



**TIMBOON
AND DISTRICT
HEALTHCARE
SERVICE**

Annual Report

2023/2024

Working Together for a Healthy Community



Acknowledgement of Traditional Owners

We acknowledge the Traditional Custodians of the unceded lands, waterways and skies on which Timboon District Healthcare Service provides care. We pay our deep respect to the Keerraywoorrong Ancestors of Eastern Maar, and all First Peoples of Australia. Timboon District Healthcare Service acknowledge the Elders past and present of the oldest living culture in the world, and recognise the ancient knowledges that Aboriginal People hold as an integral part of our journey forward.

This annual report fulfils Timboon and District Healthcare Service's reporting requirements to the community and to the Minister for Health. It summarises Timboon and District Healthcare Service's results, performance, outlook, and financial position for 2023/2024.

It outlines our performance against key objectives identified in our Strategic Plan and against the Victorian Government's objectives for the community and frontline services.

Our annual reports are available on our website and a hard copy of this issue can be obtained by contacting us on the contact details below.

Timboon and District Healthcare Service is committed to providing accessible services. If you have any difficulty in understanding this annual report, you can contact us to arrange appropriate assistance.

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Cover image: TDHS Associate Nurse Unit Manager Jane Haberfield ready to provide quality care in the urgent care centre



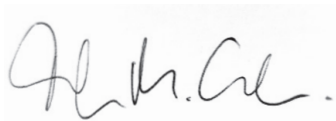
Contents

Report of Operations	2
Our Vision, Our Purpose	3
Overview	4
Our Catchment Area	5
Our History	6
Our Services	7
Board Chair and CEO Report	9
Our Year in Review	12
Our Organisational Structure	22
Our Governance	23
Our Board of Directors	24
Our Committee Structure	26
Our Executive Team	28
Our Workforce	29
Our Workforce Data	30
Financial Information	32
Consultancies Information	33
Asset Management Accountability Framework	34
Our People	35
Our Generous Community	36
Our Performance Priorities	37
Statutory Disclosures	39
Attestations & Declarations	46
Disclosure Index	48
Financial Statements	49

Report of Operations

RESPONSIBLE BODIES DECLARATION

In accordance with the Financial Management Act 1994, I am pleased to present the report of operations for Timboon and District Healthcare Service for the year ending 30 June 2024.



Mr Frank Carlus
Chair, Board of Directors
Timboon and District Healthcare Service
26 August 2024



Board members L-R: Janelle Jakowenko, Kieran Donoghue, Anne Skordis, Alison Byrne, Frank Carlus, Ashley Nesseler, Anthony DeJong, Claire Murphy, Toinette Hutchins and Simone Renyard.

Our **VISION**

Working together for a healthy community

Our **PURPOSE**

KEEPING PEOPLE AT THE HEART OF OUR ACTIONS THROUGH:

- Partnering for outcomes
- Engaging the community
- Innovative service delivery
- Maximising quality and safety
- Embracing change
- Promoting health and wellbeing across the lifespan

Our **VALUES**



We foster an open and positive work environment through honest and ethical behaviours

We are understanding of peoples differing needs, opinions and feelings, and treat everyone with empathy

We take responsibility for our actions, attitudes and decisions and the impact it has on others within our workplace

We promote an inclusive and diverse culture by valuing the differing views, qualities, needs and feelings of each other

We invest in continuous development opportunities, so we can continue to deliver exceptional services to our community

Overview

OUR ESTABLISHMENT

Located 235km south west of Melbourne, Timboon is a predominantly dairying community that acts as a service centre for the Port Campbell National Park and produces some of the finest gourmet products for the region including fine icecream and fresh berries. Timboon was first settled by the Callaways, English immigrants who selected land in 1875 to the west and north of the present township.

The Timboon and District Hospital had its beginnings more than a decade before the doors actually opened, when a group of local citizens met on 8 June 1944 to discuss establishing a local hospital. Approval of the Charities Board of Victoria came through in July 1944, but it still took another decade before construction commenced in January 1955. Dr PDG Fox, who was engaged as the local doctor in May 1951, his wife, along with the whole community, worked hard to bring the long-held dream of a hospital to a reality through fundraising and lobbying. The Timboon and District Hospital officially opened on 8 December 1955 and accepted its first patient on 5 March 1956.



Over the years, the services and facilities have been improved, challenges have been overcome, the name has been changed and, throughout it all, Timboon and District Healthcare Service (TDHS) has continued to deliver first-class health care as well as peace of mind that medical facilities are close at hand and adapted and grown to meet the changing needs of our community.

In 1998 TDHS received the status of a Multi-Purpose Service (MPS) which allows us to provide a broad mix of services via a flexible service model. Being an MPS, TDHS has a tripartite agreement between the Commonwealth, State Government and our own agency to deliver services. The State and Commonwealth funds are pooled so that we are able to respond flexibly and responsively to the challenges facing our communities in an isolated rural area and best meet the health needs of community members throughout their lives. We are extremely proud of the services we provide; these are based on evidence gathered from community consultations, local demographics and population health data.

TDHS provides acute medical, residential and community aged care and a comprehensive suite of community health services. Acute and residential aged care services are provided within 14 flexible beds, a 6 bed day-stay complex and an urgent care centre. TDHS contracts General Practitioners as Visiting Medical Officers, who work at the Timboon Clinic across from the healthcare service.

Our Catchment Area

The Timboon District Healthcare Service (TDHS) catchment stretches from Cobden in the north to the Great Ocean Road coastline, encompassing the towns of Timboon, Cobden, Nullawarre, Peterborough, Port Campbell, Princetown, Simpson, and the tourism sites of the Twelve Apostles.

It is home to approximately 8,000 residents engaged in a wide range of employment, including primary industries, particularly the dairy industry and tourism. In addition, some 5 million tourists visit the Twelve Apostles and Port Campbell each year.



History of TDHS

1944

Timboon Progress Association convened first meeting to discuss establishment of a local hospital

1951

Timboon Township engaged Dr PDG Fox, which was vital to the beginnings of Timboon and District Hospital (TDH)

1955

Construction started in January on land donated by Charles Lindquist

1955

Official opening of TDH by Dr JH Lindell, Chairman of the Hospitals and Charities Commission

1956

TDH open and receiving patients
Construction of TDH staff home



1962

South Western District Ambulance Service became operational at TDH driven by volunteers

1971

Completion of building alterations at TDH

1978

Official opening of Community Health Centre at TDH

1991

Official opening of extensions, treatment room and front entrance at TDH by Mr Arthur Rogers, Regional Director of the Health Department

1998

TDH became Timboon and District Healthcare Service (TDHS) to reflect its new status as an MPS

2002

Official opening of new wing at TDHS by Mr Bruce Mildenhall MP, Parliamentary Secretary to the Premier

2005

Completion of the Timboon Clinic Building

2010

Opening of new Ambulance Station

2013

Official opening of Community Health Building by The Hon David Davis M.P.



2021

Full acquisition of Timboon Clinic



By the community, for the community

Our Services

Timboon and District Healthcare Service (TDHS) continues to engage in local and regional partnerships and service delivery, to provide a broad range of health services that reflect the needs of our community.

ACUTE INPATIENT

Our experienced and highly skilled professional team provide high-quality acute care services across our 14 flexible inpatient beds. With a flexible bed arrangement we can support people with acute illness, chronic disease, rehabilitative and palliative care needs.

AGED AND RESIDENTIAL CARE

We deliver residential aged care services at our facility in Timboon. Our aged care facility comprises of 4 permanent beds where members of the community, unable to remain in their homes due to health or mobility issues, can receive 24-hour professional care. Our Multi-Purpose Service model provides TDHS with the flexibility to support Aged Care needs.

COMMUNITY AND ALLIED HEALTH

We offer a broad range of community and allied health services to meet the needs of our community. We work with a broad range of partners to deliver diverse services, including:

- Aboriginal Liaison Officer
- Audiology (private)
- Community Health Nurse
- Community Transport
- Continence Nurse
- Dental (private)
- Diabetes Education
- Dietetics
- District Nursing
- Exercise Classes
- Exercise Physiologist
- Immunisation Clinic
- Maternal Health (provided by Corangamite Shire)
- Occupational Therapy
- Physiotherapy
- Podiatry (private)
- Women's Health

HOME SUPPORT PROGRAM

Our dedicated home support care team work across a range of services to enable people to remain independent and safe in their homes for as long as possible. These services are funded through a variety of programs and support younger people with a disability, those over 65 and Aboriginal and Torres Strait Islander people who are over 50. Our home support services include:

- Community Transport
- District Nursing
- Domestic Assistance
- Home Maintenance
- In-home Respite Care
- Meals on Wheels
- Personal Care
- Social Support Group

NATIONAL DISABILITY INSURANCE SCHEME (NDIS)

We offer specific care services to those with a disability who are registered with the NDIS. Our NDIS services ensure individualised support for people with disability, their families and carers.

PALLIATIVE CARE

Our palliative care services support those living with and dying from a terminal condition. This support can be provided at home or within the health service. Our compassionate and skilled staff ensure a team approach to palliative care that supports the individual, their carers, family and friends. TDHS has well-developed networks to assist with ensuring a quality end of life experience, closer to home.

PATHOLOGY

We partner with regional pathology services to collect and test specimens twice daily, Monday through Friday, and once daily, on Saturday. We foster relationships with leading experts and practitioners to ensure efficient, high-quality pathology services.

RADIOLOGY

TDHS offers X-ray services delivered by our part time radiographer, to help diagnose and treat injuries.

REGIONAL ASSESSMENT SERVICE (RAS)

Our experienced assessment officer reviews individuals for their care needs and supports them with care planning and management, as required.

RESPIRE

We support families and carers to continue to provide care for their loved ones through the provision of respite care. Respite care is short term support to provide carers and families with a break from direct care provision of those with debilitating illness including physical, intellectual and sensory needs. Respite can be accessed either in home or at the health service.

TELEHEALTH

We utilise Telehealth services to enhance our existing service provision. This ensures our community can access specialised care, close to home, using innovative service models.

TIMBOON CLINIC

We have a dedicated team of doctors, practice nurses and friendly administrative staff who support our community to address their immediate, chronic and preventative health needs.

TRANSITION CARE PROGRAM (TCP)

TDHS partners with our sub-regional health services to provide community and bed-based services for a period of up to 12 weeks per occasion. This assists people to recuperate after a serious illness or change in condition and aims to prevent hospitalisation and support people to remain at home for as long as possible.

URGENT CARE CENTRE

Our Urgent Care Centre ensures 24-hour assessment and care services for local medical emergencies and urgent care needs. Urgent care is delivered by a nurse led model supported by on-call medical staff.

Board Chair and CEO Report

Given the ongoing challenging context it is with a significant sense of achievement that we present the 2023-24 Annual Report for Timboon and District Health Service (TDHS).

The year has been a difficult one for the Health sector, as we continue to work our way out of the Global pandemic, progress which has been slower than many of us had hoped for. Changing work force habits, increases in cost of living and the impact of sporadic COVID outbreaks at our facility has tested the limits of TDHS's capacity and capability at times. These tests have once again shown that our staff are our greatest asset. Borrowing a line from Dr JH Lindel, Chairman of the Hospitals and Charities Commission, when he opened TDHS on 8th December 1955, "the best hospitals were (sic) run by the people".

It is fair to say that this year has been particularly challenging financially. The key presenting issues have been related to workforce, which has been a sector wide issue and not specific to TDHS. The need to support appropriate nursing staff ratios with the use of agency nursing has been one of the key challenges. The need to maintain community access to GP services following the unplanned departure of two GPs was another key challenge which has been initially achieved through the engagement of locum GPs. Difficulties in accessing GPs is also not specific to the TDHS catchment and the circumstances of unplanned departures were largely not within the control of TDHS. I want to acknowledge and thank the Executive Team (ET) and every staff member who has contributed to the associated recruitment and retention efforts, and to Andrew Maskell, Finance Manager, and Anthony De Jong, Chair FARM, and committee members for their diligence and leadership in navigating the difficult financial environment. We have importantly taken time during this year to restructure TDHS' finances in a manner, that will over the next year, create more positive and sustainable financial outcomes.

As mentioned above, maintaining and resourcing a skilled workforce has continued to present as a major challenge for TDHS, as it has for most organisations in the health and other sectors. During 2023-24 a significant focus for the Board and Executive Team has been on the need to support a positive workplace culture. Culture is the essential ingredient in any successful organisation and particularly important in managing change and increasing workload demands while maintaining quality and safety in delivered services. Safer Care Victoria's framework for safe and effective care has a skilled and engaged workforce as well as leadership as key pillars for success. This has been a time and energy consuming process that is ongoing. The process has been assisted by our decision to upgrade our human resources investment and capability through the appointment of a Human Resources Manager and through the establishment of the now fully operational People Culture and Remuneration Committee (PC&RC) of the Board. Ultimately culture is everyone's responsibility however there are a number of individuals we want to acknowledge given the work and energy brought to this endeavour by Krystal Edwards with the support of the Executive Team, members of the PC&RC, and its Chair, Claire Murphy, who has provided great leadership in this area.

The Executive Team has again seen some changes during 2023-2024, and we are pleased to reflect with satisfaction the positive way the various challenges have been met by the Team. Our collective capacity to negotiate the many challenges while continuing to meet our obligations owes much to the capacity, skills, resilience and maturity of our Executive Team and Directors and we need to continue to support, nurture and reward these qualities.

Our laser like focus on safe and effective care has continued in the face of increasing levels of service in most clinical areas. Of note, we have seen a significant increase in presentations to our Urgent Care Centre, exceeding pre-pandemic levels, most acute ward beds are filled and our residential aged beds are at capacity. Our goals in the area of quality continue to be non-negotiable and I believe we are responding to

our accountabilities as a modern health service should. While challenges continue to present, our successful management of change and recruitment to key clinical roles have been key enablers in this area, as indeed has our partnering with others in our sector to ensure we keep services such as our Urgent Care Centre viable and effective. We want to thank and acknowledge the work of Larissa Barclay, Director Clinical Services, and the support and direction provided by members of our Clinical Governance, Quality and Credentialing Committee under the able leadership of Ashley Nesseler.

This is an occasion for us to thank the best group of volunteers in the state, who support the work of the professional staff, by providing services including transport for consumers, meals on wheels and an ear to listen or a warm hand of support. We are so fortunate to be a part of a community with this many people willing to devote their time to assist others less fortunate and in need. From us a big thank you to all of those special people. At TDHS we feel incredibly supported by our community across the catchment. We are fortunate to have strong community representation on our Board committees and an active Community Advisory Committee.

Our focus on providing the right care, in the right place, at the right time, has seen us continue to deliver an extensive range of critical services to our consumers in their own homes. While we are committed to the ongoing delivery of appropriate bed-based inpatient services, we are constantly looking to grow our suite of services, particularly looking at primary, community health and home based services with the aim of preventing illness, better management of chronic conditions and supporting people living safely and independently at home. There is clear evidence that the results are superior to hospital bed-based services.

As reported in last year's annual report our intention to employ more local staff and move from our reliance on agency nursing staff has been successful. By the end of the financial year we are able to report that there are now zero agency nurses supporting our permanent staff. This achievement is incredibly significant and places TDHS in the select group of health services statewide who have been able to achieve this goal. As a driver of increased expenses this outcome will ease the burden on our financial situation in the next year and those beyond.

During the year we achieved accreditation as a teaching General Practice which assisted in the recruitment of a further GP. There was significant work required to achieve this and we are grateful for the efforts of the Director of Community Health Tanya Wines and her management team at the clinic. In the face of declining GP services in rural areas, the Timboon Clinic is forging ahead and appears to have an incredibly bright future. This coming financial year provides opportunity for further growth as we expand the services offered such as the role of Agricultural Nurse. Our additional investment to enhance our capacity and impact in relation to the prevention and management of chronic disease is still a valid longer-term objective. The coming year will see us reap the benefits of that hard work.

Led by Barwon Health and with TDHS as a member of the Barwon South West Health Service Partnership (BSWHSP) we collaborated on a number of project based regional solutions. Our biggest single partnership, the South West Alliance for Rural Health (SWARH) continued to build and maintain the ICT system which supports everyday business at TDHS. Strengthening partnerships with other health services is critical to us being able to provide the appropriate care to our consumers. TDHS is part of a larger health system which we expect to become more connected in the next financial year. We are grateful for the support we have received from the State and Commonwealth governments, the Department of Health and our many service partners.

TDHS' skilled based Board has steered our health service through difficult times with clear evidence that the sub-committee structure has continued to support the Board's work well and we have delivered a good level of governance.. I am grateful for the expertise all Directors have contributed, for the leadership provided by committee Chairs and the support you have provided to us as Chair and CEO.

Having completed work on our next Strategic Plan we await formal approval by the Department which has been delayed as a result of the development of the Health services Plan, nonetheless we are confident that the directions we have set are appropriate and will serve our communities well.

This new strategic plan will focus our efforts on resetting the foundations post Covid-19 with a strong emphasis on:

- Engaging the community to maintain lifelong health and wellbeing
- Making TDHS a great place to work and to be an employer of choice
- Improving access to care through inclusion, innovation and collaboration
- Expand on and continuously improve the quality of wellbeing care provided

Formal approval of the plan will confirm our strong directions for an enhanced service offering to our community, while maintaining strong sustainability and relevance.



A handwritten signature in black ink, appearing to read 'Frank Carlus'.

Frank Carlus
Chair - Board of Directors



A handwritten signature in black ink, appearing to read 'Gary Castledine'.

Gary Castledine
Chief Executive Officer

Our Year in Review

MPS SERVICE PLAN : KEY ACHIEVEMENT AND CHALLENGES

THE BELOW TABLE OUTLINES OUR CURRENT PROGRESS AGAINST THE TDHS STRATEGIC PLAN 2018-23.

STRATEGIC OBJECTIVES	ACTIONS	DELIVERABLES	OUTCOMES
Provide integrated health and wellbeing services	Respond to government policy directions	• Submitted next Strategic Service Plan to the Department for approval	Commenced
		• Support and work within the Barwon South West Health Service Partnership (BSWHSP) to deliver streamlined and integrated care services across the region	Continuing
		• Establish Aboriginal Liaison Officer role	Completed
	Increase focus on prevention, early identification and management of chronic conditions	• Maintain community health promotion programs – LifeMap	Continuing
		• Maintain Parkinson's Disease Neuro exercise program	Continuing
		• Ensure access to rehabilitative and clinical exercise services via new Exercise Physiologist services to support physiotherapy	Completed & Continuing
		• Collaborate with other local healthcare services to bring the Hospital Admission Risk Program (HARP) to local areas	Commenced & Continuing
		• Develop Community Health-Health Promotion (CHHP) Action Plan focused on health promotion priority areas	Commenced & Continuing
		• Develop Community Health-Health Promotion (CHHP) Narrative Report	Commenced & Continuing
		• Implement Chronic Disease Management process	Commenced
		• Establish Collaboration with Otway Heart via our Timboon Clinic	Commenced & Continuing
		• Initiate Smoking Cessation Clinic at the Timboon Clinic	Commenced
		• Expand Health Promotion program	Commenced & Continuing

	Build and strengthen strategic partnerships	Establish and maintain positive relationships with regional partners	Continuing
		Collaborate regularly with other regional and state-wide healthcare services to strengthen existing relationships and maximise knowledge and expertise	Continuing
		Collaborate with MPower to provide Carer Support Services in local areas	Commenced & Continuing
		Partner with South West Healthcare regarding Payroll and Director of Medical Services	Continuing
		Provide efficient Information Technology services through partnership with South West Alliance Rural Health	Continuing
		Collaborate with Colac Area Health regarding General Practitioner credentialing and pharmacy	Continuing
		Strengthen regional health partnerships to collaboratively and inclusively enhance strategic system priorities	Continuing
		Network and collaborate with other providers through the Sector Support and Development Community of Practice (SSD) to ensure adequate use of services by local communities	Commenced & Continuing
		Work with the Rural Financial Counselling Service (RFCS) Victoria West providing financial and mental health assistance to local farmers	Commenced & Continuing
		Collaborate with the Western Regional Alcohol and Drug (WRAD) Centre Warrnambool and Timboon Clinic	Commenced & Continuing
		Partner with Terang & Mortlake Health Service to continue local endoscopy service	Commenced & Continuing
		Ambulance Victoria (AV) collaboration including hosting Paramedic Practitioners	Commenced & Continuing

	Improve access and use of the health service system for consumers	• Integrate care services between main site and clinic	Continuing
		• Implement policies and procedures to utilise TDHS bus to improve access to Social Support Group	Commenced & Continuing
		• Improve the timeliness and appropriateness of information flow between TDHS and other service providers	Continuing
		• Educate and support community regarding My Aged Care accessibility	Commenced & Continuing
		• Partake in Commonwealth Support at Home Program pilot for new Integrated Assessment Tool	Completed
		• Partake in Sector Support and Development Program (SSD) in preparation for a new in-home aged care system	Commenced & Continuing
		• Formalise partnership with other local healthcare services offering efficient bed transition	Commenced
		• Offer Community Transport Service for local rural community to other healthcare services	Continuing
		• Increase scope of clinical service in Urgent Care Centre (i.e. antivenom)	Commenced & Continuing
		• Improved wayfinding by updating health service signage	Continuing
		• Agrisafe Clinic and Western Region Alcohol and Drugs service established at Timboon clinic	Commenced & Continuing

	Invest in the use of innovative digital technologies	Partnering to upgrade Electronic Health Record through South West Alliance Rural Health (SWARH)	Commenced & Continuing
		Continue implementation and uptake of all aspects of telehealth opportunities for community health programs	Continuing
		Conduct meetings via teleconferencing providing efficiency and environmental benefits	Continuing
		Create feedback and services dashboard on website for easy interaction	Continuing
		Review Local Area Network (LAN) infrastructure and commence upgrade (Edge Network Refresh Project)	Completed
		Partake in roll out of M365 Microsoft Teams with Change Champions	Continuing
		Commence Virtual Emergency Care service with Victorian Virtual Emergency Department (VVED) and Barwon Health Virtual Emergency Department	Commenced & Continuing
		Purchase and activate Lumin Senior Tablets for Aged Care residents lowering technological barriers and improving personalised skills and cognitive ability	Completed
		Partake in Trak Education Program	Continuing
		Invest in modern software & systems to deliver higher quality outcomes and reduce manual activities	Commenced and Continuing
	Build capacity and capability within our teams to respond to consumer directed care reforms	Introduce Human Resources Information System to enhance workflows and employee experience	Commenced
		Achieve Australian General Practice Accreditation Limited for Timboon Clinic	Completed
		Provide appropriate systems, continuing education and communication to respond to Short Notice accreditation assessments	Continuing
		Build employed workforce to reduce agency staff usage	Continuing
		Increased practice nurses to support general practice	Continuing

Contribute to the development of a Connected Community	Develop and implement a community communications and engagement strategy	Continue to evolve and adjust Community Engagement Officer role to assist with the development of community communications and engagement strategy	Completed & Continuing
		Continue to support and promote the work of the TDHS volunteer workforce	Completed & Continuing
		Engage with community for feedback regarding TDHS Strategic Plan 2023-28 with flyers, surveys, social media, website, workshops and Main Street Walkabouts	Completed
		Create Feedback dashboard on website to engage with community	Commenced & Continuing
	Enhance community health literacy	Review and update consumer focused brochures for improved promotion of health and well-being services	Continuing
		Develop an organisation wide health literacy plan	Commenced & Continuing
		Provide Consumer Advisory Committee members with free Health Literacy training	Completed
	Promote community health and well-being across the lifespan with a focus on prevention	Community health promotion content is incorporated into communication strategy	Completed & Continuing
		Quarterly newsletter concept to include relatable community stories and features regarding health issues and outcomes	Completed & Continuing
		Effectively use social media (and local newspaper) to communicate health awareness events with relatable community stories	Completed & Continuing
		Use social media to assist Department of Health in relaying COVID-19 messages, including vaccination availability and information and local community stories to encourage vaccination	Completed & Continuing
		Hold COVID-19 vaccination clinics (at healthcare service and local clinic) including some Saturday clinics to increase accessibility	Completed & Continuing
		Utilise bus for Social Support Group outings to promote physical and mental well-being	Commenced & Continuing
		Men's & Women's Health nights	Commenced & Continuing

	Expand health promotion activities with a specific focus on health behaviours and risk factors	• Increase media presence in alignment with designed formal media plan • Develop Community Health-Health Promotion (CHHP) Action Plan focused on health promotion priority areas • Develop Community Health-Health Promotion (CHHP) Narrative Report • Run Summer and Winter Wellness Programs	Completed & Continuing Commenced & Continuing Commenced & Continuing Commenced & Continuing
	Further diversify and extend partnerships with community groups and non-health organisations to facilitate community engagement, aligned effort and better health outcomes	• Strengthen community partnerships including philanthropic opportunities and events to share TDHS service information • Engage with consumers to understand knowledge gaps and inform via presentations and assistance with My Aged Care navigation • Engage with local schools through TDHS bus naming competition ('Joy') • Promote cultural diversity with stories from diverse workforce • Promote Farm Safety for local farming community by facilitating guest speaker from Victorian Farmers Federation at Annual General Meeting • Promote different safety messages from local groups for Summer Safety • Engage with local newsletters to promote better health outcomes • Employ an Aboriginal Liaison Officer	Completed & Continuing Commenced & Continuing Completed Continuing Completed & Continuing Continuing Continuing Completed
	Actively seek community feedback	• Upgrade feedback stations for better accessibility • Create Feedback dashboard on website, brochures and QR code for easy access • Continue partnership with community via Consumer Advisory Committee • Continue consumer participation on organisational committees • Creation of 'Feedback fortnight' to survey consumers' experiences • Increase inpatient survey response rates to obtain a sufficient quantity to report in the Victorian Hospital Experience Surveys • Complete dietician led menu review and implement improvements	Completed Continuing Continuing Continuing Commenced & Continuing Continuing Completed

Maintain and enhance our skilled and engaged workforce	Develop and implement a people and culture strategy	Continue to update and improve an informative and engaging staff portal to support staff wellness and education	Completed & Continuing
		Continue program of work to communicate and reinforce TDHS Values (ICARE)	Continuing
		Continue to develop and implement TDHS values recognition program	Commenced & Continuing
		Support staff wellness with Staff Fun Days created by and for staff	Completed & Continuing
		Expanding Nomination and Remuneration Committee into People, Culture and Remuneration Committee to support staff in all aspects to enable provision of outstanding care for consumers in line with our values	Completed
		Continue Employee Assistance Program membership providing staff and volunteers with immediate assistance for any work, health or life concerns	Continuing
		Extending Employee Assistance Program with face to face counselling on-site once a month	Completed & Continuing
		Hold Jobs Fair to recruit new staff and provide pathways for future careers	Completed
		Regular staff presentations to People Culture & Remuneration Committee	Commenced & continuing

	Invest in workforce training and development	• Conduct annual mandatory training sessions for all staff in line with the Clinical Governance National Standard • Cooperate with university partners and local secondary schools in planning student placements and programs • Work with Barwon South West Health Service Partnership (BSWHP) to further explore recruitment and on boarding systems • Employ clinical nurse educators to support clinical staff • Develop an education newsletter • Participate in Victorian Government's initiative "International Recruitment Program" with three staff members • Purchase upgraded training equipment with funds raised from 2022 Annual Appeal • Provide Care Plan training to Timboon Clinic Practice Nurses • Accreditation as a teaching practice with Royal Australian College of General Practitioners and Australian College of Rural and Remote Medicine	Completed & Continuing Completed & Continuing Commenced Completed Commenced & Continuing Completed Completed Completed Commenced & Continuing
Strengthen Organisational Leadership	Continue to ensure best practice clinical governance	• Commence planning and development of the 2023-28 Strategic Plan • Implement and maintain Accreditation action plans • Implement Clinical Audit schedule and embed as part of operating cycle • Further develop TDHS Clinical Dashboard to track and measure clinical outcomes as part of Board and Executive Operating Cycle • Implementation of sub-operational committees to increase leadership at all levels of the organisation • Implement regular leadership meetings and training events • Strengthen clinical governance framework	Completed Completed & Continuing Continuing Continuing Commenced and continuing Commenced and continuing Continuing

	Enhance focus on quality and safety through continuous quality improvement	• Complete review of TDHS alignment with required standards (OH&S, Building standards, Infrastructure compliance) • Implement Operational Audit schedule and embed as part of operating cycle • Comprehensive review of TDHS Risk Register • Strengthened Emergency Management Framework • Comprehensive Review of Legislative Compliance tracking and reporting	Continuing Continuing Continuing Continuing Completed
	Provide continued sound financial and sustainable organisational stewardship	• Consolidate Integrity Governance Framework review and actions • Implement Preventative Maintenance schedule in line with existing service offerings • Develop five-year capital plan • Conduct a review of future service needs identified in the strategic service plan to develop a Property Master Plan • Conduct Risk Management system & process review and implement enhancements • Monitor Management's implementation of the agreed audit recommendations • Review the 3-year internal audit plan • Review of Corporate positions to ensure the correct levels and skill mix of staff are in place	Continuing Continuing Continuing Continuing Commenced & Continuing Completed & Continuing Completed & Continuing Completed & Continuing
	Seek additional funding sources to augment service offering	• Complete review of state health, federal health and other bodies re potential Grant & Funding opportunities • Apply for available grants and funding opportunities as appropriate including Regional Health Infrastructure fund, Regional Workers Accommodation fund and various Commonwealth funds	Continuing Commenced & Continuing
	Advocate for and promote the value and benefits of the MPS model	• Actively participate and lead MPS Collective in partnership with Victorian Healthcare Association • Provide Community Transport opportunity outside the Commonwealth Home Support Program (CHSP) funding model	Continuing Continuing

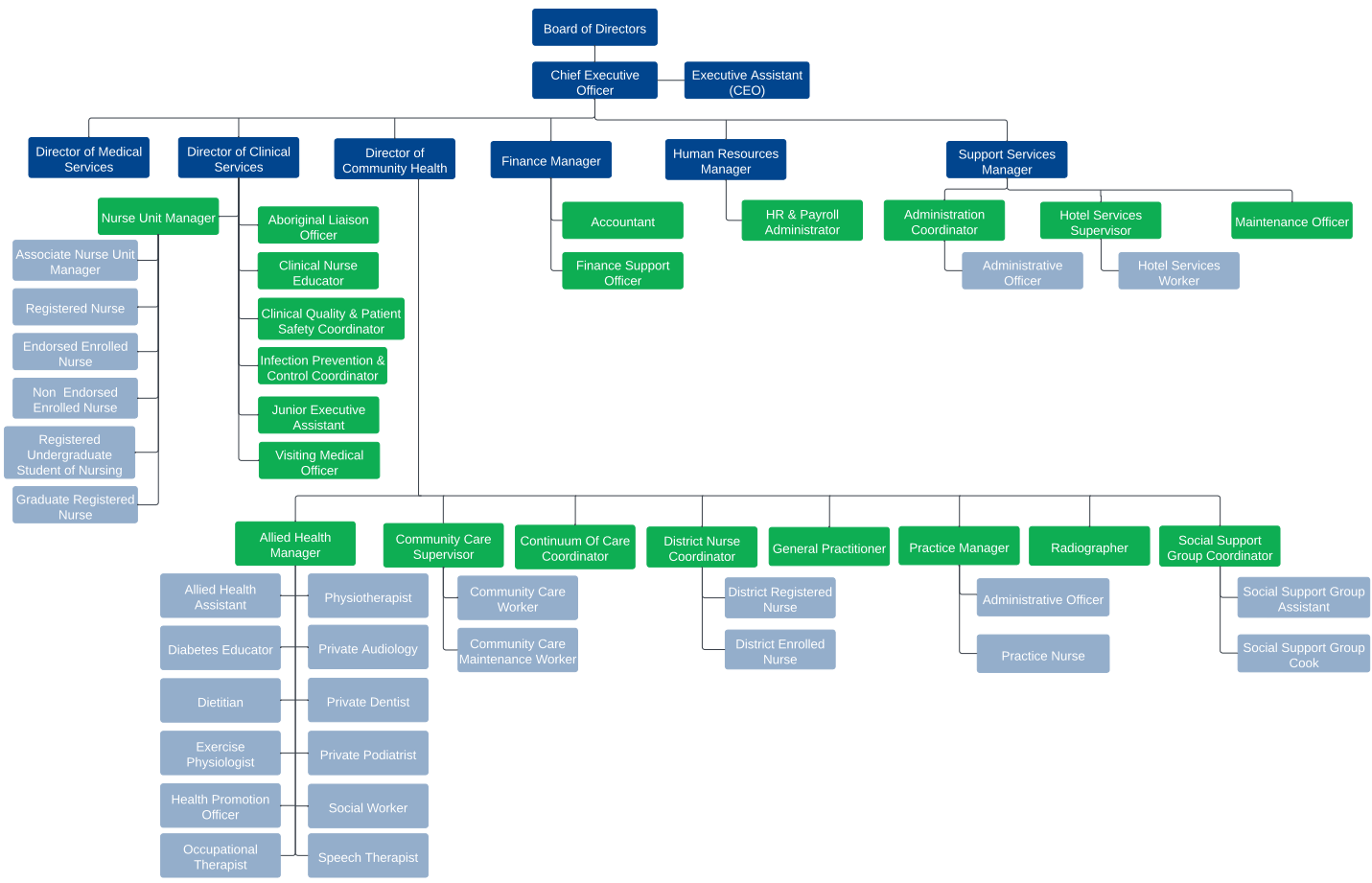
	Explore shared governance and support arrangements, within our region, to maximise service flexibility, quality and efficiency	• Actively participate in regional governance forums • Investigate Government and other resources for nursing, allied health staff and GPs • Support and work within the Barwon South West Health Service Partnership (BSWHP) to deliver streamlined and integrated services across the region	Continuing Commenced & Continuing Continuing
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Social Support Group members, volunteers & staff enjoy a trip to an art gallery

Organisational Structure

OUR ORGANISATIONAL STRUCTURE



Our Governance

We are a public health service established under the Health Services Act 1988 (Vic). The responsible Minister is the Minister for Health.

MINISTER FOR HEALTH

The Hon. Mary-Anne Thomas

From 1 July 2023 to 30 June 2024

MINISTER FOR AMBULANCE SERVICES

The Hon. Gabrielle Williams

The Hon. Mary-Anne Thomas

From 1 July 2023 to 2 October 2023

From 2 October 2023 to 30 June 2024

MINISTER FOR MENTAL HEALTH

The Hon. Gabrielle Williams

The Hon. Ingrid Stitt

From 1 July 2023 to 2 October 2023

From 2 October 2023 to 30 June 2024

MINISTER FOR DISABILITY, AGEING AND CARERS

The Hon. Lizzie Blandthorn

From 1 July 2023 to 2 October 2023

MINISTER FOR DISABILITY/MINISTER FOR CHILDREN

The Hon. Lizzie Blandthorn

From 2 October 2023 to 30 June 2024

MINISTER FOR AGEING

The Hon. Ingrid Stitt

From 2 October 2023 to 30 June 2024

Our Board of Directors

The role of the Board of Directors is to oversee the health service on behalf of the Minister for Health and in accordance with government policy and its legal obligations.

The health service is responsible for ensuring positive health outcomes, specifically: safe, effective, person centered care. The Board provides strategic leadership of the organisation whilst monitoring performance and ensuring accountability and compliance.

Board members do not participate in day to day management of the health service, this is the role of the CEO and staff. The Board appoints the CEO and delegates sufficient powers to allow them to manage the health service effectively. Health service Boards are required to govern the health service, develop strategies, oversee financial and service performance, respond and adapt to challenges such as changing demographics and disease profiles, and meet expectations regarding regulatory and government policy requirements and standards.

The Board also support development of, and approve, organisational documents such as Frameworks, Policies, and Procedures to ensure the effective oversight and action of the health service. The Board acts and is responsible as a collective, Board Members do not act individually.

The Board members are appointed by the Governor in Council on the recommendation of the Minister for Health. Applications and selection processes are conducted in accordance with The Department selection process. Office Bearers are Directors who hold a Board appointed or delegated position. The Board nominate Office Bearers annually. Office Bearers at TDHS include the Board Chair, Board Vice Chair(s) and Committee Chair(s).

During this financial year the TDHS Board consisted of 10 members for most of the year, reducing to 8 members with members Alison Byrne and Anne Skordis resignation in December 2023.

Chair

Frank Carlus

First appointed: 01 July 2019

Current term of appointment: 01 July 2021 - 30 June 2024

Vice Chair

Claire Murphy

First appointed: 01 July 2017

Current term of appointment: 01 July 2023 - 30 June 2026

Chair People, Culture and Remuneration Committee: 01 June 2023 - 30 June 2024

Vice Chair

Ashley Nessler

First appointed: 01 July 2019

Current term of appointment: 01 July 2022 - 30 June 2025

Chair Clinical Governance, Quality and Credentialing Committee: 01 July 2023 - 30 June 2024

Board Members

Anthony DeJong

First appointed: 01 July 2019
Current term of appointment:
01 July 2021 – 30 June 2024
Chair Finance, Audit and Risk Management
Committee: 01 July 2023 – 30 June 2024

Janelle Jakowenko

First appointed: 08 March 2022
Current term of appointment:
08 March 2022– 30 June 2024

Toinette Hutchins

First appointed: 01 July 2018
Current term of appointment:
01 July 2021 – 30 June 2024

Simone Renyard

First appointed: 01 July 2022
Current term of appointment:
01 July 2022 – 30 June 2025
Board Representative Consumer Advisory
Committee: 01 July 2023 – 30 June 2024

Kieran Donoghue

First appointed: 01 July 2022
Current term of appointment:
01 July 2022 – 30 June 2025

Resignations:

Anne Skordis

First appointed: 01 July 2017
Resigned on 12 December 2023

Alison Byrne

First appointed: 01 July 2020
Resigned on 12 December 2023

Our Committee Structure

THE BOARD OF DIRECTORS HAS ESTABLISHED A COMMITTEE STRUCTURE WITH TERMS OF REFERENCES TO ASSIST IN MEETING ITS OBLIGATIONS. TIMBOON AND DISTRICT HEALTHCARE SERVICE CONTINUES TO KEEP THE COMMUNITY INVOLVED IN ITS GOVERNANCE, WITH TWO OF THE FOUR BOARD SUB-COMMITTEES INCLUDING AT LEAST ONE CONSUMER REPRESENTATIVE AS A MEMBER

BOARD SUB COMMITTEE	PURPOSE	MEMBERSHIP
Finance, Audit and Risk Management Committee (FARM)	To provide assurance that the requirements of the <i>Financial Management Act 1994</i> (Vic), <i>Audit Act 1994</i> (Vic), Financial Management Regulations, Standing Directions of the Minister of Finance, Financial Reporting Directions, the Financial Management Compliance Framework, the Victorian Government Risk Management Framework, the Victorian Government Asset Management Accountability Framework and any other legal requirements are complied with. This committee meets at least four times a year and its membership includes two community representatives.	• Anthony DeJong (Chair) • Kieran Donoghue • Janelle Jakowenko • Claire Murphy • Simone Renyard • Frank Carlus • Matt Hoffman (Consumer Representative) • Josh McKenzie (Consumer Representative)
Clinical Governance, Quality and Credentialing Committee (CGQCC)	To assist the Board of Directors in fulfilling its clinical governance responsibilities, ensuring TDHS provides safe, effective and person centred care to the communities we serve. The committee convenes six times a year and works to an annual plan which ensures continuity and systemisation of processes. The Committee is in the process of recruiting community representatives.	• Ashley Nesseler (Chair) • Toinette Hutchins • Janelle Jakowenko • Frank Carlus • Alison Byrne (until December 2024) • Anne Skordis (until December 2024) • Anthony DeJong (from February 2024) • Kieran Donoghue (from February 2024)
People, Culture and Remuneration Committee	To assist and advise the Board of Directors on matters relating to the performance management, remuneration and succession planning of the Chief Executive Officer. The PC&RC are an important vehicle for delivering TDHS' strategic vision and includes the broader workforce and its culture.	• Claire Murphy (Chair) • Frank Carlus • Alison Byrne (until December 2024) • Ashley Nesseler • Janelle Jakowenko • Simone Renyard • Gary Castledine • Krystal Edwards

BOARD SUB COMMITTEE	PURPOSE	MEMBERSHIP
Consumer Advisory Committee (CAC)	To assist with the facilitation and coordination of community engagement and consumer feedback strategies as well as provide insight/advice on how Timboon and District Healthcare Service is meeting the needs of consumers and the community.	• Bronwyn Rantall (Chair) • Bobbie French • Scott Munro • Jeremy McDonald • Kyla Groves (student representative) • Jarrad Cook (school representative until April 2024) • Ellen Podbury (school representative from April 2024) • Caleb Woolstencroft (student representative until April 2024) • John Fox (from October 2023) • Tim Marwood (from October 2023 until June 2024) • Kira Gordon (until April 2024)

Our Executive Team

Timboon and District Healthcare Service's (TDHS) executive team reports to the Board of Directors via the Chief Executive Officer (CEO). The executive team bring a diverse range of skills to support the CEO in the delivery and evaluation of safe, effective and person-centered care.

CHIEF EXECUTIVE OFFICER (CEO)

The Chief Executive Officer is directly responsible to the Board of Directors for the overall management and financial accountability of the organisation.

Gary Castledine - Qualifications: BAppSc BA DipAmbParamedic MEthicsLeg

DIRECTOR OF CLINICAL SERVICES (DCS)

The Director of Clinical Services is responsible for leading the Nursing, Quality & Education teams to ensure a culture of patient centered care that is individualised, safe and responsive. The DCS is also responsible for the implementation and monitoring of the Clinical Governance Framework.

Larissa Barclay - Qualifications: BNg, GradDipMid, MMid

DIRECTOR OF COMMUNITY HEALTH (DCOMH)

The Director of Community Health is responsible for managing Allied Health, Community Care, District Nursing, Community Engagement and the Timboon Medical Clinic.

Tanya Wines - Qualifications: BAppSci

DIRECTOR OF CORPORATE SERVICES (DCORPS) – UNTIL DECEMBER 2023

The Director of Corporate Services is responsible for managing Finance, Administration, Hotel Services, Maintenance, Occupational Health & Safety, Risk Management, Compliance, Payroll and Information Technology departments.

Andrew Maskell (until 14 December 2023) – Qualifications: B.Com and CPA

FINANCE MANAGER (FM) – FROM DECEMBER 2023

The Finance Manager is responsible for managing Finance, Risk Management, Compliance and Information Technology departments.

Andrew Maskell (from 14 December 2023) – Qualifications: B.Com and CPA

SUPPORT SERVICES MANAGER (SSM) – FROM JANUARY 2024

This position was re-established to be responsible for managing Administration, Hotel Services, Maintenance and Occupational Health & Safety departments.

Kylie Chambers (from 1 January 2024) – Qualifications: BSc, Adv Dip App Science

HUMAN RESOURCES MANAGER (HRM) – FROM JANUARY 2024

The Human Resources Manager is responsible for managing recruitment & retention, workplace culture and performance management.

Krystal Edwards (from 1 January 2024) – Qualifications: Dip. HRM

Our Workforce

*Working
together*
for a
healthy
community

133
Employees

88%
Female

87%
Casual/
Part Time

45
Volunteers

34
New staff
members

6.97
years
Average
Length of
Service

47.3
years
Average Age

Our Workforce Data

HOSPITALS LABOUR CATEGORY	JUNE CURRENT MONTH FTE*		AVERAGE MONTHLY FTE**	
	2023	2024	2023	2024
Nursing	22.95	25.17	22.99	23.53
Administration and Clerical	18.27	18.48	18.57	18.16
Medical Support	1.54	1.64	2.24	1.71
Hotel and Allied Services	19.24	23.05	19.68	22.28
Medical Officers	0	0	0	0
Hospital Medical Officers	0	0.98	0	0.39
Sessional Clinicians	0	0	0	0
Ancillary Staff (Allied Health)	2.23	3.56	2.11	3.31
TOTAL	64.23	72.88	65.59	69.38

There was a notable increase in FTE during the 2023/24 financial year due a combination of the following factors:

- Employed Nurses replacing Agency Nurses
- Change in Employment model from independent contractor to employee
- Coverage of employees on extended personal leave
- Annualisation of FTE of employees employed in the 22/23 financial year



TDHS welcomes new additions to the team at an orientation day

OCCUPATIONAL HEALTH AND SAFETY

TDHS is committed to fostering a positive safety and reporting culture where all risks and hazards in the workplace are minimised, eliminated and controlled through the involvement and commitment of all employees, volunteers, contractors and other persons visiting the premises.

Ongoing staff education has seen growth in the awareness of the importance of reporting incidents including near misses. The support of our Occupational Health and Safety Committee has assisted with improving access to reporting processes and in holding Managers and Executive responsible for ensuring investigative reviews and corrective actions are undertaken.

Hazards/incidents listed below cover all types of incidents involving staff, consumers, visitors and contractors including near misses and potential hazards where no harm occurred.

OCCUPATIONAL HEALTH & SAFETY	2021-22	2022-23	2023-24
The number of reported hazards/incidents for the year per 100 FTE	347	678*	446
The number of 'lost time' standard WorkCover claims for the year per 100 FTE	2	6^	2.9
The average cost per WorkCover claim for the year \$ ('000)	8.20	1.89	51.64

*22/23 figure has been restated to ensure a consistent methodology throughout the years

^Claims have been reviewed and no common themes have been identified. TDHS will continue to review and manage hazards/incidents to ensure they remain as low as possible through risk reduction and elimination.

OCCUPATIONAL VIOLENCE

OCCUPATIONAL VIOLENCE STATISTICS	2023-24
Workcover accepted claims with an occupational violence cause per 100 FTE	0
Number of accepted Workcover claims with lost time injury with an occupational violence cause per 1,000,000 hours worked.	0
Number of occupational violence incidents reported	2
Number of occupational violence incidents reported per 100 FTE	2.9
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 2023-2024.
- **Lost time** – is defined as greater than one day.
- **Injury, illness or condition** – this includes all reported harm as a result of the incident, regardless of whether the employee required time off work or submitted a claim.

Financial Information

	2024 \$000	2023 \$000	2022 \$000	2021 \$000	2020 \$000
OPERATING RESULT	(889)	0	97	471	471
Total revenue	10,536	10,471	9,423	8,908	8,058
Total expenses	12,073	10,966	10,200	9,440	8,494
Net result from transactions	(1,537)	(495)	(777)	(532)	(436)
Total other economic flows	98	(12)	(227)	122	34
Net result	(1,439)	(507)	(1,004)	(410)	(402)
Total assets	21,420	24,149	23,683	17,863	17,886
Total liabilities	4,769	3,582	3,061	2,463	2,076
Net assets/Total equity	16,651	20,567	20,622	15,400	15,810

	2023-24 (\$000)
OPERATING RESULT	(889)
Capital purpose income	236
COVID 19 State Supply Arrangements	
- Assets received free of charge or for nil consideration under the State Supply	10
State supply items consumed up to 30 June 2023	(10)
Depreciation and amortisation	(880)
Finance costs (other)	(5)
Net result from transactions	(1,537)

FINANCIAL ANALYSIS OF OPERATING REVENUES AND EXPENSES

TDHS ended the 2023-24 financial year with a \$0.889m operating deficit compared to a breakeven result in the previous year. The main drivers of the deficit were due to workforce challenges which resulted in the increased use of agency nursing and locum doctors to maintain service levels. Salary & Wage costs including workcover premiums also increased at a significantly higher rate than government funding sources. A strong focus on strengthening regional partnerships with other health services including private hospitals resulted in a significant increase in admitted patient revenue during the year.

SIGNIFICANT CHANGES IN FINANCIAL POSITION DURING THE YEAR

The adjusted current asset ratio at 30 June 2024 has declined slightly to 2.04 (2022-23 2.21), due to a combination of the operating deficit and an increase in Refundable Accommodation Deposits. The ratio still indicates that the health service is in a strong financial position, with adequate cash reserves to meet liabilities as they fall due.

A routine 5 yearly VAGO directed land & buildings valuation was conducted in 2023-24 which resulted in an overall \$2.48 million reduction in fair value. This significant movement was due to a difference in valuation techniques used to estimate the fair value of the Health Services' highly specialised buildings which don't have a direct market for comparison.

PERFORMANCE AGAINST OPERATIONAL AND BUDGETARY OBJECTIVES

Each year the health service establishes an operational budget which is matched to the strategic objectives of the organisation. In 2023-24, the health service was expecting to have a \$0.586m operating deficit budget from operations. The \$0.303m unfavourable variance was largely driven by the increased cost of agency nurses and locums used to maintain service provision during the period of workforce shortages. The workforce situation and its associated costs improved in late 2023-24 and are expected to continue to improve into 2024-25.

Consultancies Information

CONSULTANCIES

Details of consultancies (under \$10,000)

In 2023-2024, there were three consultancies where the total fees payable to the consultants were less than \$10,000. The total expenditure incurred during 2023-2024 in relation to these consultancies is \$7,324 (excl. GST).

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

In 2023-2024, there was two consultancies where the total fees payable to the consultants were \$10,000 or greater. The total expenditure incurred during 2023-2024 in relation to these consultancies is \$31,500 (excl. GST). Details of these consultancies can be viewed below:

CONSULTANT	PURPOSE OF CONSULTANCY	START DATE	END DATE	TOTAL APPROVED PROJECT FEE (EXCLUDING GST)	EXPENDITURE 2023-24 (EXCLUDING GST)	FUTURE EXPENDITURE (EXCLUDING GST)
PivotSpace Pty Ltd	Strategic Planning Stage 2	01/07/2022	31/01/2024	\$61,060	\$19,200	\$0
Health Legal Pty Ltd	Legislative Compliance Review	28/03/2024	23/05/2024	\$12,300	\$12,300	\$0

INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) EXPENDITURE (\$ MILLIONS)

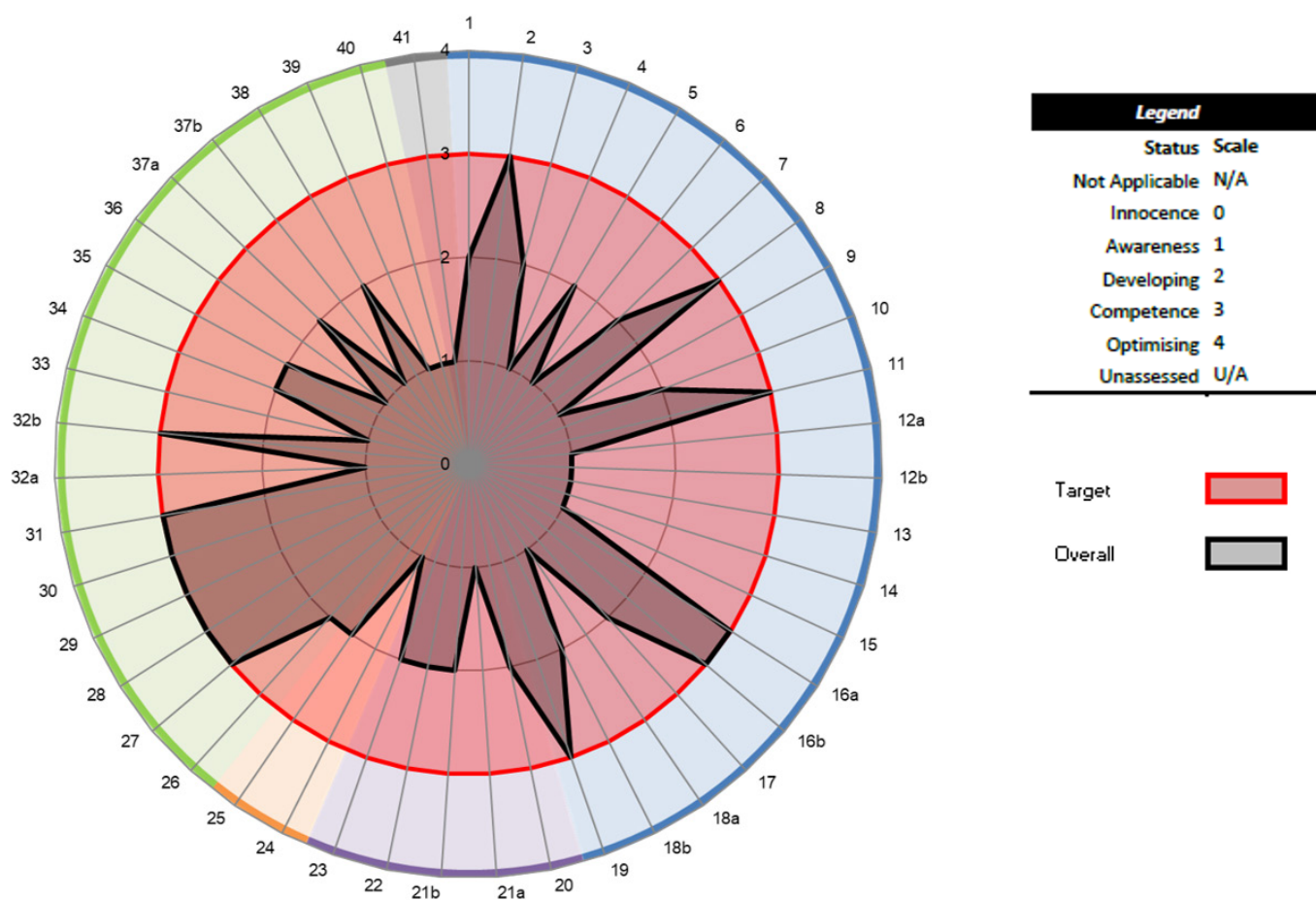
The total ICT expenditure incurred during 2023-2024 is \$0.319 million (excluding GST) with the details shown below:

BUSINESS AS USUAL (BAU) ICT EXPENDITURE	NON BUSINESS AS USUAL (NON BAU) ICT EXPENDITURE		
TOTAL (EXCLUDING GST)	(TOTAL=OPERATIONAL EXPENDITURE AND CAPITAL EXPENDITURE) (EXCLUDING GST)	OPERATIONAL EXPENDITURE (EXCLUDING GST)	CAPITAL EXPENDITURE (EXCLUDING GST)
\$0.291 million	\$0.028 million	\$0.000	\$0.028 million

Asset Management Accountability Framework

The following sections summarise Timboon & District Healthcare Service's assessment of maturity against the requirements of the Asset Management Accountability Framework (AMAF). The AMAF is a non-prescriptive, devolved accountability model of asset management that requires compliance with 41 mandatory requirements. These requirements can be found on the Department of Treasury and Finance Victoria website (<https://www.dtf.vic.gov.au/infrastructure-investment/asset-management-accountability-framework>).

The Timboon & District Healthcare Service target maturity rating is 'competence', meaning systems and processes are fully in place, consistently applied and systematically meeting the AMAF requirement, including a continuous improvement process to expand system performance above AMAF minimum requirements.



Our People

OUR HEART OF TDHS SERVICE AND VOLUNTEER AWARDS

Our Heart of TDHS Staff and Volunteer Awards night is an opportunity to celebrate the achievements of those who have been nominated, to acknowledge the extraordinary service of some of our team and above all to have an enjoyable time with colleagues.

On the night the following Awards are recognised and applauded:

- Length of Service Awards
- Life Governors (existing and new)
- Heart of TDHS Volunteer Award; an award nominated by peers for the volunteer who goes above and beyond
- Heart of TDHS ICARE Dr Peter Fox Staff Award recognising the most outstanding staff member, nominated by peers, who continually makes a difference, constantly goes above and beyond demonstrating our ICARE values in all they do.

OUR LENGTH OF SERVICE AWARDS

Recipients of the Length of Service Award for the calendar year 1 January 2023 – 31 December 2023 were:

Sharon Bourke	10 years	Jodie Couch	15 years	Erin White	15 years
Katrina Currell	10 years	Katherine Gorringer	15 Years	Anne McMeel	40 years
Sharon Shanahan	10 years	Kristen Hain	15 years	Amanda Nash	40 years
Andrea Stewart	10 years	Kasey McGlade	15 years	Margaret Tesselaar	40 years
Kathy Blake	15 years	Karen Kennett	15 years		

LIFE GOVERNORS

The TDHS Life Governor Award recognises people who have freely provided significant contribution or meritorious service to TDHS. During this financial year no additional Life Governors were recognised. TDHS would like to thank all our Life Governors, past and present, for their amazing efforts and selflessness in contributing to TDHS and our community.

Mr M. Broomhall	Mrs C. Marr	Mr. K. Serong
Mrs M. Bull	Mr J. McKenzie	Mrs. M. Serong
Ms. J. Burkhalter	Mrs M. McKenzie	Mrs. M. Symons
Mrs. J. Duro	Mr. R. McVilly	Mr R. Smith
Mrs. E. Finch	Mrs. H. Morris	Mrs. D. Taylor
Mrs. E. Finnigan	Mrs. B. Newey	Mrs. J. Toller-Bond
Mr. N. Finnigan Miss B. Fraser	Mrs. B. O'Brien	Mr. D. Trigg
Mrs. H. Herrin	Mrs. E. Padbury	Mr. J.A. Vogels AM
Dr. D. Jackson	Mr J. Renyard	Mr T. Walsh
Mrs. Y. Lawson	Mrs. K. Robbins	

Our Generous Community

OUR VOLUNTEERS

"The smallest act of kindness is worth more than the grandest intention."
- Oscar Wilde

TDHS recognises, celebrates and thanks all of its volunteers, past and present, for their dedicated hard work, depth of commitment and the invaluable donation of giving the gift of time. Their contributions to our service are invaluable and we could not operate fully without them. We continue to be humbled by the generosity and willingness of our volunteers to dedicate and commit themselves to TDHS and our community. The spirit of volunteering continues to strengthen our community. TDHS is grateful for the generosity and commitment of all our volunteers and we look forward to continuing to work together for a healthy community.

OUR DONORS

The power to work together for a healthy community lies in the shared passion and commitment of our community. Through our annual appeals, donors, volunteers and staff come together to commit to funding our healthcare service.

Each contribution to TDHS builds on another and the impact of every gift is meaningful. We acknowledge with thanks, the loyalty shown by all TDHS donors- your generosity and year-on-year support is noticed and greatly valued.

Out of respect of the privacy of our donors, individual contributions are not stated in this annual report. We extend a very sincere and warm thank you to all the individuals, local groups and businesses for their continued support and belief in TDHS.

DONATIONS 2023-24	2023-24 FY	ANNUAL APPEAL TO DATE
2021 Annual Appeal (Bus)	9,545	148,402
2023 Annual Appeal	4,985	4,985
Donations and Bequests	5,422	
Total Donations in 23/24	19,952	



The Timboon Cruiser's Murray to Moyne team continue to fundraise for much needed equipment

Our Performance Priorities

QUALITY AND SAFETY

KEY PERFORMANCE INDICATOR	TARGET	RESULT
Health service accreditation	Full compliance	Full compliance
Compliance with cleaning standards	Full compliance	Full compliance
Compliance with the Hand Hygiene Australia program	85%	92%
Percentage of healthcare workers immunised for influenza	92%	100%

GOVERNANCE AND LEADERSHIP

KEY PERFORMANCE INDICATOR	TARGET	RESULT
People Matter Survey – Safety Culture Among Healthcare Workers	62%	67%

FINANCIAL SUSTAINABILITY

KEY PERFORMANCE INDICATOR	TARGET	RESULT
Operating result (\$m)	0.00	(0.889)
Trade creditors	60 days	49 days
Patient fee debtors	60 days	85 days*
Adjusted current asset ratio	0.7	2.04
Number of days available cash	14 days	108

*Significantly impacted by Refundable Accommodation Deposits

MPS FUNDED FLEXIBLE AGED CARE PLACES

CAMPUS	NUMBER
Flexible high care	14

MPS UTILISATION OF FLEXIBLE AGED CARE PLACES

CAMPUS	NUMBER	OCCUPANCY LEVEL %
Flexible high care	5	77%
Respite	2	205%**
Total	7	

** High number of respite consumers transitioning into flexible high care beds during the reporting period.

MPS ACUTE CARE ACTIVITY

SERVICE	TYPE OF ACTIVITY	ACTUAL ACTIVITY 2023-24
Medical inpatients	Bed days	1276
Urgent care	Presentations	843
Radiology	Number of clients	247

MPS PRIMARY HEALTH CARE ACTIVITY

SERVICE FOR EXAMPLE:	ACTUAL ACTIVITY 2023-2024
Continence Services	32 Hours
Diabetes Education	99 Hours
Dietetics	198 Hours
Exercise Classes	567 Hours
Exercise Physiology	763 Hours
Occupational Therapy	87 Hours
Physiotherapy	293 Hours
Social Work	90 Hours

COMMUNITY CARE

SERVICE	ACTUAL ACTIVITY
Delivered Meals	8,049 Meals
Domestic Assistance	5,589 Hours
Personal Care	1,954 Hours
In-home Respite	311 Hours
Property Maintenance	936 Hours
Social Support	6,634 Hours
Community Transport	933 Hours
District Nursing	1,152 Hours

Statutory Disclosures

FREEDOM OF INFORMATION ACT 1982

The *Freedom of Information (FOI) Act 1982* allows the public a right of access to documents held by Timboon and District Healthcare Service. Individuals or agencies who act on their behalf, such as solicitors or insurance companies, are entitled to access personal medical record information. TDHS is committed to protecting consumer privacy and all care is taken to ensure this. All FOI applications are directed to the Director of Clinical Services and are processed in accordance with the provisions of the Freedom of Information (FOI) Act 1982 within the legislated timeframes.

During 2023/24, TDHS received 29 applications. Of these requests, 0 were from Members of Parliament, 0 from the media, and the remainder from the general public.

TDHS made 29 FOI decisions during the 12 months ended 30 June 2024. There were 21 decisions made within the statutory time periods. Of the decisions made outside time, 0 were made within a further 45 days and 8 decisions were made in greater than 45 days. A total of 29 FOI access decisions were made where access to documents was granted in full, granted in part or denied in full. 0 decisions were made after mandatory extensions had been applied or extensions were agreed upon by the applicant. Of requests finalised, the average number of days over/under the statutory time (including extended timeframes) to decide the request was 24 days.

During 2023/24, 0 requests were subject to a complaint/internal review by Office of the Victorian Information Commissioner. 0 requests progressed to the Victorian Civil and Administrative Tribunal (VCAT).

All FOI applications must be made in writing and addressed to:

Director of Clinical Services
Timboon and District Healthcare Service
21 Hospital Road
Timboon VIC 3268

All applications will be charged an application fee. Successful applicants will also incur additional access charges which vary depending on materials supplied. A schedule of these additional fees can be found on the Office of the Victorian Information Commissioner website (ovic.vic.gov.au).

BUILDING ACT 1993

Timboon & District Healthcare Service complies with the building and maintenance provisions and regulations of the *Building Act 1993* as well as the relevant provisions of the National Construction Code.

PUBLIC INTEREST DISCLOSURE ACT 2012

Timboon & District Healthcare Service is committed to the principles of the *Public Interest Disclosure Act 2012* and has in place appropriate procedures for disclosures in accordance with the Act. During the 2023/24 financial year there were 0 disclosures received by TDHS and no notification of disclosure was made to the Ombudsman or other external agency.

NATIONAL COMPETITION POLICY VICTORIA

Timboon & District Healthcare Service complies with the National Competition Policy and requirements of the Competitive Neutrality Policy Victoria and any subsequent reforms.

CARERS RECOGNITION ACT 2012

The *Carers Recognition Act 2012* recognises, promotes and values the role of people in care relationships.

TDHS has taken all practical measures to comply with its obligations under the Act. These include:

- promoting the principles of the Act to people in care relationships who receive our services and to the wider community
- ensuring our staff have an awareness and understanding of the care relationship principles set out in the Act
- considering the care relationships principles set out in the Act when setting policies and providing services
- implementing priority actions in recognising and supporting Victoria's carers: Victorian carer strategy 2018-22.

ENVIRONMENTAL PERFORMANCE

Timboon & District Healthcare Service (TDHS) is genuinely committed to maintaining and improving the health and wellbeing of the people and communities we serve. To that end, we recognise the need to use our resources wisely and effectively without compromising our standards of care. We also acknowledge our responsibility to provide a leadership role for environmental sustainability. It is an expectation that all members of the TDHS team play their part to minimise unnecessary energy waste and actively participate in recycling initiatives.

A comparison of the Health Services' environmental performance over a three year period is as follows:

ELECTRICITY USE	Jul-23 to Jun-24	Jul-22 to Jun-23	Jul-21 to Jun-22
EL1 Total electricity consumption segmented by source [MWh]			
Purchased	311.44	331.98	329.01
Self-generated	54.47	59.09	60.84
EL1 Total electricity consumption [MWh]	365.91	391.07	389.85

EL2 On site-electricity generated [MWh] segmented by:			
Consumption behind-the-meter			
Solar Electricity	54.47	59.09	60.84
Total Consumption behind-the-meter [MWh]	54.47	59.09	60.84
EL2 Total On site-electricity generated [MWh]	54.47	59.09	60.84

EL3 On-site installed generation capacity [kW converted to MW] segmented by:			
Diesel Generator	0.22	0.22	0.22
Solar System	0.07	0.07	0.07
EL3 Total On-site installed generation capacity [MW]	0.29	0.29	0.29

EL4 Total electricity offsets segmented by offset type [MWh]			
RPP (Renewable Power Percentage in the grid)	58.55	62.41	61.16
EL4 Total electricity offsets [MWh]	58.55	62.41	61.16

STATIONARY ENERGY	Jul-23 to Jun-24	Jul-22 to Jun-23	Jul-21 to Jun-22
F1 Total fuels used in buildings and machinery segmented by fuel type [MJ]			
LPG	424,862.20	377,993.20	591,095.10
F1 Total fuels used in buildings [MJ]	424,862.20	377,993.20	591,095.10

F2 Greenhouse gas emissions from stationary fuel consumption segmented by fuel type [Tonnes CO2-e]			
LPG	25.75	22.91	35.82
F2 Greenhouse gas emissions from stationary fuel consumption [Tonnes CO2-e]	25.75	22.91	35.82

TRANSPORTATION ENERGY	Jul-23 to Jun-24	Jul-22 to Jun-23	Jul-21 to Jun-22
T1 Total energy used in transportation (vehicle fleet) within the Entity, segmented by fuel type [MJ]			
Non-executive fleet - Gasoline	87,825.60		
Petrol	87,825.60		
Non-executive fleet - Diesel	120,501.50		
Diesel	120,501.50		
Total energy used in transportation (vehicle fleet) [MJ]	208,327.10		

T3 Greenhouse gas emissions from transportation (vehicle fleet) segmented by fuel type [tonnes CO2-e]			
Non-executive fleet - Gasoline	5.94		
Petrol	5.94		
Non-executive fleet - Diesel	8.48		
Diesel	8.48		
Total Greenhouse gas emissions from transportation (vehicle fleet) [tonnes CO2-e]	14.42		

TOTAL ENERGY USE	Jul-23 to Jun-24	Jul-22 to Jun-23	Jul-21 to Jun-22
E1 Total energy usage from fuels, including stationary fuels (F1) and transport fuels (T1) [MJ]			
Total energy usage from stationary fuels (F1) [MJ]	424,862.20	377,993.20	591,095.10
Total energy usage from transport (T1) [MJ]	208,327.10		
Total energy usage from fuels, including stationary fuels (F1) and transport fuels (T1) [MJ]	633,189.30	377,993.20	591,095.10

E2 Total energy usage from electricity [MJ]			
Total energy usage from electricity [MJ]	1,317,284.32	1,407,868.99	1,403,463.99

E3 Total energy usage segmented by renewable and non-renewable sources [MJ]			
Renewable	406,868.73	437,421.98	439,207.87
Non-renewable (E1 + E2 - E3 Renewable)	1,739,687.79	1,561,177.41	1,774,370.82

E4 Units of Stationary Energy used normalised: (F1+E2)/normaliser			
Energy per unit of Aged Care OBD [MJ/Aged Care OBD]	1,431.51	2,956.73	6,044.12
Energy per unit of LOS [MJ/LOS]	1,417.53	1,001.04	1,571.76
Energy per unit of bed-day (LOS+Aged Care OBD) [MJ/OBD]	712.24	747.85	1,247.38
Energy per unit of Separations [MJ/Separations]	10,622.84	7,764.62	9,025.15
Energy per unit of floor space [MJ/m2]	513.91	526.80	588.37

WATER USE	Jul-23 to Jun-24	Jul-22 to Jun-23	Jul-21 to Jun-22
W1 Total units of metered water consumed by water source (kl)			
Potable water [kL]	1,537.12	1,195.24	1,433.46
Total units of water consumed [kl]	1,537.12	1,195.24	1,433.46

W2 Units of metered water consumed normalised by FTE, headcount, floor area, or other entity or sector specific quantity			
Water per unit of Aged Care OBD [kL/Aged Care OBD]	1.26	1.98	4.34
Water per unit of LOS [kL/LOS]	1.25	0.67	1.13
Water per unit of bed-day (LOS+Aged Care OBD) [kL/OBD]	0.63	0.50	0.90
Water per unit of Separations [kL/Separations]	9.37	5.20	6.49
Water per unit of floor space [kL/m2]	0.45	0.35	0.42

WASTE AND RECYCLING	Jul-23 to Jun-24	Jul-22 to Jun-23	Jul-21 to Jun-22
WR1 Total units of waste disposed of by waste stream and disposal method [kg]			
Landfill (total)			
General waste - skips	3,667.70	3,657.38	3,767.00
Offsite treatment			
Clinical waste - incinerated			100.00
Clinical waste - sharps	525.00	347.12	320.00
Recycling/recovery (disposal)			
Cardboard	1,269.00	1,429.73	1,490.68
Organics (garden)	2,443.84	2,953.42	3,000.00
Total units of waste disposed [kg]	7,905.54	8,387.66	8,677.68

WR1 Total units of waste disposed of by waste stream and disposal method [%]			
Landfill (total)			
General waste	46.39%	43.60%	43.41%
Offsite treatment			
Clinical waste - incinerated			1.15%
Clinical waste - sharps	6.64%	4.14%	3.69%
Recycling/recovery (disposal)			
Cardboard	16.05%	17.05%	17.18%
Organics (garden)	30.91%	35.21%	34.57%

WR3 Total units of waste disposed normalised by FTE, headcount, floor area, or other entity or sector specific quantity, by disposal method			
Total waste to landfill per patient treated [(kg general waste)/PPT]	1.41	1.40	2.07
Total waste to offsite treatment per patient treated [(kg offsite treatment)/PPT]	0.20	0.13	0.23
Total waste recycled and reused per patient treated [(kg recycled and reused)/PPT]	1.42	1.67	2.47

WR4 Recycling rate [%]			
Weight of recyclable and organic materials [kg]	3,712.84	4,383.15	4,490.68
Weight of total waste [kg]	7,905.54	8,387.66	8,677.68
Recycling rate [%]	46.96%	52.26%	51.75%

WR5 Greenhouse gas emissions associated with waste disposal [tonnes CO2-e]			
tonnes CO2-e	5.45	5.21	5.40

GREENHOUSE GAS EMISSIONS	Jul-23 to Jun-24	Jul-22 to Jun-23	Jul-21 to Jun-22
G1 Total scope one (direct) greenhouse gas emissions [tonnes CO2e]			
Carbon Dioxide	39.92	22.76	35.58
Methane	0.09	0.08	0.12
Nitrous Oxide	0.16	0.08	0.12
Total	40.17	22.91	35.82
Scope 1 GHG emissions from stationary fuel (F2 Scope 1) [tonnes CO2-e]	25.75	22.91	35.82
Scope 1 GHG emissions from vehicle fleet (T3 Scope 1) [tonnes CO2-e]	14.42		
Total scope one (direct) greenhouse gas emissions [tonnes CO2e]	40.17	22.91	35.82

G2 Total scope two (indirect electricity) greenhouse gas emissions [tonnes CO2e]			
Electricity	204.84	228.06	240.26
Total scope two (indirect electricity) greenhouse gas emissions [tonnes CO2e]	204.84	228.06	240.26

G3 Total scope three (other indirect) greenhouse gas emissions associated with commercial air travel and waste disposal (tonnes CO2e)			
Waste emissions (WR5)	5.45	5.21	5.40
Indirect emissions from Stationary Energy	33.87	37.02	28.38
Indirect emissions from Transport Energy	3.60		
Any other Scope 3 emissions	2.58	2.02	2.69
Total scope three greenhouse gas emissions [tonnes CO2e]	45.50	44.25	36.47

G(Opt) Net greenhouse gas emissions (tonnes CO2e)			
Gross greenhouse gas emissions (G1 + G2 + G3) [tonnes CO2e]	290.51	295.21	312.55
Net greenhouse gas emissions [tonnes CO2e]	290.51	295.21	312.55

SOCIAL PROCUREMENT

Victoria's Social Procurement Framework (SPF) is a Victorian Government policy that enables Timboon and District Healthcare Service (TDHS) to increase the value of procured goods, services and construction by pursuing social and sustainable outcomes, in accordance with the SPF.

Where possible Timboon and District Healthcare Service aligns itself with Health Share Victoria (HSV) contracts. HSV apply best value procurement principles to have a positive social impact.

SUSTAINABILITY

We are committed to creating a strategically, environmentally, structurally and financially sound health service. We will invest in our infrastructure and use spaces in innovative ways to meet contemporary and future requirements. Our actions will be underpinned by financial discipline. We will focus on minimising waste, maximising efficiency and achieving value for investment.

During FY2023-24 Timboon and District Healthcare Service (TDHS) commenced the transition of its car fleet to hybrid vehicles. TDHS also underwent a site assessment for 4 x 7.4 KW EV chargers to support any future transition to fully electric vehicles.

TDHS have also successfully implemented LED lighting at Timboon Clinic which has already had immediate impact on the facilities electricity usage.

ADDITIONAL INFORMATION AVAILABLE ON REQUEST

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

- a statement that declarations of pecuniary interests have been duly completed by all relevant officers;
- details of shares held by a senior officer as nominee or held beneficially in a statutory authority or subsidiary;
- details of publications produced by the entity about itself, and how these can be obtained;
- details of changes in prices, fees, charges, rates, and levies charged by the entity;
- details of any major external reviews carried out on the entity;
- details of major research and development activities undertaken by the entity;
- details of overseas visits undertaken including a summary of the objectives and outcomes of each visit;
- details of major promotional, public relations and marketing activities undertaken by the entity to develop community awareness of the entity and its services;
- details of assessments and measures undertaken to improve the occupational health and safety of employees;
- a general statement on industrial relations within the entity and details of time lost through industrial accidents and disputes;
- a list of major committees sponsored by the entity, the purposes of each committee and the extent to which the purposes have been achieved; and
- details of all consultancies and contractors including:

(i) consultants/contractors engaged;

(ii) services provided; and

(iii) expenditure committed to for each engagement

LOCAL JOBS FIRST ACT 2003 DISCLOSURES

No contracts commenced in the financial year to which the Local Jobs First –VIPP Plan was required.

GENDER EQUALITY ACT

The *Gender Equality Act 2020* (the “Act”) commenced in March 2021 and is the first of its kind in Australia. The Act was developed in response to the 2016 Royal Commission into Family Violence which showed that Victoria needs to address gender inequality in order to reduce family violence and all forms of violence against women. The objectives of the Act are to:

- promote, encourage and facilitate the achievement of gender equality and improvement in the status of women
- support the identification and elimination of systemic causes of gender inequality in policy, programs and delivery of services in workplaces and communities
- recognise that gender inequality may be compounded by other forms of disadvantage or discrimination that a person may experience on the basis of Aboriginality, age, disability, ethnicity, gender identity, race, religion, sexual orientation and other attributes
- redress disadvantage, address stigma, stereotyping, prejudice, violence and accommodate persons of different genders by way of structural change
- enhance economic and social participation by persons of different genders
- further promote the right to equality set out in the Charter of Human Rights and Responsibilities and the Convention on the Elimination of All Forms of Discrimination against Women

In February 2024, TDHS submitted a comprehensive report to the Commissioner as part of our ongoing commitment to fostering an inclusive and equitable workplace in alignment with the Gender Equality Act 2020. Our efforts, guided by the Equity, Diversity, and Inclusion Procedure and the Gender Equality Action Plan (GEAP), have led to some progress in key areas. However, we acknowledge that further work is needed to enhance our data collection systems and allocate resources more effectively, both of which were highlighted in our submission to the Commissioner.

We have completed our analysis of the workforce data. These figures are provisional and pending the Commissioner’s feedback. See below for the 2021-23 reporting period:

- Women’s representation increased by 1% between 2021 and 2023, while men’s decreased by 3%.
- Male representation on our Board of Directors dropped from four to three, with no change in female representation.
- The negative pay gap widened to 10.1% in 2023, up from 5.9% in 2021, due to factors like an aging workforce and shifts in employment types.
- Workforce segregation is evident, with a 16% decrease in staff feeling culturally safe at work.
- Sexual harassment cases remained low, at around 3% annually.
- Perceptions of fairness in recruitment improved by 3%, but the perception of equal promotion opportunities declined by 6%.

In response, we have/are:

- Restructured our HR department, appointed a dedicated HR Manager
- In the process of establishing several committees to support the GEAP’s implementation
- Addressing an aging workforce and a shift toward casual employment
- Investing in new traineeship programs
- Conducting classification reviews and reviewing promotion of equitable career progression opportunities

- Improve responses to sexual harassment, through policy reviews, managerial training and the establishment of peer support networks.
- Introducing targeted leadership training, a multi-focal recruitment strategy, and promoting flexible work arrangements.

Progress Towards Fulfilling Our Obligations:

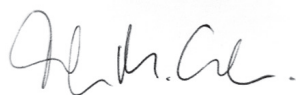
Our ongoing efforts focus on refining strategies, increasing resource allocation and transparently reporting our progress. Our ultimate goal is to establish a comprehensive framework for diversity and inclusion that ensures accountability and continuous improvement.

While progress has been made, we recognise the need for further system enhancements to support more detailed data analysis. We are actively exploring metrics to evaluate our progress more effectively, particularly in fostering a safer and more inclusive workplace.

Attestations & Declarations

FINANCIAL MANAGEMENT COMPLIANCE ATTESTATION

I, Frank Carlus, on behalf of the Responsible Body, certify that Timboon and District Healthcare Service has no Material Compliance Deficiency with respect to the applicable Standing Directions under the Financial Management Act 1994 and Instructions.



Frank Carlus
Board Chair
Timboon and District Healthcare Service
26 August 2024

DATA INTEGRITY DECLARATION

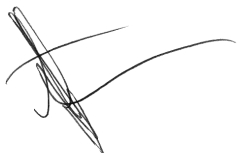
I, Gary Castledine, certify that Timboon and District Healthcare Service has put in place appropriate internal controls and processes to ensure that reported data accurately reflects actual performance. Timboon and District Healthcare Service has critically reviewed these controls and processes during the year.



Gary Castledine
Chief Executive Officer
Timboon and District Healthcare Service
26 August 2024

CONFLICT OF INTEREST DECLARATION

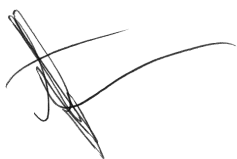
I, Gary Castledine, certify that Timboon and District Healthcare Service has put in place appropriate internal controls and processes to ensure that it has implemented a 'Conflict of Interest' policy consistent with the minimum accountabilities required by the VPSC. Declaration of private interest forms have been completed by all executive staff within Timboon and District Healthcare Service and members of the board, and all declared conflicts have been addressed and are being managed. Conflict of interest is a standard agenda item for declaration and documenting at each executive board meeting.



Gary Castledine
Chief Executive Officer
Timboon and District Healthcare Service
26 August 2024

INTEGRITY, FRAUD AND CORRUPTION DECLARATION

I Gary Castledine, certify that Timboon and District Healthcare Service has put in place appropriate internal controls and processes to ensure that Integrity, fraud and corruption risks have been reviewed and addressed at Timboon and District Healthcare Service during the year.



Gary Castledine
Chief Executive Officer
Timboon and District Healthcare Service
26 August 2024

SAFE PATIENT CARE ACT 2015

Timboon and District Healthcare Service has no matters to report in relation to its obligations under section 40 of the *Safe Patient Care Act 2015*.

Disclosure Index

THE ANNUAL REPORT OF THE TIMBOON & DISTRICT HEALTHCARE 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.

LEGISLATION	REQUIREMENT	PAGE REFERENCE
Ministerial Directions		
Report of Operations		
Charter and purpose		
	FRD 22 Manner of establishment and the relevant Ministers	4, 23
	FRD 22 Purpose, functions, powers and duties	3-4
	FRD 22 Nature and range of services provided	7-8
	FRD 22 Activities, programs and achievements for the reporting period	12-21
	FRD 22 Significant changes in key initiatives and expectations for the future	9-11
Management and structure		
	FRD 22 Organisational structure	22
	FRD 22 Workforce data/employment and conduct principles	3, 29-31
	FRD 22 Occupational Health and Safety	31
Financial information		
	FRD 22 Summary of the financial results for the year	32-33
	FRD 22 Significant changes in financial position during the year	32
	FRD 22 Operational and budgetary objectives and performance against objectives	32-33
	FRD 22 Details of consultancies under \$10,000	33
	FRD 22 Details of consultancies over \$10,000	33
	FRD 22 Disclosure of ICT expenditure	33
	FRD 22 Asset Management Accountability Framework	34
Legislation		
	FRD 22 Application and operation of Freedom of Information Act 1982	39
	FRD 22 Compliance with building and maintenance provisions of Building Act 1993	39
	FRD 22 Application and operation of Public Interest Disclosure Act 2012	39
	FRD 22 Statement on National Competition Policy	39
	FRD 22 Application and operation of Carers Recognition Act 2012	40
	FRD 22 Additional information available on request	44
	FRD 24 Environmental data reporting	40-43
	FRD 25 Local Jobs First Act 2003 disclosures	45
	SD 5.1.4 Financial Management Compliance attestation	46
	SD 5.2.3 Declaration in report of operations	2
Attestations		
	Attestation on Data Integrity	46
	Attestation on managing Conflicts of Interest	47
	Attestation on Integrity, fraud and corruption	47
Other reporting requirements		
	• Reporting of outcomes from Statement of Priorities 2023-2024	12-21, 37-38
	• Occupational Violence reporting	31
	• Asset Management Accountability Framework	34
	• Gender Equality Act 2020	45
	• Reporting obligations under the Safe Patient Care Act 2015	47

Financial Statements



Financial Statements

Financial Year ended 30 June 2024

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

The attached financial statements for Timboon & District Healthcare 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 2024 and the financial position of Timboon & District Healthcare Service at 30 June 2024.

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

We authorise the attached financial statements for issue on 20th September, 2024.

Board member

Chair

Timboon

20th September, 2024

Accountable Officer

Chief Executive Officer

Timboon

20th September, 2024

Chief Finance & Accounting Officer

Chief Finance and Accounting Officer

Timboon

20th September, 2024

Independent Auditor's Report

To the Board of Timboon and District Healthcare Service

Opinion	I have audited the financial report of Timboon and District Healthcare Service (the health service) which comprises the: • balance sheet as at 30 June 2024 • comprehensive operating statement for the year then ended • statement of changes in equity for the year then ended • cash flow statement for the year then ended • notes to the financial statements, including material accounting policy information • board member's, accountable officer's and chief finance & accounting officer's declaration. In my opinion the financial report presents fairly, in all material respects, the financial position of the health service as at 30 June 2024 and its financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the <i>Financial Management Act 1994</i> and applicable Australian Accounting Standards.
Basis for Opinion	I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report. My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the health service in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.
Board's responsibilities for the financial report	The Board of the health service is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Financial Management Act 1994</i>, and for such internal control as the Board determines is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error. 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
24 October 2024



Dominika Ryan
as delegate for the Auditor-General of Victoria

Timboon & District Healthcare Service
Comprehensive Operating Statement
For the Financial Year Ended 30 June 2024

		Total 2024 \$'000	Total 2023 \$'000
Note			
Revenue and income from transactions			
Operating activities	2.1	10,300	10,330
Non-operating activities	2.1	236	141
Total revenue and income from transactions		10,536	10,471
Expenses from transactions			
Employee expenses	3.1	(9,144)	(8,131)
Supplies and consumables	3.1	(451)	(491)
Finance costs	3.1	(5)	(1)
Depreciation and amortisation	3.1	(880)	(853)
Other administrative expenses	3.1	(1,079)	(1,003)
Other operating expenses	3.1	(499)	(480)
Other non-operating expenses	3.1	(15)	(7)
Total Expenses from transactions		(12,073)	(10,966)
Net result from transactions - net operating balance		(1,537)	(495)
Other economic flows included in net result			
Net gain/(loss) on sale of non-financial assets	3.2	77	-
Net gain/(loss) on financial instruments	3.2	(18)	-
Other gain/(loss) from other economic flows	3.2	39	(12)
Total other economic flows included in net result		98	(12)
Net result for the year		(1,439)	(507)
Other economic flows - other comprehensive income			
Items that will not be reclassified to net result			
Changes in property, plant and equipment revaluation surplus	4.1(b)	(2,477)	452
Total other comprehensive income		(2,477)	452
Comprehensive result for the year		(3,916)	(55)

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

Timboon & District Healthcare Service
Balance Sheet
As at 30 June 2024

		Total 2024 \$'000	Total 2023 \$'000
Current assets			
Cash and cash equivalents	6.2	5,111	4,752
Receivables	5.1	487	555
Prepaid expenses		71	62
Total current assets		5,669	5,369
Non-current assets			
Receivables	5.1	973	932
Property, plant and equipment	4.1 (a)	14,262	17,589
Right of use assets	4.2 (a)	257	-
Intangible assets	4.4	259	259
Total non-current assets		15,751	18,780
Total assets		21,420	24,149
Current liabilities			
Payables	5.2	739	884
Contract liabilities	5.3	491	-
Borrowings	6.1	55	17
Employee benefits	3.3	1,823	1,813
Other liabilities	5.4	1,215	640
Total current liabilities		4,323	3,354
Non-current liabilities			
Borrowings	6.1	254	34
Employee benefits	3.3	192	194
Total non-current liabilities		446	228
Total liabilities		4,769	3,582
Net assets		16,651	20,567
Equity			
Property, plant and equipment revaluation surplus	4.3	10,925	13,402
Contributed capital	SCE	4,610	4,610
Accumulated surplus	SCE	1,116	2,555
Total equity		16,651	20,567

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

Timboon & District Healthcare Service
Cash Flow Statement
For the Financial Year Ended 30 June 2024

	Total 2024 \$'000	Total 2023 \$'000
Note		
Cash Flows from operating activities		
Operating grants from State Government	6,051	6,171
Operating grants from Commonwealth Government	2,262	2,063
Capital grants from government - State	53	51
Patient fees received	776	690
Private practice fees received	1,014	588
GST received from Australian Taxation Office	191	187
Interest and investment income received	236	141
Commercial Income Received	135	133
Other receipts	459	67
Total receipts	11,177	10,091
Payments to employees	(8,528)	(7,736)
Payments to contractors and consultants	(435)	(448)
Payments for supplies and consumables	(720)	(227)
Payments for medical indemnity insurance	(112)	(105)
Payments for repairs and maintenance	(246)	(257)
Finance Costs	(5)	(1)
GST paid to Australian Taxation Office	(173)	(193)
Other payments	(1,244)	(1,089)
Total payments	(11,463)	(10,056)
Net cash flows from/(used in) operating activities	(286)	35
Cash Flows from investing activities		
Purchase of non-financial assets	(17)	(663)
Capital donations and bequests received	20	80
Other capital receipts	2	32
Proceeds from sale of non-financial assets	77	-
Net cash flows from/(used in) investing activities	82	(551)
Cash flows from financing activities		
Repayment of borrowings	(12)	3
Receipt of accommodation deposits	575	420
Net cash flows from /(used in) financing activities	563	423
Net increase/(decrease) in cash and cash equivalents held	359	(93)
Cash and cash equivalents at beginning of year	4,752	4,845
Cash and cash equivalents at end of year	5,111	4,752

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

Timboon & District Healthcare Service
Statement of Changes in Equity
For the Financial Year Ended 30 June 2024

	Property, Plant and Equipment Revaluation Surplus \$'000	Contributed Capital \$'000	Accumulated Surplus \$'000	Total \$'000
Total				
Balance at 1 July 2022	12,950	4,610	3,062	20,622
Net result for the year	-	-	(507)	(507)
Other comprehensive income for the year	452	-	-	452
Balance at 30 June 2023	13,402	4,610	2,555	20,567
Net result for the year	-	-	(1,439)	(1,439)
Other comprehensive income for the year	(2,477)	-	-	(2,477)
Balance at 30 June 2024	10,925	4,610	1,116	16,651

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

Timboon & District Healthcare Service
Notes to the Financial Statements
For the Financial Year Ended 30 June 2024

Note 1: Basis of preparation

Structure

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

Timboon & District Healthcare Service

Notes to the Financial Statements

For the Financial Year Ended 30 June 2024

Note 1: Basis of preparation

These financial statements represent the audited general purpose financial statements for Timboon & District Healthcare Service for the year ended 30 June 2024. The report provides users with information about Timboon & District Healthcare 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.

Timboon & District Healthcare 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.

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

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

The financial statements are presented in Australian dollars.

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

The annual financial statements were authorised for issue by the Board of Timboon & District Healthcare Service on 20th September, 2024.

Timboon & District Healthcare Service
Notes to the Financial Statements
For the Financial Year Ended 30 June 2024

Note 1.2 Abbreviations and terminology used in the financial statements
The following table sets out the common abbreviations used throughout the financial statements:

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

Timboon & District Healthcare Service

Notes to the Financial Statements

For the Financial Year Ended 30 June 2024

Note 1.3 Joint arrangements

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

Timboon & District Healthcare Service has the following joint arrangements:

- South West Alliance of Rural Health - Joint Operation

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

Note 1.4 Material accounting estimates and judgements

Management make estimates and judgements when preparing the financial statements.

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

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

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

- Note 2.1: Revenue and income from transactions
- Note 3.3: Employee benefits and related on-costs
- Note 4.1: Property, plant and equipment
- Note 4.2: Right-of-use assets
- Note 4.4: Intangible assets
- Note 4.5: Depreciation and amortisation
- Note 4.6: Impairment of assets
- Note 5.1: Receivables
- Note 5.2: Payables
- Note 5.3: Contract liabilities
- Note 5.4: Other liabilities
- Note 6.1(a): Lease liabilities
- Note 7.4: Fair value determination

Timboon & District Healthcare Service

Notes to the Financial Statements

For the Financial Year Ended 30 June 2024

Note 1.5 Accounting standards issued but not yet effective

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

Standard	Adoption Date	Impact
AASB 2022-5: <i>Amendments to Australian Accounting Standards - Lease Liability in a Sale and Leaseback</i>	Reporting periods beginning on or after 1 January 2024.	Adoption of this standard is not expected to have a material impact.
AASB 2022-9: <i>Amendments to Australian Accounting Standards - Insurance Contracts in the Public Sector</i>	Reporting periods beginning on or after 1 January 2026.	Adoption of this standard is not expected to have a material impact.
AASB 2022-10: <i>Amendments to Australian Accounting Standards - Fair Value Measurement of Non-Financial Assets of Not-for-profit Public Sector Entities</i>	Reporting periods beginning on or after 1 January 2024.	The impact of this standard is yet to be assessed by management.

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

Timboon & District Healthcare Service

Notes to the Financial Statements

For the Financial Year Ended 30 June 2024

Note 1.6 Goods and Services Tax (GST)

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

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

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

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

Note 1.7 Reporting Entity

The financial statements include all the controlled activities of Timboon & District Healthcare Service.

Timboon & District Healthcare Service's principal address is:

21 Hospital Road
Timboon, Victoria 3268

A description of the nature of Timboon & District Healthcare 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

Timboon & District Healthcare Service's overall objective is to provide quality health service that support and enhance the wellbeing of all Victorians. Timboon & District Healthcare Service is predominantly funded by grant funding for the provision of outputs. Timboon & District Healthcare 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

Material judgements and estimates

This section contains the following material judgements and estimates:

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

Note 2.1 Revenue and income from transactions

		Total 2024 \$'000	Total 2023 \$'000
Note			
Operating activities			
Revenue from contracts with customers			
	Government grants (State) - Operating	6	32
	Patient and resident fees	1,010	730
	Private practice fees	1,014	588
	Commercial activities ¹	135	133
2.1 (a)	Total revenue from contracts with customers	2,165	1,483
Other sources of income			
	Government grants (State) - Operating	5,766	6,389
	Government grants (Commonwealth) - Operating	2,091	1,922
	Government grants (State) - Capital	53	51
	Other capital purpose income	2	32
	Capital donations	20	80
2.2	Assets received free of charge or for nominal consideration	10	125
	Other revenue from operating activities (including non-capital donations)	193	248
	Total other sources of income	8,135	8,847
	Total revenue and income from operating activities	10,300	10,330
Non-operating activities			
Income from other sources			
	Capital interest	191	121
	Other interest	45	20
	Total other sources of income	236	141
	Total income from non-operating activities	236	141
	Total revenue and income from transactions	10,536	10,471

1. Commercial activities represent business activities which Timboon & District Healthcare 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 2024 \$'000	Total 2023 \$'000
2,030	1,350
135	133
2,165	1,483

Timboon & District Healthcare Service disaggregates revenue by the timing of revenue recognition.

Goods and services transferred to customers:

At a point in time

Over time

Total revenue from contracts with customers

How we recognise revenue and income from operating activities

Government operating grants

To recognise revenue, Timboon & District Healthcare 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 a point in time or over time as and when services are rendered.

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

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

In contracts with customers, the ‘customer’ is typically a funding body, who is the party that promises funding in exchange for Timboon & District Healthcare Service’s goods or services. Timboon & District Healthcare 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 Timboon & District Healthcare Service's revenue streams, with information detailed below relating to Timboon & District Healthcare Service's significant revenue streams:

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

Capital grants

Where Timboon & District Healthcare 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 Timboon & District Healthcare 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 meal sales 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 2024 \$'000	Total 2023 \$'000
Personal protective equipment	10	125
Total fair value of assets and services received free of charge or for nominal consideration	10	125

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 Timboon & District Healthcare 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

Under the State Supply Arrangement, Health Share Victoria supplies personal protective equipment to Timboon & District Healthcare Service for nil consideration.

Contributions of resources

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

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

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

Voluntary Services

Timboon & District Healthcare Service receives volunteer services from members of the community in the following areas:

- Meals on wheels delivery
- Community transport
- Social support group

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

Timboon & District Healthcare Service greatly values the services contributed by volunteers but it does not depend on volunteers to deliver its services.

Non-cash contributions from the Department of Health

The Department of Health makes some payments on behalf of Timboon & District Healthcare Service as follows:

Supplier	Description
Victorian Managed Insurance Authority	The Department of Health purchases non-medical indemnity insurance for Timboon & District Healthcare 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 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

Material judgements and estimates

This section contains the following material judgements and estimates:

Material judgements and estimates	Description
Classifying employee benefit liabilities	Timboon & District Healthcare Service applies material judgement when measuring and classifying its employee benefit liabilities. Employee benefit liabilities are classified as a current liability if Timboon & District Healthcare 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 Timboon & District Healthcare 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 employee benefit liabilities	Timboon & District Healthcare Service applies material judgement when measuring its employee benefit liabilities. The health service applies judgement to determine when it expects its employee entitlements to be paid. With reference to historical data, if the health service does not expect entitlements to be paid within 12 months, the entitlement is measured at its present value, being the expected future payments to employees. Expected future payments incorporate: • an inflation rate of 4.45%, reflecting the future wage and salary levels • durations of service and employee departures, which are used to determine the estimated value of long service leave that will be taken in the future, for employees who have not yet reached the vesting period. The estimated rates are between 22% and 86% • discounting at the rate of 4.348%, as determined with reference to market yields on government bonds at the end of the reporting period. All other entitlements are measured at their nominal value.

Note 3.1 Expenses from transactions

		Total 2024 \$'000	Total 2023 \$'000
Salaries and wages		7,241	6,681
On-costs		727	639
Agency expenses		435	448
Fee for service medical officer expenses		638	307
Workcover premium		103	56
Total employee expenses		9,144	8,131
Drug supplies		27	46
Medical and surgical supplies (including Prostheses)		131	169
Diagnostic and radiology supplies		31	34
Other supplies and consumables		262	242
Total supplies and consumables		451	491
Finance costs		5	1
Total finance costs		5	1
Other administrative expenses		1,079	1,003
Total other administrative expenses		1,079	1,003
Fuel, light, power and water		113	113
Repairs and maintenance		210	191
Maintenance contracts		36	66
Medical indemnity insurance		112	105
Expenditure for capital purposes		28	5
Total other operating expenses		499	480
Total operating expense		11,178	10,106
Depreciation and amortisation	4.5	880	853
Total depreciation and amortisation		880	853
Bad and doubtful debt expense		15	7
Total other non-operating expenses		15	7
Total non-operating expense		895	860
Total expenses from transactions		12,073	10,966

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 at time of purchase.

Finance costs

Finance costs include:

- finance charges in respect of leases which are recognised in accordance with AASB 16 *Leases*.

Other operating expenses

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

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

The Department of Health also makes certain payments on behalf of Timboon & District Healthcare Service. These amounts have been brought to account in determining the operating result for the year by recording them as revenue and also recording a corresponding expense.

Non-operating expenses

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

Note 3.2 Other economic flows included in net result

Net gain/(loss) on disposal of property plant and equipment

Total net gain/(loss) on non-financial assets

Allowance for impairment losses of contractual receivables

Total net gain/(loss) on financial instruments

Net gain/(loss) arising from revaluation of long service liability

Total other gains/(losses) from other economic flows

Total gains/(losses) from other economic flows

Total 2024 \$'000	Total 2023 \$'000
77	-
77	-
(18)	-
(18)	-
39	(12)
39	(12)
98	(12)

How we recognise other economic flows

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

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

Net gain/(loss) on non-financial assets

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

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

Net gain/(loss) on financial instruments

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

- realised and unrealised gains and losses from revaluations of financial instruments at fair value; and
- 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

Current employee benefits and related on-costs

Accrued days off

Unconditional and expected to be settled wholly within 12 months ⁱ

Total 2024 \$'000	Total 2023 \$'000
18	13
18	13

Annual leave

Unconditional and expected to be settled wholly within 12 months ⁱ

614	551
614	551

Long service leave

Unconditional and expected to be settled wholly within 12 months ⁱ

Unconditional and expected to be settled wholly after 12 months ⁱⁱ

153	151
830	893
983	1,044

Provisions related to employee benefit on-costs

Unconditional and expected to be settled within 12 months ⁱ

Unconditional and expected to be settled after 12 months ⁱⁱ

94	91
114	114
208	205

Total current employee benefits and related on-costs

1,823	1,813
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Non-current provisions and related on-costs

Conditional long service leave

Provisions related to employee benefit on-costs

Total non-current employee benefits and related on-costs

170	173
22	21
192	194

Total employee benefits and related on-costs

2,015	2,007
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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 2024 \$'000	Total 2023 \$'000
Current employee benefits and related on-costs		
Unconditional accrued days off	18	13
Unconditional annual leave entitlements	690	627
Unconditional long service leave entitlements	1,115	1,173
Total current employee benefits and related on-costs	1,823	1,813
Non-current employee benefits and related on-costs		
Conditional long service leave entitlements	192	194
Total non-current employee benefits and related on-costs	192	194
Total employee benefits and related on-costs	2,015	2,007
Attributable to:		
Employee benefits	1,785	1,781
Provision for related on-costs	230	226
Total employee benefits and related on-costs	2,015	2,007

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

	Total 2024 \$'000	Total 2023 \$'000
Carrying amount at start of year	226	208
Additional provisions recognised	113	114
Net gain/(loss) arising from revaluation of long service liability	(4)	1
Amounts incurred during the year	(105)	(97)
Carrying amount at end of year	230	226

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

How we recognise employee benefits

Employee benefit recognition

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

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

Annual leave and accrued days off

Liabilities for annual leave and accrued days off are recognised in the provision for employee benefits as 'current liabilities' because Timboon & District Healthcare 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 Timboon & District Healthcare Service expects to wholly settle within 12 months or
- Present value – if Timboon & District Healthcare 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 Timboon & District Healthcare 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 Timboon & District Healthcare Service expects to wholly settle within 12 months or
- Present value – if Timboon & District Healthcare 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	Total	Total	Total
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Defined contribution plans:				
Aware Super	436	374	-	-
Hesta	66	65	-	-
Hostplus	28	33	-	-
Australian Super	54	39	-	-
Other	143	128	-	-
Total	727	639	-	-

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 Timboon & District Healthcare Service are entitled to receive superannuation benefits and it contributes to both defined benefit and defined contribution plans.

Defined contribution superannuation plans

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

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

Note 4: Key assets to support service delivery

Timboon & District Healthcare 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 Timboon & District Healthcare 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 Intangible assets

4.5 Depreciation and amortisation

4.6 Impairment of assets

Material judgements and estimates

This section contains the following material judgements and estimates:

Material judgements and estimates	Description
Estimating useful life of property, plant and equipment	Timboon & District Healthcare 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 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. Timboon & District Healthcare Service applies material judgement to determine whether or not it is reasonably certain to exercise such purchase options.

Material judgements and estimates (continued)

Material judgements and estimates	Description
Estimating restoration costs at the end of a lease	Where a lease agreement requires Timboon & District Healthcare Service to restore a right-of-use asset to its original condition at the end of a lease, the health service estimates the present value of such restoration costs. This cost is included in the measurement of the right-of-use asset, which is depreciated over the relevant lease term.
Estimating the useful life of intangible assets	Timboon & District Healthcare Service assigns an estimated useful life to each intangible asset with a finite useful life, which is used to calculate amortisation of the asset.
Identifying indicators of impairment	At the end of each year, Timboon & District Healthcare 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 material judgement and estimate to determine the recoverable amount of the asset.

Note 4.1 Property, plant and equipment

Note 4.1 (a) Gross carrying amount and accumulated depreciation

	Total 2024 \$'000	Total 2023 \$'000
Land at fair value - Freehold	3,390	3,230
Total land at fair value	3,390	3,230
Buildings at fair value	9,446	13,109
Less accumulated depreciation	-	(521)
Total buildings at fair value	9,446	12,588
Property improvements at fair value	329	434
Less accumulated depreciation	-	(43)
Total property improvements at fair value	329	391
Total land and buildings	13,165	16,209
Plant and equipment at fair value	1,426	1,383
Less accumulated depreciation	(902)	(782)
Total plant and equipment at fair value	524	601
Motor vehicles at fair value	377	563
Less accumulated depreciation	(217)	(375)
Total motor vehicles at fair value	160	188
Medical equipment at fair value	1,572	1,567
Less accumulated depreciation	(1,288)	(1,193)
Total medical equipment at fair value	284	374
Computer equipment at fair value	152	226
Less accumulated depreciation	(68)	(68)
Total computer equipment at fair value	84	158
Furniture and fittings at fair value	345	345
Less accumulated depreciation	(300)	(286)
Total furniture and fittings at fair value	45	59
Total plant, equipment, furniture, fittings and vehicles at fair value	1,097	1,380
Total property, plant and equipment	14,262	17,589

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

	Note	Land \$'000	Land Improvements \$'000	Buildings \$'000	Plant & equipment \$'000	Motor vehicles \$'000	Medical Equipment \$'000	Computer Equipment \$'000
Balance at 1 July 2022		2,778	434	13,073	391	45	300	101
Additions		-	-	36	174	186	185	82
Revaluation increments/(decrements)		452	-	-	-	-	-	-
Net transfers between classes		-	-	-	131	-	-	-
Depreciation	4.5	-	(43)	(521)	(95)	(43)	(111)	(25)
Balance at 30 June 2023	4.1 (a)	3,230	391	12,588	601	188	374	158
Additions		-	-	-	49	-	26	-
Disposals		-	-	-	-	-	-	(57)
Revaluation increments/(decrements)		160	87	(2,724)	-	-	-	-
Net Transfers between classes		-	(106)	105	-	-	-	-
Depreciation	4.5	-	(43)	(523)	(126)	(28)	(116)	(17)
Balance at 30 June 2024	4.1 (a)	3,390	329	9,446	524	160	284	84

	Note	Furniture & Fittings \$'000	Plant works in progress \$'000	Total \$'000
Balance at 1 July 2022		74	131	17,327
Additions		-	-	663
Revaluation increments/(decrements)		-	-	452
Net transfers between classes		-	(131)	-
Depreciation	4.5	(15)	-	(853)
Balance at 30 June 2023	4.1 (a)	59	-	17,589
Additions		-	-	75
Disposals		-	-	(57)
Revaluation increments/(decrements)		-	-	(2,477)
Net Transfers between classes		-	-	(1)
Depreciation	4.5	(14)	-	(867)
Balance at 30 June 2024	4.1 (a)	45	-	14,262

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

Land and Buildings Carried at Valuation

The Valuer-General Victoria undertook to re-value all of Timboon & District Healthcare Services 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 2024.

How we recognise property, plant and equipment

Property, plant and equipment are tangible items that are used by Timboon & District Healthcare 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.

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

Subsequent measurement

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

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

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

Note 4.1 (b) Reconciliations of the carrying amount by 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, Timboon & District Healthcare 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%, Timboon & District Healthcare Service would obtain an interim independent valuation prior to the next scheduled independent valuation.

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

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

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

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

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

Note 4.2 Right-of-use assets

Note 4.2(a) Gross carrying amount and accumulated depreciation

	2024 \$'000	2023 \$'000
Right of use plant, equipment and vehicles at fair value	270	-
Less accumulated depreciation	(13)	-
Total right of use plant, equipment and vehicles at fair value	257	-
Total right of use assets	257	-

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

		Right-of-use - PE & Vehicles \$'000	Total \$'000
Balance at 30 June 2023	4.2(a)	-	-
Additions		270	270
Depreciation	4.5	(13)	(13)
Balance at 30 June 2024	4.2(a)	257	257

How we recognise right-of-use assets

Initial recognition

When a contract is entered into, Timboon and District Healthcare Service assesses if the contract contains or is a lease.

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

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

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

Timboon and District Healthcare Service presents its right-of-use assets as part of property, plant and equipment as if the asset was owned by the health service.

Subsequent measurement

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

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

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

Note 4.3 Revaluation Surplus

	Total 2024 \$'000	Total 2023 \$'000
Balance at the beginning of the reporting period	13,402	12,950
Revaluation increment		
- Land	4.1 (b) 160	452
- Land Improvements	4.1 (b) 87	-
- Buildings	4.1 (b) (2,724)	-
Balance at the end of the Reporting Period*	10,925	13,402
* Represented by:		
- Land	2,446	2,286
- Land Improvements	273	186
- Buildings	8,206	10,930
	10,925	13,402

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

	Total 2024 \$'000	Total 2023 \$'000
Medical Practice Goodwill	259	259
Total intangible assets	259	259

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

	Note	Goodwill \$'000	Total \$'000
Balance at 30 June 2023	4.4 (a)	259	259
Additions		-	-
Balance at 30 June 2024	4.4 (a)	259	259

How we recognise intangible assets

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

Initial recognition

Purchased intangible assets are initially recognised at cost.

Subsequent measurement

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

Impairment

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

Note 4.5 Depreciation

	Total 2024 \$'000	Total 2023 \$'000
Depreciation		
Buildings	523	521
Land Improvements	43	43
Plant and equipment	126	95
Motor vehicles	28	43
Medical equipment	116	111
Computer equipment	17	25
Furniture and fittings	14	15
Total depreciation	867	853
Right-of-use assets		
Right of use - plant, equipment and motor vehicles	13	-
Total depreciation - right-of-use assets	13	-
Total depreciation	880	853

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.

	2024	2023
Buildings		
- Structure shell building fabric	31 Years	31 Years
- Site engineering services and central plant	20 to 30 years	20 to 30 years
Central Plant		
- Fit Out	7 to 30 years	7 to 30 years
- Trunk reticulated building system	11 to 40 years	11 to 40 years
Plant and equipment	3 to 7 years	3 to 7 years
Medical equipment	7 to 10 years	7 to 10 years
Computers and communication	3 to 9 years	3 to 9 years
Furniture and fitting	10 to 13 years	10 to 13 years
Motor Vehicles	10 years	10 years
Land Improvements	2 to 10 years	2 to 10 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 4.6: Impairment of assets

How we recognise impairment

At the end of each reporting period, Timboon & District Healthcare 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 Timboon & District Healthcare 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, Timboon & District Healthcare 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, Timboon & District Healthcare Service estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Timboon & District Healthcare Service recorded an impairment loss against Property, Plant and Equipment for the year ended 30 June 2024 totalling \$2.724M (30 June 2023:Nil). The impairment was recognised against buildings, resulting from revaluation assessments completed by Valuer General Victoria (VGV).

Note 5: Other assets and liabilities

This section sets out those assets and liabilities that arose from Timboon & District Healthcare Service's operations.

Structure

5.1 Receivables

5.2 Payables

5.3 Contract liabilities

5.4 Other liabilities

Material judgements and estimates

This section contains the following material judgements and estimates:

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

Note 5.1 Receivables

	Total 2024 \$'000	Total 2023 \$'000
Current receivables		
Contractual		
Trade receivables	44	65
Patient fees	377	143
Allowance for impairment losses - Patient Fees	(34)	(16)
Accrued revenue	60	90
Amounts receivable from governments and agencies	25	240
Total contractual receivables	472	522
Statutory		
GST receivable	15	33
Total statutory receivables	15	33
Total current receivables	487	555
Non-current receivables		
Contractual		
Long service leave - Department of Health	973	932
Total contractual receivables	973	932
Total non-current receivables	973	932
Total receivables	1,460	1,487
<i>(i) Financial assets classified as receivables (Note 7.1(a))</i>		
Total receivables	1,460	1,487
Provision for impairment	34	16
GST receivable	(15)	(33)
Total financial assets classified as receivables	1,479	1,470

Note 5.1 Receivables and contract assets (continued)

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

	Total 2024 \$'000	Total 2023 \$'000
Balance at the beginning of the year	16	17
Increase in allowance	33	-
Amounts written off during the year	(15)	(1)
Reversal of allowance written off during the year as uncollectable	-	-
Balance at the end of the year	34	16

How we recognise receivables

Receivables consist of:

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

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

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

Impairment losses of contractual receivables

Refer to Note 7.2 (a) for Timboon & District Healthcare Service's contractual impairment losses.

Note 5.2 Payables

Current payables

Contractual

Trade creditors	100
Accrued salaries and wages	226
Accrued expenses	356
Inter hospital creditors	34
Amounts payable to governments and agencies	23

Total contractual payables

Total payables

(i) Financial liabilities classified as payables (Note 7.1(a))

Total payables

Total financial liabilities classified as payables

Note	Total 2024 \$'000	Total 2023 \$'000
	100	234
	226	92
	356	320
	34	30
	23	208
	739	884
	739	884
7.1(a)	739	884

How we recognise payables and contract liabilities

Payables consist of:

- **Contractual payables**, including payables that relate to the purchase of goods and services. These payables are classified as financial instruments and measured at amortised cost. Accounts payable and salaries and wages payable represent liabilities for goods and services provided to the Timboon & District Healthcare Service prior to the end of the financial year that are unpaid.
- **Statutory payables**, including Goods and Services Tax (GST) payable (if any). Statutory payables are recognised and measured similarly to contractual payables, but are not classified as financial instruments and not included in the category of financial liabilities at amortised cost, because they do not arise from contracts.

The normal credit terms for accounts payable are usually Net 30 days.

Note 5.3 Contract liabilities

Current

Contract liabilities

Total current contract liabilities

Total 2024 \$'000	Total 2023 \$'000
491	-
491	-

Opening balance of contract liabilities

Grant consideration for sufficiently specific performance obligations received during the year

Revenue recognised for the completion of a performance obligation

Total contract liabilities

Total 2024 \$'000	Total 2023 \$'000
-	-
491	-
-	-
491	-

* Represented by:

- Current contract liabilities

491	-
491	-

How we recognise contract liabilities

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

Maturity analysis of payables

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

Note 5.4 Other liabilities

	Total 2024 \$'000	Total 2023 \$'000
Current monies held in trust		
Refundable accommodation deposits	1,215	640
Total current monies held in trust	1,215	640
Total other liabilities	1,215	640
* Represented by:		
- Cash assets	6.2 1,215	640
	1,215	640

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 Timboon & District Healthcare 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 Timboon & District Healthcare Service during its operations, along with interest expenses (the cost of borrowings) and other information related to financing activities of Timboon & District Healthcare 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

Material judgements and estimates

This section contains the following material judgements and estimates:

Material judgements and estimates	Description
Determining if a contract is or contains a lease	Timboon & District Healthcare Service applies material judgement to determine if a contract is or contains a lease by considering if the health service: • has the right-to-use an identified asset • has the right to obtain substantially all economic benefits from the use of the leased asset and • can decide how and for what purpose the asset is used throughout the lease.
Determining if a lease meets the short-term or low value asset lease exemption	Timboon & District Healthcare Service applies material 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.

Material judgements and estimates (continued)

Discount rate applied to future lease payments	Timboon & District Healthcare 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, Timboon & District Healthcare 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. For leased plant, equipment, furniture, fittings and vehicles, the implicit interest rate is between 1.0% and 2.5%.
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 Timboon & District Healthcare Service is reasonably certain to exercise such options. Timboon & District Healthcare 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

	Total 2024 \$'000	Total 2023 \$'000
Note		
Current borrowings		
Lease liability ⁽ⁱ⁾	6.1 (a) 55	17
Total current borrowings	55	17
Non-current borrowings		
Lease liability ⁽ⁱ⁾	6.1 (a) 254	34
Total non-current borrowings	254	34
Total borrowings	309	51

ⁱ Secured by the assets leased.

How we recognise borrowings

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

Initial recognition

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

Subsequent measurement

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

Maturity analysis

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

Defaults and breaches

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

Note 6.1 (a) Lease liabilities

Timboon & District Healthcare Service's lease liabilities are summarised below:

Total undiscounted lease liabilities

Less unexpired finance expenses

Net lease liabilities

Total 2024 \$'000	Total 2023 \$'000
341	53
(32)	(2)
309	51

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

Not longer than one year

Longer than one year but not longer than five years

Minimum future lease liability

Less unexpired finance expenses

Present value of lease liability

Total 2024 \$'000	Total 2023 \$'000
67	21
274	32
341	53
(32)	(2)
309	51

*** Represented by:**

- Current liabilities

- Non-current liabilities

55	17
254	34
309	51

How we recognise lease liabilities

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

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

Timboon & District Healthcare Service's lease arrangements consist of the following:

Type of asset leased	Lease term
Leased plant, equipment, furniture, fittings and vehicles	2 to 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 Timboon & District Healthcare 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 the substance fixed payments.

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

Note 6.2 Cash and Cash Equivalents

	Total 2024 \$'000	Total 2023 \$'000
Cash at bank - CBS (excluding monies held in trust)	3,896	4,112
Total cash held for operations	3,896	4,112
Cash at bank - CBS (monies held in trust)	1,215	640
Total cash held as monies in trust	1,215	640
Total cash and cash equivalents	5,111	4,752
7.1 (a)		

How we recognise cash and cash equivalents

Cash and cash equivalents recognised on the balance sheet comprise cash on hand and in banks, deposits at call and highly liquid investments (with an original maturity date of three months or less).

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

For cash flow statement presentation purposes, cash and cash equivalents include bank 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

At the date of this report, Timboon & District Healthcare Service has no significant capital or operating commitments.

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.

Refer to Note 6.1 for further information.

Note 7: Risks, contingencies and valuation uncertainties

Timboon & District Healthcare 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**

Material judgements and estimates

This section contains the following material judgements and estimates:

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

Material judgements and estimates (continued)

Material judgements and estimates	Description
Measuring fair value of non-financial assets	Timboon & District Healthcare 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 Timboon & District Healthcare Service's specialised land, non-specialised land and non-specialised buildings are measured using this approach. ▪ Cost approach, which reflects the amount that would be required to replace the service capacity of the asset (referred to as current replacement cost). The fair value of Timboon & District Healthcare Service's specialised buildings, furniture, fittings, plant, equipment and vehicles are measured using this approach. ▪ Income approach, which converts future cash flows or income and expenses to a single undiscounted amount. Timboon & District Healthcare Service does not this use approach to measure fair value. 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 material judgement to categorise and disclose such assets within a fair value hierarchy, which includes: ▪ Level 1, using quoted prices (unadjusted) in active markets for identical assets that the health service can access at measurement date. Timboon & District Healthcare 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. Timboon & District Healthcare Service categorises non-specialised land and right-of-use concessionary land in this level. ▪ Level 3, where inputs are unobservable. Timboon & District Healthcare 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 Timboon & District Healthcare 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	Note	Financial Assets at		Total
		Amortised Cost	Financial Liabilities at Amortised Cost	
30 June 2024				
Contractual Financial Assets				
Cash and Cash Equivalents	6.2	5,111	-	5,111
Receivables and contract assets	5.1	1,479	-	1,479
Total Financial Assetsⁱ		6,590	-	6,590
Financial Liabilities				
Payables	5.2	-	739	739
Borrowings	6.1	-	309	309
Other Financial Liabilities - Refundable Accommodation Deposits	5.3	-	1,215	1,215
Total Financial Liabilitiesⁱ		-	2,263	2,263

Note 7.1 (a) Categorisation of financial instruments

Total 30 June 2023	Note	Financial Assets at			Total
		Contractual Financial Assets	Financial Assets at Amortised Cost	Financial Liabilities at Amortised Cost	
Cash and cash equivalents	6.2		4,752	-	4,752
Receivables and contract assets	5.1		1,470	-	1,470
Total Financial Assetsⁱ			6,222	-	6,222
Financial Liabilities					
Payables	5.2		-	884	884
Borrowings	6.1		-	51	51
Other Financial Liabilities - Refundable Accommodation Deposits	5.3		-	640	640
Total Financial Liabilitiesⁱ			-	1,575	1,575

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

How we categorise financial instruments

Categories of financial assets

Financial assets are recognised when Timboon & District Healthcare Service becomes party to the contractual provisions to the instrument. For financial assets, this is at the date Timboon & District Healthcare 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 Timboon & District Healthcare 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.

Timboon & District Healthcare 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 Timboon & District Healthcare 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.

Timboon & District Healthcare Service recognises the following liabilities in this category:

- payables (excluding statutory payables and contract liabilities)
- borrowings

Offsetting financial instruments

Financial instrument assets and liabilities are offset and the net amount presented in the consolidated balance sheet when, and only when, Timboon & District Healthcare 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 Timboon & District Healthcare 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
- Timboon & District Healthcare 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
- Timboon & District Healthcare 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 Timboon & District Healthcare Service has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset is recognised to the extent of Timboon & District Healthcare 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, Timboon & District Healthcare 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, Timboon & District Healthcare 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.

Timboon & District Healthcare Service's main financial risks include credit risk, liquidity risk, interest rate risk, foreign currency risk and equity price risk. Timboon & District Healthcare Service manages these financial risks in accordance with its financial risk management policy.

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

Credit risk associated with Timboon & District Healthcare 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, Timboon & District Healthcare 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, Timboon & District Healthcare 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 Timboon & District Healthcare 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 Timboon & District Healthcare Service's maximum exposure to credit risk without taking account of the value of any collateral obtained.

There has been no material change to Timboon & District Healthcare Service's credit risk profile in 2023-24.

Note 7.2 (a) Credit risk

Impairment of financial assets under AASB 9

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

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

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

Contractual receivables at amortised cost

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

On this basis, Timboon & District Healthcare Service determines the closing loss allowance at the end of the financial year as follows:

	Note	Current	Less than 1 month	1–3 months	3 months –1 year	1–5 years	Total
30 June 2024							
Expected loss rate		0.0%	0.0%	20.0%	50.0%	0.0%	
Gross carrying amount of contractual receivables	5.1	336	9	156	5	0	506
Loss allowance		-	-	(31)	(3)	-	(34)
30 June 2023							
Expected loss rate		0.0%	0.0%	0.0%	47.0%	0.0%	
Gross carrying amount of contractual receivables	5.1	470	24	11	33	0	538
Loss allowance		-	-	-	(16)	-	(16)

Statutory receivables and debt investments at amortised cost

Timboon & District Healthcare 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, considering the counterparty's credit rating, risk of default and capacity to meet contractual cash flow obligations in the near term. As a result, no loss allowance has been recognised.

Note 7.2 (b) Liquidity risk

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

Timboon & District Healthcare 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.

Timboon & District Healthcare 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 cash reserves.

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

Note 7.2 (b) Payables and borrowings maturity analysis

	Carrying Amount \$'000	Nominal Amount \$'000	Maturity Dates				
			Less than 1 Month \$'000	1-3 Months \$'000	3 months - 1 Year \$'000	1-5 Years \$'000	Over 5 years \$'000
Total							
30 June 2024							
Financial Liabilities at amortised cost							
Payables	739	739	739	-	-	-	-
Borrowings	309	309	5	15	45	244	-
Other Financial Liabilities - Refundable Accommodation Deposits	1,215	640	640	-	-	-	-
Total Financial Liabilities	2,263	1,688	1,384	15	45	244	-
	Carrying Amount \$'000	Nominal Amount \$'000	Maturity Dates				
			Less than 1 Month \$'000	1-3 Months \$'000	3 months - 1 Year \$'000	1-5 Years \$'000	Over 5 years \$'000
Total							
30 June 2023							
Financial Liabilities at amortised cost							
Payables	884	884	884	-	-	-	-
Borrowings	51	51	4	12	32	3	-
Other Financial Liabilities - Refundable Accommodation Deposits	640	640	640	-	-	-	-
Total Financial Liabilities	1,575	1,575	1,528	12	32	3	-

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

Note 7.2 (c) Market risk

Timboon & District Healthcare 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

Timboon & District Healthcare Service's sensitivity to market risk is determined based on the observed range of actual historical data for the preceding five-year period. Timboon & District Healthcare 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 1.0% up or down

Interest rate risk

Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market interest rates. Timboon & District Healthcare 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. Timboon & District Healthcare 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 (2023 Nil).

How we measure and disclose contingent assets and contingent liabilities

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

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

Contingent assets

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

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

Contingent liabilities

Contingent liabilities are:

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

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

Note 7.4: Fair Value Determination

How we measure fair value

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

The following assets and liabilities are carried at fair value:

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

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

Valuation hierarchy

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

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

Timboon & District Healthcare 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.

Timboon & District Healthcare 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 Timboon & District Healthcare 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 material judgement and assumptions in deriving fair value for both financial and non-financial assets.

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

Note 7.4 (a) Fair value determination of investments and other financial assets

		Total carrying amount 30 June 2024	Fair value measurement at end of reporting period using:		
	Note	\$'000	Level 1ⁱ \$'000	Level 2ⁱ \$'000	Level 3ⁱ \$'000
Non-specialised land		2,255	-	2,255	-
Specialised land		1,135	-	-	1,135
Total land at fair value	4.1 (a)	3,390	-	2,255	1,135
Non-specialised buildings		351	-	351	-
Land improvements		329	-	-	329
Specialised buildings		9,095	-	-	9,095
Total buildings at fair value	4.1 (a)	9,775	-	351	9,424
Plant and equipment	4.1 (a)	524	-	-	524
Motor vehicles	4.1 (a)	160	-	-	160
Medical equipment	4.1 (a)	284	-	-	284
Computer equipment	4.1 (a)	84	-	-	84
Furniture and fittings	4.1 (a)	45	-	-	45
Total plant, equipment, furniture, fittings and vehicles at fair value		1,097	-	-	1,097
Right of use Plant, Equipment & Vehicles		257	-	-	257
Total right-of-use assets at fair value		257	-	-	257
Total non-financial physical assets at fair value		14,519	-	2,606	11,913
		Total carrying amount 30 June 2023	Fair value measurement at end of reporting period using:		
		\$'000	Level 1ⁱ \$'000	Level 2ⁱ \$'000	Level 3ⁱ \$'000
Non-specialised land		2,230	-	2,230	-
Specialised land		1,000	-	-	1,000
Total land at fair value	4.1 (a)	3,230	-	2,230	1,000
Non-specialised buildings		521	-	521	-
Land Improvements		391	-	-	391
Specialised buildings		12,067	-	-	12,067
Total buildings at fair value	4.1 (a)	12,979	-	521	12,458
Plant and equipment	4.1 (a)	601	-	-	601
Motor vehicles	4.1 (a)	188	-	188	-
Medical equipment	4.1 (a)	374	-	-	374
Computer equipment	4.1 (a)	158	-	-	158
Furniture and fittings	4.1 (a)	59	-	-	59
Total plant, equipment, furniture, fittings and vehicles at fair value		1,380	-	188	1,192
Total non-financial physical assets at fair value		17,589	-	2,939	14,650

ⁱ Classified in accordance with the fair value hierarchy.

How we measure fair value of non-financial physical assets

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

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

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

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

Non-specialised land & non-specialised buildings

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

For non-specialised land and non-specialised buildings an independent valuation was performed by the Valuer-General Victoria to determine the fair value using the market approach. Valuation of the assets was determined by analysing comparable sales and allowing for share, size, topography, location and other relevant factors specific to the asset being valued. An appropriate rate per square metre has been applied to the subject asset. The effective date of the valuation is 30 June 2024.

Specialised land and specialised buildings

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

For Timboon & District Healthcare 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 Timboon & District Healthcare Service's specialised land and specialised buildings was performed by the Valuer-General Victoria. The effective date of the valuation is 30 June 2024.

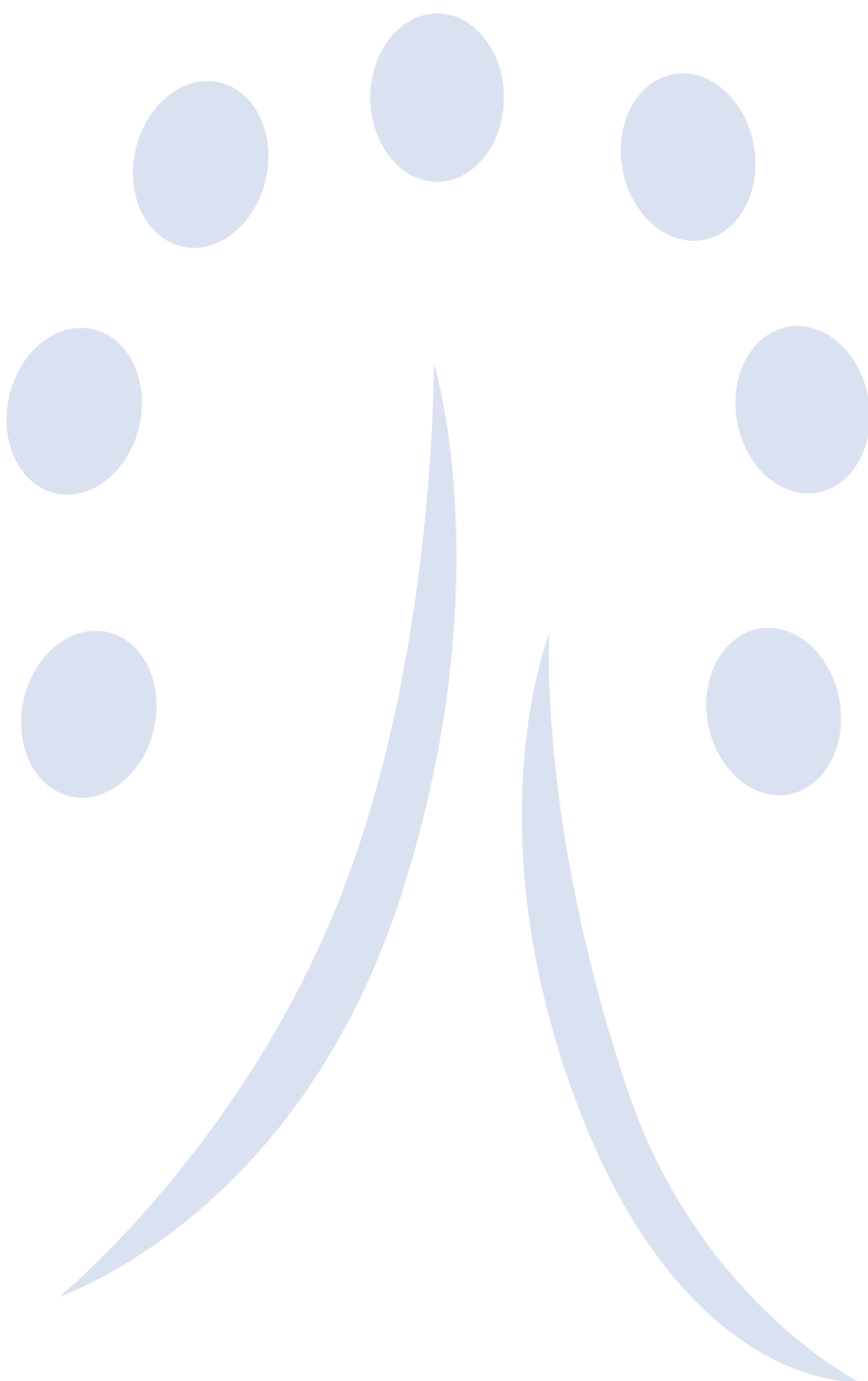
Vehicles

The Timboon & District Healthcare 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 current replacement cost is used to estimate the fair value. Unless there is market evidence that current replacement costs are significantly different from the original acquisition cost, it is considered unlikely that current replacement cost will be materially different from the existing carrying amount.

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



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

		Land \$'000	Buildings and Improvements \$'000	Plant, equipment, vehicles, furniture & fittings \$'000	Right of use assets \$'000
Total	Note				
Balance at 1 July 2022		603	12,883	866	-
Additions/(Disposals)		-	36	441	-
Net Transfers between classes		-	-	131	-
Gains/(Losses) recognised in net result					
- Depreciation and amortisation		-	(461)	(246)	-
Items recognised in other comprehensive income					
- Revaluation		397	-	-	-
Balance at 30 June 2023	7.4 (a)	1,000	12,458	1,192	-
Additions/(Disposals)		-	-	18	270
Net Transfers between classes		-	105	188	-
Gains/(Losses) recognised in net result					
- Depreciation and Amortisation		-	(463)	(301)	(13)
Items recognised in other comprehensive income					
- Revaluation		135	(2,676)	-	-
Balance at 30 June 2024	7.4 (a)	1,135	9,424	1,097	257

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

Fair value determination of level 3 fair value measurement

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

(i) A community service obligation (CSO) of 20% was applied to Timboon & District Healthcare Service's specialised land.

Note 8: Other disclosures

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

Structure

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

8.2 Responsible persons disclosures

8.3 Remuneration of executives

8.4 Related parties

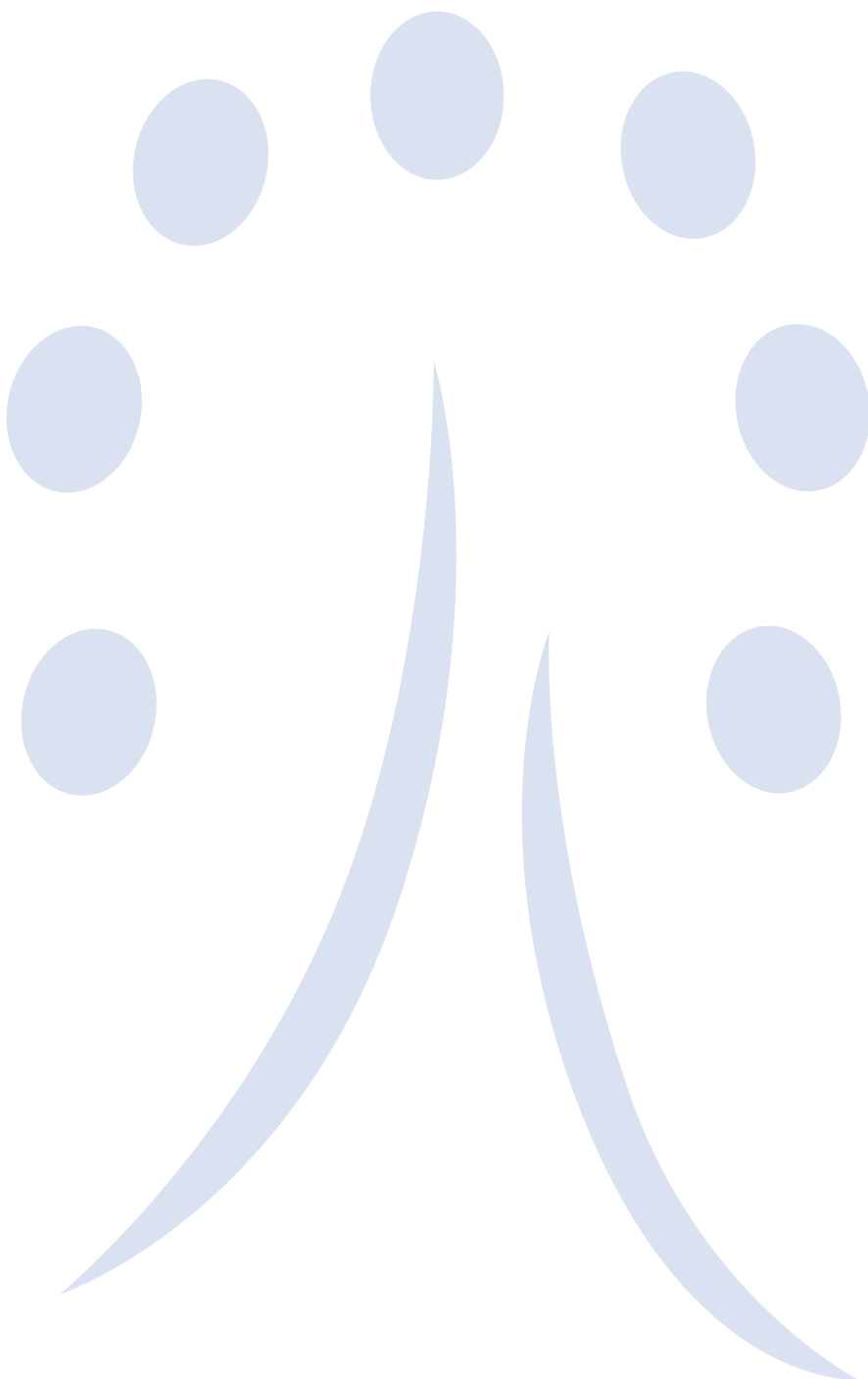
8.5 Remuneration of auditors

8.6 Events occurring after the balance sheet date

8.7 Jointly controlled operations

8.8 Equity

8.9 Economic dependency



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

		Total 2024 \$'000	Total 2023 \$'000
	Note		
Net result for the year		(1,439)	(507)
Non-cash movements:			
(Gain)/Loss on sale or disposal of non-financial assets	3.2	(77)	-
Depreciation and amortisation of non-current assets	4.5	880	853
Movement in Bad and doubtful debt provision	3.1	18	1
Less cash inflow/outflow from investing and financing activities		(22)	(112)
Movements in Assets and Liabilities:			
(Increase)/Decrease in receivables and contract assets		9	(336)
(Increase)/Decrease in other assets		(9)	38
Increase/(Decrease) in payables and contract liabilities		346	(69)
Increase/(Decrease) in employee benefits		8	167
Net cash inflow from operating activities		(286)	35

Note 8.2 Responsible person disclosures

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

	Period
The Honourable Mary-Anne Thomas MP	
Minister for Health	1 Jul 2023 - 30 Jun 2024
Minister for Health Infrastructure	1 Jul 2023 - 30 Jun 2024
Minister for Ambulance Services	3 Oct 2023 - 30 Jun 2024
The Honourable Gabrielle Williams MP	
Minister for Mental Health	1 Jul 2023 - 2 Oct 2023
Former Minister for Ambulance Services	5 Dec 2022 - 2 Oct 2023
The Honourable Ingrid Stitt MP	
Minister for Mental Health	2 Oct 2023 - 30 Jun 2024
Minister for Ageing	2 Oct 2023 - 30 Jun 2024
Minister for Multicultural Affairs	2 Oct 2023 - 30 Jun 2024
The Honourable Lizzy Blandthorn MP	
Former Minister for Children	2 Oct 2023 - 30 Jun 2024
Former Minister for Disability	2 Oct 2023 - 30 Jun 2024
Governing Boards	
F. Carlus	1 Jul 2023 - 30 Jun 2024
T. Hutchins	1 Jul 2023 - 30 Jun 2024
A. Dejong	1 Jul 2023 - 30 Jun 2024
A. Byrne	1 Jul 2023 - 12 Dec 2023
A. Nessler	1 Jul 2023 - 30 Jun 2024
C. Murphy	1 Jul 2023 - 30 Jun 2024
A. Skordis	1 Jul 2023 - 12 Dec 2023
J. Jakowenko	1 Jul 2023 - 30 Jun 2024
K. Donoghue	1 Jul 2023 - 30 Jun 2024
S. Renyard	1 Jul 2023 - 30 Jun 2024
Accountable Officers	
G. Castledine (Chief Executive Officer)	1 Jul 2023 - 30 Jun 2024

Note 8.2 Responsible persons (continued)

Remuneration of Responsible Persons

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

Income Band

\$0 - \$9,999

\$10,000 - \$19,999

\$40,000 - \$49,999

\$60,000 - \$69,999

\$80,000 - \$89,999

\$210,000 - \$219,999

Total Numbers

Total 2024 No	Total 2023 No
10	11
-	1
-	1
-	1
-	1
1	-
11	15
Total 2024 \$'000	Total 2023 \$'000
\$252	\$220

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

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

Note 8.3 Remuneration of executives

Remuneration of executive officers

Short-term benefits
Post-employment benefits
Other long-term benefits
Total remunerationⁱ

Total number of executives

Total annualised employee equivalentⁱⁱ

Total Remuneration	
2024 \$'000	2023 \$'000
551	439
53	42
16	11
620	492
6	5
4.0	3.0

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

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

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

Short-term employee benefits

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

Post-employment benefits

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

Other long-term benefits

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

Termination benefits

Termination of employment payments, such as severance packages.

Note 8.4: Related Parties

Timboon & District Healthcare 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 South West Alliance of Rural Health 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 Timboon & District Healthcare Service, directly or indirectly.

Key management personnel

The Board of Directors, Chief Executive Officer and the Executive Directors of Timboon & District Healthcare Services are deemed to be KMPs.

Entity	KMPs	Position Title
Timboon & District Healthcare	F. Carlus	Board Chair
Timboon & District Healthcare	T. Hutchins	Board Member
Timboon & District Healthcare	A. Dejong	Board Member
Timboon & District Healthcare	A. Byrne	Board Member
Timboon & District Healthcare	A. Nessler	Board Member
Timboon & District Healthcare	C. Murphy	Board Member
Timboon & District Healthcare	A. Skordis	Board Member
Timboon & District Healthcare	J. Jakowenko	Board Member
Timboon & District Healthcare	K. Donoghue	Board Member
Timboon & District Healthcare	S. Renyard	Board Member
Timboon & District Healthcare	G. Castledine	Chief Executive Officer
Timboon & District Healthcare	T. Wines	Director of Community Health
Timboon & District Healthcare	L. Barclay	Director of Clinical Services
Timboon & District Healthcare	A. Maskell	Finance Manager (from 1 Jan 24)/Director of Corporate Services (1 Jul 23 - 31 Dec 23)
Timboon & District Healthcare	K. Edwards	Human Resources Manager (from 1 Jan 2024)
Timboon & District Healthcare	K. Chambers	Support Services Manager (1 Jan 24 - 14 Jun 24)
Timboon & District Healthcare	L. Adcock	Support Services Manager (from 15th Jun 24)

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.

Compensation - KMPs

Short-term Employee Benefits ⁱ
Post-employment Benefits
Other Long-term Benefits
Termination Benefits
Total ⁱⁱ

Total 2024 \$'000	Total 2023 \$'000
776	636
74	60
22	16
-	-
872	712

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

Timboon & District Healthcare Service received funding from the Department of Health of \$5.71 m (2023: \$6.28 m) and indirect contributions of \$0.113 m (2023: \$0.187 m). Balances outstanding as at 30 June 2024 are \$Nil (2023 \$0.22M)

Expenses incurred by the Timboon & District Healthcare 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 Timboon & District Healthcare 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 Timboon & District Healthcare 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 2024 (2023: none).

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

Note 8.5: Remuneration of Auditors

Victorian Auditor-General's Office

Audit of the financial statements

Total remuneration of auditors

Total 2024 \$'000	Total 2023 \$'000
18	18
18	18

Note 8.6: Events occurring after the balance sheet date

There are no events occurring after the Balance Sheet date.

Note 8.7 Joint arrangements

	Principal Activity	Ownership Interest	
		2024	2023
		%	%
South West Alliance of Rural Health (SWARH)	Information Technology Services	0.65	1.03

Timboon & District Healthcare Services interest in the above joint arrangements are detailed below. The amounts are included in the financial statements under their respective categories:

	2024 \$'000	2023 \$'000
Current assets		
Cash and cash equivalents	147	180
Receivables	43	61
Prepaid expenses	7	9
Total current assets	197	250
Non-current assets		
Receivables	8	11
Property, plant and equipment	77	148
Total non-current assets	85	159
Total assets	282	409
Current liabilities		
Payables	174	226
Lease Liability	18	17
Employee Provisions	15	28
Total current liabilities	207	271
Non-current liabilities		
Payables	-	1
Lease Liability	32	33
Employee Provisions	11	6
Total non-current liabilities	43	40
Total liabilities	250	311
Net assets	32	98
Equity		
Accumulated surplus	32	98
Total equity	32	98

Note 8.7 Joint arrangements

Timboon & District Healthcare Services interest in revenues and expenses resulting from joint arrangements are detailed below:

	2024 \$'000	2023 \$'000
Revenue		
Operating Activities	129	203
Non Operating Activities	5	-
Capital Purpose Income	-	32
Total revenue	134	235
Expenses		
Employee Benefits	106	108
Other Expenses from Continuing Operations	78	92
Finance Lease Charges	-	1
Depreciation	17	25
Total expenses	201	226
Net result	(67)	9

Contingent liabilities and capital commitments

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

Note 8.8 Equity

Contributed capital

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

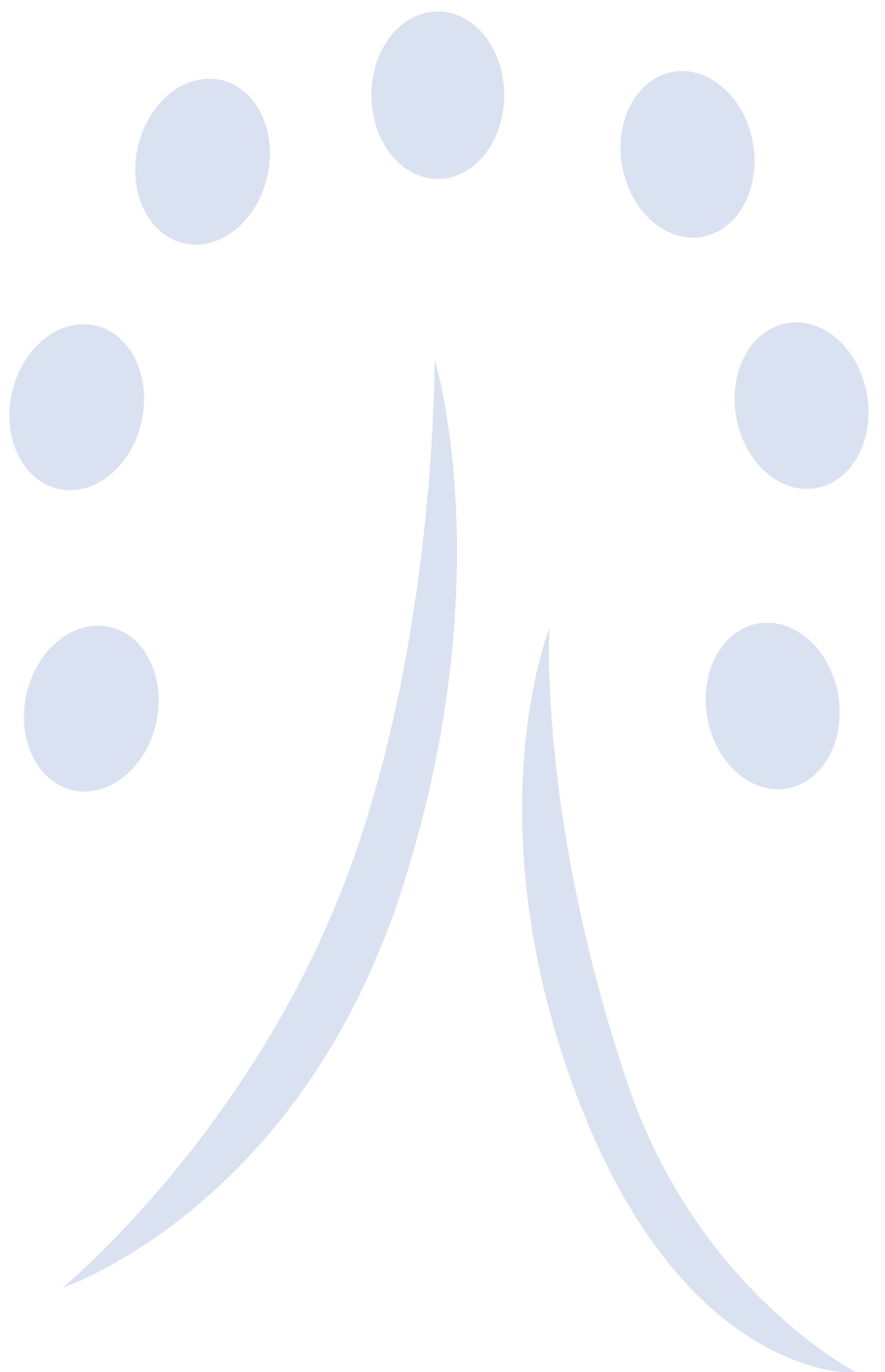
Other transfers that are in the nature of contributions or distributions or that have been designated as contributed capital are also treated as contributed capital

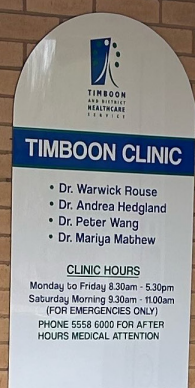
Property, plant and equipment revaluation surplus

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

Note 8.9 Economic dependency

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





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