Annual Report

2021-2022

INGLEWOOD & DISTRICTS HEALTH SERVICE

ACKNOWLEDGMENT

We proudly acknowledge Victoria's First Nations peoples and their ongoing strength in practising the world's oldest living culture.

We acknowledge the Dja Dja Wurrung People as the Traditional Owners of the lands and waters on which we live and work, and pay our respect to their Elders past and present.

We recognise that there are long-lasting, far-reaching and intergenerational consequences of colonisation and dispossession. The reality of colonisation involved establishing Victoria with the specific intent of excluding Aboriginal people and their laws, cultures, customs and traditions. Over time, the development of Victorian laws, policies, systems and structures explicitly excluded Aboriginal Victorians, resulting in and entrenching systemic and structural racism. We acknowledge that the impact and structures of colonisation still exist today, and that the Victorian Government have a responsibility to transform its systems and service delivery so that Aboriginal Victorians can be the ones to hold decision-making power over the matters that affect their lives.

We also acknowledge that Aboriginal self-determination is a human right enshrined in the United Nations Declaration on the Rights of Indigenous Peoples, and recognise the hard work of many generations of Aboriginal people who have fought for this right to be upheld.

Front Cover Picture

"Inglewood Hospital"
Painted by Wilma

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Inglewood and Districts Health Service

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ABN 59 289 296 57

ABOUT INGLEWOOD AND DISTRICTS HEALTH SERVICE

Inglewood and Districts Health Service was formed on 1 January 1996 by the amalgamation of The Inglewood Hospital, first opened in 1863 and the Inglewood and Districts Community Health Centre Inc, formed in 1977. Inglewood & Districts Health Service is a public hospital established under Section 13 of the Health Services Act 1988.

SERVICES AVAILABLE AT INGLEWOOD AND DISTRICTS HEALTH SERVICE

Inglewood and Districts Health Service serves a population of approximately 5,000 people within the Southern half of the Loddon Shire. The hospital and residential aged care service is located in Inglewood, with community based services also delivered in Wedderburn, Bridgewater, Serpentine, Tarnagulla and Korong vale.

Services include,

- Acute (hospital) beds
- Community Development
- Community Nursing
- Counselling
- Diabetes Education
- District Nursing Services
- Group Fitness
- Health Promotion
- Hearing Services
- Mental Health
- Palliative Care
- Physiotherapy
- Podiatry
- Residential Aged Care
- Social Support
- Social work
- Speech Pathology
- Transition Care Program
- Urgent Care Centre
- Volunteer Program

RESPONSIBLE MINISTERS FOR THE REPORTING PERIOD

- The Honourable Martin Foley MP, Minister for Health, Minister for Ambulance Services and Minister for Equality from 1 July 2021 to 30 June 2022.
- James Merlino MP, Minister for Mental Health from 1 July 2021 until 30 June 2022

MISSION STATEMENT

Providing quality health services, supporting, and enhancing community wellbeing

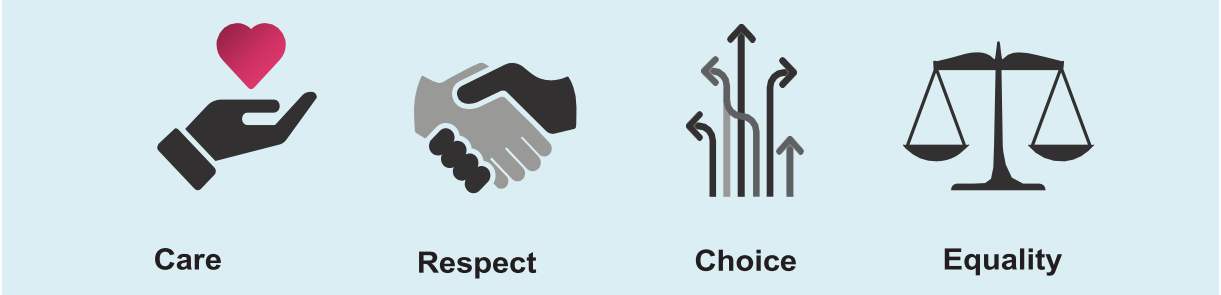
VISION

Excellence in health now and in the future.

OUR PURPOSE IS – DELIVERING BETTER CARE

Our Care	Our Team	Our Partnerships	Our Sustainability
We will create and maintain an inspiring and supportive culture fostering quality care that is safe, personal, effective, connected and has a strong focus on our consumer's experience.	We will create and maintain opportunities to develop our people to partner and empower our community, to improve our overall health and wellbeing, now and into the future.	We will work together with our community and partners to deliver the health and community services our people need, now and into the future.	We will develop and adapt our workforce, our services, and our impact on the environment, to deliver care for our community in a sustainable and responsible manner.

OUR VALUES ARE



BOARD CHAIR AND CEO REPORT

Inglewood & Districts Health Service continues to meet the health care needs and service demands of our community through the provision of high quality health services. Inglewood & Districts Health Service ratified our 2021- 2024 Strategic Plan in December 2021 with our strategic focus of Delivering Better Care. The Inglewood & Districts Health Service Strategic Plan identified that to achieve our VISION of "*Excellence in health now and in the future",* that Inglewood and Districts Health Service will implement four strategic pillars:

- Our Care
- Our Team
- Our Partnerships
- Our Sustainability

OUR CARE

A key priority of the Board and staff at Inglewood and Districts Health Service is to review and improve the patient and resident experience. Inglewood and Districts Health Service continues to provide strong leadership and commitment to our community. Inglewood and Districts Health Service has been adaptable through the pandemic to ensure our service continues to deliver excellent care. Through regular consultation, our community's health needs are identified and care is delivered accordingly. Throughout 2021/22 Inglewood and Districts Health Service has increased our community health programs with a focus on mental health, allied health service provision, community engagement, support services programs and volunteer transport. Inglewood and Districts Health Service has continued to experience high levels of occupancy in both our acute and aged care services.
The Transitional Care Program continues to ensure clients' needs are met, through assistance in the reintegration back to client's homes or assisting in the transition to residential aged care service. Inglewood and Districts Health Service has maintained 100% occupancy throughout the Transitional Care Program in 2021/22.

OUR TEAM

Inglewood and Districts Health Service continues to develop and review our recruitment strategies to ensure that we maintain a stable and skilled workforce. Inglewood and Districts Health Service now employs a staff team of more than 120 individuals, many of whom are also part of local communities across the Shire.

We have continued to support the Graduate Registered Nurse program with two nurses completing their graduate year at Inglewood and Districts Health Service in 2021. Inglewood and Districts Health Service has also been able to recruit to our health care worker traineeship program, which continues to be a successful program with many staff that complete this program gaining ongoing employment at Inglewood and Districts Health Service.

Over the past 12 months, Inglewood and Districts Health Service has provided and hosted a range of training and development opportunities for our staff to develop their knowledge and understanding about working in a rural health service. Inglewood and Districts Health Service focused on dementia care this year by partnering with Dementia Australia to deliver the BIRCH program. This program develops a unique model of care specific to our service to ensure better outcomes for all of our aged care residents.

Inglewood and Districts Health Service in partnership with other rural health services within our region have had seven staff attend Clinician to Manager Education. This has been well received and is vital in the development in the leadership model across Inglewood and Districts Health Service.

Inglewood and Districts Health Service continues to focus on key education areas such as Strengthening Hospitals Response to family Violence, LGBTI, and Cultural Awareness training that align with our diversity and gender equity plans.

Inglewood and Districts Health Service ensures that we continue to support our Aboriginal community. Inglewood and Districts Health Service has focused on developing and implementing a Cultural Safety framework. Inglewood and Districts Health Service has supported our staff to attend the Victorian Public Sector Commission Aboriginal Staff Network Event in 2022. This has ensured Inglewood and Districts Health Service are developing networks and supports for our staff. Over the past twelve months, Inglewood and Districts Health Service has also provided cultural awareness training to nominated staff. In 2021, Inglewood and Districts Health Service celebrated Naidoc week and have increased consultation with Aboriginal staff to ensure that we are providing a safe environment for all people.

We would like to acknowledge the commitment and dedication of our team at Inglewood and Districts Health Service. The pandemic has continued to challenge the resilience of our team during year, however the dedication and commitment of the whole team at Inglewood and Districts Health Service is outstanding.

OUR PARTNERSHIPS

Inglewood and Districts Health Service acknowledges that collaboration and consultation with our community, including the Loddon Shire, Community Houses in Inglewood and Wedderburn, Lions Clubs, Men's Sheds, CFA and other community groups is an important part of what we do.

As we continue to navigate our new normal most communication remains electronic, and we continue to appreciate how adaptive our community has been to such new technologies.

Inglewood and Districts Health Service continues to strengthen our governance systems, and further develop our partnerships with neighboring health services to deliver a shared services approach to our care. Inglewood and Districts Health Service is represented on a number of health service groups across the greater region, including the Loddon Murray Health Network Partnership and the Buloke, Loddon and Gannawarra Health & Wellbeing Executive Network. Such groups are vital to ensure that resources are not duplicated and are directed towards those areas of greatest need, based on objective data.

OUR SUSTAINABILITY

Inglewood and Districts Health Service received funding through the Regional Health Infrastructure Fund (RHIF), to install split system air conditioners to every aged care room across our service. With the current environment, this has allowed each resident the opportunity to regulate the temperature in his or her rooms. This initiative was well received across the service.

Inglewood and Districts Health Service also received RHIF funding to purchase medical equipment inclusive of a new defibrillator and patient monitoring equipment.
Inglewood and Districts Health Service continues to work diligently to ensure that we deliver on our Allied Health and Student Accommodation project with construction to commence in 2022.

Inglewood and Districts Health Service is excited about the future direction, which brings significant opportunities to develop our community programs. Inglewood and Districts Health Service has identified that this is the area of growth for our service.

The Inglewood and Districts Health Service Board has a strong focus on the key governing areas of quality care outcomes in a safe environment for our community, financial sustainability and growth, risk management and community and cultural engagement.

The board is committed to a strong model of governance and undertakes an annual formal assessment and has implemented a strong focus on continuing education to ensure effective governance is achieved.

Inglewood and Districts Health Service would like to acknowledge the work of Mrs. Tracey Wilson CEO who left our service in June 2021. We thank Tracey for her dedication to Inglewood and Districts Health Service during her tenure as CEO. Inglewood and Districts Health Service would also like to acknowledge Mr. Greg Pullen who acted in the role of CEO from July to December 2021. Greg's knowledge and mentorship was greatly received across the service. Inglewood and Districts Health Service would also like to acknowledge the work of Annette Robinson, a valued Community Representative of our Clinical Governance Committee who retired from her Committee position in February 2022. Finally, Inglewood and Districts Health Service would also like to thank our outgoing Board Directors, Mr. Michael Oerlemans, and Mrs. Jude Holt. Michael and Jude have both been Board Chairs of Inglewood and Districts Health Service, and have navigated Inglewood and Districts Health Service through significant change.

THANK YOU

In conclusion, we would like to pass on our sincere thanks to the many groups and individuals who provide significant support to our health service: our staff, volunteers, medical practitioners, contractors, and all three levels of government. We continue to appreciate the support and assistance of the Loddon Shire as well as that received from the Victorian Department of Health, from both their regional office based in Bendigo and their central office in Melbourne as well as the staff from the Commonwealth Department of Health.

"Excellence in health care now and the future."

Robert Chamberlain

Board Chair

Dallas Coghill

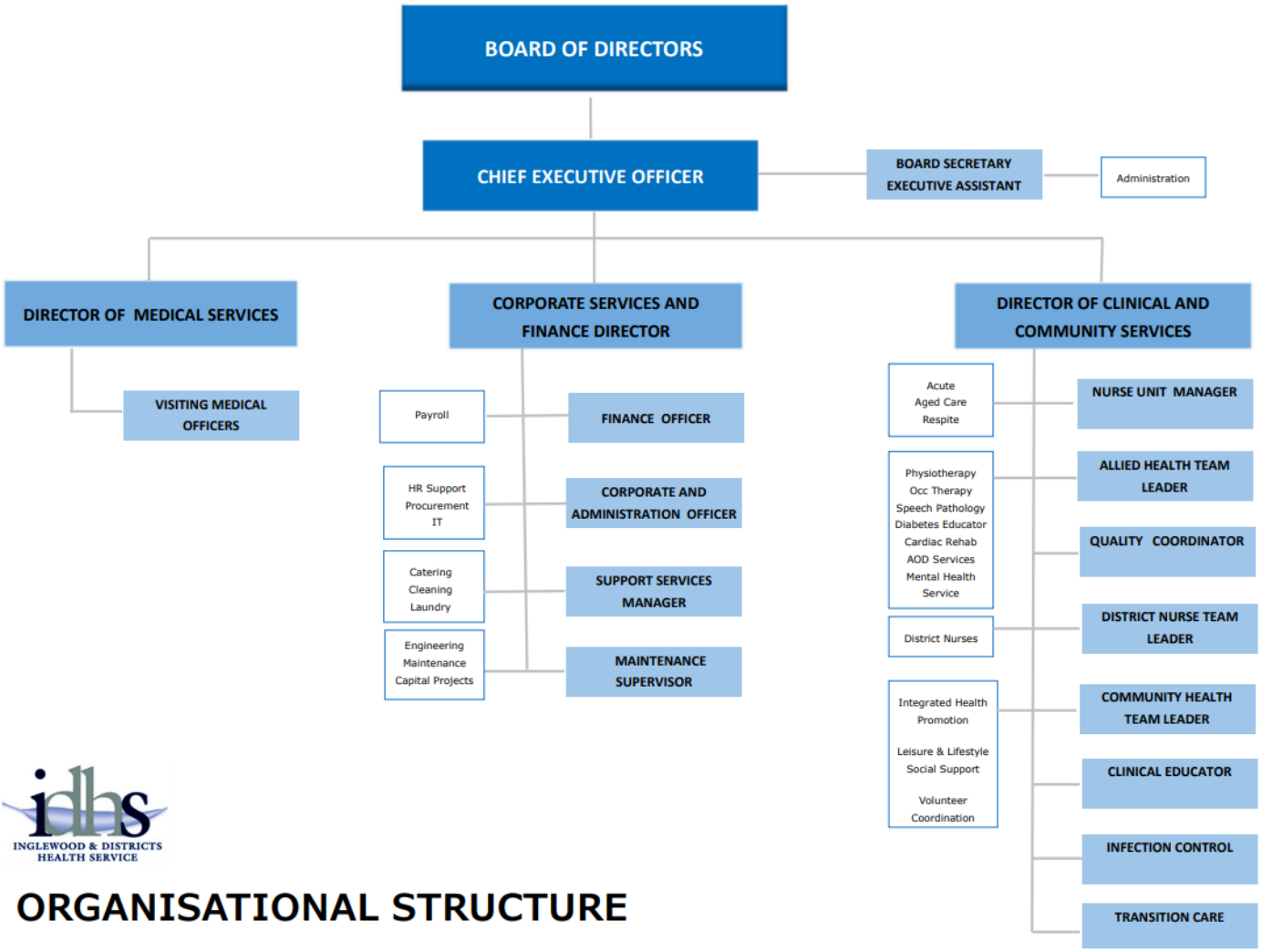
Chief Executive Officer

In accordance with the Financial Management Act 1994, I am pleased to present the report of operations for Inglewood and Districts Health Service for the year ending 30 June 2022.

Robert Chamberlain, Board Chair

5 September 2022

ORGANISATIONAL STRUCTURE



INGLEWOOD & DISTRICTS HEALTH SERVICE

ORGANISATIONAL STRUCTURE

INGLEWOOD & DISTRICTS HEALTH SERVICE BOARD OF DIRECTORS

Michael Oerlemans

Board Chair

Appointed 1 July 2017
Retired 30 June 2022

Occupation and Qualifications

Social Service Regional Director

- Master Degree in Cognitive Science
- Bachelor of Arts
- Graduate Certificate in Public Sector Management
- AICD Company Directors Course

Robert Chamberlain

Deputy Board Chair

Appointed 1 July 2019

Occupation and Qualifications

Lawyer

- Bachelor of Laws
- Bachelor of Business
- Graduate Diploma of Legal Practice
- Graduate Certificate in Public Sector Management

Ann Marie Davis

Board Director

Appointed 1 July 2021

Occupation and Qualifications

Disability Service CEO

- Masters Business Administration
- Diploma Community Sector Management
- Advanced Diploma of Community Services Management
- Advanced Diploma of Disability Work

Dr Con Georgakas

Board Director

Appointed 1 July 2020

Occupation and Qualifications

Emergency Physician

- Bachelor of Medicine and Bachelor of Surgery
- Fellow of the Australasian College for Emergency Medicine
- Company Directors Course

Jude Holt

Board Director

Appointed 1 July 2018
Retired 30 June 2022

Occupation and Qualifications

Local Government Executive

- Bachelor of Business
- AICD Company Directors Course

Sue Hurly

Board Director

Appointed 1 July 2020

Occupation and Qualifications

Change Consultant and Human Resources Manager

- Master of Business Administration
- Bachelor of Science
- AICD Company Directors Course

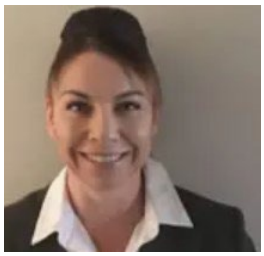
Ian Marshall

Board Director

Appointed 1 July 2017

Occupation and Qualifications

- Retired Business Executive with extensive experience of,
- Business Development
- Management
- Marketing
- Project and Design



Dr Jolene Morse

Board Director

Appointed 1 July 2020

Occupation and Qualifications

Risk and Finance Professional

- Doctrine of Business Administration
- Graduate Diploma in Applied Finance
- Masters in Business Management
- Certificate in Project Management

Robert Porter

Board Director

Appointed 1 July 2018

Occupation and Qualifications

Manager of Reporting, Performance Planning and Budgeting

- Masters of Business Administration
- Bachelor of Nursing
- Critical care Certificate

Greg Westbrook

Board Director

Appointed 1 July 2018

Occupation and Qualifications

Lawyer

- Bachelor of Laws
- Bachelor of Legal Studies

BOARD COMMITTIES

Audit and Risk

- Jolene Morse, Chair (Board Director)
- Con Georgakas (Board Director)
- Jude Holt (Board Director)
- Ian Marshall (Board Director)
- Greg Westbrook (Board Director)

Clinical Governance

- Robert Porter, Chair (Board Director)
- Con Georgakas (Board Director)
- Jolene Morse (Board Director)
- Greg Westbrook (Board Director)

Community Engagement

- Ian Marshall, Chair (Board Director)
- Anne- Maree Davis (Board Director)
- Jude Holt (Board Director)

Finance

- Kevin Stewart, Chair (Community Representative)
- Robert Chamberlain (Deputy Board Chair)
- Robert Porter (Board Director)

People Culture and Partnerships

- Michael Oerlemans, Chair (Board Chair)
- Robert Chamberlain (Deputy Board Chair)
- Anne- Maree Davis (Board Director)
- Sue Hurly (Board Director)

Project Control Group

- Ian Marshall, Chair (Board Director)
- Robert Chamberlain (Deputy Board Chair)

Remuneration and Nominations

- Michael Oerlemans, Chair (Board Chair)
- Robert Chamberlain (Deputy Board Chair)
- Anne- Maree Davis (Board Director)
- Sue Hurly (Board Director)

AUDITORS

EXTERNAL AUDITOR
RSD Chartered Accountants
(as agents of Auditor General of Vic.)

INTERNAL AUDITOR
AFS & Associates Pty Ltd. Bendigo

CONSUMER REPRESENTITIVES

- Annette Robinson, Clinical Governance Committee
- Kevin Stewart, Finance Committee
- Lorraine Jackson, Audit and Risk Committee
- Ron Heenan, Community Engagement Committee
- Graham Morse, Community Engagement Committee
- Paul Davis, Community Engagement Committee
- Colleen Condliffe, Community Engagement Committee
- Robyn Vella, Community Engagement Committee

KEY PERSONNEL AS AT JUNE 30, 2022

Dallas Coghill
Chief Executive Officer
Commenced 20 December 2021
(Director of Clinical and Community Services July-December 2021)

Greg Pullen
Interim Chief Executive Officer
21 July - 19 December 2021

April McKenzie
Director of Clinical and Community Services
Commenced 21 February 2021

Aaron Baker
Director of Finance and Corporate Services
Commenced 14 February 2021

Dr. Craig Winter
Director of Medical Services

VISITING MEDICAL OFFICERS

- Dr Shak Issa
- Dr Hadi Rafi

RECOGNITION OF STAFF

Inglewood& Districts Health Service Tenure Certificates were provided to the following staff at the Annual General Meeting held in December 2021.

YEARS SERVICE

Crystal Utting

YEARS SERVICE

Liji Anil
Melanie Kelly

YEARS SERVICE

Amberlea Smith

YEARS SERVICE

Ken Cullinan
Suzanne Hansen

WORKFORCE DATA

Labour category	June – Current Month FTE		June - YTD FTE	
	2021	2022	2021	2022
Nursing	25.83	27.98	27.30	27.20
Administration and clerical	6.20	7.45	6.83	6.31
Medical support	8.65	8.61	8.92	8.56
Hotel and allied services	14.62	14.14	12.94	14.37
Medical officers	0.05	0.00	0.10	0.00
Hospital Medical Officers	0	0	0	0
Sessional Clinicians	0	0	0	0
Ancillary staff (Allied Health)	8.45	8.96	9.95	8.92
Total	**63.80**	**67.14**	**66.04**	**65.36**

OCCUPATIONAL HEALTH & SAFETY

The Occupational Health and Safety (OH&S) incidents are investigated to identify unsafe work practices and in consultation with staff and management, recommend and then where practicable implement corrective actions. The Executive and Management team monitor staff welfare issues and employ additional supports through the Employee Assistance Program to offer counseling when required.

Work Accidents and Loss of Hours are used to monitor OH&S Performance. In the last year Inglewood and Districts Health Service has focused on reporting and documenting violence from patients and residents towards staff. The documentation has highlighted the increasing violence of residents with cognitive impairment towards staff. This is a key focus through the WHS meetings every month. Evaluations of ongoing care is always at the forefront to ensure the safety of all members across Inglewood and Districts Health Service.

Inglewood and Districts Health Service management have provided the necessary counselling and support to the staff members and colleagues. In addition, additional staff training in managing residents with dementia was provided to enhance staff skill and experience in this area.

EMPLOYMENT AND CONDUCT PRINCIPLES

The Health Service is committed to complying with the Standards and Guidelines of the Public-Sector Employment Principles and Code of Conduct for Victorian Public Sector Employees.

Occupational Health and Safety Statistics	2021-22	2020-21	2019-20
The number of reported hazards/incidents for the year per 100 FTE	17	10	11
The number of 'lost time' standard WorkCover claims for the year per 100 FTE	0.76	0.82	0.81
The average cost per WorkCover claim for the year ('000)	$5	$10.5	$9.95

OCCUPATIONAL VIOLENCE STATISTICS

Inglewood and Districts Health Service monitors the number and severity of incidents reported through the VHIMS system monthly through our WHS (Workplace Health and Safety) meetings. This is reported to the Executive Team and Board of Management through reporting. If the number or severity of cases is at a level above tolerance, this is further discussed to ensure mitigation strategies are addressing and correcting the concern to reduce recurrence. In the 2021-2022 year, there have been no issues that have not been addressed or risks mitigated.

Occupational Violence Statistics	2021-2022
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	3
Number of occupational violence incidents reported per 100 FTE	4.59
Percentage of occupational violence incidents resulting in a staff injury, illness, or condition	0

Definitions of occupational violence

- **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 2021-2022.
- **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.

FINANCIAL INFORMATION

	2022 ($)	2021 ($)	2020 ($)	2019 ($)	2018 ($)
***Operating Result**	**49,723**	**141,057**	**(79,093)**	**22,452**	**551,770**
Total Revenue	10,072,439	8,836,433	8,225,639	8,167,596	7,744,419
Total Expenses	(10,629,053)	(9,595,085)	(9,122,188)	(8,534,096)	(7,790,383)
Net Results from Transactions	**(556,614)**	**(758,652)**	**(896,549)**	**(366,500)**	**(45,964)**
Total Other Economic Flow	29,718	119,283	2,916	(42,702)	(14,921)
Net Result	**(526,896)**	**(639,369)**	**(893,633)**	**(409,202)**	**(60,885)**
Total Assets	20,847,705	18,116,016	18,678,366	17,542,450	13,328,671
Total Liabilities	7,537,938	6,507,837	6,535,005	4,307,456	3,423,400
Net Assets/Total Equity	**13,309,767**	**11,608,179**	**12,143,361**	**13,234,994**	**9,905,271**

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

RECONCILIATION OF NET RESULT FROM TRANSACTIONS AND OPERATING RESULT

	2022 ($)	2021 ($)	2020 ($)	2019 ($)	2018 ($)
***Net Operating Result**	**49,723**	**141,057**	**(79,093)**	**22,452**	**551,770**
Capital Purpose Income	274,825	54,507	110,982	272,030	227,732
COVID-19 State Supply Arrangements – Assets received free of charge or for nil consideration under State Supply	9,894	4,569	8,799	-	-
State Supply items consumed up to 30 June 2022	(9,894)	(4,569)	(8,799)	-	-
Expenditure for Capital Purpose	-	(11,758)	(38,715)	(9,784)	(59,911)
Depreciation and Amortisation	(878,782)	(908,023)	(921,066)	(634,965)	(757,856)
Finance Costs	(16,650)	(34435)	-	(16,233)	(7,699)
Net Result from Transactions	(556,614)	(758,652)	(893,633)	(366,500)	(45,964)

**The Net Operating Result is the result which the health service is monitored against in its Statement of Priorities*

INFORMATION AND COMMUNICATION TECHNOLOGY EXPENDITURE

Business as usual expenditure (ex GST)	**$310,657**

There was no non-business as usual ICT Expenditure in this financial year.

CONSULTANCIES

CONSULTANTS ENGAGED UNDER $10,000

In 2021-2022 there were no consultants engage under $10,000.

CONSULTANTS ENGAGED OVER $10,000

In 2021-2022 there were no consultants engaged over $10,000

LEGISLASTIVE REPORTING

FREEDOM OF INFORMATION

The Freedom of Information Act 1982 provides the public with a means of obtaining information held by the Health Service. The Principal Officer under the Act is the Chief Executive Officer; the authorised Freedom of Information Manager is the Director of Medical Services. The public may seek access to any documents and records held by Inglewood and Districts Health Service by making a written request to the Freedom of Information Manager.

During the period under review, Inglewood & Districts Health Service has received three requests under the Freedom of Information Act 1982.

BUILDING ACT 1993

Inglewood & Districts Health Service ensures that all buildings, plant, and equipment in its control are maintained and operated according to the statutory requirements of the Building Act 1993 and the Minister for Finance Guideline Building Act 1993/ Standards for Publicly Owned Buildings November 1994. Inglewood and Districts Health Service is compliant with the Department of Health and Human Services Fire Risk Management Guidelines.

PUBLIC INTEREST DISCLOSURE ACT 2012

Inglewood & Districts Health Service is committed to the aims and objectives of the Public Interest Disclosures Act 2012 and does not tolerate improper conduct by its employees, officers or directors, nor the taking of reprisals against those who come forward to disclose such conduct.
Inglewood & Districts Health Service recognises the value of transparency and accountability in our administrative and management practices and supports the making of disclosures that reveal corrupt conduct or conduct involving a substantial mismanagement of public resources, or conduct involving a substantial risk to public health and safety or the environment.

NATIONAL COMPETITION POLICY

Inglewood & Districts Health Service complies with the requirements of the Victorian Government's Competitive Neutrality Policy and any legislative changes made in relation to the National Competition Policy.
Competitive Neutrality is a mechanism which can be utilised to improve operating efficiencies through benchmarking and implementing better work practices.

SAFE PATIENT CARE ACT 2015

Inglewood & Districts Health Service has no matters to report in relation to its obligations under section 40 of the Safe Patient Care Act 2015.

CAR PARKING FEES

Car Parking is free at Inglewood and Districts Health Service.

CARERS RECOGNITION ACT 2012

Inglewood & Districts Health Service is an agency subject to the Carer's Recognition Act 2012. The Carer's 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. There were no disclosures in 2021-2022.
Inglewood & Districts Health Service has:
Taken all practical measures to comply with its obligations under the Act
Promoted the principles of the Act to people in care relationships receiving our services and to the broader community. Reviewed our staff employment policies to include flexible working arrangements and leave provision ensuring compliance.

LOCAL JOBS FIRST ACT 2003

Inglewood & Districts Health Service acknowledges it is required to abide by the principles of the Victorian Industry Participation Policy Act 2003 (VIPP). In 2021/22 there were no projects commenced to which the VIPP applies. To ensure that all requirements are in place that assures compliance to the VIPP policy requirements, Inglewood & Districts Health Service District has:

- Delegated the Inglewood & Districts Health Service Procurement Team the responsibility for Registration of future projects requiring ICN registration.
- VIPP requirements and statements are incorporated as part of our RFT documents
- Inglewood & Districts Health Service has a nominated VIPP Authorised Administrator to ensure future Projects over $1 million are appropriately captured and compliant with VIPP guidelines and requirement.

GENDER EQUALITY ACT

Inglewood & Districts Health Service acknowledges and supports the principles of diversity and equality in all aspects of our business and operations. Our commitment to this standard as stipulated in the Gender Equality Act 2020 has been demonstrative in our attention to setting a positive impact upon the diversity and inclusion to remove discrimination, gender bias and create sustainable improvement in gender representation from traditional disadvantaged groups. Our strategy includes:

1. Creating a workforce plan and action plan inclusive within an organisational development plan.
2. Diversity and inclusion to form part of the Inglewood & Districts Health Service committee meetings as part of the Our Team strategic pillar.
3. Inglewood & Districts Health Service Health Promotion and Community Engagement Officers are actively involved in the Community and participate in any committees that promote inclusion and diversity.
4. Inglewood & Districts Health Service Leadership team will establish key performance indicators for success and employee satisfaction in this area will be measured through employee opinion surveys.

ENVIRONMENTAL PERFORMANCE

Inglewood and Districts Health Service strives to continually improve the health of the people in our community by providing health care in an environmentally sound and sustainable manner. Inglewood and Districts Health Service is committed to continual improvement in energy consumption to reduce its carbon footprint.

Initiatives for 2021-2022 include,

- Installation of an additional 72 solar panels
- Fleet cars moving towards hybrid vehicles

Expenditure

	2020-21	2021-22	Change from previous year
Electricity	$46	$54	17.39%
Liquefied Petroleum Gas	$30	$36	20.00%
Potable Water	$14	$21	50.00%
TOTAL	**$90**	$110	22.22%

Environmental impacts & energy use

	2019-20	2020-21	2021-2022
Energy use			
Electricity (MWh)	301	214	239
Liquefied Petroleum Gas (kL)	71.07	59.64	35.07
Carbon emissions (CO2e(t))			
Electricity	0.307	0.21	0.22
Liquefied Petroleum Gas	0.111	0.09	3.09
Total emissions	**0.418**	**0.30**	**0.31**
Water use (millions litres)			
Potable Water	5	7.43	5.87

Factors influencing environmental impacts

	2019-20	2020-21	2020-2022
Floor area (m2)	3,142	3,142	3,304
Separations	147	72	65
In-Patient Bed Days	1,192	770	765
Aged Care Bed Nights	12,387	12,216	11852

Benchmarks 2021-2022

	Average for peer group	Your value	% above/ below ave.
Carbon emissions			
CO2e(t) per m2	0.11	0.10	-9.83%
CO2e(t) per OBD	0.04	0.02	-45.44%
CO2e(t) per Seps	1.33	4.69	258.89%
Water use			
kL per m2	0.90	1.86	70.96%
kL per OBD	0.34	0.46	3.44%
kL per Seps	11.1	90.13	580.42%
Expenditure rates			
Total utility spend ($/m2)	27	34.83	3.76%
Elec($/kWh)	0	0.23	4.70%
Potable Water($/kL)	3	3.37	-3.37%
LPG($/kL)	698	633.77	-3.90%
Additional measures (not included in benchmarking chart)			
Total utility spend ($/Separations)		1683.62	
Total utility spend ($/In-Patient Bed Days)		144.76	
Total utility spend ($/Aged Care Bed Nights)		9.23	

General Notes:

1. Information in this report is sourced from data provided by retailers and in some cases, data manually uploaded by health services into Eden Suite. Data has not been externally validated. All annual values represent a year ending 30 June
2. Emissions are calculated using the carbon factors for the year in which the emissions were generated. For health services provided with energy (electricity and steam) under the co-generation ESA (energy services agreement) carbon factors provided by the energy retailer are used.
3. Electricity consumption values exclude line losses; some energy retailers include losses in reported values.
4. Occupied bed days (OBD) include both inpatient and aged care data, unless stated otherwise.

ADDITIONAL INFORMATION

In compliance with the requirements of the Standing Directions of the Minister for Finance, details in respect of the items listed below have been retained by Inglewood & Districts 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, including 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;

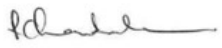
  (II) services provided; and

  (III) expenditure committed to for each engagement

ATTESTATIONS AND DECLARATIONS

Financial Management Act

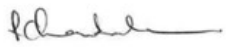
I, Robert Chamberlain, on behalf of the Responsible Body, certify that Inglewood & Districts Health Service has complied with the applicable Standing Directions of the Minister for Finance under the Financial Management Act 1994 and Instructions.



Robert Chamberlain Board Chair
Inglewood & Districts Health Service, 5 September 2022

Inglewood and Districts Health Service Financial Management Compliance Attestation Statement

I Robert Chamberlain on behalf of the Responsible Body, certify that Inglewood and Districts Health Service has no Material Compliance Deficiency with respect to the applicable Standing Directions under the Financial Management Act 1994 and Instructions.



Robert Chamberlain Board Chair
Inglewood & Districts Health Service, 5 September 2022

Data Integrity Declaration

I, Dallas Coghill, certify that the Inglewood & Districts Health Service has put in place appropriate internal controls and processes to ensure that the reported data accurately reflects actual performance. Inglewood & Districts Health Service has critically reviewed these controls and processes during the year.

Dallas Coghill CEO
Inglewood & Districts Health Service, 5 September 2022

Conflict of Interest Declaration

I, Dallas Coghill, certify that the Inglewood & Districts Health Service has put in place appropriate internal controls and processes to ensure that it has complied with the requirements of hospital circular 07/2017 Compliance reporting in health portfolio entities (revised) and has implemented a 'Conflict of Interest' policy consistent with the minimum accountabilities required by the VPSC.

Declaration of private interest forms have been completed by all executive staff within Inglewood & Districts Health Service and members of the board, and all declared interests have been addressed and are being managed. Conflict of interest is a standard agenda item for declaration and documenting at each executive board meeting.

Dallas Coghill CEO
Inglewood & Districts Health Service, 5 September 2022

Integrity Fraud and Corruption Declaration

I, Dallas Coghill, certify that Inglewood & Districts Health Service has put in place appropriate internal controls and processes to ensure that integrity, fraud, and compliance risks have been reviewed and addressed at Inglewood & Districts Health Service during the year.

Dallas Coghill CEO
Inglewood & Districts Health Service 5 September 2022

REPORTING OUTCOMES FROM STATEMENT OF PRIORITIES

Strategic Priorities	Inglewood and Districts Health Service Strategy and Outcome
Maintain your robust COVID-19 readiness and response, working with my department to ensure we rapidly respond to outbreaks, when they occur, which includes providing to testing for your community and staff, where necessary and if required. This includes preparing to participate in, and assist with, the implementation of our COVID-19 vaccine immunisation program rollout, ensuring your local community's confidence in the program.	Inglewood and Districts Health Service has a well-developed Pandemic Plan that continues to undergo rigorous review and scenario testing. This ensures that Inglewood and Districts Health Service provides the greatest response to any potential outbreaks and ensures our patients, resident, staff and community remain safe. Inglewood and Districts Health Service continued to provide our community with opportunity to access testing through our service. Inglewood and Districts Health Service continues to provide strong support to its sub regional and regional partners in responding effectively to COVID. Inglewood and Districts Health Service has worked in collaboration with our regional partners to ensure that our staff and community received vaccinations.
Actively collaborate on the development and delivery of priorities within your Health Service Partnership, contribute to inclusive and consensus-based decision-making, support optimum utilisation of services, facilities and resources within the Partnership, and be collectively accountable for delivering against Partnership accountabilities as set out in the Health Service Partnership Policy and Guidelines	The Inglewood and Districts Health Service CEO is a Board member of the Loddon Mallee Heath Network (LMHN) and is a representative of the Clinical Workforce and Quality & Safety Committee. The Inglewood and Districts Health Service Director of Clinical and Community Services is a representative the Loddon Mallee Nurse Executive group. Inglewood and Districts Health Service is an active participant in the Loddon Health Partnership of Bendigo Health Castlemaine Health, Maryborough, Heathcote, and Boort Districts Health. The Key priorities identified include improvements in mental health, telehealth, workforce planning and training.
Engage with your community to address the needs of patients, especially our vulnerable Victorians whose care has been delayed due to the pandemic and provide the necessary "catch-up" care to support them to get back on track. Work collaboratively with your Health Service Partnership to: o implement the Better at Home initiative to enhance in-home and virtual models of patient care when it is safe, appropriate and consistent with patient preference.	Inglewood and Districts Health Service continues to strengthen its response to Telehealth providing various virtual and telephony appointments to the community. Inglewood and Districts Health Service has been able to reengage with our community through our numerous health programs across the region. Inglewood and Districts Health Service continues to develop our relationships with local service providers to ensure that our community is receiving the health care it needs. Inglewood and Districts Health Service has worked in collaboration with our regional partners to introduce remote monitoring of COVID patients. Through our Local partnerships, Inglewood and Districts Health Service is implementing Better at Home initiatives.
Address critical mental health demand pressures and support the implementation of mental health system reforms to embed integrated mental health and suicide prevention pathways for people with, or at risk of, mental illness or suicide through a whole-of[1]system approach as an active participate in your Health Service Partnership and through your Partnership's engagement with Regional Mental Health and Wellbeing Boards	Inglewood and Districts Health Service has been a leader in the Loddon region providing Mental Health support to the LGA through our Integrated Health Promotion Strategy. Inglewood and Districts Health Service remains an active member of the Healthy Minds committee. Inglewood and Districts Health Service has increased the service delivery in Mental Health in our region. Inglewood and Districts Health Service has recruited a Mental Health Practitioner and a Drug and Alcohol Nurse Practitioner who provide support across all Inglewood and Districts Health Service areas. Through the successful recruitment of a new Director of Clinical and Community Services, processes have been implemented to review all clinical governance indicators through our Board and Clinical Governance Committees.

Embed the Aboriginal and Torres Strait Islander Cultural Safety Framework into your organisation and build a continuous quality improvement approach to improving cultural safety, underpinned by Aboriginal self-determination, to ensure delivery of culturally safe care to Aboriginal patients and families, and to provide culturally safe workplaces for Aboriginal employees.	Inglewood and Districts Health Service ensures that we continue to support our Aboriginal community. Inglewood and Districts Health Service has focused on developing and implementing a Cultural Safety framework. Inglewood and Districts Health Service has supported our staff to attend the Victorian Public Sector Commission Aboriginal Staff Network Event in 2022. This has ensured we are developing networks and supports for our staff. Over the past twelve months, Inglewood and Districts Health Service has also provided cultural awareness training to nominated staff. In 2021 Inglewood and Districts Health Service celebrated Naidoc week and increased consultation with Aboriginal staff to ensure we are providing a safe environment for all people.

PART B KEY PERFORMANCE MEASURES

HIGH QUALITY AND SAFE CARE

Key performance indicator	Target	Actual
Infection prevention and control		
Compliance with the Hand Hygiene Australia program	85%	88.9%
Percentage of healthcare workers immunised for influenza	92%	93%
Patient experience		
Victorian Healthcare Experience Survey – percentage of positive patient experience outcomes Quarter 1	95%	*0
Victorian Healthcare Experience Survey – percentage of positive patient experience outcomes Quarter 2	95%	*0
Victorian Healthcare Experience Survey – percentage of positive patient experience outcomes Quarter 3	95%	*0

** unable to provide result due low number of surveys submitted.*

STRONG GOVERNANCE LEADERSHIP AND CULTURE

Key performance indicator	Target	Actual
Governance Leadership and Culture		
Safety Culture Among Healthcare Workers	62%	70%

EFFECTIVE FINANCIAL MANAGEMENT

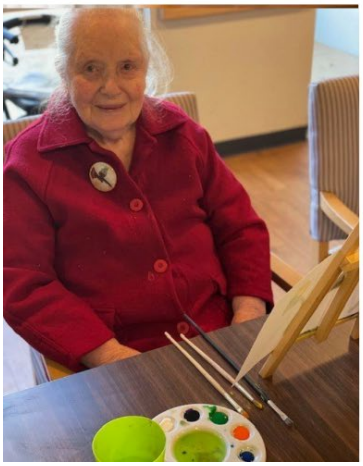
Financial Reporting

Key performance indicator	Target	Actual
Finance		
Operating result ($m)	0.000	0.050
Average number of days to pay trade creditors	60 days	66 days
Average number of days to receive patient fee debtors	60 days	65 days
Adjusted current asset ratio	0.7 or 3% improvement from health service base target	0.89
Actual number of days with available cash, measured on the last day of each month	14 days	37 days
Variance between forecast and actual Net result from transactions (NRFT) for the current financial year ending 30 June	Variance ≤ $250,000	$50,000

PART C: STATE FUNDING (MODELLED BUDGET)

Funding Type	Activity
Small Rural	**Bed Days**
Small Rural Acute	0%
Small Rural Residential Care	12,205
Small Rural Primary Health & HACC	**Service Hours**
Nursing	2320
Allied Health - Physio	277
Counselling	498





DISCLOSURE INDEX

The annual report of the Inglewood & Districts Health Service 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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FRD 22	Nature and range of services provided	3
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FRD 22	Summary of the financial results for the year	16
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FRD 22	Subsequent events	Finance note 8.6
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LIFE GOVERNORS AS AT 30 JUNE 2022

12.06.1990	Mr. J. Murnane
12.06.1990	Mrs. A. Leach
21.06.1989	Mrs. K. Weston
19.11.1953	Mr. J. Mason
29.03.1954	Mrs. F. Soulsby
17.03.1955	Victorian Police Highland Band
20.06.1957	Mr. G. Roberts
17.10.1957	Mrs. J. Soulsby
11.06.1958	Mrs. B. Mason*
11.06.1958	Mr. L. Leitch
25.08.1964	Mr. A. Attwood
27.05.1971	Mr. S. Payne
26.07.1973	Mr. J. Leach
26.07.1973	Mr. D. Roberts
26.07.1974	Mrs. E. Roberts
27.11.1975	Mr. E. Edwards
24.06.1976	Mr. A. Bellenger
28.04.1977	Mr. J. Kennedy
28.07.1978	Mr. R. Leach
29.03.1980	Mrs. S. Catto
25.02.1981	Mrs. D. Vanston
23.06.1982	Mrs. M. Catto
14.08.1983	Mrs. E. Younghusband
14.10.1984	Mr. L. Mitchell
26.06.1985	Mrs. J. Leach
26.06.1988	Mr. C. Chamberlain
19.06.1991	Mrs. J. Bellenger
23.10.1991	Mr. J. Barth
23.06.1992	Mrs. J. Soulsby
16.09.1992	Mr. W. Penny
16.06.1993	Mr. G. Leach
22.06.1994	Mrs. M. Duke
21.06.1995	Mrs. A. Adam
20.09.1995	Mr. F. Rose
27.06.1996	Mr. N. Roberts
24.09.1997	Mrs. J. Hobbs
27.05.1997	Mrs. H. Passalick
28.07.1998	Mrs. I. Chappel
28.07.1998	Mrs. B. Medcalf
28.07.1998	Mrs. E. Wilson
24.08.1999	Mrs. N. Wright
21.12.2004	Mr. S. Hando
21.11.2013	Mr. P Norman
29.11.2017	Mr. P. Moore
29.11.2017	Mrs. M. Evans
17.12.2019	Dr. S Issa
17.12.2019	Mrs. Carol Gibbins
17.12.2019	Mr. Laurie May
18.02.2021	Mrs. Betty Higgs

Independent Auditor's Report

Victorian Auditor-General's Office

To the Board of Inglewood & Districts Health Service

Opinion

I have audited the financial report of Inglewood & Districts Health Service (the health service) which comprises the:

- balance sheet as at 30 June 2022
- comprehensive operating statement for the year then ended
- statement of changes in equity for the year then ended
- cash flow statement for the year then ended
- notes to the financial statements, including significant accounting policies
- board member's, accountable officer's, and chief finance & accounting officer's declaration.

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

Basis for Opinion

I have conducted my audit in accordance with the *Audit Act 1994* which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. My independence is established by the *Constitution Act 1975.* My staff and I are independent of the health service in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Other Information

My opinion on the financial report does not cover the Other Information and accordingly, I do not express any form of assurance conclusion on the Other Information. However, in connection with my audit of the financial report, my responsibility is to read the Other Information and in doing so, consider whether it is materially inconsistent with the financial report or the knowledge I obtained during the audit, or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude there is a material misstatement of the Other Information, I am required to report that fact. I have nothing to report in this regard.

Board's responsibilities for the financial report

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

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

Auditor's responsibilities for the audit of the financial report

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

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

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

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

MELBOURNE
30 September 2022

Dominika Ryan
as delegate for the Auditor-General of Victoria

FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2022

Inglewood & Districts Health Service
Financial Statements
Financial Year ended 30 June 2022

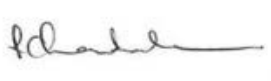
Board member's, accountable officer's, and chief finance & accounting officer's declaration

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

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2022 and the financial position of Inglewood & Districts Health Service at 30 June 2022.

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

We authorise the attached financial statements for issue on 5 September 2022.

Board member	**Accountable Officer**	**Chief Finance & Accounting Officer**
		
Mr Robert Chamberlain	Mr Dallas Coghill	Mr Aaron Baker
Chair	Chief Executive Officer	Chief Finance and Accounting Officer
Inglewood 5 September 2022	Inglewood 5 September 2022	Inglewood 5 September 2022

Inglewood & Districts Health Service
Comprehensive Operating Statement
For the Financial Year Ended 30 June 2022

	Note	Total 2022 $	Total 2021 $
Revenue and income from transactions			
Operating activities	2.1	9,662,511	8,820,437
Non-operating activities	2.1	16,457	15,996
Share of revenue from joint operations	8.7	393,471	627,154
Total revenue and income from transactions		**10,072,439**	**9,463,587**
Expenses from transactions			
Employee expenses	3.1	(7,744,278)	(7,064,915)
Supplies and consumables	3.1	(444,490)	(453,370)
Finance costs	3.1	(16,650)	(34,435)
Depreciation	3.1	(878,782)	(908,023)
Share of expenditure from joint operations	8.7	(363,078)	(559,252)
Other administrative expenses	3.1	(845,311)	(790,400)
Other operating expenses	3.1	(289,835)	(341,942)
Other non-operating expenses	3.1	(46,629)	(2,000)
Total expenses from transactions		**(10,629,053)**	**(10,154,337)**
Net result from transactions - net operating balance		**(556,614)**	**(690,750)**
Other economic flows included in net result			
Net gain/(loss) on sale of non-financial assets	3.2	18,137	-
Net gain/(loss) on financial instruments	3.2	1,941	(544)
Other gain/(loss) from other economic flows	3.2	9,640	51,925
Total other economic flows included in net result		**29,718**	**51,381**
Net result for the year		**(526,896)**	**(639,369)**
Other comprehensive income			
Items that will not be reclassified to net result			
Changes in property, plant and equipment revaluation surplus	4.1(b)	2,228,484	104,187
Total other comprehensive income		**2,228,484**	**104,187**
Comprehensive result for the year		**1,701,588**	**(535,182)**

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

Inglewood & Districts Health Service
Balance Sheet
As at 30 June 2022

	Note	Total 2022 $	Total 2021 $
Current assets			
Cash and cash equivalents	6.2	5,990,302	5,269,405
Receivables and contract assets	5.1	290,740	363,956
Inventories		59,697	59,697
Prepaid expenses		107,275	103,570
Total current assets		**6,448,014**	**5,796,628**
Non-current assets			
Receivables and contract assets	5.1	532,956	282,215
Property, plant and equipment	4.1 (a)	13,607,015	11,845,722
Right of use assets	4.2 (a)	259,720	191,451
Total non-current assets		**14,399,691**	**12,319,388**
Total assets		**20,847,705**	**18,116,016**
Current liabilities			
Payables and contract liabilities	5.2	1,832,495	1,120,168
Borrowings	6.1	175,247	122,051
Employee benefits	3.3	1,415,872	1,165,385
Other liabilities	5.3	3,812,737	3,822,903
Total current liabilities		**7,236,351**	**6,230,507**
Non-current liabilities			
Borrowings	6.1	133,106	137,028
Employee benefits	3.3	168,481	140,302
Total non-current liabilities		**301,587**	**277,330**
Total liabilities		**7,537,938**	**6,507,837**
Net assets		**13,309,767**	**11,608,179**
Equity			
Property, plant and equipment revaluation surplus	4.3	15,168,019	12,939,535
Restricted specific purpose reserve	SCE	650,349	650,349
Contributed capital	SCE	5,284,700	5,284,700
Accumulated deficits	SCE	(7,793,301)	(7,266,405)
Total equity		**13,309,767**	**11,608,179**

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

Inglewood & Districts Health Service
Statement of Changes in Equity
For the Financial Year Ended 30 June 2022

	Note	Property, Plant and Equipment Revaluation Surplus $	Restricted Specific Purpose Reserve $	Contributed Capital $	Accumulated Deficits $	Total $
Balance at 30 June 2020		**12,835,348**	**650,349**	**5,284,700**	**(6,627,036)**	**12,143,361**
Net result for the year		-	-	-	(639,369)	(639,369)
Other comprehensive income for the year		104,187	-	-	-	104,187
Balance at 30 June 2021		**12,939,535**	**650,349**	**5,284,700**	**(7,266,405)**	**11,608,179**
Net result for the year		-	-	-	(526,896)	(526,896)
Other comprehensive income for the year		2,228,484	-	-	-	2,228,484
Balance at 30 June 2022		**15,168,019**	**650,349**	**5,284,700**	**(7,793,301)**	**13,309,767**

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

Inglewood & Districts Health Service
Cash Flow Statement
For the Financial Year Ended 30 June 2022

	Note	Total 2022 $	Total 2021 $
Cash Flows from operating activities			
Operating grants from government		7,136,196	6,806,345
Capital grants from government - State		1,097,373	7,135
Patient fees received		862,271	916,774
Capital Donations and bequests received		45,177	10,736
GST received from ATO		5,918	6,642
Interest and investment income received		16,457	15,996
Commercial Income Received		74,175	53,934
Receipt from share of rural health alliance		30,393	67,902
Other receipts		1,055,051	1,067,794
Total receipts		**10,323,011**	**8,953,258**
Employee expenses paid		(7,418,297)	(7,022,317)
Payments for supplies and consumables		(646,758)	(247,004)
Payments for medical indemnity insurance		(9,236)	(24,404)
Payments for repairs and maintenance		(150,900)	(191,082)
Finance Costs		(16,650)	(34,435)
GST paid to ATO		(1,404)	(8,401)
Cash outflow for leases		(17,025)	(21,580)
Other payments		(915,062)	(881,421)
Total payments		**(9,175,332)**	**(8,430,644)**
Net cash flows from operating activities	8.1	**1,147,679**	**522,614**
Cash Flows from investing activities			
Purchase of property, plant and equipment		(360,224)	(66,693)
Proceeds from disposal of property, plant and equipment		18,137	-
Net cash flows used in investing activities		**(342,087)**	**(66,693)**
Cash flows from financing activities			
Repayment of borrowings		(68,421)	(43,046)
Receipt of accommodation deposits		1,986,000	900,000
Repayment of accommodation deposits		(2,002,274)	(1,148,678)
Net cash flows used in financing activities		**(84,695)**	**(291,724)**
Net increase in cash and cash equivalents held		**720,897**	**164,197**
Cash and cash equivalents at beginning of year		5,269,405	5,105,208
Cash and cash equivalents at end of year	6.2	**5,990,302**	**5,269,405**

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

Note 1: Basis of preparation

Structure

Note 1: Basis of preparation

These financial statements represent the audited general purpose financial statements for Inglewood & Districts Health Service for the year ended 30 June 2022. The report provides users with information about Inglewood & Districts Health Service'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.

Inglewood & Districts Health Service 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.

Inglewood & Districts Health Service operates on a fund accounting basis and maintains three funds: Operating, Specific Purpose and Capital Funds.

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

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

The financial statements are in Australian dollars.

The amounts presented in the financial statements have been rounded to the nearest dollar. 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 Inglewood & Districts Health Service on 5 September 2022.

Note 1.2 Impact of COVID-19 pandemic

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

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

In response to the ongoing COVID-19 pandemic, Inglewood & Districts Health Service has:

- introduced restrictions on non-essential visitors
- utilised telehealth service
- deferred elective surgery and reduced activity
- performed COVID-19 testing
- changed infection control practices
- implementing work from home arrangements where appropriate.

Where financial impacts of the pandemic are material to Inglewood & Districts Health Service, they are disclosed in the explanatory notes.

The financial impacts of the pandemic are disclosed at:

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

Note 1.3 Abbreviations and terminology used in the financial statements
The following table sets out the common abbreviations used throughout the financial statements:

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

Note 1.4 Joint arrangements

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

Inglewood & Districts Health Service has the following joint arrangements:

- Loddon Mallee Rural Health Alliance - Joint Operation

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

Note 1.5 Key accounting estimates and judgements
Management make estimates and judgements when preparing the financial statements.

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

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

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

Note 1.6 Accounting standards issued but not yet effective

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

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

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

Note 1.7 Goods and Services Tax (GST)

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

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

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

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

Note 1.8 Reporting Entity

The financial statements include all the activities of Inglewood & Districts Health Service.

Its principal address is:

3 Hospital Street
Inglewood VIC 3517

A description of the nature of Inglewood & Districts Health Service'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

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

Structure

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

Telling the COVID-19 story

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

Funding provided included:

- COVID-19 operational funding of $327,953.

Key judgements and estimates

This section contains the following key judgements and estimates:

Key judgements and estimates	Description
Identifying performance obligations	Inglewood & Districts Health Service applies significant judgment when reviewing the terms and conditions of funding agreements and contracts to determine whether they contain sufficiently specific and enforceable performance obligations. If this criteria is met, the contract/funding agreement is treated as a contract with a customer, requiring Inglewood & Districts Health Service 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	Inglewood & Districts Health Service applies significant judgement to determine when a performance obligation has been satisfied and the transaction price that is to be allocated to each performance obligation. A performance obligation is either satisfied at a point in time or over time.
Determining time of capital grant income recognition	Inglewood & Districts Health Service applies significant judgement to determine when its obligation to construct an asset is satisfied. Costs incurred is used to measure the health service's progress as this is deemed to be the most accurate reflection of the stage of completion.

Note 2.1 Revenue and income from transactions

	Note	Total 2022 $	Total 2021 $
Operating activities			
Revenue from contracts with customers			
Government grants (State) - Operating		-	71,304
Government grants (Commonwealth) - Operating		2,494,386	2,424,689
Patient and resident fees		919,328	934,096
Commercial activities [1]		74,175	53,934
Total revenue from contracts with customers	2.1(a)	**3,487,889**	**3,484,023**
Other sources of income			
Government grants (State) - Operating		4,914,267	4,252,320
Government grants (State) - Capital		206,196	7,135
Assets received free of charge or for nominal consideration	2.2	45,177	15,305
Other revenue from operating activities (including non-capital donations)	2.3	1,008,982	1,061,654
Total other sources of income		**6,174,622**	**5,336,414**
Total revenue and income from operating activities		**9,662,511**	**8,820,437**
Non-operating activities			
Income from other sources			
Other interest	2.3	16,457	15,996
Total other sources of income		**16,457**	**15,996**
Total income from non-operating activities		**16,457**	**15,996**
Total revenue and income from transactions		**9,678,968**	**8,836,433**

1. Commercial activities represent business activities which Inglewood & Districts Health Service enter into to support their operations.

Note 2.1 Revenue and income from transactions

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

	Total 2022 $	Total 2021 $
Inglewood & Districts Health Service disaggregates revenue by the timing of revenue recognition.		
Goods and services transferred to customers:		
At a point in time	3,413,714	3,430,089
Over time	74,175	53,934
Total revenue from contracts with customers	**3,487,889**	**3,484,023**

How we recognise revenue and income from transactions

Government operating grants

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

When both these conditions are satisfied, the health service:

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

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

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

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

Note 2.1 Revenue and income from transactions (continued)

This policy applies to each of Inglewood & Districts Health Service's revenue streams, with information detailed below relating to Inglewood & Districts Health Service's significant revenue streams:

Government grant	Performance obligation
Commonwealth Residential Aged Care Grants	Funding is provided for the provision of care for aged care residents within facilities at Inglewood & Districts Health Service. The performance obligations include provision of residentail accommodations and care from nursing staff and personal care workers. Revenue is recognised at the point in time when the service is provided within the residential aged care facility.
Department of Health grants linked to Statement of Priorities	Funding is received from Department of Health that have performance obligations linked to the Statement of Priorities agreed upon between the health service and DoH. The performance obligation is a requirement to provide a stipulated number of service contacts or hours of service delivery. Revenue is recognised over time as the services are delivered.

Capital grants

Where Inglewood & Districts Health Service 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 Inglewood & Districts Health Service's obligation to construct the asset. The progressive percentage of costs incurred is used to recognise income, as this most accurately reflects the stage of completion.

Patient and resident fees

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

Commercial activities

Revenue from commercial activities includes items such as Marong Medical Practice, meals on wheels and provision of accommodation. Commercial activity revenue is recognised at a point in time, upon provision of the goods or service to the customer.

How we recognise revenue and income from non-operating activities

Interest Income

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

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

	Total 2022 $	Total 2021 $
Cash donations and gifts	45,177	10,736
Personal protective equipment	-	4,569
Total fair value of assets and services received free of charge or for nominal consideration	**45,177**	**15,305**

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 Inglewood & Districts Health Service usually obtained control of the asset) as they do not contain sufficiently specific and enforceable performance obligations. Where sufficiently specific and enforceable performance obligations exist, revenue is recorded as and when the performance obligation is satisfied.

Personal protective equipment

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

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

Voluntary Services

Contributions by volunteers, in the form of services, are only recognised when fair value can be reliably measured, and the services would have been purchased if they had not been donated. Inglewood & Districts Health Service has considered the services provided by volunteers and has determined the value of volunteer services cannot be readily determined and therefore it has not recorded any income related to volunteer services.

Non-cash contributions from the Department of Health

The Department of Health makes some payments on behalf of Inglewood & Districts Health Service as follows:

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

Note 2.3 Other income

	Total 2022 $	Total 2021 $
Operating		
Inter hospital recoveries	139,462	139,462
Transition care program	453,344	534,195
Community programs	378,919	337,801
Other revenue	37,257	50,196
Total other income - Operating	**1,008,982**	**1,061,654**
Non-Operating		
Interest	16,457	15,996
Total other income - Non Operating	**16,457**	**15,996**

How we recognise other income

Inter hospital recoveries
Revenue from inter hospital recoveries relates to the 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.

Transition care program
The program provides short term support and assistance for older people after completing any necessary acute and sub-acute care in a hospital.

Community programs
Revenue from community programs include activities such as speech therapy service, chronic disease management and primary mental health services. Recovery activity revenue is recognised at a point in time, upon provision of the goods or service to the customer.

Other Revenue
Other revenue is recorded as revenue as received.

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

Note 3: The cost of delivering our services

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

Structure

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

Telling the COVID-19 story

Expenses incurred to deliver our services increased by $333,696 during the financial year which was partially attributable to the COVID-19 Coronavirus pandemic.

Additional costs were incurred to deliver the following additional services:

- implement COVID safe practices throughout Inglewood & Districts Health Service including increased cleaning, increased security, consumption of personal protective equipment provided as resources free of charge.
- establish vaccination clinics to administer vaccines to staff and the community resulting in an increase in employee costs, additional equipment purchased.
- establish COVID-19 testing facilities for staff and the community, resulting in an increase in employee costs and consumables
- implement work from home arrangements resulting in increased ICT infrastructure costs and additional equipment purchases

Note 3: The cost of delivering our services (continued)

Key judgements and estimates

This section contains the following key judgements and estimates:

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

Note 3.1 Expenses from transactions

	Note	Total 2022 $	Total 2021 $
Salaries and wages		6,715,149	6,071,574
On-costs		628,013	545,092
Agency expenses		66,536	85,398
Fee for service medical officer expenses		233,153	297,571
Workcover premium		101,427	65,280
Total employee expenses		**7,744,278**	**7,064,915**
Drug supplies		18,792	22,846
Medical and surgical supplies		148,973	171,191
Diagnostic and radiology supplies		995	3,962
Other supplies and consumables		275,730	255,371
Total supplies and consumables		**444,490**	**453,370**
Finance costs		16,650	34,435
Total finance costs		**16,650**	**34,435**
Other administrative expenses		845,311	790,400
Total other administrative expenses		**845,311**	**790,400**
Fuel, light, power and water		112,674	104,876
Repairs and maintenance		89,343	89,185
Maintenance contracts		61,557	101,897
Medical indemnity insurance		9,236	24,404
Expenses related to leases of low value assets		17,025	21,580
Total other operating expenses		**289,835**	**341,942**
Total operating expense		**9,340,564**	**8,685,062**
Depreciation	4.4	878,782	908,023
Total depreciation and amortisation		**878,782**	**908,023**
Bad and doubtful debt expense		46,629	2,000
Total other non-operating expenses		**46,629**	**2,000**
Total non-operating expense		**925,411**	**910,023**
Total expenses from transactions		**10,265,975**	**9,595,085**

Note 3.1 Expenses from transactions

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

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 Inglewood & Districts Health Service. These amounts have been brought to account as grants in determining the operating result for the year by recording them as revenue and also recording the related expense.

Non-operating expenses

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

Note 3.2 Other economic flows included in net result

	Total 2022 $	Total 2021 $
Net gain/(loss) on disposal of property plant and equipment	18,137	-
Total net gain/(loss) on non-financial assets	**18,137**	**-**
Other gains/(losses) from other economic flows	1,941	(544)
Total net gain/(loss) on financial instruments	**1,941**	**(544)**
Net gain/(loss) arising from revaluation of long service liability	9,640	51,925
Total other gains/(losses) from other economic flows	**9,640**	**51,925**
Total gains/(losses) from other economic flows	**29,718**	**51,381**

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.

Any gain or loss on the disposal of non-financial assets is 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 2022 $	Total 2021 $
Current provisions		
Accrued days off		
Unconditional and expected to be settled wholly within 12 months [i]	14,167	9,715
	14,167	**9,715**
Annual leave		
Unconditional and expected to be settled wholly within 12 months [i]	392,712	373,780
Unconditional and expected to be settled wholly after 12 months [ii]	66,453	121,600
	459,165	**495,380**
Long service leave		
Unconditional and expected to be settled wholly within 12 months [i]	280,627	170,056
Unconditional and expected to be settled wholly after 12 months [ii]	519,907	377,962
	800,534	**548,018**
Provisions related to employee benefit on-costs		
Unconditional and expected to be settled within 12 months [i]	73,904	75,873
Unconditional and expected to be settled after 12 months [ii]	68,102	36,399
	142,006	**112,272**
Total current employee benefits	**1,415,872**	**1,165,385**
Non-current provisions		
Conditional long service leave [i]	150,197	131,506
Provisions related to employee benefit on-costs [ii]	18,284	8,796
Total non-current employee benefits	**168,481**	**140,302**
Total employee benefits	**1,584,353**	**1,305,687**

[i] The amounts disclosed are nominal amounts.

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

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

	Total 2022 $	Total 2021 $
Current employee benefits and related on-costs		
Unconditional accrued days off	14,167	9,715
Unconditional annual leave entitlements	509,673	542,901
Unconditional long service leave entitlements	892,032	612,769
Total current employee benefits and related on-costs	**1,415,872**	**1,165,385**
Conditional long service leave entitlements	168,481	140,302
Total non-current employee benefits and related on-costs	**168,481**	**140,302**
Total employee benefits and related on-costs	**1,584,353**	**1,305,687**

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

Carrying amount at start of year	121,068	129,274
Additional provisions recognised	39,222	(8,206)
Carrying amount at end of year	**160,290**	**121,068**

How we recognise employee benefits

Employee benefit recognition

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

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

Annual leave and accrued days off

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

Note 3.4 Superannuation

	Paid Contribution for the Year		Contribution Outstanding at Year End	
	Total 2022 $	Total 2021 $	Total 2022 $	Total 2021 $
Defined contribution plans:				
First State Super	343,364	314,205	-	11,957
Hesta	155,955	95,410	-	4,968
Other	128,694	111,172	-	6,801
Total	**628,013**	**520,787**	**-**	**23,726**

[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 Inglewood & Districts Health Service are entitled to receive superannuation benefits and it contributes to defined contribution plans. There are no contributions made to defined benefit plans.

Defined contribution superannuation plans

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

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

Note 4: Key assets to support service delivery

Inglewood & Districts Health Service 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 Inglewood & Districts Health Service 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 Depreciation
4.5 Impairment of assets

Telling the COVID-19 story

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

Key judgements and estimates

This section contains the following key judgements and estimates:

Key judgements and estimates	Description
Estimating useful life of property, plant and equipment	Inglewood & Districts Health Service 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, residual value and depreciation rates of all assets at the end of each financial year and where necessary, records a change in accounting estimate.
Estimating useful life of right-of-use assets	The useful life of each right-of-use asset is typically the respective lease term, except where 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. Inglewood & Districts Health Service applies significant judgement to determine whether or not it is reasonably certain to exercise such purchase options.
Identifying indicators of impairment	At the end of each year, Inglewood & Districts Health Service 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. The health service considers a range of information when performing its assessment, including considering: ▪ If an asset's value has declined more than expected based on normal use ▪ If a significant change in technological, market, economic or legal environment which adversely impacts the way the health service uses an asset ▪ If an asset is obsolete or damaged ▪ If the asset has become idle or if there are plans to discontinue or dispose of the asset before the end of its useful life ▪ If the performance of the asset is or will be worse than initially expected. Where an impairment trigger exists, the health services applies significant judgement and estimate to determine the recoverable amount of the asset.

Note 4.1 Property, plant and equipment
Note 4.1 (a) Gross carrying amount and accumulated depreciation

	Total 2022 $	Total 2021 $
Land at fair value - Crown	714,664	580,887
Land at fair value - Freehold	88,000	88,000
Total land at fair value	**802,664**	**668,887**
Buildings at fair value	12,145,607	12,308,784
Less accumulated depreciation	-	(1,516,523)
Landscaping at fair value	54,652	88,000
Less accumulated depreciation	-	(8,586)
Total buildings at fair value	**12,200,259**	**10,871,675**
Works in progress at cost	**217,209**	**11,703**
Total land and buildings	**13,220,132**	**11,552,265**
Plant and equipment at fair value	918,036	769,097
Less accumulated depreciation	(640,785)	(599,173)
Loddon Mallee Rural Health Alliance at fair value	58,942	52,355
Less accumulated depreciation	(34,467)	(26,132)
Total plant and equipment at fair value	**301,726**	**196,147**
Motor vehicles at fair value	25,400	25,400
Less accumulated depreciation	(25,400)	(25,400)
Total motor vehicles at fair value	**-**	**-**
Computer equipment at fair value	120,944	120,944
Less accumulated depreciation	(120,944)	(116,595)
Total computer equipment at fair value	**-**	**4,349**
Furniture and fittings at fair value	164,659	157,133
Less accumulated depreciation	(79,502)	(64,172)
Total furniture and fittings at fair value	**85,157**	**92,961**
Total plant, equipment, furniture, fittings and vehicles at fair value	**386,883**	**293,457**
Total property, plant and equipment	**13,607,015**	**11,845,722**

Note 4.1 (b) Reconciliations of the carrying amounts of each class of asset

	Note	Land	Buildings	Building works in progress	Plant & equipment	Computer Equipment	Furniture & Fittings	Total
		$	$	$	$	$	$	$
Balance at 1 July 2020		**564,700**	**11,637,798**	**4,000**	**177,430**	**39,679**	**116,891**	**12,540,498**
Additions		-	-	7,703	55,873	-	-	63,576
Revaluation increments/(decrements)		104,187	-	-	-	-	-	104,187
Loddon Mallee Rural Health Alliance		-	-	-	3,117	-	-	3,117
Net transfers between classes		-	(62)	-	19,685	(16,076)	(3,547)	-
Depreciation	4.4	-	(766,061)	-	(59,958)	(19,254)	(20,383)	(865,656)
Balance at 30 June 2021	4.1 (a)	**668,887**	**10,871,675**	**11,703**	**196,147**	**4,349**	**92,961**	**11,845,722**
Additions		-	-	205,507	148,939	-	7,526	361,972
Revaluation increments/(decrements)		133,777	2,094,707	-	-	-	-	2,228,484
Loddon Mallee Rural Health Alliance		-	-	-	(1,748)	-	-	(1,748)
Depreciation	4.4	-	(766,123)	-	(41,613)	(4,349)	(15,330)	(827,415)
Balance at 30 June 2022	4.1 (a)	**802,664**	**12,200,259**	**217,210**	**301,725**	**-**	**85,157**	**13,607,015**

Land and Buildings Carried at Valuation

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

How we recognise property, plant and equipment

Property, plant and equipment are tangible items that are used by Inglewood & Districts Health Service 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.

Subsequent measurement

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

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

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

Note 4.1 (b) Reconciliations of the carrying amounts of each class of asset

Revaluation

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

Where an independent valuation has not been undertaken at balance date, Inglewood & Districts Health Service 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%, Inglewood & Districts Health Service would obtain an interim independent valuation prior to the next scheduled independent valuation.

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

- increase in fair value of land of 42% ($237,964)
- increase in fair value of buildings of 21% ($2,094,707).

As the cumulative movement was greater than 40% for land since the last independent revaluation an interim independent valuation was required at 30 June 2022 and an adjustment was recorded.

As the cumulative movement was greater than 10% but less than 40% for buildings since the last revaluation a managerial revaluation adjustment was required as at 30 June 2022.

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

Revaluation increments are recognised in 'Other Comprehensive Income' and are credited directly to the 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 2022 $	Total 2021 $
Right of use vehicles at fair value	379,523	278,271
Less accumulated depreciation	(119,803)	(86,820)
Total right of use vehicles at fair value	**259,720**	**191,451**
Total right of use vehicles at fair value	**259,720**	**191,451**

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

	Note	Right of use - Vehicles	Total
Balance at 1 July 2020		**233,818**	**233,818**
Depreciation	4.4	(42,367)	(42,367)
Balance at 30 June 2021	4.2 (a)	**191,451**	**191,451**
Additions		153,999	153,999
Disposals		(34,363)	(34,363)
Depreciation	4.4	(51,367)	(51,367)
Balance at 30 June 2022	4.2 (a)	**259,720**	**259,720**

How we recognise right-of-use assets

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

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

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

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

Initial recognition

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

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

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

Subsequent measurement

Right-of-use assets are subsequently measured at fair value 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).

Note 4.3 Revaluation Surplus

	Note	Total 2022 $	Total 2021 $
Balance at the beginning of the reporting period		12,939,535	12,835,348
Revaluation increment			
- Land	4.1 (b)	133,777	104,187
- Buildings	4.1 (b)	2,094,707	-
Balance at the end of the Reporting Period*		**15,168,019**	**12,939,535**
*** Represented by:**			
- Land		3,976,889	3,843,112
- Buildings		11,191,130	9,096,423
		15,168,019	**12,939,535**

Note 4.4 Depreciation

	Total 2022 $	Total 2021 $
Depreciation		
Buildings	766,123	766,061
Plant and equipment	41,613	59,958
Computer equipment	4,349	19,254
Furniture and fittings	15,330	20,383
Total depreciation	**827,415**	**865,656**
Right-of-use assets		
Right of use - motor vehicles	51,367	42,367
Total depreciation - right-of-use assets	**51,367**	**42,367**
Total depreciation	**878,782**	**908,023**

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.

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

	2022	2021
Buildings		
- Structure shell building fabric	7 to 64 years	7 to 64 years
- Site engineering services and central plant	7 to 64 years	7 to 64 years
Central Plant		
- Fit Out	7 to 64 years	7 to 64 years
- Trunk reticulated building system	7 to 64 years	7 to 64 years
Plant and equipment	10 years	10 years
Medical equipment	10 years	10 years
Computers and communication	3 years	3 years
Furniture and fitting	6 to 10 years	6 to 10 years
Motor Vehicles	3 to 5 years	3 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.

Note 4.5 Impairment of assets

How we recognise impairment

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

Inglewood & Districts Health Service did not record any impairment losses for the year ended 30 June 2022.

Note 5: Other assets and liabilities

This section sets out those assets and liabilities that arose from Inglewood & Districts Health Service's operations.

Structure

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

Telling the COVID-19 story

Other assets and liabilities used to support the delivery of our services during the financial year were not materially impacted by the COVID-19 coronavirus pandemic.

Key judgements and estimates

This section contains the following key judgements and estimates:

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

Note 5.1 Receivables and contract assets

	Notes	Total 2022 $	Total 2021 $
Current receivables and contract assets			
Contractual			
Inter hospital debtors		30,709	53,234
Trade receivables		28,616	16,629
Patient fees		168,795	158,367
Provision for impairment	5.1(a)	(57,458)	(10,830)
Contract assets	5.1(b)	48,024	44,480
Accrued revenue		445	-
Other receivables		-	13,660
Loddon Mallee Rural Health Alliance Receivables		13,171	24,060
Total contractual receivables		**232,302**	**299,600**
Statutory			
GST receivable		55,752	58,831
Loddon Mallee Rural Health Alliance GST Receivables		2,686	5,525
Total statutory receivables		**58,438**	**64,356**
Total current receivables and contract assets		**290,740**	**363,956**
Non-current receivables and contract assets			
Contractual			
Long service leave - Department of Health		532,956	282,215
Total contractual receivables		**532,956**	**282,215**
Total non-current receivables and contract assets		**532,956**	**282,215**
Total receivables and contract assets		**823,696**	**646,171**
(i) Financial assets classified as receivables and contract assets (Note 7.1(a))			
Total receivables and contract assets		823,696	646,171
Provision for impairment		57,458	10,830
Contract assets		(48,024)	(44,480)
GST receivable		(58,438)	(64,356)
Total financial assets	7.1(a)	**774,692**	**548,165**

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

	Total 2022 $	Total 2021 $
Balance at the beginning of the year	10,830	10,830
Increase in allowance	46,628	-
Balance at the end of the year	**57,458**	**10,830**

How we recognise receivables

Receivables consist of:

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

- **Statutory receivables**, includes Goods and Services Tax (GST) input tax credits that are recoverable. Statutory receivables do not arise from contracts and are recognised and measured similarly to contractual receivables (except for impairment), but are not classified as financial instruments for disclosure purposes. 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* .

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

Impairment losses of contractual receivables

Refer to Note 7.2 (a) for Inglewood & Districts Health Service's contractual impairment losses.

Note 5.1 (b) Contract assets

	Total 2022 $	Total 2021 $
Balance at the beginning of the year	44,480	21,270
Add: Additional costs incurred that are recoverable from the customer	48,024	44,480
Less: Transfer to trade receivable or cash at bank	(44,480)	(21,270)
Total contract assets	**48,024**	**44,480**
*** Represented by:**		
- Current assets	48,024	44,480
	48,024	**44,480**

How we recognise contract assets

Contract assets relate to the Inglewood & District Health Service'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 next year.

Note 5.2 Payables and contract liabilities

	Note	Total 2022 $	Total 2021 $
Current payables and contract liabilities			
Contractual			
Trade creditors		70,391	198,340
Accrued salaries and wages		326,889	289,214
Accrued expenses		92,376	175,517
Deferred capital grant income	5.2(a)	1,074,000	194,000
Contract liabilities	5.2(b)	47,612	36,435
Inter hospital creditors		3,021	10,271
Amounts payable to governments and agencies		16,860	39,388
Other payables		50,917	63,771
Loddon Mallee Rural Health Alliance		118,638	80,037
Total contractual payables		**1,800,704**	**1,086,973**
Statutory			
GST payable		31,791	33,195
Total statutory payables		**31,791**	**33,195**
Total current payables and contract liabilities		**1,832,495**	**1,120,168**
Total payables and contract liabilities		**1,832,495**	**1,120,168**
(i) Financial liabilities classified as payables and contract liabilities (Note 7.1(a))			
Total payables and contract liabilities		1,832,495	1,120,168
Deferred capital grant income		(1,074,000)	(194,000)
Contract liabilities		(47,612)	(36,435)
Total financial liabilties	7.1(a)	**710,883**	**889,733**

How we recognise payables and contract liabilities
Payables consist of:

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

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

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

Note 5.2 (a) Deferred capital grant income

	Total 2022 $	Total 2021 $
Opening balance of deferred grant income	194,000	194,000
Grant consideration for capital works received during the year	880,000	-
Closing balance of deferred grant income	**1,074,000**	**194,000**

How we recognise deferred capital grant revenue

Grant consideration was received from the Department of Health for the construction of a Leisure and Lifestyle Building. Grant revenue is recognised progressively as the asset is constructed, since this is the time when Inglewood & District Health Service satisfies its obligations under the transfer by controlling the asset as and when it is constructed. The progressive percentage costs incurred is used to recognise income because this most closely reflects the progress to completion as costs are incurred as the works are done. (see note 2.1) As a result, Inglewood & Districts Health Service has deferred recognition of a portion of the grant consideration received as a liability for the outstanding obligations.

Inglewood & Districts Health Service expects to recognise all of the remaining deferred capital grant revenue for capital works by June 2023.

Note 5.2 (b) Contract liabilities

	Total 2022 $	Total 2021 $
Opening balance of contract liabilities	36,435	-
Payments received for performance obligations not yet fulfilled	47,612	36,435
Revenue recognised for the completion of a performance obligation	(36,435)	-
Total contract liabilities	**47,612**	**36,435**
*** Represented by:**		
- Current contract liabilities	47,612	36,435
	47,612	**36,435**

How we recognise contract liabilities

Contract liabilities include consideration received in advance from Department of Health in respect of funding for the public sector residential aged care services kitchen garden Initiative, this is expected to be completed in the 2022 financial year.

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 ageing analysis of payables.

Note 5.3 Other liabilities

	Notes	Total 2022 $	Total 2021 $
Current monies held it trust			
Refundable accommodation deposits		3,735,983	3,752,257
Patient monies held in trust		76,754	70,646
Total current monies held in trust		**3,812,737**	**3,822,903**
Total other liabilities		**3,812,737**	**3,822,903**
*** Represented by:**			
- Cash assets	6.2	3,812,737	3,822,903
		3,812,737	**3,822,903**

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 Inglewood & Districts Health Service 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* .

Note 6: How we finance our operations

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

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

Telling the COVID-19 story

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

Key judgements and estimates

This section contains the following key judgements and estimates:

Key judgements and estimates	Description
Determining if a contract is or contains a lease	Inglewood & Districts Health Service applies significant judgement to determine if a contract is or contains a lease by considering if the health service: • has the right-to-use an identified asset • has the right to obtain substantially all economic benefits from the use of the leased asset and • can decide how and for what purpose the asset is used throughout the lease.
Determining if a lease meets the short-term or low value asset lease exemption	Inglewood & Districts Health Service applies significant judgement when determining if a lease meets the short-term or low value lease exemption criteria. 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. 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.
Discount rate applied to future lease payments	Inglewood & Districts Health Service 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, Inglewood & Districts Health Service 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.
Assessing the lease term	The lease term represents the non-cancellable period of a lease, combined with periods covered by an option to extend or terminate the lease if Inglewood & Districts Health Service is reasonably certain to exercise such options. Inglewood & Districts Health Service determines the likelihood of exercising such options on a lease-by-lease basis through consideration of various factors including: • If there are significant penalties to terminate (or not extend), the health service is typically reasonably certain to extend (or not terminate) the lease. • If any leasehold improvements are expected to have a significant remaining value, the health service is typically reasonably certain to extend (or not terminate) the lease. • The health service considers historical lease durations and the costs and business disruption to replace such leased assets.

Note 6.1 Borrowings

	Note	Total 2022 $	Total 2021 $
Current borrowings			
Lease liability [(i)]	6.1 (a)	158,511	105,315
Advances from government (ii)		16,736	16,736
Total current borrowings		**175,247**	**122,051**
Non-current borrowings			
Lease liability [(i)]	6.1 (a)	101,655	86,900
Advances from government (ii)		31,451	50,128
Total non-current borrowings		**133,106**	**137,028**
Total borrowings		**308,353**	**259,079**

[i] Secured by the assets leased.
[ii] These are unsecured loans which bear no interest.

How we recognise borrowings
Borrowings refer to interesting bearing liabilities mainly raised from advances from the Treasury Corporation of Victoria (TCV) and other funds raised through lease liabilities, and other interest-bearing and non-interest bearing arrangements.

Initial recognition
All borrowings are initially recognised at fair value of the consideration received, less directly attributable transaction costs. The measurement basis subsequent to initial recognition depends on whether Inglewood & Districts Health Service has categorised its liability as financial liabilities at 'amortised cost'.

Subsequent measurement

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

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

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

Note 6.1 (a) Lease liabilities

Inglewood & Districts Health Service's lease liabilities are summarised below:

	Total 2022 $	Total 2021 $
Total undiscounted lease liabilities	266,782	197,806
Less unexpired finance expenses	(6,616)	(5,591)
Net lease liabilities	**260,166**	**192,215**

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

	Total 2022 $	Total 2021 $
Not longer than one year	162,011	110,212
Longer than one year but not longer than five years	104,771	87,594
Minimum future lease liability	**266,782**	**197,806**
Less unexpired finance expenses	(6,616)	(5,591)
Present value of lease liability	**260,166**	**192,215**
*** Represented by:**		
- Current liabilities	158,511	105,315
- Non-current liabilities	101,655	86,900
	260,166	**192,215**

How we recognise lease liabilities
A lease is defined as a contract, or part of a contract, that conveys the right for Inglewood & Districts Health Service to use an asset for a period of time in exchange for payment.

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

Inglewood & Districts Health Service's lease arrangements consist of the following:

Type of asset leased	Lease term
Leased vehicles	3 years

Note 6.1 (a) Lease liabilities

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 Inglewood & Districts Health Services 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-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

	Note	Total 2022 $	Total 2021 $
Cash on hand (excluding monies held in trust)		1,930	1,930
Cash at bank (excluding monies held in trust)		457,154	295,780
Cash at bank - CBS (excluding monies held in trust)		1,718,481	1,148,792
Total cash held for operations		**2,177,565**	**1,446,502**
Cash at bank - CBS (monies held in trust)		3,812,737	3,822,903
Total cash held as monies in trust		**3,812,737**	**3,822,903**
Total cash and cash equivalents	7.1 (a)	**5,990,302**	**5,269,405**

How we recognise cash and cash equivalents

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

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

Note 6.3 Commitments for expenditure

	Total 2022 $	Total 2021 $
Capital expenditure commitments		
Less than one year	2,154,559	-
Total capital expenditure commitments	**2,154,559**	**-**
Total commitments for expenditure (inclusive of GST)	**2,154,559**	**-**
Less GST recoverable from Australian Tax Office	(195,869)	-
Total commitments for expenditure (exclusive of GST)	**1,958,690**	**-**

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

How we disclose our commitments

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

Expenditure commitments

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

Note 6.4 Non-cash financing and investing activities

	Total 2022 $'000	Total 2021 $'000
Acquisition of plant and equipment by means of Leases	153,999	-
Total non-cash financing and investing activities	**153,999**	**-**

Note 7: Risks, contingencies and valuation uncertainties

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

Structure

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

Key judgements and estimates

This section contains the following key judgements and estimates:

Key judgements and estimates	Description
Measuring fair value of non-financial assets	Fair value is measured with reference to highest and best use, that is, the use of the asset by a market participant that is physically possible, legally permissible, financially feasible, and which results in the highest value, or to sell it to another market participant that would use the same asset in its highest and best use. In determining the highest and best use, Inglewood & Districts Health Service 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.

Key judgements and estimates (continued)

Key judgements and estimates	Description
Measuring fair value of non-financial assets	Inglewood & Districts Health Service uses a range of valuation techniques to estimate fair value, which include the following: ▪ Market approach, which uses prices and other relevant information generated by market transactions involving identical or comparable assets and liabilities. The fair value of Inglewood & Districts Health Service's [specialised land, non-specialised land, non-specialised buildings, investment properties and cultural assets] are measured using this approach. ▪ Cost approach, which reflects the amount that would be required to replace the service capacity of the asset (referred to as current replacement cost). The fair value of Inglewood & Districts Health Service's [specialised buildings, furniture, fittings, plant, equipment and vehicles] are measured using this approach 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. Subsequently, the health service applies significant judgement to categorise and disclose such assets within a fair value hierarchy, which includes: ▪ Level 1, using quoted prices (unadjusted) in active markets for identical assets that the health service can access at measurement date. Inglewood & Districts Health Service 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. Inglewood & Districts Health Service categorises non-specialised land and right-of-use concessionary land in this level. ▪ Level 3, where inputs are unobservable. Inglewood & Districts Health Service categorises specialised land, non-specialised buildings, specialised buildings, plant, equipment, furniture, fittings, vehicles, right-of-use buildings and right-of-use plant, equipment, furniture and fittings in this level.

Note 7.1: Financial instruments

Financial instruments arise out of contractual agreements that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Due to the nature of Inglewood & Districts Health Service'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 2022	Note	Financial Assets at Amortised Cost $	Financial Liabilities at Amortised Cost $	Total $
Contractual Financial Assets				
Cash and Cash Equivalents	6.2	5,990,302	-	5,990,302
Receivables and contract assets	5.1	774,692	-	774,692
Total Financial Assets [i]		**6,764,994**	**-**	**6,764,994**
Financial Liabilities				
Payables	5.2	-	710,883	710,883
Borrowings	6.1	-	308,353	308,353
Other Financial Liabilities - Refundable Accommodation Deposits	5.3	-	3,812,737	3,812,737
Total Financial Liabilities [i]		**-**	**4,831,973**	**4,831,973**

Note 7.1 (a) Categorisation of financial instruments

Total 30 June 2021	Note	Financial Assets at Amortised Cost $	Financial Liabilities at Amortised Cost $	Total $
Contractual Financial Assets				
Cash and cash equivalents	6.2	5,269,405	-	5,269,405
Receivables and contract assets	5.1	548,165	-	548,165
Total Financial Assets [i]		**5,817,570**	**-**	**5,817,570**
Financial Liabilities				
Payables	5.2	-	889,733	889,733
Borrowings	6.1	-	259,079	259,079
Other Financial Liabilities - Refundable Accommodation Deposits	5.3	-	3,822,903	3,822,903
Total Financial Liabilities [i]		**-**	**4,971,715**	**4,971,715**

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

How we categorise financial instruments

Categories of financial assets

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

Note 7.1 (a) Categorisation of financial instruments

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 Inglewood & Districts Health Service 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.

Inglewood & Districts Health Service recognises the following assets in this category:

- cash and deposits
- receivables (excluding statutory receivables)

Note 7.1 (a) Categorisation of financial instruments

Categories of financial liabilities

Financial liabilities are recognised when Inglewood & Districts Health Service 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.

Inglewood & Districts Health Service recognises the following liabilities in this category:

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

Offsetting financial instruments

Financial instrument assets and liabilities are offset and the net amount presented in the consolidated balance sheet when, and only when, Inglewood & Districts Health Service 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 Inglewood & Districts Health Service 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.

Note 7.1 (a) Categorisation of financial instruments

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
- Inglewood & Districts Health Service 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
- Inglewood & Districts Health Service 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 Inglewood & Districts Health Service has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset is recognised to the extent of Inglewood & Districts Health Service'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, Inglewood & Districts Health Service's business model for managing its financial assets has changed such that its previous model would no longer apply.

A financial liability reclassification is not permitted.

Note 7.2: Financial risk management objectives and policies

As a whole, Inglewood & Districts Health Service'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.

Inglewood & Districts Health Service's main financial risks include credit risk, liquidity risk, interest rate risk and equity price risk. Inglewood & Districts Health Service manages these financial risks in accordance with its financial risk management policy.

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

Note 7.2 (a) Credit risk

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

Credit risk associated with Inglewood & Districts Health Service'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, Inglewood & Districts Health Service 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, Inglewood & Districts Health Service'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 Inglewood & Districts Health Service 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 Inglewood & Districts Health Service's maximum exposure to credit risk without taking account of the value of any collateral obtained.

There has been no material change to Inglewood & Districts Health Service's credit risk profile in 2021-22.

Note 7.2 (a) Credit risk

Impairment of financial assets under AASB 9

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

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

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

Contractual receivables at amortised cost

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

On this basis, Inglewood & Districts Health Service determines the closing loss allowance at the end of the financial year as follows:

30 June 2022	**Note**	**Current**	**Less than 1 month**	**1–3 months**	**3 months –1 year**	**1–5 years**	**Total**
		$	**$**	**$**	**$**	**$**	**$**
Expected loss rate		0.0%	0.0%	0.0%	0.0%	100.0%	
Gross carrying amount of contractual receivables	5.1	142,457	9,664	10,047	555,066	57,458	**774,692**
Loss allowance		-	-	-	-	**(57,458)**	**(57,458)**

30 June 2021	**Note**	**Current**	**Less than 1 month**	**1–3 months**	**3 months –1 year**	**1–5 years**	**Total**
		$	**$**	**$**	**$**	**$**	**$**
Expected loss rate		0.0%	0.0%	0.0%	0.0%	91.6%	
Gross carrying amount of contractual receivables	5.1	201,342	10,803	23,066	301,131	11,823	**548,165**
Loss allowance		-	-	-	-	**(10,830)**	**(10,830)**

Note 7.2 (a) Contractual receivables at amortised cost

Statutory receivables and debt investments at amortised cost

Inglewood & Districts Health Service'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, taking into account the counterparty's credit rating, risk of default and capacity to meet contractual cash flow obligations in the near term. As a result, no loss allowance has been recognised.

Note 7.2 (b) Liquidity risk

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

Inglewood & Districts Health Service 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.

Inglewood & Districts Health Service'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.

Note 7.2 (b) Liquidity risk

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

				Maturity Dates				
Total		**Carrying Amount**	**Nominal Amount**	**Less than 1 Month**	**1-3 Months**	**3 months - 1 Year**	**1-5 Years**	**Over 5 years**
30 June 2022	**Note**	**$**	**$**	**$**	**$**	**$**	**$**	**$**
Financial Liabilities at amortised cost								
Payables	**5.2**	710,883	710,883	710,883	-	-	-	-
Borrowings	**6.1**	308,353	308,353	6,616	16,773	151,858	133,106	-
Other Financial Liabilities - Refundable Accommodation Deposits	**5.3**	3,812,737	3,812,737	350,000	350,000	450,000	2,662,737	-
Total Financial Liabilities		**4,831,973**	**4,831,973**	**1,067,499**	**366,773**	**601,858**	**2,795,843**	**-**

				Maturity Dates				
Total		**Carrying Amount**	**Nominal Amount**	**Less than 1 Month**	**1-3 Months**	**3 months - 1 Year**	**1-5 Years**	**Over 5 years**
30 June 2021	**Note**	**$**	**$**	**$**	**$**	**$**	**$**	**$**
Financial Liabilities at amortised cost								
Payables	**5.2**	889,733	889,733	889,733	-	-	-	-
Borrowings	**6.1**	259,079	259,079	5,591	16,773	99,687	137,028	-
Other Financial Liabilities - Refundable Accommodation Deposits	**5.3**	3,822,903	3,822,903	350,000	350,000	450,000	2,672,903	-
Total Financial Liabilities		**4,971,715**	**4,971,715**	**1,245,324**	**366,773**	**549,687**	**2,809,931**	**-**

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

Note 7.2 (c) Market risk

Inglewood & Districts Health Service'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

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

- a change in interest rates of 1.5% up or down

Interest rate risk

Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market interest rates. Inglewood & Districts Health Service 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. Inglewood & Districts Health Service Service 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 balance date, 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.

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
- Lease liabilities

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.

Inglewood & Districts Health Service 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.

Inglewood & Districts Health Service 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 Inglewood & Districts Health Service's independent valuation agency for property, plant and equipment.

Identifying unobservable inputs (level 3) fair value measurements

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

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

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

	Note	Total carrying amount 30 June 2022 $	Fair value measurement at end of reporting period using: Level 1 [i] $	Level 2 [i] $	Level 3 [i] $
Non-specialised land		88,000	-	88,000	-
Specialised land		714,664	-	-	714,664
Total land at fair value	4.1 (a)	**802,664**	**-**	**88,000**	**714,664**
Specialised buildings		12,120,845	-	-	12,120,845
Land Improvements at fair value		79,414	-	-	79,414
Total buildings at fair value	4.1 (a)	**12,200,259**	**-**	**-**	**12,200,259**
Plant and equipment at fair value	4.1 (a)	301,726	-	-	301,726
Furniture and fittings at fair value	4.1 (a)	85,157	-	-	85,157
Right of use Motor vehicles at fair value	4.1 (a)	259,720	-	-	259,720
Total plant, equipment, furniture, fittings and vehicles at fair value		**646,603**	**-**	**-**	**646,603**
Total property, plant and equipment at fair value		**13,649,526**	**-**	**88,000**	**13,561,526**

	Note	Total carrying amount 30 June 2021 $	Fair value measurement at end of reporting period using: Level 1 [i] $	Level 2 [i] $	Level 3 [i] $
Non-specialised land		88,000	-	88,000	-
Specialised land		580,887	-	-	580,887
Total land at fair value	4.1 (a)	**668,887**	**-**	**88,000**	**580,887**
Specialised buildings		10,792,261	-	-	10,792,261
Land Improvements at fair value		79,414	-	-	79,414
Total buildings at fair value	4.1 (a)	**10,871,675**	**-**	**-**	**10,871,675**
Plant and equipment at fair value	4.1 (a)	196,147	-	-	196,147
Computer equipment at fair value	4.1 (a)	4,349	-	-	4,349
Furniture and fittings at fair value	4.1 (a)	92,961	-	-	92,961
Right of use Motor vehicles at fair value	4.1 (a)	191,451	-	-	191,451
Total plant, equipment, furniture, fittings and vehicles at fair value		**484,908**	**-**	**-**	**484,908**
Total Property, Plant and Equipment		**12,025,470**	**-**	**88,000**	**11,937,470**

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

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

How we measure fair value of non-financial physical assets

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

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

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

Non-specialised land and non-specialised buildings

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

For non-specialised land and non-specialised buildings, an independent valuation was performed by the Valuer-General Victoria to determine the fair value using the market approach. Valuation of the assets was determined by analysing comparable sales and allowing for share, size, topography, location and other relevant factors specific to the asset being valued. An appropriate rate per square metre has been applied to the subject asset. The effective date of the valuation is 30 June 2019 for buildings and 30 June 2022 for land.

Specialised land and specialised buildings

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

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

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

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

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

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

Vehicles

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

Furniture, fittings, plant and equipment

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

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

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

Total	Note	Land	Buildings	Plant and equipment	Computer equipment	Furniture & fittings	ROU motor vehicles
		$	$	$	$	$	$
Balance at 1 July 2020	4.1 (b)	**476,700**	**11,637,798**	**177,430**	**39,679**	**116,891**	**233,818**
Additions/(Disposals)	4.1 (b)	-	-	58,990	-	-	-
Net Transfers between classes	4.1 (b)	-	(62)	19,685	(16,076)	(3,547)	-
Gains/(Losses) recognised in net result							
- Depreciation	4.2	-	(766,061)	(59,958)	(19,254)	(20,383)	(42,367)
Items recognised in other comprehensive income							
- Revaluation		104,187	-	-	-	-	-
Balance at 30 June 2021	4.1 (c)	**580,887**	**10,871,675**	**196,147**	**4,349**	**92,961**	**191,451**
Additions/(Disposals)	4.1 (b)	-	-	147,191	-	7,526	119,636
Net Transfers between classes	4.1 (b)	-	-	-	-	-	-
Gains/(Losses) recognised in net result							
- Depreciation	4.2	-	(766,123)	(41,613)	(4,349)	(15,330)	(51,367)
Items recognised in other comprehensive income							
- Revaluation		133,777	2,094,707	-	-	-	-
Balance at 30 June 2022	4.1 (c)	**714,664**	**12,200,259**	**301,725**	**-**	**85,157**	**259,720**

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

Asset class	Likely valuation approach	Significant inputs (Level 3 only)
Non-specialised land	Market approach	N/A
Specialised land (Crown/freehold)	Market approach	Community Service Obligations Adjustments [(i)]
Specialised buildings	Depreciated replacement cost approach	- Cost per square metre
Vehicles	Depreciated replacement cost approach	- Cost per unit - Useful life
Plant and equipment	Depreciated replacement cost approach	- Cost per unit - Useful life

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 disclosure
8.3 Remuneration of executives
8.4 Related parties
8.5 Remuneration of auditors
8.6 Events occurring after the balance sheet date
8.7 Joint arrangements
8.8 Equity
8.9 Economic dependency

Telling the COVID-19 story

Our other disclosures were not materially impacted by the COVID-19 Coronavirus pandemic and its impact on our economy and the health of our community.

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

	Note	Total 2022 $	Total 2021 $
Net result for the year		(526,896)	(639,369)
Non-cash movements:			
(Gain)/Loss on sale or disposal of non-financial assets	3.2	(18,137)	-
Depreciation and amortisation of non-current assets	4.4	878,782	908,023
Provision for Doubtful Debts	5.1 (a)	46,628	-
Discount (interest) / expense on loan	3.2	(1,941)	544
Movements in Assets and Liabilities:			
(Increase)/Decrease in receivables and contract assets		(224,152)	(24,451)
(Increase)/Decrease in inventories		-	24,611
(Increase)/Decrease in prepaid expenses		(3,705)	(10,756)
Increase/(Decrease) in payables and contract liabilities		712,326	348,808
Increase/(Decrease) in employee benefits		278,666	(49,490)
Increase/(Decrease) in other liabilities		6,108	(35,306)
Net cash inflow/(outflow) from operating activities		**1,147,679**	**522,614**

Note 8.2 Responsible persons

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

	Period
The Honourable Martin Foley:	
Minister for Health	1 Jul 2021 - 27 Jun 2022
Minister for Ambulance Services	1 Jul 2021 - 27 Jun 2022
The Honourable Luke Donnellan:	
Minister for Disability, Ageing and Carers	1 Jul 2021 - 11 Oct 2021
The Honourable James Merlino:	
Minister for Mental Health	1 Jul 2021 - 27 Jun 2022
Minister for Disability, Ageing and Carers	11 Oct 2021 - 6 Dec 2021
The Honourable Mary-Anne Thomas:	
Minister for Health	27 Jun 2022 - 30 Jun 2022
Minister for Ambulance Services	27 Jun 2022 - 30 Jun 2022
The Honourable Gabrielle Williams:	
Minister for Mental Health	27 Jun 2022 - 30 Jun 2022
The Honourable Anthony Carbines:	
Minister for Disability, Ageing and Carers	6 Dec 2021 - 27 Jun 2022
The Honourable Colin Brooks:	
Minister for Disability, Ageing and Carers	27 Jun 2022 - 30 Jun 2022
Governing Boards	
Mr Michael Oerlemans (Chair of the Board)	1 Jul 2021 - 30 Jun 2022
Mr Robert Chamberlain	1 Jul 2021 - 30 Jun 2022
Mrs Judith Holt	1 Jul 2021 - 30 Jun 2022
Mr Ian Marshall	1 Jul 2021 - 30 Jun 2022
Ms Ann Maree Davis	1 Jul 2021 - 30 Jun 2022
Ms Sue Hurly	1 Jul 2021 - 30 Jun 2022
Mr Con Georgakas	1 Jul 2021 - 30 Jun 2022
Ms Jolene Morse	1 Jul 2021 - 30 Jun 2022
Mr Robert Porter	1 Jul 2021 - 30 Jun 2022
Mr Greg Westbrook	1 Jul 2021 - 30 Jun 2022
Accountable Officers	
Mr Dallas Coghill (Acting)	1 Jul 2021 - 7 Jul 2021
Mr Greg Pullen (Acting)	8 Jul 2021 - 19 Dec 2021
Mr Dallas Coghill	20 Dec 2021 - 30 June 2022

Note 8.2 Responsible persons (continued)

Remuneration of Responsible Persons

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

Income Band	Total 2022 No	Total 2021 No
$0 - $9,999	10	11
$80,000 - $89,999	1	-
$100,000 - $109,999	1	-
$260,000 - $269,999	-	1
Total Numbers	**12**	**12**

	Total 2022 $	Total 2021 $
Total remuneration received or due and receivable by Responsible Persons from the reporting entity amounted to:	**$234,284**	**$288,192**

Amounts relating to Responsible 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 (including Key Management Personnel disclosed in Note 8.4)	Total Remuneration 2022 $	Total Remuneration 2021 $
Short-term benefits	184,047	147,531
Post-employment benefits	15,671	13,286
Other long-term benefits	10,491	4,766
Total remuneration [i]	**210,209**	**165,583**
Total number of executives	3	1
Total annualised employee equivalent [ii]	2.5	1.0

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

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

Note 8.3 Remuneration of executives (continued)

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.

Note 8.4: Related Parties

The Inglewood & Districts Health Service is a wholly owned and controlled entity of the State of Victoria. Related parties of the health service include:

- all key management personnel (KMP) and their close family members and personal business interests
- cabinet ministers (where applicable) and their close family members
- jointly controlled operations – A member of the Loddon Mallee Rural Health Alliance and
- all health services and public sector entities that are controlled and consolidated into the State of Victoria financial statements.

KMPs are those people with the authority and responsibility for planning, directing and controlling the activities of the Inglewood & Districts Health Service and its controlled entities, directly or indirectly.

Key management personnel

The Board of Directors, Chief Exectuive Officer and the Executive Directors of Inglewood & Districts Health Service are deemed to be KMPs.

Entity	KMPs	Position Title
Inglewood & Districts Health Service	Mr Michael Oerlemans	Board Chair
Inglewood & Districts Health Service	Mr Robert Chamberlain	Board Member
Inglewood & Districts Health Service	Mrs Judith Holt	Board Member
Inglewood & Districts Health Service	Mr Ian Marshall	Board Member
Inglewood & Districts Health Service	Ms Ann-Maree Davis	Board Member
Inglewood & Districts Health Service	Ms Sue Hurly	Board Member
Inglewood & Districts Health Service	Mr Con Georgakas	Board Member
Inglewood & Districts Health Service	Ms Jolene Morse	Board Member
Inglewood & Districts Health Service	Mr Robert Porter	Board Member
Inglewood & Districts Health Service	Mr Greg Westbrook	Board Member
Inglewood & Districts Health Service	Mr Greg Pullen	Acting Chief Executive Officer
Inglewood & Districts Health Service	Mr Dallas Coghill	Chief Executive Officer
Inglewood & Districts Health Service	Mrs April McKenzie	Director of Clinical & Community Services
Inglewood & Districts Health Service	Mr Aaron Baker	Director of Finance & Corporate Services

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

	Total 2022 $	Total 2021 $
Compensation - KMPs		
Short-term Employee Benefits [i]	397,509	366,119
Post-employment Benefits	33,713	27,826
Other Long-term Benefits	13,271	30,877
Termination Benefits	-	28,953
Total [ii]	**444,493**	**453,775**

[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.

Note 8.4: Related Parties

Significant transactions with government related entities

Inglewood & Districts Health Service received funding from the Department of Health of $4.91m (2021: $4.32m) and indirect contributions of ($0.30m) (2021: ($0.02m)). Balances outstanding as at 30 June 2022 are $0.05m (2021 $0.04m)

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

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

The Standing Directions of the Assistant Treasurer require the Inglewood & Districts Health Service 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 Inglewood & Districts Health Service, 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 2022 (2021: none).

There were no related party transactions required to be disclosed for Inglewood & Districts Health Service Board of Directors, Chief Executive Officer and Executive Directors in 2022 (2021: none).

Note 8.5: Remuneration of Auditors

	Total 2022 $	Total 2021 $
Victorian Auditor-General's Office		
Audit of the financial statements	17,220	16,850
Total remuneration of auditors	**17,220**	**16,850**

Note 8.6: Events occurring after the balance sheet date

There were no events occurring after the Balance Sheet date.

Note 8.7 Joint arrangements

	Principal Activity	Ownership Interest 2022 %	Ownership Interest 2021 %
Loddon Mallee Rural Health Alliance	Information Technology Services	2.98	2.72

Inglewood & Districts Health Service interest in assets and liabilities of the above joint arrangements are detailed below. The amounts are included in the financial statements under their respective categories:

	2022 $	2021 $
Current assets		
Cash and cash equivalents	237,046	175,433
Receivables	16,302	29,585
Prepaid expenses	72,680	40,658
Total current assets	**326,028**	**245,676**
Non-current assets		
Property, plant and equipment	24,475	26,223
Total non-current assets	**24,475**	**26,223**
Total assets	**350,503**	**271,899**
Current liabilities		
Payables	118,638	72,214
Other current liabilities	9,610	7,823
Total current liabilities	**128,248**	**80,037**
Total liabilities	**128,248**	**80,037**
Net assets	**222,255**	**191,862**
Equity		
Accumulated surplus	222,255	191,862
Total equity	**222,255**	**191,862**

Note 8.7 Joint arrangements

Inglewood & Districts Health Services interest in revenues and expenses resulting from joint arrangements are detailed below: The amounts are included in the financial statements under their respective categories:

	2022 $	2021 $
Revenue and income from transactions		
Operating activities	369,438	565,809
Non-operating activities	24,033	61,345
Total revenue and income from transactions	**393,471**	**627,154**
Expenses from transactions		
Operating expenses	363,078	559,252
Total expenses from transactions	**363,078**	**559,252**
Net result from transactions	**30,393**	**67,902**

* Figures obtained from the (un)audited Loddon Mallee Rural Health Alliance Joint Venture annual report.

Contingent liabilities and capital commitments

There are no known contingent liabilities or capital commitments held by the jointly controlled operations 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 Inglewood & Districts Health Service.

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 Inglewood & Districts Health Service has possession or title to the funds but has no discretion to amend or vary the restriction and/or condition underlying the funds received.

Note 8.9: Economic dependency

Inglewood & Districts Health Service is dependent on the Department of Health for the majority of its revenue used to operate the health service. At the date of this report, the Board of Directors has no reason to believe the Department of Health will not continue to support Inglewood & Districts Health Service.