of employees;
- a general statement on industrial relations within the entity and details of time lost through industrial accidents and disputes;
- a list of major committees sponsored by the entity, the purposes of each committee and the extent to which the purposes have been achieved; and
- details of all consultancies and contractors including:
 - (i) consultants/contractors engaged;
 - (ii) services provided; and
 - (iii) expenditure committed to for each engagement

Local Jobs First Act 2003

Benalla Health complied with the regulations within the *Local Jobs First Act 2003*. There were no contracts that required reporting under this act for the year 2023–2024.

Gender Equality Act 2020

Gender equality is the enjoyment of equal opportunities, resources and wellbeing by all people, regardless of their gender. By achieving greater gender equality, it allows for a more just, inclusive and fair society for everyone. Since the implementation of the *Gender Equality Act 2020*, Benalla Health has gained momentum towards gender equality within the organisation and community.

Our key focus is to implement actions outlined in the *Gender Equality Act 2020*. Benalla Health undertook Gender Equality data collection and found the following;

- 86% of Benalla Health's workforce are female.
- 57% of Benalla Health's leadership team are female, 43% are male.
- 80% of Benalla Health's management team are female, 20% are male.

In 2023–2024 Benalla Health has continued to make progress on the Gender Equality Action Plan 2023–2025, this summarises Benalla Health's commitments to gender equality and outlines an action plan. Benalla Health has continued to embed Gender Equality into operations, such as its inclusion in Orientation Programs, Individual Development Plans, and reviewing remuneration for pay disparities. Benalla Health has partnered with Women's Health Goulburn North-East recognising their expertise in Gender Equality to make a commitment in addressing gender inequality within the workforce by embedding prevention activities under the Gender Equality Act.

Benalla Health's Maternity Ward are actively promoting gender equality by the implementation of the Baby Makes 3 program which seeks to prevent violence against women and challenges the rigid belief of gender-based roles.



Attestation & Declaration

There are a number of specific compliance requirements that health services must meet and declare during the course of operations. Accordingly, the following attestations are made:

Ministerial Standing Direction 5.1.4 Financial Management Compliance

I, Sarah Chaplin, on behalf of the Responsible Body, certify that Benalla Health has no Material Compliance Deficiency with respect to the applicable Standing Directions under the *Financial Management Act 1994* and instructions.

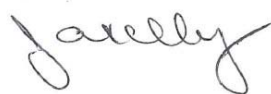


Dr Sarah Chaplin
Board Chair

Responsible Officer
Benalla Health
04/09/2024

Integrity, Fraud & Corruption

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

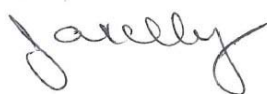


Jackie Kelly
Chief Executive Officer

Accountable Officer
Benalla Health
04/09/2024

Compliance with Health Share Victoria (HSV) Purchasing Policies

I, Jackie Kelly, certify that Benalla 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.

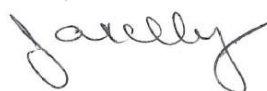


Jackie Kelly
Chief Executive Officer

Accountable Officer
Benalla Health
04/09/2024

Data Integrity

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

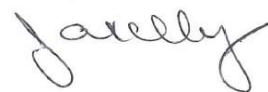


Jackie Kelly
Chief Executive Officer

Accountable Officer
Benalla Health
04/09/2024

Conflict of Interest

I, Jackie Kelly, certify that Benalla Health has put in place appropriate internal controls and processes to ensure that it has implemented a 'Conflict of Interest' policy consistent with the minimum accountabilities required by the VPSC. Declaration of private interest forms have been completed by all executive staff within Benalla 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.



Jackie Kelly
Chief Executive Officer

Accountable Officer
Benalla Health
04/09/2024

Safe Patient Care Act 2015

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

Statement of Priorities Part A

Department of Health Strategic Plan

In 2023–2024 Benalla Health will contribute to the achievement of the Victorian Government's commitments by:

Excellence in clinical governance

We aim for the best patient experience and care outcomes by assuring safe practice, leadership of safety, an engaged and capable workforce, and continuing to improve and innovate care.

Goals	Health Service Deliverables	2023–2024 Achievements / Outcome
MA2 Strengthen clinical governance systems that support safe care, including clear recognition, escalation, and addressing clinical risk and preventable harm.	MA2 Implement Best Care @ Benalla Clinical Governance Framework.	Status: Achieved Commentary: <ul style="list-style-type: none"> All incidents are reported to relevant committee. Identified cases are presented at Peer Review meetings. Incident Severity Rating 1 & Incident Severity Rating 2 are investigated and closed as per Incident Management Framework. Working Groups formed to reduce Risk & prevent harm. Committee Structures changed to represent National Safety Quality Health Standards. Attendance at Hume Health Services Partnership Perioperative Clinical Governance Meeting.
MA4 Identify and develop clinical service models where face to face consultations can be substituted by virtual care wherever possible (using telehealth, remote monitoring), whilst ensuring strong clinical governance, safety surveillance and patient choice.	MA4 Adopt the Department of Health 'Virtual Care Operational Framework' and formulate governance and procedures to align with those outlined within the Framework.	Status: Achieved Commentary: <ul style="list-style-type: none"> Community Advisory Committee assisted in identifying models of care. Telehealth utilisation embedded in Urgent Care Centre with Victorian Virtual Emergency Department. Virtual Care policy and procedure developed.
	MA4 Identify appropriate clinical cohorts that would benefit from virtual care. At all times ensuring consumers are made aware of the available options and the range of modalities available to support their care requirements.	Status: Achieved Commentary: <ul style="list-style-type: none"> Timely management of Chest Pain pathway pilot commenced with Safer Care Victoria and Alfred Health. Geri Connect introduced into Morrie Evans Wing. In-patient reviews with varied services – Aged Care Assessment Service, Mental Health and Specialists
MA11 Develop strong and effective systems to support early and accurate recognition and management of deterioration of paediatric patients.	MA11 Partner with Safer Care Victoria (SCV) and relevant multidisciplinary groups to establish protocols and auditing processes to manage effective monitoring and escalation of deterioration in paediatric patients via ViCTOR (Victorian Children's tool for Observation and Response) charts.	Status: Achieved Commentary: <ul style="list-style-type: none"> Paediatric, Infant and Neonate Presentations to Urgent Care Centre: nursing guidelines completed 2023 and education provided. ViCTOR Charts are used for observations. Access to Royal Children's Hospital Clinical Practice Guidelines on Benalla Health Intranet. Access to PIPER (Perinatal and Paediatric Emergency Retrieval service)

	MA11 Improve paediatric patient outcomes through implementation of the "ViCTOR track and trigger" observation chart and escalation system, whenever children have observations taken.	Status: Achieved Commentary: <ul style="list-style-type: none"> ViCTOR track and trigger forms utilised in Peri-operative/ Post Anaesthetic Care Unit area for any paediatric patients
	MA11 Implement staff training on the "ViCTOR track and trigger" tool to enhance identification and prompt response to deteriorating paediatric patient conditions.	Status: Achieved Commentary: <ul style="list-style-type: none"> Attendance at a Royal Children's Hospital facilitated 2-day workshop of PIPER (Perinatal and Paediatric Emergency Response) training.

Working to achieve long term financial sustainability

Ensure equitable and transparent use of available resources to achieve optimum outcomes.

Goals	Health Service Deliverables	2023-2024 Achievements / Outcome
MB1 Co-operate with and support Department-led reforms that look towards reducing waste and improving efficiency to address financial sustainability, operational and safety performance, and system management.	MB1 Implementation of cost-saving initiatives: Identify and implement cost-saving measures such as reducing unnecessary procedures, optimising supply chain management, and streamlining administrative processes.	Status: Ongoing Commentary: <ul style="list-style-type: none"> Perform monthly meetings with unit managers/team leaders/directors on financial performance against budget and arising issues.
	MB1 Operational efficiency improvements: Develop and implement strategies to improve operational efficiency, such as reducing waiting times, improving patient flow, and optimizing resource allocation.	Status: Ongoing Commentary: <ul style="list-style-type: none"> Cost savings initiatives have been identified with departmental managers and monitoring on a monthly basis. Available physical resources are monitored on a continuous basis to ensure they are used efficiently and effectively. Nonvalue adding processes and procedures are reviewed to cut down the waste of resources. Idle assets are re deployed to generate income for the health service.
MB2 Development of a health service financial sustainability plan in partnership with the Department with a goal to achieving long term health service safety and sustainability.	MB2 Financial forecasting and risk management: Develop robust financial forecasting models to project future revenue and expenditure, identify financial risks, and implement risk mitigation strategies to ensure long-term sustainability.	Status: Ongoing Commentary: <ul style="list-style-type: none"> Annual operating budget and capital expenditure budget has been approved by the board of directors in July 2023. On a monthly basis the financial reports are prepared in comparison to the approved budget and significant variances are noted/explained.
	MB2 Cost containment initiatives: Implement strategies to control costs, such as negotiating favourable contracts with suppliers, optimising workforce utilisation, and managing healthcare technologies and equipment effectively.	Status: Achieved Commentary: <ul style="list-style-type: none"> All supplier contracts are reviewed when they are due to ensure, health service receives a competitive price. Wherever possible all IT requirements are procured through Hume Rural Health Alliance to obtain competitive pricing and value for money. All yearly software renewals are ensured for Consumer Price Index only. No new software investments are intended for current financial year.

Improving equitable access to healthcare and wellbeing

Ensure that Aboriginal people have access to a health, wellbeing and care system that is holistic, culturally safe, accessible, and empowering. Ensure that communities in rural and regional areas have equitable health outcomes irrespective of locality.

Goals	Health Service Deliverables	2023–2024 Achievements / Outcome
MC1 Address service access issues and equity of health outcomes for rural and regional people including more support for primary, community, home-based and virtual care, and addiction services.	MC1 CEO and executive leadership to drive and be accountable for outcomes in cultural safety and Aboriginal self-determination.	Status: Achieved Commentary: <ul style="list-style-type: none"> Development of the 2024–2026 Innovate Reconciliation Action Plan, Participation in the Hume Health Service Partnership Aboriginal Health Innovation Initiative Steering Group. Appointment to Benalla Health staff of Aboriginal Patient and Family Liaison Officer. Cultural Safety working group commenced and will report to the Partnering with Consumers committee.
	MC1 Partner with Aboriginal community-controlled health organisations, respected Aboriginal leaders and Elders, and Aboriginal communities to deliver healthcare improvements.	Status: Achieved Commentary: <ul style="list-style-type: none"> Identify access issues in partnership with Aboriginal Community-Regular attendance with the Benalla Aboriginal reference group and progress of the Aboriginal Cultural Safety Grant. Photo of Aboriginal Liaison Support Officer at Urgent Care Centre triage window and framed map of Australia with designated Aboriginal country installed into waiting room.
MC2 Strengthen programs that support Aboriginal people to access early intervention and prevention services.	MC2 Alignment of health service operating hours and the availability of hospital Aboriginal Health Liaison Officer workforce.	Status: Achieved Commentary: <ul style="list-style-type: none"> Aboriginal Patient and Family Support Officer attended a 3-day statewide forum to network and learn from other Aboriginal Liaison Officers. Alignment of Health Services operating hours and the availability of Hospital Aboriginal Health Liaison Officer Workforce.

A Stronger Workforce

There is increased supply of critical roles, which supports safe, high-quality care. Victoria is a world leader in employee experience, with a focus on future roles, capabilities and professional development. The workforce is regenerative and sustainable, bringing a diversity of skills and experience that reflect the people and communities it serves. As a result of a stronger workforce, Victorians receive the right care at the right time closer to home.

Goals	Health Service Deliverables	2023–2024 Achievements / Outcome
MD1 Improve employee experience across four initial focus areas to assure safe, high quality care: leadership, health and safety, flexibility, and career development and agility.	MD1 Deliver programs to improve employee experience across four initial focus areas: leadership, safety and wellbeing, flexibility, and career development and agility.	Status: Ongoing Commentary: <ul style="list-style-type: none"> Embed gender equality content into induction programs. Results of people matters survey received. Engagement and response rates were impressive. Established a People Matters Staff Working Group to provide ideas on an action plan.
	MD1 Implement and/or evaluate a new/expanded wellbeing and safety program and its improvement on workforce wellbeing.	Status: Ongoing Commentary: <ul style="list-style-type: none"> Training content amended to include Gender Equity. Prioritise wellbeing of healthcare workers. Review family violence policy with an intersectional gender lens. Employee reference group established to recommend actions from People Matters Survey.

Goals	Health Service Deliverables	2023–2024 Achievements / Outcome
MD2 Explore new and contemporary models of care and practice, including future roles and capabilities.	MD2 Continual monitoring of the broader healthcare landscape to identify opportunities to modernise skills, capabilities, roles and models of care to meet future health sector needs.	Status: Ongoing Commentary: <ul style="list-style-type: none"> Email to Australian Nursing and Midwifery Federation (ANMF) to set up a meeting to discuss proposal for midwifery roster planning. Organised secondment of staff to Northeast Health Wangaratta for Transitional Care and Maternity Service Review. Attendance at Australasian Institute of Clinical Governance certificate course to improve skills in emerging models of care and clinical governance. Established Group to discuss Nurse Practitioner pathways program.

Empowering People to Keep Healthy & Safe in the Community

Support individual health and mental wellbeing by giving people the tools and information they need to stay healthy and well. Work with the local government to respond to health threats and empower the community to proactively respond to health risks.

Goals	Health Service Deliverables	2023–2024 Achievements / Outcome
EA1 Collaborate with local organisations and communities to better understand local health priorities and deliver collective and collaborative preventative health, mental health and wellbeing services and programs, where all people, sectors and communities have an important role to play in enabling people to live their best lives.	EA1 Collaboration with primary care and community care services to improve access and delivery of high quality, safe and culturally appropriate health services to improve the health outcomes of Victorians.	Status: Ongoing Commentary: <ul style="list-style-type: none"> Develop a new Strategic plan in partnership with Community. Engage consultant to work with Board, Health Service & Community to develop a 5-year Strategic Plan. Ninety-mile consulting group approved by Board, consultation with staff & community groups near completion.
	EA1 Facilitate and deliver preventative health strategies to improve the wellbeing of people in the community.	Status: Ongoing Commentary: <ul style="list-style-type: none"> Benalla Health is a key partner in the Reflexive Evidence and Systems interventions to Prevent Obesity and Non-communicable Disease (RESPOND) project with other local community Health organisations to improve childhood obesity and activity issues. Benalla Health is providing Mental Health first aid training to staff and community. Attendance at a meeting with Benalla Rural City Council to discuss Maternal Child and Health services moving into our maternity unit and the expansion of children's play group services.
EA2 Improve the health and wellbeing of our communities, families and individuals by focussing on areas of healthy eating, climate change impacts, increased physical activity, and reduced rates of harmful drug, alcohol and substance behaviours including vaping.	EA2 Embed smoking and vaping identification and cessation pathways into routine care.	Status: Ongoing Commentary: <ul style="list-style-type: none"> Benalla Health will promote World No tobacco day and world environment day.
	EA2 Implement the Health Promotion Plan.	Status: Achieved Commentary: <ul style="list-style-type: none"> Completed the annual Health Promotion plan. The Health Promotion team were successful in applying for a \$10,000 grant from the Foundation for Rural and Regional Renewal's (FRRR) Strengthening Rural Communities program. This grant will provide worm farms and compost bins to the community and Benalla Health. Purchase worm farms for the hospital kitchen, school kitchen and community garden and Waminda neighborhood house.

A Health System that takes Effective Climate Action

The health service is focused on taking effective action to achieve net zero emissions and adapt to climate change.

Goals	Health Service Deliverables	2023–2024 Achievements / Outcome
EC1 Reduce clinical and operational practices that are wasteful and environmentally harmful to effectively contribute towards achieving net zero emissions across the health, wellbeing, and care system, including by delivering more energy efficient health services.	EC1 Develop an evidence-based plan and commence an initiative to reduce operational or clinical practices that are wasteful; identify appropriate data sources and outcome measures to demonstrate a positive environmental impact (i.e. avoided greenhouse gas emissions, reductions in resource use, reductions in waste).	<p>Status: Ongoing</p> <p>Commentary:</p> <ul style="list-style-type: none"> Educate staff and patients about the importance of sustainability and encourage environmentally responsible behaviours. Removing bins from individual rooms and having a methodical way of disposing items and reducing waste. Each department develops their own waste management reduction plan. Once the plan is agreed this will be monitored through the waste committee meetings. It is noted that over 35% of waste generated by Benalla Health is clinical waste. The clinical waste plan is still in developments phase however the foundations are well in place. The waste committee will use previously recorded data to measure the effectiveness of key actions on a quarterly basis.
	EC1 Incorporate the measurement of environmental outcomes (including avoided greenhouse gas emissions) within initiatives undertaken as part of other health service priorities including value based care initiatives.	<p>Status: Ongoing</p> <p>Commentary:</p> <ul style="list-style-type: none"> The Waste committee will be used to oversee initiatives undertaken and measure the effectiveness of reducing greenhouse gas emissions. A pilot project is running at community health in order to reduce the waste Chiller project is in progress which will reduce carbon emissions Decommission two old chillers in the basement which is part of the chiller upgrade project. Being part of greenhouse gas emissions meeting led by Department of Health to learn best practices.
EC3 Build a better understanding of the health service's carbon footprint, including Scope 3 (indirect emissions), to inform effective action.	EC3 Plan for and initiate a project to improve the health service's understanding of its full carbon footprint.	<p>Status: Ongoing</p> <p>Commentary:</p> <ul style="list-style-type: none"> Assessing and optimising energy efficiency, transitioning to renewable energy sources and maintaining eco-friendly vehicle fleets. Benalla Health's carbon footprint is also influenced by its supply chain. This includes emissions associated with the production, transportation and disposal of goods and services used by the organisation. Analysing and selecting environmentally responsible suppliers and products can help minimise these emissions. Set clear and achievable goals for reducing carbon emissions by engaging key staff to support to develop a detailed action plan outlining the strategies to achieve reduction targets. Meeting with Environmental team at Victorian Health Building Authority. Discussed plan for Energy Assessment and 5-year climate change reduction activities. The above project will not proceed due to funding limitations a new project will be identified including solar.

Goals	Health Service Deliverables	2023–2024 Achievements / Outcome
	EC3 Plan/begin an analysis to improve understanding of the health service's Scope 3 emissions (indirect emissions which occur as a consequence of the facility, but from sources not owned or controlled by the facility, i.e. emissions from the production, manufacture and transport of food, pharmaceuticals, medical devices and consumables purchased and used by a health service).	<p>Status: Ongoing</p> <p>Commentary:</p> <ul style="list-style-type: none"> • Identification of Scope 3 Categories – begin to identify various types of indirect emissions associated with Benalla Health. • Data collection and inventory – Establish an approach to collect data on consumption of consumables throughout Benalla Health Lifecycle Assessment– develop a reporting tool that captures data to evaluate energy, water, electricity, gas usage and report data by quarter. Continuous improvement – review and refine Benalla Health's approach to emissions reduction based on ongoing monitoring and feedback. • Being part of greenhouse gas emissions meeting led by Department of Health to learn best practices. Also being part of Emissions reduction Statement of Priorities.

Moving from Competition to Collaboration

Share knowledge, information and resources with partner health and wellbeing services and care providers. This will allow patients to experience one health, wellbeing and care system through connected digital health information, evidence and data flows, enabled by advanced interoperable platforms.

Goals	Health Service Deliverables	2023–2024 Achievements / Outcome
ME1 Partner with other organisations (for example community health, ACCHOs, PHNs, General Practice, private health) to drive further collaboration and build a more integrated system.	ME1 Engage local ACCHO groups in the identification and delivery of initiatives that improve Aboriginal cultural safety.	<p>Status: Achieved</p> <p>Commentary:</p> <ul style="list-style-type: none"> • Victorian Aboriginal Child Care Agency (VACCA) provided Aboriginal Cultural training to Benalla Health staff. Aboriginal Patient and Family Support Officer (APFSO) has set and attended a regular meeting with Aboriginal Liaison Officer's at Northeast Health Wangaratta. • APFSO attended the Aboriginal Health Improvement Initiative with one of the local Aunties to discuss improving access to healthcare. • National Reconciliation Week event held by Benalla Rural City Council was attended by Benalla Health staff.
	ME1 Work with the relevant PHN and community health providers to develop integrated service models that will provide earlier care to patients and support patients following hospital discharge.	
ME2 Engage in integrated planning and service design approaches, whilst assuring consistent and strong clinical governance, with partners to join up the system to deliver seamless and sustainable care pathways and build sector collaboration.	ME2 Undertake joint clinical service plans with an agreed approach to coordinating the delivery of health services at a regional level as opposed to individual health service planning.	<p>Status: Ongoing</p> <p>Commentary:</p> <ul style="list-style-type: none"> • Meeting held with Alfred Health to consider their Alfred Emergency Academic Centre Nurse Practitioner Program
	ME2 Reviewing specialist workforce requirements at a regional or sub-regional level and developing a shared workforce model, including coordinating efforts to attract and retain workforce at a regional or sub-regional level.	<p>Status: Ongoing</p> <p>Commentary:</p> <ul style="list-style-type: none"> • Organised secondment of staff to Northeast Health Wangaratta for Transitional Care and Maternity Service Review.

Care Close to Home

Primary and community care is accessible and reduces avoidable escalation in acuity of health conditions. When appropriate, hospital care is delivered in the home, including through digital care and connection, to deliver virtual care, telehealth, and other advanced models of care.

Goals	Health Service Deliverables	2023–2024 Achievements / Outcome
EB1 Improve pathways through the health system and implement models of care to enable more people to access care closer to, or in their homes.	EB1 Implement and/or evaluate new/expanded models of care that address barriers to patients receiving care closer to, or in their home.	<p>Status: Achieved</p> <p>Commentary:</p> <ul style="list-style-type: none"> • Improve access to Benalla Health intake for internal and external referrals by reviewing the monthly intake report. • Hospital in the Home services exceeding targets. • New Lymphoedema clinic started. • Better@Home Heart Failure program continues to increase contacts and reduce hospital re-admissions. • Models of care implemented with no client costs include Public Antenatal Clinic, Urgent Care Centre Victorian Virtual Emergency Department, Timely management of Chest pain and employment of Nurse Practitioners in Urgent Care Centre.
	EB1 Implement new models of care that improve coordination across health services and with primary and community care so that patients can more easily receive care closer to, or in their homes.	<p>Status: Achieved</p> <p>Commentary:</p> <ul style="list-style-type: none"> • Goulburn Valley Health Sexual Health clinic has seen the first clients in Benalla since before the COVID pandemic. • Better@Home Heart Failure clinic has started in Euroa and caters for a Heart Failure group. • The new Lymphedema clinic continues to see community clients. • Hume Health Service Partnership held a vendor demonstration for remote patient monitoring equipment. Operational Director Healthy Communities attended the demonstration as part of the procurement committee as Benalla Health's representative.
EB2 identify and develop clinical service models of care that can be delivered via virtual care (videocall, telehealth, remote monitoring) where safe and appropriate to enable care closer to home.	EB2 Establish clinical governance, identify appropriate clinical cohorts, respecting patient choice, and use secure technology (Healthdirect video-call platform) in applying the Virtual Care Operating Framework.	<p>Status: Achieved</p> <p>Commentary:</p> <ul style="list-style-type: none"> • Utilise Community Advisory Committee to assist in identifying models of care. Utilise feedback received from community, clinicians and services identifying areas of needs or change. • Telehealth utilisation embedded in Urgent Care Centre with VVED (data collected monthly) • Timely Care of Chest pain through Alfred Health extended until July 2024. • VVED Residential care and Geri connect introduced into Morrie Evans Wing. Remote patient monitoring implemented in Better@Home cardiac failure patients.
	EB2 Adoption of ICT platforms that conform with accredited standards, guidelines, and frameworks measures to ensure technology used for clinical engagement interactions remains secure.	<p>Status: Achieved</p> <p>Commentary:</p> <ul style="list-style-type: none"> • All ICT procurement and adaption are managed, maintained and monitored by HRHA. • Procurement of all ICT requirements follow the procurement policy and within lines of delegation.

Goals	Health Service Deliverables	2023–2024 Achievements / Outcome
		<ul style="list-style-type: none"> Staff are required to completed cyber security mandatory training annually. Health Services should establish clinical governance, identify appropriate clinical cohorts, respecting patient choice and use secure technology (EHealthDirect video call platform) in applying the Virtual Care Operation Framework. Clinical governance for virtual health is maintained through the committee structure with reporting lines through to board Quality and Safety Committee. ICT reports via Business Intelligence Group (BIG), clinical reports via Communicating for Safety &/or Comprehensive Care &/or Recognising & Responding to Acute Deterioration committees. We also have the Consumer Annual mandatory cyber training completed by all staff. HRHA completed phishing exercise on staff to monitor adherence to policies, with those that failed having to complete further training. VVED numbers in UCC collated monthly. Presented on board in Urgent Care Centre for patients to visualise.

Attracting and Retaining a Clinical Workforce

The health service is focused on taking effective action to achieve net zero emissions and adapt to climate change.

Goals	Health Service Deliverables	2023–2024 Achievements / Outcome
Attracting and Retaining a Clinical Workforce	Local Deliverable 1: On going and transition to Regional Credentialing process and platform, led by HHSP Regional Credentialing Project.	Status: Achieved Commentary: <ul style="list-style-type: none"> Program has gone live and has been implemented. Meeting held with Alfred Health regarding their Alfred Emergency Academic Centre Nurse Practitioner Program to establish pathway at Benalla Health for Nurse Practitioner progression.
	Local Deliverable 2: Recruitment and on boarding specialty priorities for Benalla Health.	Status: Achieved Commentary: <ul style="list-style-type: none"> Working with People Matters staff team on programs for retention. Working with Department of Health and Alpine Health on migration for staff from OS. One new starter in January 2024. Participated in evaluation of HRonboard, and signed off on implementation of new onboarding system. Changed from Seek to LinkedIn to improve recruitment of specialist staff. Tasked with investigating Disability action plan, including employment strategies to recruit and retain a diverse workforce.
	Local Deliverable 3: Attracting partners for the development of an accommodation hub.	Status: Ongoing Commentary: <ul style="list-style-type: none"> Attendance at meetings with Porter Novelli (consultant) to discuss development

Statement of Priorities Part B

Quality Performance Reporting

High Quality and Safe Care

Key Performance Measure	Target	Result
Infection prevention and control		
Compliance with the Hand Hygiene Australia program ¹	85%	87.4%
Percentage of healthcare workers immunised for influenza	94%	99%
Patient experience		
Victorian Healthcare Experience Survey – Percentage of positive patients experience responses – Quarter 1	95%	100%
Victorian Healthcare Experience Survey – Percentage of positive patients experience responses – Quarter 2	95%	97.6%
Victorian Healthcare Experience Survey – Percentage of positive patients experience responses – Quarter 3	95%	100%
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%	0.0%
Percentage of singleton babies with severe fetal growth restriction (FGR) delivered at 40 or more weeks gestation	≤ 28.6%	0.0%
Aboriginal Health		
Percentage of Aboriginal admitted patients who left against medical advice ²	25% reduction in gap based on prior year's annual rate ²	N/A ²

¹ Effective date of target change from 85% to 80% conditional on pending changes to BP3 requirements.

² Further work will be undertaken on leave event measures terminology that better captures patient experience and Aboriginal community's holistic understanding of health and wellbeing.

Strong Governance, Leadership and Culture

Key Performance Measure	Target	Result
Organisational Culture		
People matter survey – Percentage of staff with an overall positive response to safety culture survey questions	62%	77%

Timely access to care

Key Performance Measure	Target	Result
Home Based Care		
Percentage of admitted bed days delivered at home	4.7%	Achieved (13.8%)
Percentage of admitted episodes delivered at least partly at home	0.8%	Achieved (6.1%)

* New KPI for 2023–24 – previous year comparison not available.

Effective financial management

Key Performance Measure	Target	Result 2023–2024
Organisational Culture		
Operating result (\$M)	(3.15)	(1.24)
Average number of days to pay trade creditors	60 days	53
Average number of days to receive patient fee debtors	60 days	35
Adjusted current asset ratio	0.7 or 3% improvement from health service base target	1.73%
Variance between forecast and actual Net result from transactions (NRFT) for the current financial year ending 30 June	Variance ≤ \$250,000	Not Achieved
Actual number of days of available cash, measured on the last day of each month	14 days	96

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



Statement of Priorities Part C

Activity and Funding

Funding Type	2023–2024 Activity Achievement
Consolidated Activity Funding	
Acute admitted, subacute admitted, emergency services, non-admitted NWAU	3,443
Acute Admitted	
National Bowel Cancer Screening Program NWAU	3
Acute admitted DVA	75
Other Admitted	-
Acute Non-Admitted	
Home Enteral Nutrition NWAU	2
Other non-admitted	-
Subacute/Non-Acute, Admitted & Non admitted	
Palliative Care Non-admitted	88
Subacute - DVA	9
Health Independence Program - DVA	-
Subacute & Non-Acute Other	
Other specified funding	-
Aged Care	
Residential Aged Care	10,695
HACC	2,753
Aged Care Other	-
Primary Health	
Community Health / Primary Care Programs	8,169
Community Health Other	-
Other	
Health Workforce	-
Total Funding	

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



Benalla and District Memorial Hospital Auxiliary

We extend a heartfelt thank you to all our dedicated volunteers for their hard work throughout the past year. The committee members and volunteers collectively form the essence of our group.

While some members contribute generously, others do so humbly, some with a more prominent presence, and others with a hands-on approach. We are truly grateful for the diverse contributions each individual makes. Together, everyone is making a significant impact, and each person deserves our sincere appreciation. Your efforts enable our auxiliary to support and enhance the flourishing of our hospital.

The committee has worked very productively this financial year. We have once again gained members and some have left us.

We would like to extend our sincerest gratitude to Ann Sloan who has worked very hard over her years as a committee member and president for 3 years, 14 years as a member all together. To Bren Brown due to ill health as committee member and President and Gayelene Arandell due to ill health.

We are pleased to welcome James Elliott and Don Thomson as new members. With the assistance of Noel Hutchens and Neil Richards, their combined contributions will greatly facilitate our work.

It is with regret we acknowledge the passing of Lois Jackson. Lois was a great contributor and member to our committee.

We have had a busy year with the regular monthly market, our quarterly plant and treasure sale, Christmas stocking raffle, Open garden at Birchwood, A Day in the Garden - Benalla Festival, A very successful High Tea, Morngag Heavy Horse Pull and raffles at all events instigated by James Elliott.

Many thanks to our regulars who donated items and their time to the Auxiliary this year Rup, Ruth, and Joyce.

Since standing in as Vice President I have to say a big thank you to Benalla Health's Chief Executive Officer Jackie Kelly, Executive Officer Simone Sammon, Administration Assistant Jenny Cooper and Marketing Manager Kylie Hughes. I would also like to thank Anthony Putt and the Engineering team for their work at our plant area and to Chris Borthwick for building us a potting table. The rehousing of plants has worked well and proved successful. Thank you also to Head Chef Shivaang Oberoi and the Food Services Team for all their help throughout the year.

We are all well underway to achieving our goal for the year to be able to hand over funds to cover the hospital wish list.

Sue Tauber
President

Benalla Health Services

Healthy Communities

Allied Health

- Chronic Disease Management
- Diabetes Education
- Dietitian
- Exercise and Rehabilitation Groups
- High Risk Foot Clinic
- Occupational Therapy
- Physiotherapy
- Podiatry
- Speech Therapy
- Social Work/Counselling
- Cardiac Rehabilitation
- Pulmonary Rehabilitation
- Orthopedic Rehabilitation
- Pre-habilitation
- Lymphodema clinic

Health Independence Programs

- Sub-Acute Ambulatory Care Program (SACS)
- Hospital Admission Risk Program (HARP)
- Post-Acute Care (PAC)
- Better@Home

Home Nursing Service

- District Nursing Service
- Hospital in the Home
- Palliative Care

Hospital Services

- Acute Inpatient Services
 - includes Maternity Unit
- Perioperative Services
 - includes Day Procedure Unit
- Urgent Care Centre
- Education
- Quality
- Infection Control
- Pharmacy

Maternity Services

- Antenatal Clinic
- Breast Feeding Support
- Domiciliary

Residential Aged Care

- Morrie Evans Wing

Other Services

- CT Scan, Ultrasound, X-Ray
- Planned Activities Program
- Mental Illness Fellowship
- Visiting Medical Officers
- Pathology
- Psychology Services
- Amplifon Hearing

Community Services

A department of the Benalla Rural City Council provides the following services:

Ray Sweeney Centre

- Family services
- Economic Development and Sustainability
- Maternal and Child Health service
- Child support
- Family liaison
- Aboriginal Patient and Family Support Officer
- Northeast Health Wangaratta Dental Service

Other Visiting Services Include

- Audiology – Hearing Australia & Connect Hearing
- Breast Care Nurse – McGrath Foundation
- Community Interlink
- Dental
 - Technician
 - Central Hume Dental Service
- Financial Counsellor – Upper Murray Family Care
- Mental Health services
 - Albury Wodonga Health
 - Gateway Health
 - Mental Health and Wellbeing Local

Financial Statements

Financial Statements Financial Year ended 30 June 2024

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

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

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2024 and the financial position of Benalla Health at 30 June 2024.

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

We authorise the attached financial statements for issue on 4th September, 2024.

Board Director

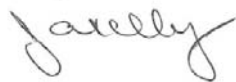


Dr Sarah Chaplin

Chair

Benalla
4th September, 2024

Accountable Officer



Jackie Kelly

Chief Executive Officer

Benalla
4th September, 2024

Chief Finance & Accounting Officer



Mewan Dissanayake

Chief Finance and Accounting Officer

Benalla
4th September, 2024


Independent Auditor's Report

To the Board of Benalla Health

Opinion	<p>I have audited the financial report of Benalla Health (the health service) which comprises the:</p> <ul style="list-style-type: none"> • balance Sheet as at 30 June 2024 • comprehensive operating statement for the year then ended • statement of changes in equity for the year then ended • cash flow statement for the year then ended • notes to the financial statements, including material accounting policy information • Board member's, accountable officer's, and chief finance & accounting officer's declaration <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the health service as at 30 June 2024 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the <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 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	<p>As required by the <i>Audit Act 1994</i>, 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.</p> <p>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:</p> <ul style="list-style-type: none">• 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. <p>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.</p>
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MELBOURNE
26 September 2024


Dominika Ryan
as delegate for the Auditor-General of Victoria

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

		Total 2024 \$'000	Total 2023 \$'000
Note			
Revenue and income from transactions			
	Operating activities	38,517	37,860
	Non-operating activities	728	516
	Total revenue and income from transactions	39,245	38,376
Expenses from transactions			
	Employee expenses	(31,024)	(27,932)
	Supplies and consumables	(3,513)	(3,396)
	Finance costs	(10)	(16)
	Depreciation and amortisation	(2,249)	(2,130)
	Other administrative expenses	(3,107)	(2,682)
	Other operating expenses	(1,764)	(1,879)
	Other non-operating expenses	(10)	(4)
	Total Expenses from transactions	(41,677)	(38,039)
	Net result from transactions - net operating balance	(2,432)	337
Other economic flows - other comprehensive income			
	Net gain/(loss) on sale of non-financial assets	71	21
	Net gain/(loss) on financial instruments	(8)	(1)
	Other gain/(loss) from other economic flows	17	(74)
	Total other economic flows included in net result	80	(54)
	Net result for the year	(2,352)	283
Other comprehensive income			
Items that will not be reclassified to net result			
	Changes in property, plant and equipment revaluation surplus	17,783	-
	Total other comprehensive income	17,783	-
	Comprehensive result for the year	15,431	283

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

Benalla Health Balance Sheet As at 30 June 2024

	Note	Total 2024 \$'000	Total 2023 \$'000
Current assets			
Cash and cash equivalents	6.2	15,592	15,907
Receivables	5.1	1,480	917
Contract assets	5.2	96	410
Inventories		24	19
Prepaid expenses		312	153
Total current assets		17,504	17,406
Non-current assets			
Receivables	5.1	1,186	1,124
Property, plant and equipment	4.1 (a)	48,740	31,404
Right of use assets	4.2 (a)	463	499
Intangible assets	4.4	1	3
Total non-current assets		50,390	33,030
Total assets		67,894	50,436
Current liabilities			
Payables	5.3	2,547	1,924
Contract Liabilities	5.4	113	-
Borrowings	6.1	299	257
Employee benefits	3.3	5,669	4,955
Other liabilities	5.5	3,585	2,926
Total current liabilities		12,213	10,062
Non-current liabilities			
Borrowings	6.1	241	335
Employee benefits	3.3	509	539
Total non-current liabilities		750	874
Total liabilities		12,963	10,936
Net assets		54,931	39,500
Equity			
Property, plant and equipment revaluation surplus	4.3	47,017	29,234
General purpose surplus	SCE	1,840	1,711
Restricted specific purpose reserve	SCE	76	96
Contributed capital	SCE	13,293	13,293
Accumulated deficit	SCE	(7,295)	(4,834)
Total equity		54,931	39,500

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

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

	Total 2024 \$'000	Total 2023 \$'000
Cash Flows from operating activities		
Operating grants from State Government	27,253	27,211
Operating grants from Commonwealth Government	4,671	3,334
Capital grants from government - State	963	751
Patient fees received	1,578	1,586
Private practice fees received	158	175
Donations and bequests received	7	-
Net GST received from ATO	696	745
Interest income received	728	516
Commercial income received	193	148
Other receipts	3,239	1,693
Total receipts	39,486	36,159
Payments to employees	(28,230)	(25,401)
Payments to contractors and consultants	(1,779)	(1,776)
Payments for supplies and consumables	(3,492)	(3,688)
Payments for medical indemnity insurance	(329)	(333)
Payments for repairs and maintenance	(811)	(1,062)
Finance costs	(10)	(16)
Other payments	(4,357)	(3,540)
Total payments	(39,008)	(35,815)
Net cash flows from operating activities	478	344
Cash Flows from investing activities		
Purchase of non-financial assets	(1,669)	(1,546)
Capital donations and bequests received	155	1,369
Other capital receipts	79	128
Proceeds from sale of non-financial assets	133	54
Net cash flows from/(used in) investing activities	(1,302)	5
Cash flows from financing activities		
Repayment of borrowings	(33)	(33)
Repayment of principal portion of lease liabilities	(180)	(148)
Receipt of accommodation deposits	1,450	1,822
Repayment of accommodation deposits	(728)	(728)
Net cash flows from financing activities	509	913
Net increase in cash and cash equivalents held	(315)	1,262
Cash and cash equivalents at beginning of year	15,907	14,645
Cash and cash equivalents at end of year	15,592	15,907

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

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

	Property, Plant and Equipment Revaluation Surplus	Restricted Specific Purpose Reserve	General Purpose Surplus	Contributed Capital	Accumulated Deficit	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Total						
Balance at 1 July 2022	29,234	113	399	13,293	(3,822)	39,217
Net result for the year	-	-	-	-	283	283
Transfer from/(to) accumulated deficits	-	(17)	1,312	-	(1,295)	-
Balance at 30 June 2023	29,234	96	1,711	13,293	(4,834)	39,500
Net result for the year	-	-	-	-	(2,352)	(2,352)
Other comprehensive income for the year	17,783	-	-	-	-	17,783
Transfer from/(to) accumulated deficits	-	(20)	129	-	(109)	-
Balance at 30 June 2024	47,017	76	1,840	13,293	(7,295)	54,931

This Statement of changes in equity 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 Abbreviations and terminology used in the financial statements*
- 1.3 Joint arrangements*
- 1.4 Key accounting estimates and judgements*
- 1.5 Accounting standards issued but not yet effective*
- 1.6 Goods and Services Tax (GST)*
- 1.7 Reporting entity*

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

Note 1: Basis of preparation

These financial statements represent the audited general purpose financial statements for Benalla Health for the year ended 30 June 2024. The report provides users with information about Benalla 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.

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

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

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

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

The financial statements are presented in Australian dollars.

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

The annual financial statements were authorised for issue by the Board of Benalla Health on 4th September, 2024.

Benalla Health

Notes to the Financial Statements

For the Financial Year Ended 30 June 2024

Note 1.2 Abbreviations and terminology used in the financial statements

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

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

Note 1.3 Joint arrangements

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

Benalla Health has the following joint arrangements:

- Hume Region Health Alliance - Joint Operation

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

Note 1.4 Material accounting estimates and judgements

Management make estimates and judgements when preparing the financial statements.

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

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

The material 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: Intangible assets
- Note 4.5: Depreciation and amortisation
- Note 4.6: Impairment of assets
- Note 5.1: Receivables
- Note 5.2: Contract assets
- Note 5.3: Payables
- Note 5.4: Contract liabilities
- Note 5.5: Other liabilities
- Note 6.1(a): Lease liabilities
- Note 7.4: Fair value determination

Benalla Health

Notes to the Financial Statements

For the Financial Year Ended 30 June 2024

Note 1.5 Accounting standards issued but not yet effective

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

Standard	Adoption Date	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 2022-9: <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 Not-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 Benalla Health in future periods.

Note 1.6 Goods and Services Tax (GST)

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

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

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

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

Note 1.7 Reporting Entity

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

Benalla Health's principal address is:

45-63 Coster Street
Benalla, Victoria 3672

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

Note 2: Funding delivery of our services

Benalla Health’s overall objective is to provide quality health service that support and enhance the wellbeing of all Victorians. Benalla Health is predominantly funded by grant funding for the provision of outputs. Benalla Health also receives income from the supply of services.

Structure

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

Material judgements and estimates

This section contains the following material judgements and estimates:

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

Benalla Health
Notes to the Financial Statements
for the financial year ended 30 June 2024

Note 2.1 Revenue and income from transactions

		Total 2024 \$'000	Total 2023 \$'000
	Note		
Operating activities			
Revenue from contracts with customers			
Government grants (State) - Operating		18,196	18,939
Government grants (Commonwealth) - Operating		3,375	2,278
Patient and resident fees		1,611	1,530
Private practice fees		158	175
Commercial activities ¹		193	148
Total revenue from contracts with customers	2.1(a)	23,533	23,070
Other sources of income			
Government grants (State) - Operating		8,692	9,156
Government grants (Commonwealth) - Operating		1,296	1,056
Government grants (State) - Capital		963	751
Other capital purpose income		79	128
Capital donations		155	1,369
Assets received free of charge or for nominal consideration	2.2	70	327
Other revenue from operating activities (including non-capital donations)	2.3	3,729	2,003
Total other sources of income		14,984	14,790
Total revenue and income from operating activities		38,517	37,860
Non-operating activities			
Income from other sources			
Other interest		728	516
Total other sources of income		728	516
Total income from non-operating activities		728	516
Total revenue and income from transactions		39,245	38,376

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

Benalla Health
Notes to the Financial Statements
for the financial year ended 30 June 2024

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

Government grant	Performance obligation
Activity Based Funding (ABF) paid as National Weighted Activity Unit (NWAU)	<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>
Commonwealth Residential Aged Care Grants	<p>Funding is provided for the provision of care for aged care residents within facilities at Benalla 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>
Department of Health grants linked to Statement of Priorities	<p>Funding is received from DH that have performance obligations linked to the Statement of Priorities agreed upon between the health service and DH. The performance obligation is a requirement to provide a stipulated number of service contacts or hours of service delivery.</p> <p>Revenue is recognised at a point in time as the services are delivered.</p>

Benalla Health
Notes to the Financial Statements
for the financial year ended 30 June 2024

Capital grants

Where Benalla 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 Benalla 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 at a point in time, to reflect the period accommodation is provided.

Private practice fees

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

Commercial activities

Revenue from commercial activities includes items such as meal sales and provision of accommodation. Commercial activity revenue is recognised over time, upon provision of the goods or service to the customer.

Benalla Health
Notes to the Financial Statements
for the financial year ended 30 June 2024

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

	Total 2024 \$'000	Total 2023 \$'000
Cash donations and gifts	7	-
Plant and equipment	-	15
Personal protective equipment	63	312
Total fair value of assets and services received free of charge or for nominal consideration	70	327

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

Donations and bequests

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

Personal protective equipment

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

Contributions of resources

Benalla Health may receive resources for nil or nominal consideration to further its objectives. The resources are recognised at their fair value when Benalla 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 Benalla Health as a capital contribution transfer.

Benalla Health
Notes to the Financial Statements
for the financial year ended 30 June 2024

Volunteer Services

Benalla Health receives volunteer services from members of the community to support and assist our residents in aged care and patients within the hospital setting.

Benalla 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.

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

Non-cash contributions from the Department of Health

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

Supplier	Description
Victorian Managed Insurance Authority	The Department of Health purchases non-medical indemnity insurance for Benalla Health which is paid directly to the Victorian Managed Insurance Authority. To record this contribution, such payments are recognised as income with a matching expense in the net result from transactions.
Victorian Health Building Authority	The Department of Health made payments to the Victorian Health Building Authority to fund capital works projects during the year ended 30 June 2024, on behalf of Benalla Health.
Department of Health	Long Service Leave (LSL) revenue is recognised upon finalisation of movements in LSL liability in line with the long service leave funding arrangements with DH.

Benalla Health
Notes to the Financial Statements
for the financial year ended 30 June 2024

Note 2.3 Other income

	Total 2024 \$'000	Total 2023 \$'000
Operating		
Salary and wage recoveries	662	217
Recoveries - sale of services	2,243	1,369
Joint venture alliance revenue	806	408
Other Revenue	18	9
Total other income - Operating	3,729	2,003
Non-Operating		
Interest	728	516
Total other income - Non Operating	728	516

How we recognise other income

Recovery Income

Revenue from recovery activities includes items such secondment of staff and provision of support services to other health services. Recovery activity revenue is recognised at a point in time, upon provision of the goods or service to the customer.

Joint Venture Alliance Revenue

Our share of joint venture alliance revenue is recognised in accordance with the Joint Arrangement agreement, with Benalla Health recording our share of revenue.

Other Revenue

Other revenue is recorded as revenue as received.

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.

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 and related on-costs

3.4 Superannuation

Material judgements and estimates

This section contains the following material judgements and estimates:

Material judgements and estimates	Description
Classifying employee benefit liabilities	<p>Benalla Health applies material judgement when measuring and classifying its employee benefit liabilities.</p> <p>Employee benefit liabilities are classified as a current liability if Benalla 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 Benalla 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>Benalla Health applies material judgement 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 4.45%, 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 4.348%, 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>

Benalla Health
Notes to the Financial Statements
for the financial year ended 30 June 2024

Note 3.1 Expenses from transactions

	Total 2024 \$'000	Total 2023 \$'000
Note		
Salaries and wages	22,555	20,784
On-costs	2,327	2,042
Agency expenses	1,779	1,776
Fee for service medical officer expenses	4,097	3,131
Workcover premium	266	199
Total employee expenses	31,024	27,932
Drug supplies	308	284
Medical and surgical supplies (including Prostheses)	2,072	2,038
Diagnostic and radiology supplies	208	227
Other supplies and consumables	925	847
Total supplies and consumables	3,513	3,396
Finance costs	10	16
Total finance costs	10	16
Other administrative expenses	3,107	2,682
Total other administrative expenses	3,107	2,682
Fuel, light, power and water	554	521
Repairs and maintenance	436	642
Maintenance contracts	301	323
Medical indemnity insurance	329	333
Expenditure for capital purposes	144	60
Total other operating expenses	1,764	1,879
Total operating expense	39,418	35,905
Depreciation and amortisation	2,249	2,130
Total depreciation and amortisation	2,249	2,130
Bad and doubtful debt expense	10	4
Total other non-operating expenses	10	4
Total non-operating expense	2,259	2,134
Total expenses from transactions	41,677	38,039

Benalla Health
Notes to the Financial Statements
for the financial year ended 30 June 2024

How we recognise expenses from transactions

Expense recognition

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

Employee expenses

Employee expenses include:

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

- 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 Benalla Health. These amounts have been brought to account in determining the operating result for the year by recording them as revenue and also recording a corresponding expense.

Non-operating expenses

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

Benalla Health
Notes to the Financial Statements
for the financial year ended 30 June 2024

Note 3.2 Other economic flows

	Total 2024 \$'000	Total 2023 \$'000
Net gain/(loss) on disposal of property plant and equipment	71	21
Total net gain/(loss) on non-financial assets	71	21
Allowance for impairment losses of contractual receivables	(4)	-
Other gains/(losses) from other economic flows	(4)	(1)
Total net gain/(loss) on financial instruments	(8)	(1)
Net gain/(loss) arising from revaluation of long service liability	17	(74)
Total other gains/(losses) from other economic flows	17	(74)
Total gains/(losses) from other economic flows	80	(54)

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.

Net gain/(loss) on non-financial assets

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

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

Net gain/(loss) on financial instruments

Net gain/(loss) on financial instruments at fair value includes:

- realised and unrealised gains and losses from revaluations of financial instruments at fair value
- impairment and reversal of impairment for financial instruments at amortised cost (refer to Note 7.1 Investments and other financial assets).

Note 3.3 Employee benefits and related on-costs

	Total 2024 \$'000	Total 2023 \$'000
Current employee benefits and related on-costs		
<i>Accrued days off</i>		
Unconditional and expected to be settled wholly within 12 months ⁱ	59	47
	59	47
<i>Annual leave</i>		
Unconditional and expected to be settled wholly within 12 months ⁱ	2,110	1,803
Unconditional and expected to be settled wholly after 12 months ⁱⁱ	336	334
	2,446	2,137
<i>Long service leave</i>		
Unconditional and expected to be settled wholly within 12 months ⁱ	529	499
Unconditional and expected to be settled wholly after 12 months ⁱⁱ	1,970	1,731
	2,499	2,230
<i>Provisions related to employee benefit on-costs</i>		
Unconditional and expected to be settled within 12 months ⁱ	352	279
Unconditional and expected to be settled after 12 months ⁱⁱ	313	262
	665	541
Total current employee benefits and related on-costs	5,669	4,955
Non-current provisions and related on-costs		
Conditional long service leave	448	477
Provisions related to employee benefit on-costs	61	62
Total non-current employee benefits and related on-costs	509	539
Total employee benefits and related on-costs	6,178	5,494

ⁱ The amounts disclosed are nominal amounts.

ⁱⁱ The amounts disclosed are discounted to present values.

Benalla Health
Notes to the Financial Statements
for the financial year ended 30 June 2024

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

	Total 2024 \$'000	Total 2023 \$'000
Current employee benefits and related on-costs		
Unconditional accrued days off	67	53
Unconditional annual leave entitlements	2,764	2,391
Unconditional long service leave entitlements	2,838	2,511
Total current employee benefits and related on-costs	5,669	4,955
Non-current employee benefits and related on-costs		
Conditional long service leave entitlements	509	539
Total non-current employee benefits and related on-costs	509	539
Total employee benefits and related on-costs	6,178	5,494
Attributable to:		
Employee benefits	5,452	4,891
Provision for related on-costs	726	603
Total employee benefits and related on-costs	6,178	5,494

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

	Total 2024 \$'000	Total 2023 \$'000
Carrying amount at start of year	603	513
Additional provisions recognised	500	386
Net gain/(loss) arising from revaluation of long service liability	(2)	8
Amounts incurred during the year	(375)	(304)
Carrying amount at end of year	726	603

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.

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

Annual leave and accrued days off

Liabilities for annual leave and accrued days off are recognised in the provision for employee benefits as 'current liabilities' because Benalla 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 Benalla Health expects to wholly settle within 12 months or
- Present value – if Benalla 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 Benalla 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 Benalla Health expects to wholly settle within 12 months or
- Present value – if Benalla 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.

Provision for on-costs related to employee benefits

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

Benalla Health
Notes to the Financial Statements
for the financial year ended 30 June 2024

Note 3.4 Superannuation

	Paid Contribution for the Year		Contribution Outstanding at Year End	
	Total 2024 \$'000	Total 2023 \$'000	Total 2024 \$'000	Total 2023 \$'000
Defined benefit plans:ⁱ				
Aware Super	7	13	-	-
Defined contribution plans:				
Aware Super	1,274	1,190	-	57
Hesta	597	502	-	-
Hostplus	72	60	-	-
REST Superannuation	50	39	-	-
Australian Super	61	50	-	-
Other	266	188	-	-
Total	2,327	2,042	-	57

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

Defined benefit superannuation plans

A defined benefit plan provides benefits based on years of service and final average salary. The amount charged to the Comprehensive Operating Statement in respect of defined benefit superannuation plans represents the contributions made by Benalla Health to the superannuation plans in respect of the services of current Benalla 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.

Benalla 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 Benalla Health.

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

Defined contribution superannuation plans

Defined contribution (i.e. accumulation) superannuation plans 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 Benalla Health are disclosed above.

Note 4: Key assets to support service delivery

Benalla 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 Benalla Health to be utilised for delivery of those outputs.

Structure

4.1 Property, plant & equipment

4.2 Right-of-use assets

4.3 Revaluation surplus

4.4 Intangible assets

4.5 Depreciation and amortisation

4.6 Impairment of assets

Material judgements and estimates

This section contains the following material judgements and estimates:

Material judgements and estimates	Description
Estimating useful life of property, plant and equipment	Benalla 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>Benalla Health applies material judgement to determine whether or not it is reasonably certain to exercise such purchase options.</p>

Benalla Health
Notes to the Financial Statements
for the financial year ended 30 June 2024

Material judgements and estimates	Description
Estimating the useful life of intangible assets	Benalla Health assigns an estimated useful life to each intangible asset with a finite useful life, which is used to calculate amortisation of the asset.
Identifying indicators of impairment	<p>At the end of each year, Benalla 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 service applies material judgement and estimate to determine the recoverable amount of the asset.</p>

Note 4.1 Property, plant and equipment

Note 4.1 (a) Gross carrying amount and accumulated depreciation

	Total 2024 \$'000	Total 2023 \$'000
Land at fair value - Crown	803	504
Land at fair value - Freehold	2,419	2,302
Total land at fair value	3,222	2,806
Buildings at fair value	41,050	26,546
Less accumulated depreciation	-	(1,428)
Total buildings at fair value	41,050	25,118
Works in progress at cost	1,140	393
Total land and buildings	45,412	28,317
Plant and equipment at fair value	3,696	3,701
Less accumulated depreciation	(2,454)	(2,483)
Total plant and equipment at fair value	1,242	1,218
Motor vehicles at fair value	282	394
Less accumulated depreciation	(144)	(227)
Total motor vehicles at fair value	138	167
Medical equipment at fair value	3,440	4,393
Less accumulated depreciation	(2,226)	(3,267)
Total medical equipment at fair value	1,214	1,126
Computer equipment at fair value	1,807	2,117
Less accumulated depreciation	(1,224)	(1,647)
Total computer equipment at fair value	583	470
Furniture and fittings at fair value	477	598
Less accumulated depreciation	(326)	(492)
Total furniture and fittings at fair value	151	106
Total plant, equipment, furniture, fittings and vehicles at fair value	3,328	3,087
Total property, plant and equipment	48,740	31,404

Benalla Health
Notes to the Financial Statements
for the financial year ended 30 June 2024

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

	Note	Land \$'000	Buildings \$'000	Works in progress \$'000	Plant & equipment \$'000	Motor vehicles \$'000	Medical Equipment \$'000	Computer Equipment \$'000
Balance at 1 July 2022		2,624	26,381	216	1,252	38	911	318
Additions		182	165	177	106	146	442	343
Depreciation	4.5	-	(1,428)	-	(140)	(17)	(227)	(191)
Balance at 30 June 2023	4.1 (a)	2,806	25,118	393	1,218	167	1,126	470
Additions		-	-	747	162	-	390	298
Disposals		-	-	-	-	-	(1)	-
Revaluation increments/(decrements)	4.3	416	17,367	-	-	-	-	-
Depreciation	4.5	-	(1,435)	-	(138)	(29)	(301)	(185)
Balance at 30 June 2024	4.1 (a)	3,222	41,050	1,140	1,242	138	1,214	583

	Note	Furniture & Fittings \$'000	Total \$'000
Balance at 1 July 2022		130	31,870
Additions		-	1,561
Depreciation	4.5	(24)	(2,027)
Balance at 30 June 2023	4.1 (a)	106	31,404
Additions		72	1,669
Disposals		-	(1)
Revaluation increments/(decrements)		-	17,783
Depreciation	4.5	(27)	(2,115)
Balance at 30 June 2024	4.1 (a)	151	48,740

Benalla Health
Notes to the Financial Statements
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Land and Buildings Carried at Valuation

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

How we recognise property, plant and equipment

Property, plant and equipment are tangible items that are used by Benalla 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.

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, Benalla 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%, Benalla Health would obtain an interim independent valuation prior to the next scheduled independent valuation.

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

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

Revaluation increments are recognised in ‘Other Comprehensive Income’ and are credited directly to the 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.

Note 4.2 Right-of-use assets

Note 4.2(a) Gross carrying amount and accumulated depreciation

	Total 2024 \$'000	Total 2023 \$'000
Right of use equipment and vehicles at fair value	703	681
Less accumulated depreciation	(240)	(182)
Total right of use equipment and vehicles at fair value	463	499
Total right of use equipment and vehicles at fair value	463	499

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

	Note	Right-of-use - Equipment & Vehicles \$'000	Total \$'000
Balance at 1 July 2022		402	402
Additions		232	232
Disposals		(33)	(33)
Depreciation	4.5	(102)	(102)
Balance at 30 June 2023	4.2(a)	499	499
Additions		157	157
Disposals		(61)	(61)
Depreciation	4.5	(132)	(132)
Balance at 30 June 2024	4.2(a)	463	463

How we recognise right-of-use assets

Initial recognition

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

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

The right-of-use asset is initially measured at cost and comprises the initial 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.

Benalla Health presents its right-of-use assets as part of property, plant and equipment as if the asset was owned by the health service.

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.

Note 4.3 Revaluation surplus

	Total 2024 \$'000	Total 2023 \$'000
Balance at the beginning of the reporting period	29,234	29,234
Revaluation increment		
- Land	416	-
- Buildings	17,367	-
Balance at the end of the Reporting Period*	47,017	29,234
* Represented by:		
- Land	1,969	1,553
- Buildings	45,048	27,681
	47,017	29,234

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Note 4.4 Intangible assets

Note 4.4 (a) Intangible assets - Gross carrying amount and accumulated amortisation

	Total 2024 \$'000	Total 2023 \$'000
Intangible assets - software	3	9
Less accumulated amortisation	(2)	(6)
Total intangible assets - software	1	3
Total intangible assets	1	3

Note 4.4 (b) Intangible assets - Reconciliations of the carrying amount by class of asset

	Note	Software \$'000	Total \$'000
Balance at 1 July 2022		4	4
Amortisation	4.5	(1)	(1)
Balance at 30 June 2023	4.4 (a)	3	3
Disposals		-	-
Amortisation	4.5	(2)	(2)
Balance at 30 June 2024	4.4 (a)	1	1

How we recognise intangible assets

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

Initial recognition

Purchased intangible assets are initially recognised at cost.

Benalla Health has no internally generated intangible assets.

Subsequent measurement

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

Note 4.5 Depreciation and amortisation

	Total 2024 \$'000	Total 2023 \$'000
Depreciation		
Buildings	1,435	1,428
Plant and equipment	138	140
Motor vehicles	29	17
Medical equipment	301	227
Computer equipment	185	191
Furniture and fittings	27	24
Total depreciation - property, plant and equipment	2,115	2,027
Right-of-use assets		
Right of use - equipment and vehicles	132	102
Total depreciation - right-of-use assets	132	102
Amortisation		
Software	2	1
Total amortisation	2	1
Total depreciation and amortisation	2,249	2,130

How we recognise depreciation

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

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shortest. Where a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that 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.

How we recognise amortisation

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

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

	2024	2023
Buildings		
- Structure shell building fabric	10 to 25 years	10 to 25 years
- Site engineering services and central plant	10 to 20 years	10 to 20 years
Central Plant		
- Fit Out	7 to 12 years	7 to 12 years
- Trunk reticulated building system	8 to 12 years	8 to 12 years
Plant and equipment	5 to 30 years	3 to 30 years
Medical equipment	4 to 20 years	4 to 20 years
Computer equipment	3 to 12 years	3 to 12 years
Furniture and fitting	5 to 20 years	5 to 20 years
Motor Vehicles	6 to 10 years	4 to 7 years
Software	2 to 5 years	2 to 5 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.

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Note 4.6 Impairment of assets

How we recognise impairment

At the end of each reporting period, Benalla 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 Benalla 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, Benalla 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, Benalla Health estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Benalla Health did not record any impairment losses against Property, Plant and Equipment for the year ended 30 June 2024 (30 June 2023:Nil).

Note 5: Other assets and liabilities

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

Structure

5.1 Receivables

5.2 Contract Assets

5.3 Payables

5.4 Contract Liabilities

5.5 Other liabilities

Material judgements and estimates

This section contains the following material judgements and estimates:

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

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Notes to the Financial Statements
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Note 5.1 Receivables

		Total 2024 \$'000	Total 2023 \$'000
Note			
Current receivables			
Contractual			
	Trade receivables	245	219
	Patient fees	171	138
5.1 (a)	Allowance for impairment losses - Patient fees	(16)	(9)
	Accrued revenue	57	315
	Amounts receivable from governments and agencies	798	139
	Total contractual receivables	1,255	802
Statutory			
	Net GST receivable	225	115
	Total statutory receivables	225	115
	Total current receivables	1,480	917
Non-current receivables			
Contractual			
	Long service leave - Department of Health	1,186	1,124
	Total contractual receivables	1,186	1,124
	Total non-current receivables	1,186	1,124
	Total receivables	2,666	2,041
<i>(i) Financial assets classified as receivables (Note 7.1(a))</i>			
	Total receivables	2,666	2,041
	GST receivable	(225)	(115)
7.1(a)	Total financial assets classified as receivables	2,441	1,926

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

	Total 2024 \$'000	Total 2023 \$'000
Balance at the beginning of the year	9	6
Increase in allowance	7	3
Balance at the end of the year	16	9

How we recognise receivables

Receivables consist of:

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

Trade debtors are carried at 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*.

Impairment losses of contractual receivables

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

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Notes to the Financial Statements
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Note 5.2 Contract assets

Current

Contract assets

Total contract assets

Total 2024 \$'000	Total 2023 \$'000
96	410
96	410

Note 5.2(a) Movement in contract assets

Balance at the beginning of the year

Add: Additional costs incurred that are recoverable from the customer

Less: Transfer to trade receivable or cash at bank

Total contract assets

Total 2024 \$'000	Total 2023 \$'000
410	-
-	410
(314)	-
96	410

How we recognise contract assets

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

Note 5.3 Payables

	Total 2024 \$'000	Total 2023 \$'000
Current payables		
Contractual		
Trade creditors	1,045	605
Accrued salaries and wages	970	656
Accrued expenses	148	412
Inter hospital creditors	248	62
Amounts payable to governments and agencies	136	189
Total contractual payables	2,547	1,924
Total current payables	2,547	1,924
Total payables	2,547	1,924
<i>(i) Financial liabilities classified as payables (Note 7.1(a))</i>		
Total payables	2,547	1,924
Total financial liabilities classified as payables	2,547	1,924

How we recognise payables

Payables consist of:

- **Contractual payables**, including payables that relate to the purchase of goods and services. These payables are classified as financial instruments and measured at amortised cost. Accounts payable and salaries and wages payable represent liabilities for goods and services provided to the Benalla Health prior to the end of the financial year that are unpaid.
- **Statutory payables**, including 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 30 days.

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Note 5.4 Contract liabilities

Current

Contract liabilities

Total current contract liabilities

Total 2024 \$'000	Total 2023 \$'000
113	-
113	-

Note 5.4(a) Movement in contract liabilities

Opening balance of contract liabilities

Grant consideration for sufficiently specific performance obligations received during the year

Revenue recognised for the completion of a performance obligation

Total contract liabilities

Total 2024 \$'000	Total 2023 \$'000
-	332
3,769	21,372
(3,656)	(21,704)
113	-

How we recognise contract liabilities

Contract liabilities include consideration received in advance from customers in respect of activity based services. The balance of contract liabilities decreased this year due to deferral of activity based recalls for acute 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.

Note 5.5 Other liabilities

	Total 2024 \$'000	Total 2023 \$'000
Note		
Current monies held in trust		
Refundable accommodation deposits	3,466	2,744
Other monies	119	182
Total current monies held in trust	3,585	2,926
Total other liabilities	3,585	2,926
* Represented by:		
- Cash assets	6.2 3,585	2,926
	3,585	2,926

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 Benalla 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*.

Other monies in trust are held by the Hume Rural Health Alliance in relation to a Patient Administration System to be utilised by Health Services in the Hume Region.

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Notes to the Financial Statements
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Note 6: How we finance our operations

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

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

Structure

6.1 Borrowings

6.2 Cash and cash equivalents

6.3 Commitments for expenditure

6.4 Non-cash financing and investing activities

Material judgements and estimates

This section contains the following material judgements and estimates:

Key judgements and estimates	Description
Determining if a contract is or contains a lease	<p>Benalla Health applies material 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>Benalla Health applies material 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>

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Notes to the Financial Statements
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Key judgements and estimates	Description
Discount rate applied to future lease payments	<p>Benalla 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, Benalla 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.</p> <p>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 Benalla Health is reasonably certain to exercise such options.</p> <p>Benalla 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. • The health service considers historical lease durations and the costs and business disruption to replace such leased assets.

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Notes to the Financial Statements
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Note 6.1 Borrowings

		Total 2024 \$'000	Total 2023 \$'000
Note			
Current borrowings			
	Lease liability ⁱ	266	224
	Advances from government ⁱⁱ	33	33
	Total current borrowings	299	257
Non-current borrowings			
	Lease liability ⁱ	211	275
	Advances from government ⁱⁱ	30	60
	Total non-current borrowings	241	335
	Total borrowings	540	592

ⁱ Secured by the assets leased.

ⁱⁱ These are secured loans which bear no interest.

How we recognise borrowings

Borrowings refer to interest bearing liabilities mainly raised from advances from other funds through lease liabilities and other interest-bearing arrangements.

Initial recognition

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

Subsequent measurement

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

Maturity analysis

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

Defaults and breaches

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

Note 6.1 (a) Lease liabilities

Benalla Health's lease liabilities are summarised below:

	Total 2024 \$'000	Total 2023 \$'000
Total undiscounted lease liabilities	484	509
Less unexpired finance expenses	(7)	(10)
Net lease liabilities	477	499

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

	Total 2024 \$'000	Total 2023 \$'000
Not longer than one year	284	231
Longer than one year but not longer than five years	200	275
Longer than five years	-	3
Minimum future lease liability	484	509
Less unexpired finance expenses	(7)	(10)
Present value of lease liability	477	499
* Represented by:		
- Current liabilities	266	224
- Non-current liabilities	211	275
	477	499

How we recognise lease liabilities

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

To apply this definition, Benalla 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 Benalla Health and for which the supplier does not have substantive substitution rights
- Benalla 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 Benalla Health has the right to direct the use of the identified asset throughout the period of use and
- Benalla Health has the right to take decisions in respect of 'how and for what purpose' the asset is used throughout the period of use.

Benalla Health's lease arrangements consist of the following:

Type of asset leased	Lease term
Leased computer equipment	3 to 5 years
Leased vehicles	1 to 3 years

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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 Benalla Health's incremental borrowing rate. Our lease liability has been discounted by rates of between 3% 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.

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.

Note 6.2 Cash and Cash Equivalents

	Total 2024 \$'000	Total 2023 \$'000
Cash on hand (excluding monies held in trust)	2	2
Cash at bank (excluding monies held in trust)	678	1,642
Cash at bank - CBS (excluding monies held in trust)	11,327	11,337
Total cash held for operations	12,007	12,981
Cash at bank - CBS (monies held in trust)	3,585	2,926
Total cash held as monies in trust	3,585	2,926
Total cash and cash equivalents	15,592	15,907

7.1 (a)

How we recognise cash and cash equivalents

Cash and cash equivalents recognised on the balance sheet comprise cash on hand and in banks.

Cash and cash equivalents are held for the purpose of meeting short term cash commitments rather than for investment purposes and are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

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

Note 6.3 Commitments for expenditure

There are no capital or operating commitments at 30 June 2024 (2023 \$Nil).

Note 6.4 Non-cash financing and investing activities

	Total 2024 \$'000	Total 2023 \$'000
Acquisition of plant and equipment by means of Leases	157	232
Total non-cash financing and investing activities	157	232

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Note 7: Risks, contingencies and valuation uncertainties

Benalla 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**

Material judgements and estimates

This section contains the following material judgements and estimates:

Material judgements and estimates	Description
Measuring fair value of non-financial assets	<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, Benalla 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>

Material judgements and estimates	Description
Measuring fair value of non-financial assets	<p>Benalla 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 Benalla Health's [specialised land, non-specialised land and non-specialised buildings] are measured using this approach. ▪ Cost approach, which reflects the amount that would be required to replace the service capacity of the asset (referred to as current replacement cost). The fair value of Benalla Health's specialised buildings, furniture, fittings, plant and equipment, medical equipment, computer equipment and vehicles are measured using this approach. ▪ Income approach, which converts future cash flows or income and expenses to a single undiscounted amount. Benalla Health 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>Subsequently, the health service applies material 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. Benalla 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. Benalla Health categorises non-specialised land and non-specialised buildings in this level. ▪ Level 3, where inputs are unobservable. Benalla Health categorises specialised land, specialised buildings, medical equipment, plant and equipment, furniture and fittings, computer equipment, motor vehicles, right-of-use equipment and vehicles in this level.

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Notes to the Financial Statements
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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 Benalla 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 2024	Note	Financial Assets at			Financial Liabilities		
		Amortised Cost	\$'000	at Amortised Cost	\$'000	Total	\$'000
Contractual Financial Assets							
Cash and Cash Equivalents	6.2	15,592		-		15,592	
Receivables and contract assets	5.1	2,441		-		2,441	
Total Financial Assetsⁱ		18,033		-		18,033	
Financial Liabilities							
Payables	5.3	-		2,547		2,547	
Borrowings	6.1	-		540		540	
Other Financial Liabilities - Refundable Accommodation Deposits	5.5	-		3,466		3,466	
Other Financial Liabilities - other monies held in trust	5.5	-		119		119	
Total Financial Liabilitiesⁱ		-		6,672		6,672	

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Notes to the Financial Statements
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	Note	Financial Assets at			Financial Liabilities		Total
		Amortised Cost		\$'000	at Amortised Cost	\$'000	
Total							
30 June 2023							
Contractual Financial Assets							
Cash and cash equivalents	6.2		15,907		-		15,907
Receivables and contract assets	5.1		1,926		-		1,926
Total Financial Assetsⁱ			17,833		-		17,833
Financial Liabilities							
Payables	5.3		-		1,924		1,924
Borrowings	6.1		-		592		592
Other Financial Liabilities - Refundable Accommodation Deposits	5.5		-		2,744		2,744
Other Financial Liabilities - other monies held in trust	5.5		-		182		182
Total Financial Liabilitiesⁱ			-		5,442		5,442

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

How we categorise financial instruments

Categories of financial assets

Financial assets are recognised when Benalla Health becomes party to the contractual provisions to the instrument. For financial assets, this is at the date Benalla 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.

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Notes to the Financial Statements

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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 Benalla 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.

Benalla Health recognises the following assets in this category:

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

Categories of financial liabilities

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

Financial liabilities at amortised cost

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

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense in net result over the relevant period. The effective interest is the internal rate of return of the financial asset or liability. That is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

Benalla Health recognises the following liabilities in this category:

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

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Notes to the Financial Statements for the financial year ended 30 June 2024

Offsetting financial instruments

Financial instrument assets and liabilities are offset and the net amount presented in the consolidated balance sheet when, and only when, Benalla 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 Benalla 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.

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

Derecognition of financial liabilities

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

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

Reclassification of financial instruments

A financial asset is required to be reclassified between fair value between amortised cost, fair value through net result and fair value through other comprehensive income when, and only when, Benalla 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.

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Notes to the Financial Statements
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Note 7.2: Financial risk management objectives and policies

As a whole, Benalla 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.

Benalla Health’s main financial risks include credit risk, liquidity risk and interest rate risk. Benalla Health manages these financial risks in accordance with its financial risk management policy.

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

Credit risk associated with Benalla 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, Benalla 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, Benalla 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 Benalla 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 Benalla Health’s maximum exposure to credit risk without taking account of the value of any collateral obtained.

There has been no material change to Benalla Health’s credit risk profile in 2023-24.

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Notes to the Financial Statements for the financial year ended 30 June 2024 **Impairment of financial assets under AASB 9**

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

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

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

Contractual receivables at amortised cost

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

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

30 June 2024	Note	Current		Less than 1 month		1–3 months		3 months –1 year		1–5 years		Total	
		\$'000		\$'000		\$'000		\$'000		\$'000		\$'000	
Expected loss rate		0.0%		0.0%				60.0%		0.0%			
Gross carrying amount of contractual receivables	5.1	479		157		21		22		0		679	
Loss allowance		-		-		(3)		(13)		-		(16)	

30 June 2023	Note	Current		Less than 1 month		1–3 months		3 months –1 year		1–5 years		Total	
		\$'000		\$'000		\$'000		\$'000		\$'000		\$'000	
Expected loss rate		0.0%		0.0%		5.0%		6.5%		0.0%			
Gross carrying amount of contractual receivables		599		73		14		125		0		811	
Loss allowance		-		-		(1)		(8)		-		(9)	

Statutory receivables and debt investments at amortised cost

Benalla 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.

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

Note 7.2 (b) Liquidity risk

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

Benalla 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 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.

Benalla 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 other financial assets.

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

		Maturity Dates					
		Carrying Amount	Nominal Amount	Less than 1 Month	1-3 Months	3 months - 1 Year	Over 5 years
Note		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Total							
30 June 2024							
Financial Liabilities at amortised cost							
Payables	5.3	2,547	2,547	2,547	-	-	-
Borrowings	6.1	540	540	24	48	212	256
Other Financial Liabilities - Refundable Accommodation Deposits	5.5	3,466	3,466	-	-	1,650	1,816
Other Financial Liabilities - Other monies held in trust	5.5	119	119	-	-	119	-
Total Financial Liabilities		6,672	6,672	2,571	48	1,981	2,072
		Maturity Dates					
		Carrying Amount	Nominal Amount	Less than 1 Month	1-3 Months	3 months - 1 Year	Over 5 years
Note		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Total							
30 June 2023							
Financial Liabilities at amortised cost							
Payables	5.3	1,924	1,924	1,924	-	-	-
Borrowings	6.1	592	592	19	57	155	361
Other Financial Liabilities - Refundable Accommodation Deposits	5.5	2,744	2,744	-	-	1,650	1,094
Other Financial Liabilities - other monies held in trust	5.5	182	182	-	-	182	-
Total Financial Liabilities		5,442	5,442	1,943	57	1,987	1,455

¹ Ageing analysis of financial liabilities excludes statutory financial liabilities (i.e. GST payable).

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Note 7.2 (c) Market risk

Benalla 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

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

- a change in interest rates of 1.0% up or down

Interest rate risk

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

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.

Benalla Health has been charged under Section 23(1) of the Occupational Health and Safety Act 2004. The charge pertains to an incident that occurred in October 2021, alleging a failure to ensure, as far as reasonably practicable, that individuals other than employees were not exposed to health or safety risks. As of the reporting date, the outcome of this charge remains unknown and is pending determination by the relevant authorities.

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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.

Benalla 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.

Benalla 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 Benalla 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 material judgement and assumptions in deriving fair value for both financial and non-financial assets.

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

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

Note	Total carrying amount 30 June 2024 \$'000	Fair value measurement at end of reporting period using:		
		Level 1 ⁱ \$'000	Level 2 ⁱ \$'000	Level 3 ⁱ \$'000
Non-specialised land	1,320	-	1,320	-
Specialised land	1,902	-	-	1,902
Total land at fair value	4.1 (a) 3,222	-	1,320	1,902
Non-specialised buildings	1,460	-	1,460	-
Specialised buildings	39,590	-	-	39,590
Total buildings at fair value	4.1 (a) 41,050	-	1,460	39,590
Plant and equipment	4.1 (a) 1,242	-	-	1,242
Motor vehicles	4.1 (a) 138	-	-	138
Medical equipment	4.1 (a) 1,214	-	-	1,214
Computer equipment	4.1 (a) 583	-	-	583
Furniture and fittings	4.1 (a) 151	-	-	151
Total plant, equipment, furniture, fittings and vehicles at fair value	3,328	-	-	3,328
Right of use equipment and vehicles	4.2 (a) 463	-	-	463
Total right-of-use assets at fair value	463	-	-	463
Total non-financial physical assets at fair value	48,063	-	2,780	45,283

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	632	-	632	-
Specialised land	2,174	-	-	2,174
Total land at fair value	4.1 (a) 2,806	-	632	2,174
Non-specialised buildings	1,074	-	1,074	-
Specialised buildings	24,044	-	-	24,044
Total buildings at fair value	4.1 (a) 25,118	-	1,074	24,044
Plant and equipment	4.1 (a) 1,218	-	-	1,218
Motor vehicles	4.1 (a) 167	-	-	167
Medical equipment	4.1 (a) 1,126	-	-	1,126
Computer equipment	4.1 (a) 470	-	-	470
Furniture and fittings	4.1 (a) 106	-	-	106
Total plant, equipment, furniture, fittings and vehicles at fair value	3,087	-	-	3,087
Right of use equipment and vehicles	4.2 (a) 499	-	-	499
Total right-of-use assets at fair value	499	-	-	499
Total non-financial physical assets at fair value	31,510	-	1,706	29,804

ⁱ Classified in accordance with the fair value hierarchy.

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How we measure fair value of non-financial physical assets

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

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

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

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

Non-specialised land & 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 2024.

Specialised land and specialised buildings

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

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

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

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

For Benalla Health, the depreciated replacement cost method is used for the majority of specialised buildings, adjusting for the associated depreciation. As depreciation adjustments are considered as significant and unobservable inputs in nature, specialised buildings are classified as Level 3 for fair value measurements.

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

Vehicles

The Benalla 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).

Furniture, fittings, plant and equipment

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

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

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Notes to the Financial Statements
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7.4 (b) Reconciliation of level 3 fair value measurement

Total	Note	Land \$'000	Buildings \$'000	Plant, equipment, vehicles, furniture & fittings \$'000	ROU Equipment & Vehicles \$'000
Balance at 1 July 2022		1,992	25,307	2,649	402
Additions/(Disposals)		-	165	1,037	199
Assets provided free of charge		182	-	-	-
<i>Gains/(Losses) recognised in net result</i>					
- Depreciation and amortisation		-	(1,428)	(599)	(102)
Balance at 30 June 2023	7.4 (a)	2,174	24,044	3,087	499
Additions/(Disposals)		-	-	921	96
<i>Gains/(Losses) recognised in net result</i>					
- Depreciation and Amortisation		-	(1,435)	(680)	(132)
Items recognised in other comprehensive income					
- Revaluation		(272)	16,981	-	-
Balance at 30 June 2024	7.4 (a)	1,902	39,590	3,328	463

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

Fair value determination of level 3 fair value measurement

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

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

Note 8: Other disclosures

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

Structure

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

8.2 Responsible persons disclosures

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 Joint arrangements

8.8 Equity

8.9 Economic dependency

Benalla Health
Notes to the Financial Statements
for the financial year ended 30 June 2024

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

		Total 2024 \$'000	Total 2023 \$'000
	Note		
Net result for the year		(2,352)	283
Non-cash movements:			
(Gain)/Loss on sale or disposal of non-financial assets	3.2	(71)	(21)
Depreciation and amortisation of non-current assets	4.5	2,249	2,130
Assets and services received free of charge	2.2	-	(15)
Bad and doubtful debt expense	3.1	7	3
Discount (interest) / expense on loan		4	1
Less cash inflow from investing and financing activities		(234)	(1,497)
Movements in Assets and Liabilities:			
(Increase)/Decrease in receivables and contract assets		(318)	(777)
(Increase)/Decrease in inventories		(5)	7
(Increase)/Decrease in prepaid expenses		(159)	43
Increase/(Decrease) in payables and contract liabilities		736	(504)
Increase/(Decrease) in employee benefits		684	737
Increase/(Decrease) in other liabilities		(63)	(46)
Net cash inflow from operating activities		478	344

Note 8.2 Responsible persons disclosures

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

	Period
The Honourable Mary-Anne Thomas MP	
Former Minister for Medical Research	1 Jul 2023 - 2 Oct 2023
Minister for Health	1 Jul 2023 - 30 Jun 2024
Minister for Health Infrastructure	1 Jul 2023 - 30 Jun 2024
Minister for Ambulance Services	2 Oct 2023 - 30 Jun 2024
The Honourable Gabrielle Williams MP	
Former Minister for Mental Health	1 Jul 2023 - 2 Oct 2023
Former Minister for Ambulance Services	1 Jul 2023 - 2 Oct 2023
The Honourable Ingrid Stitt MP	
Minister for Mental Health	2 Oct 2023 - 30 Jun 2024
Minister for Ageing	2 Oct 2023 - 30 Jun 2024
The Honourable Lizzy Blandthorn MP	
Former Minister for Disability, Ageing and Carers	1 Jul 2023 - 2 Oct 2023
Minister for Children	2 Oct 2023 - 30 Jun 2024
Minister for Disability	2 Oct 2023 - 30 Jun 2024
Governing Boards	
Dr S. Chaplin	1 Jul 2023 - 30 Jun 2024
L. Turner	1 Jul 2023 - 30 Jun 2024
B. Gokhale	1 Jul 2023 - 30 Jun 2024
Dr D. O'Brien	1 Jul 2023 - 30 Jun 2024
M. Lawley	1 Jul 2023 - 30 Jun 2024
A. Mathur	1 Jul 2023 - 21 May 2024
J. Papatheohari	1 Jul 2023 - 30 Sep 2023
Dr N. Tenneti	25 Aug 2023 - 30 Jun 2024
Accountable Officers	
J. Kelly (Chief Executive Officer)	1 Jul 2023 - 30 Jun 2024

Benalla Health
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Remuneration of Responsible Persons

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

Income Band

\$0 - \$9,999

\$230,000 - \$239,999

\$250,000 - \$259,999

Total Numbers

Total 2024 No	Total 2023 No
8	8
-	1
1	-
9	9
Total 2024 \$'000	Total 2023 \$'000
\$275	\$272

Total remuneration received or due and receivable by Responsible Persons from the reporting entity amounted to:

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

Note 8.3 Remuneration of executives

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

Remuneration of executive officers	Total Remuneration	
	2024 \$'000	2023 \$'000
Short-term benefits	512	318
Post-employment benefits	55	28
Other long-term benefits	16	11
Total remunerationⁱ	583	357
Total number of executives	3	3
Total annualised employee equivalent ⁱⁱ	3.0	3.0

ⁱ The total number of executive officers includes persons who meet the definition of Key Management Personnel (KMP) of Benalla Healths 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.

Total remuneration payable to executives increased during the year due to all executive positions being occupied for the full financial year with no acting roles required to cover the Chief Executive Officer position.

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

Short-term employee benefits

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

Post-employment benefits

Pensions and other retirement benefits (such as superannuation guarantee contributions) paid or payable on a discrete basis when employment has ceased.

Other long-term benefits

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

Termination benefits

Termination of employment payments, such as severance packages.

Benalla Health
Notes to the Financial Statements
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Note 8.4 Related Parties

Benalla 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 Hume Regional Health Alliance and
- all health services and public sector entities that are controlled and consolidated into the State of Victoria financial statements.

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

Key management personnel

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

Entity	KMPs	Position Title
Benalla Health	Dr S. Chaplin	Chair of the Board
Benalla Health	L. Turner	Board Member
Benalla Health	B. Gokhale	Board Member
Benalla Health	Dr D. O'Brien	Board Member
Benalla Health	M. Lawley	Board Member
Benalla Health	A. Mathur	Board Member
Benalla Health	J. Papatheohari	Board Member
Benalla Health	Dr N. Tenneti	Board Member
Benalla Health	J. Kelly	Chief Executive Officer
Benalla Health	M. Dissanayake	Executive Director of Finance & Corp Services
Benalla Health	L. Waite	Executive Director of Clinical Services
Benalla Health	D. Jacka	Executive Director of People and Culture

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 States Annual Financial Report.

	Total 2024 \$'000	Total 2023 \$'000
Compensation - KMPs		
Short-term Employee Benefits ⁱ	754	558
Post-employment Benefits	81	53
Other Long-term Benefits	23	18
Total ⁱⁱ	858	629

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.

Benalla Health
Notes to the Financial Statements
for the financial year ended 30 June 2024

Significant transactions with government related entities

Benalla Health received funding from the Department of Health of \$27.67 m (2023: \$28.60 m) and indirect contributions of \$0.168 m (2023: \$0.244 m). Balances outstanding as at 30 June 2024 are \$0.113 m (2023 \$0.41 m).

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

Except for the transaction listed below, there were no related party transactions required to be disclosed for Benalla Health Board of Directors, Chief Executive Officer and Executive Directors in 2024 (2023: none).

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

Benalla Health
Notes to the Financial Statements
for the financial year ended 30 June 2024

Note 8.5 Remuneration of Auditors

Victorian Auditor-General's Office
Audit of the financial statements
Total remuneration of auditors

Total 2024 \$'000	Total 2023 \$'000
27	21
27	21

Note 8.6 Events occurring after the balance sheet date

There are no events occurring after the balance sheet date.

Note 8.7 Joint arrangements

	Principal Activity	Ownership Interest	
		2024	2023
		%	%
Hume Region Health Alliance	Information Technology Services	6.17	5.86

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

	2024 \$'000	2023 \$'000
Current assets		
Cash and cash equivalents	706	732
Receivables	144	83
Prepaid expenses	19	18
Total current assets	869	833
Non-current assets		
Property, plant and equipment	34	29
Total non-current assets	34	29
Total assets	903	862
Current liabilities		
Payables	373	312
Monies held in Trust	119	182
Borrowings	4	4
Total current liabilities	496	498
Non-current liabilities		
Borrowings	13	16
Total non-current liabilities	13	16
Total liabilities	509	514
Net assets	394	348
Equity		
Accumulated surplus	394	348
Total equity	394	348

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

	2024 \$'000	2023 \$'000
Revenue and income from transactions		
Operating Activities	775	389
Non Operating Activities	31	19
Capital Purpose Income	48	13
Total revenue and income from transactions	854	421
Expenses from transactions		
Information Technology and Administrative Expense	340	151
Other Expenses from Continuing Operations	461	234
Finance Lease Charges	1	-
Depreciation	11	14
Capital Purpose Expenditure	26	34
Total expenses from transactions	839	433
Net result from transactions	15	(12)

Figures obtained from the unaudited Hume Region Health Alliance Joint Venture annual report.

Contingent liabilities and capital commitments

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

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 Benalla 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 Benalla 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.

General purpose surplus

The general purpose surplus reserve is established to recognise funds provided via surpluses achieved in health service programs. Reserves are used by those programs for future activities.

Property, plant and equipment revaluation surplus

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

Note 8.9: Economic dependency

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





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