

Urgent Care

Acute & Residential
Aged Care

Allied Health &
Community Services

Administration

Medical Clinic →

Dental Clinic ↑



MTHCS

Mallee Track Health
and Community Service



REPORT OF OPERATIONS

2021-22

Table of Contents

About us

2	Welcome
2	Vision, Mission, Philosophy
2	Responsible Ministers
6	CEO & Board Chair's Message
13	Organisational Chart
3	Attestations

Corporate Services

11	Governance
15	Our values and behaviours
6	The Year in Review
6	COVID-19 pandemic response
15	Business Plan 2021-22
19	Occupational health & safety
19	Quality and safety
16	Priority performance reporting
16	Consumer feedback
20	People and Culture

Primary & Community Health

34	Allied Health
37	Aged Care
40	Early Years
36	Volunteers

Clinical services

37	Aged care
41	Urgent care
41	GP Clinics
41	Telehealth
42	Dental

Financials

48-49	Disclosures Index
50	Financials

WELCOME

OUR VISION

Leading our communities to excellence in integrated health and community services.

OUR MISSION

To provide people of all ages with access to quality, person-centred care in the Mallee.

OUR PHILOSOPHY

Equitable and timely access to innovative models of care, supported by a local workforce that is engaged with the community.

MANNER OF ESTABLISHMENT & RESPONSIBLE MINISTER/S

We are a public health service established under the Health Services Act 1988 (Vic).

The responsible Minister is the Minister for Health:

From 1 July 2021 to 27 June 2022

The Hon Martin Foley MP

Minister for Health

Minister for Ambulance Services

Minister for Equality

From 27 June 2022 to 30 June 2022

The Hon Mary-Anne Thomas MP

Minister for Health

Minister for Ambulance Services

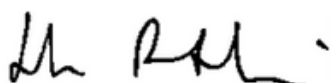
Mallee Track Health and Community Service acknowledges the Traditional Owners of the land on which we are operate and pays respect to their Elders, past, present and emerging.

REPORT OF OPERATIONS MTHCS reports on its annual performance in two separate documents. This Report of Operations fulfils the statutory reporting requirements to government. The Quality Account Report reports on quality, risk management and performance improvement matters. Both documents are distributed to the community and these reports are available on the MTHCS website at www.mthcs.com.au. Due to the COVID 19 pandemic, the requirement for an annual Quality Account was relaxed in 2020-21.

Attestations & Declarations

RESPONSIBLE BODIES DECLARATIONS - SD 5.2.3

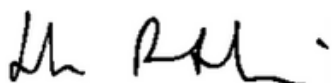
In accordance with the Financial Management Act 1994, I am pleased to present the report of operations for the Mallee Track Health and Community Service for the year ending 30 June 2022.



John Papatheohari
Board Chair
Mallee Track Health and Community Service, Ouyen
October 24, 2022

FINANCIAL MANAGEMENT COMPLIANCE ATTESTATIONS - SD 5.1.4

I, John Papatheohari, on behalf of the Responsible Body, certify that Mallee Track Health and Community Service has no Material Compliance Deficiency with respect to the applicable Standing Directions under the Financial Management Act 1994 and Instructions.



John Papatheohari
Board Chair
Mallee Track Health and Community Service, Ouyen
October 24, 2022

DATA INTEGRITY DECLARATION

I, Pamela Vallance, certify that Mallee Track Health and Community Service has put in place appropriate internal controls and processes to ensure that reported data accurately reflects actual performance. Mallee Track Health and Community Service has critically reviewed these controls and processes during the year.



Pamela Vallance
Accountable Officer
Mallee Track Health and Community Service
October 24, 2022

CONFLICT OF INTEREST DECLARATION

I, Pamela Vallance certify that Mallee Track Health and Community Service has put in place appropriate internal controls and processes to ensure that it has complied with the requirements of hospital circular 07/2017 Compliance reporting in health portfolio entities (Revised) and has implemented a 'Conflict of Interest' policy consistent with the minimum accountabilities required by the VPSC. Declaration of private interest forms have been completed by all executive staff within Mallee Track Health and Community 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.



Pamela Vallance
Accountable Officer
Mallee Track Health and Community Service
October 24, 2022

INTEGRITY, FRAUD AND CORRUPTION DECLARATION

I, Pamela Vallance, certify that Mallee Track Health and Community Service has put in place appropriate internal controls and processes to ensure that Integrity, fraud and corruption risks have been reviewed and addressed at Mallee Track Health and Community Service during 2021-22.



Pamela Vallance
Accountable Officer
Mallee Track Health and Community Service
Date



Excellence



Accountability



Compassion



Teamwork



Integrity



Transparency

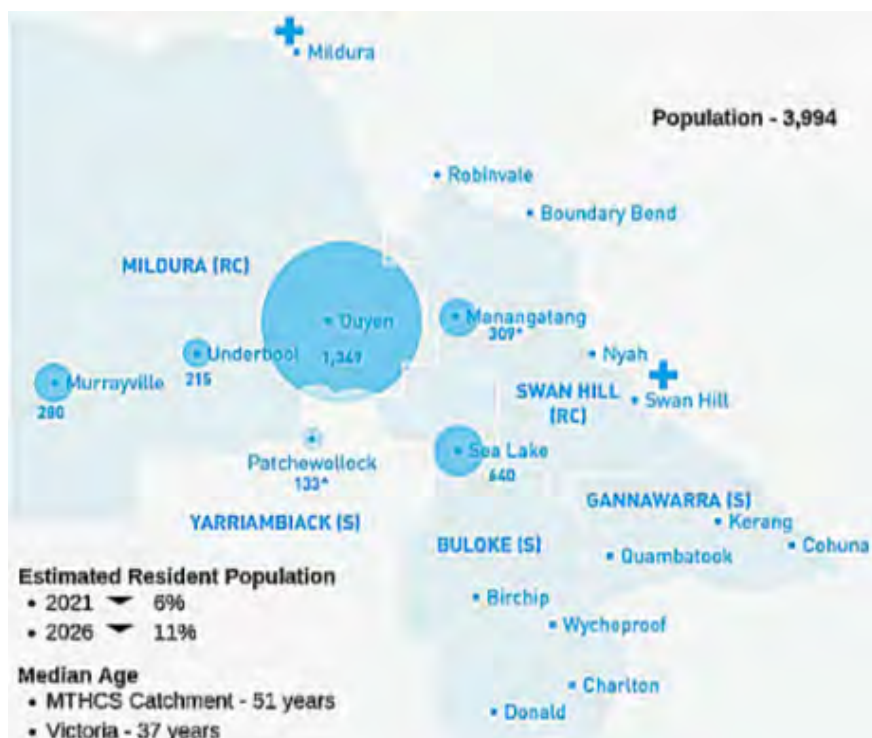
Nature & range of services

MTHCS is one of seven Multi-Purpose Services established under Part 4A of the Health Services Act (HSA). MTHCS was established in 1997. MTHCS catchment is located in north-west Victoria and encompasses four Local Government Areas (LGAs): Mildura Rural City Council (Ouyen, Walpeup, Underbool and Murrayville); Buloke Shire (Sea Lake); Yarriambiack (Patchewollock) and Swan Hill Rural City (Manangatang). Mildura Base Public Hospital is the referral hospital for towns in the Mildura Rural City LGA and Swan Hill District Health is the referral hospital for towns in the Buloke Shire.

The median age of residents is 51 years, significantly above the Victorian median of 37 years. MTHCS provides acute medical and urgent care, district nursing, residential aged care, early childhood education and care, early years management, neighbourhood houses, public dental, volunteer co-ordination, medical clinics and a broad range of allied health services. Early childhood education and care is also provided in Manangatang; however, general health care is provided in Manangatang by Robinvale District Health Services.

There were seven services that were merged to form MTHCS. Three Bush Nursing Centres- (Murrayville; Underbool and Patchewollock); two Neighbourhood Houses - (Murrayville and Ouyen); Community Link - (Transport and Social Support); Ouyen Hospital, Ouyen Nursing Home and Ouyen Hostel.

In 2011 Sea Lake and District Health Service (including Sea Lake Neighborhood House and Sea Lake Men's Shed) merged with MTHCS. The Minister responsible for MTHCS is the Minister for Health.



The catchment spans an area of more than 18,000 square kilometres, with a population of approximately 4,000 people.

The Year in Review

A report by the CEO & Board Chair

Mallee Track Health and Community Service (MTHCS) has many achievements to report back to the community over the last reporting period. As a health service we continue to be immensely proud of the work of this service – and the staff and volunteers who continue to connect us together.

It is a pleasure to summarise and present to the community our key achievements and highlights of the last year.

COVID -19 Pandemic response

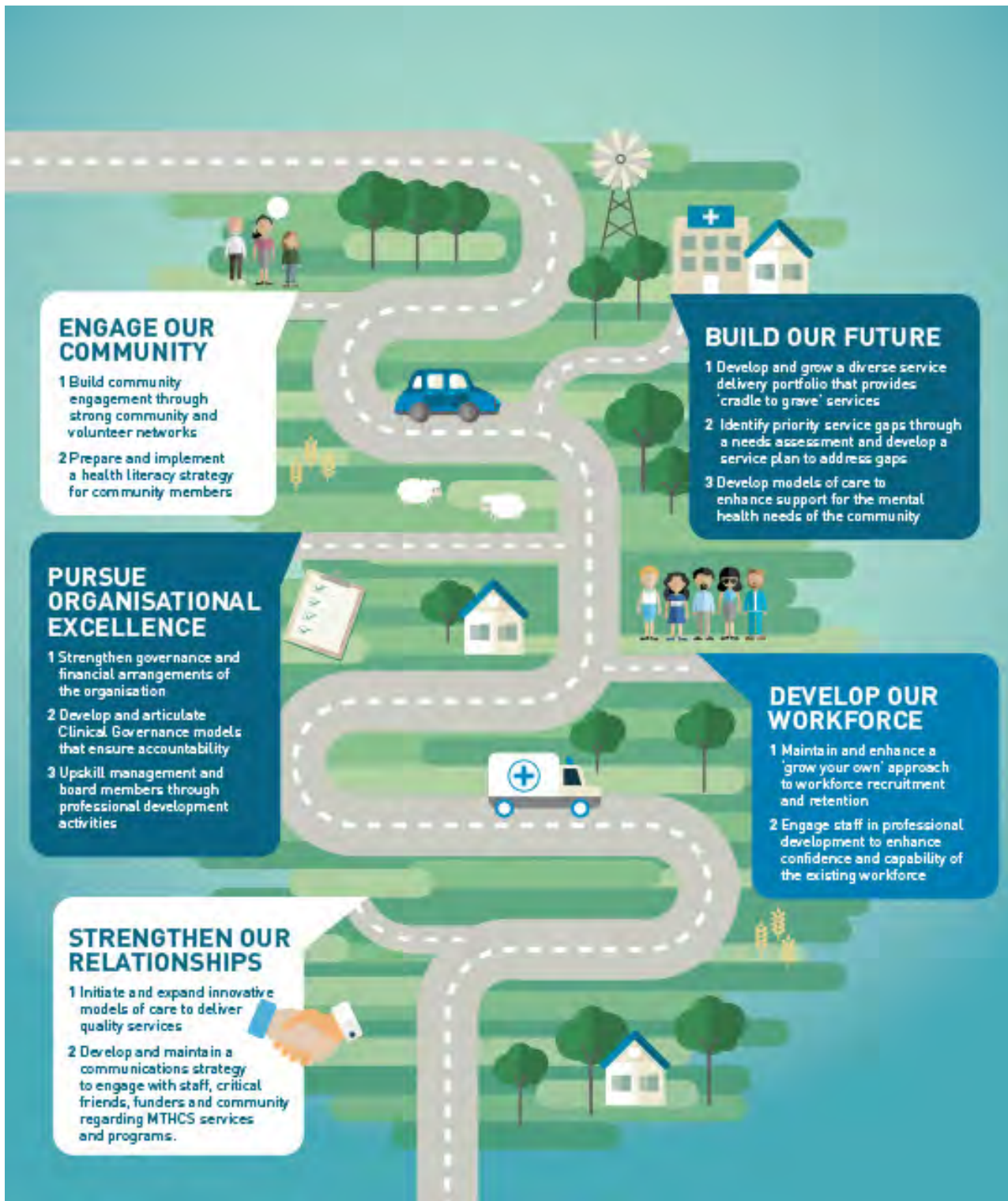
The COVID-19 Pandemic continued to place significant operational demands on MTHCS during the reporting period. As the second year of the pandemic ground on, the public health response continued with renewed declarations of a state of emergency. The requirements of the public health response have drawn every ounce of care, compassion and energy from our workforce – paid and unpaid.

As the pandemic moved into another phase of vaccinations and then 'living with' COVID-19 this required us to also change our approach to monitoring and management of outbreaks and exposures in all service areas – particularly Early Years and Aged care. These settings were considered high risk. Statewide lockdowns continued until November 2021 and pandemic orders remained in place until June 2022. The state of emergency was replaced with the issuing of Pandemic Orders – the instrument to ensure a fit-for-purpose pandemic response across the State of Victoria.

Significant fatigue in the workforce and the community more broadly has impacted us. The spread of COVID-19, together with a flu season that has largely been absent in the previous two years, will continue to challenge our health service and workforce in the coming year. Continued vigilance in relation to infection control continued to be central as we moved into the third year of the pandemic.

The staff and volunteers of MTHCS have been amazing. They have done everything asked of them and more. They cared for, and showed kindness, to each other and kept each other going at times when it may have been easier to give up and stop. We are proud to lead such a dedicated staff who have nothing but the interests of those they provide care and a service to at their core.





MTHCS is guided by our 2018-2023 Strategic Plan which sets community-identified priority goals for service delivery and governance.

The Year in Review

Strategic Direction 1. Build our future.

The findings from the Multipurpose Service Review began their implementation and I am pleased to report that this has, so far, meant an increase of \$1.4 Million of recurrent funding.

These funds are linked to the conversion of funding rates at Pattinson Hostel from low care to high care and the introduction by the Commonwealth of a Basic Daily fee supplement to support improvements in care and services to residents with a focus on food and nutrition.

The Commonwealth has commenced introducing changes and recommendations of the Aged Care Royal Commission. The MPS model will remain unchanged in its concept – as this was found to be a sound model for responding to market failure in Aged Care. However, there will be other systemic changes introduced with Support at Home (previously Home Care Packages and Commonwealth Home Support Program). The impact of this locally is not yet known. In the future, MTHCS will be assessed and rated against the Aged Care Standards. We have experienced significant State investment in our Early Years services.

This has included significant investments in programs to improve developmental outcomes for children as well as finalising a capital build in Sea Lake to integrate services on the Tyrrell College school site. These investments will continue to pay future dividends to families and children in the catchment.

We were able to progress our model of care in mental health with the introduction of a Rural Outreach Worker model. These roles are unique to our catchment and provide a linking and navigation function. We continue to watch changes across the system as the findings of the Mental Health Royal Commission are implemented, including the introduction of Regional Mental Health Boards. We hope these changes might provide opportunity for MTHCS to capture some form of specific mental health funding for our catchment.

As is the case in many rural communities, we continue to be challenged with the delivery of medical services – both with securing workforce and delivering a financially viable primary health care model. We have had success in introducing a Nurse Practitioner model at our medical clinics in Ouyen and Sea Lake and we will continue to invest in the model for the future.



The Year in Review

Strategic Direction 2. Engage our community.

The COVID-19 pandemic continued to place many physical barriers between MTHCS and our volunteer workforce. The concept of social distancing meant volunteers continued to be unable to support our usual work and business in the community and we sorely missed their contribution. It was with great delight that we were able to welcome volunteers back in bigger numbers in early 2022.

We celebrated the work of our volunteering community in May and thanked each and every one through our 'thankyou' events.

We completed a full review of our Consumer Partnership Framework with the assistance of the Health Issues Centre. This has expanded our learning of ways to capture stories and experiences from the community to continue to improve our services.

As a result of this work, we introduced Care Opinion (an online platform for feedback and sharing experiences), commenced planning for "kitchen table" community conversations and plan to introduce a Board Consumer Advisory Committee. We look forward to reporting the outcomes of this work back to the community.

The MTHCS Foundation was launched in April 2022. The Foundation is a charitable entity that is independent of the Board of MTHCS.

This exciting development will mean that as a health service we can enhance capturing of donated funds for projects of our own priority and preference. The Board of Directors of the Foundation is a select group of local people with strong and long-standing ties to Mallee Track. We look forward to their first progress report back to the community.

We are excited to see that the first projects will be to establish a workforce scholarship fund for a five-year term, and the purchase of two patient care and transport defibrillators for our urgent care centres at Ouyen and Sea Lake.

Strategic Direction 3. Pursue organisational excellence.

The pandemic has continued to create further opportunities for service delivery and partnering which has projected us forward with addressing actions from the clinical governance review undertaken in 2018.

It was exciting work for us to keep expanding our regional and sub-regional partnership arrangements in the reporting period. We have also commenced development of clinical dashboard indicators from across the organisation. This will mature in the future.

We have maintained strong integrated quality systems. Accreditation processes were switched to remote auditing arrangements due to social distancing and the limitations of COVID-19.

We are pleased to report to the community that we have maintained all of our accreditation requirements to ensure re-certification. This is an excellent achievement given the increasing demands for compliance and quality improvement across all service areas that we are involved with.

The implementation of the Montessori approach for aged care was commenced. This has included an initial site visit and then an intensive period of assessment of readiness for change.

In the future we will be mentored by Montessori Consulting to support us to introduce changes to improve person-centred care in our residential aged care services.

We completed fabric surveys of our assets and formulated a repairs and maintenance schedule for the short, medium and longer term.

We hope to prioritise our advocacy efforts in the next reporting period to seek the support of the Department of Health to undertake service and capital master planning.

Our focus will be on integrating learnings from the COVID 19 pandemic and setting our assets up for integrated service delivery that is person-centred

The Year in Review

Strategic Direction 4. Develop our workforce

It is exciting to report that we have continued to significantly invest in our workforce.

We have continued to engage trainees in a broad range of our service areas (nursing, people and culture and early years), one-on-one coaching and training of middle managers in all aspects of being a manager, identifying a talent pool of emerging leaders, establishing a network of Workplace Contact Officers and delivering Supporting a Positive Workplace Culture and Bystander training.

There was increasing engagement in the People Matter Survey, and we finalised the commitments and actions of the MTHCS cultural review that was undertaken at the end of 2019.

This has been a remarkable achievement given the limitations of COVID-19 and is a reflection on all staff and their commitment to the work that we do within the organisation.

Succession planning within the organisation was progressed and a specific training strategy delivered for emerging leaders at MTHCS. We have plans to mature and develop succession planning in the next reporting period.

Strategic Direction 5. Strengthen our relationships

We have significantly progressed our partnering with the Loddon Mallee Health Network. The Network consists of all public sector health services in the region through a joint venture agreement. This will continue to build a platform of sharing services, procurement and other opportunities for workforce training, development and recruitment.

We have strengthened our partnerships with Mildura Base Public Hospital and Swan Hill District Health through our work with the Mallee Health Partnership and the Northern Mallee Integrated Partnership. Specific achievements in our work together have included sharing of executive support, establishment of the Regional Community Platform and exploring models of sharing of quality services.

We are planning a range of other projects with our Mallee partners.

With deliberate intent, we have set about putting in place a communications strategy to support our work as a health service in engaging with and hearing from our community.

This has included not just the key messages that we continue to provide to the community, but is being increasingly expanded to include feedback from our consumers on the effectiveness of our communications from their perspective.

In closing, we acknowledge the Board of Directors of the health service who give of their time and skills to the oversight of strategy and governance. Additionally, we thank the communities that we serve – your trust in our ability to continue to meet your healthcare needs is an honour to lead.



Chief Executive Officer
Lois O'Callaghan

A handwritten signature in black ink that reads "Lois O'Callaghan".



Board Chair
John Papatheohari

A handwritten signature in black ink that reads "John Papatheohari".

Governance

As a Multi-Purpose Services, MTHCS is governed by a Board of Directors, in line with S.115E of the Health Services Act.

Multi-Purpose Services are subject to similar governance and performance policies as public hospitals. The Multi-Purpose Service model nationwide was established in March 1991.

The model is based on the principle that communities are able to pool funds from previously separate Commonwealth and State aged care and health programs to provide a flexible, coordinated and cost-effective framework for service provision, which aims to meet the aged care and health needs of local communities.



The provision of services is executed through a tripartite agreement between the Commonwealth, State and community which the MPS is present within.

Access to, and delivery of, health and aged care services in rural communities has many challenges. The MPS model benefits include joint funding that enables each community to retain local health and aged care services and provide a degree of certainty that helps overcome the limited economies of scale and high fixed overheads of many multipurpose services.

There are economies of scale. For instance, nursing staff can deliver health services and supervise or deliver services to aged care residents living in the same MPS facility. Those residents can, at times, be "admitted" for acute care within their own room.

MTHCS is guided by our 2018-2023 Strategic Plan which sets community-identified priority goals for service delivery and governance.

The Board is appointed by the Governor's Council upon the recommendation of the Minister for Health. Meetings were held 11 times during the financial year.

The Board has a responsibility to ensure that MTHCS performs its functions as set out in Section 115E of the Health Services Act, including:

- To oversee and manage the service; and
- To ensure that the services provided by the service comply with the requirements of the Act, the objects of the service, its bylaws and any agreement entered into by the service.

The Board is regularly required to review its own performance as the basis for its own development and quality assurance.

Board of Directors 2021-22

MEMBER	ROLE (and period of service)
John Papatheohari	Board Chair (appointed July 2021)
Kathryn Munro	Senior Vice Chair (appointed July 2020)
Steven Fumberger	Junior Vice Chair (appointed July 2020)
Joy Lynch	Board member (appointed July 2016)
Mary Rydberg	Board member (appointed November 2019)
Darren Law	Board member (appointed November 2019)
Philip Down	Board member (appointed July 2020)
Frank Piscioneri	Board member (appointed July 2021)

Management team

Member	Role
Lois O'Callaghan	Chief Executive Officer
Pamela Vallance	Executive Director of Nursing
Lyndal Munro	Director of Community Services
Dr Mau Wee	Director of Medical Services

Lois O'Callaghan, Chief Executive Officer

The Chief Executive Officer is responsible to the Board of Directors for the efficient and effective management of the Mallee Track Health and Community Service.

Major responsibilities include:

- The development and implementation of operational and strategic planning
- Maximising service efficiency and quality improvement
- Minimising risk.

Pamela Vallance, Executive Director of Nursing

The Executive Director of Nursing is part of the MTHCS leadership team and is responsible for:

- Directing, overseeing and evaluating all nursing personnel
- Guiding staffing procedures
- Setting objectives and long-term goals for the nursing department.

Lyndal Munro, Director of Community Services

The Director of Community Services is part of the MTHCS leadership team and is responsible for:

- Directing, overseeing and evaluating all community services personnel
- Guiding staffing procedures
- Setting objectives and long-term goals for the community services portfolio.

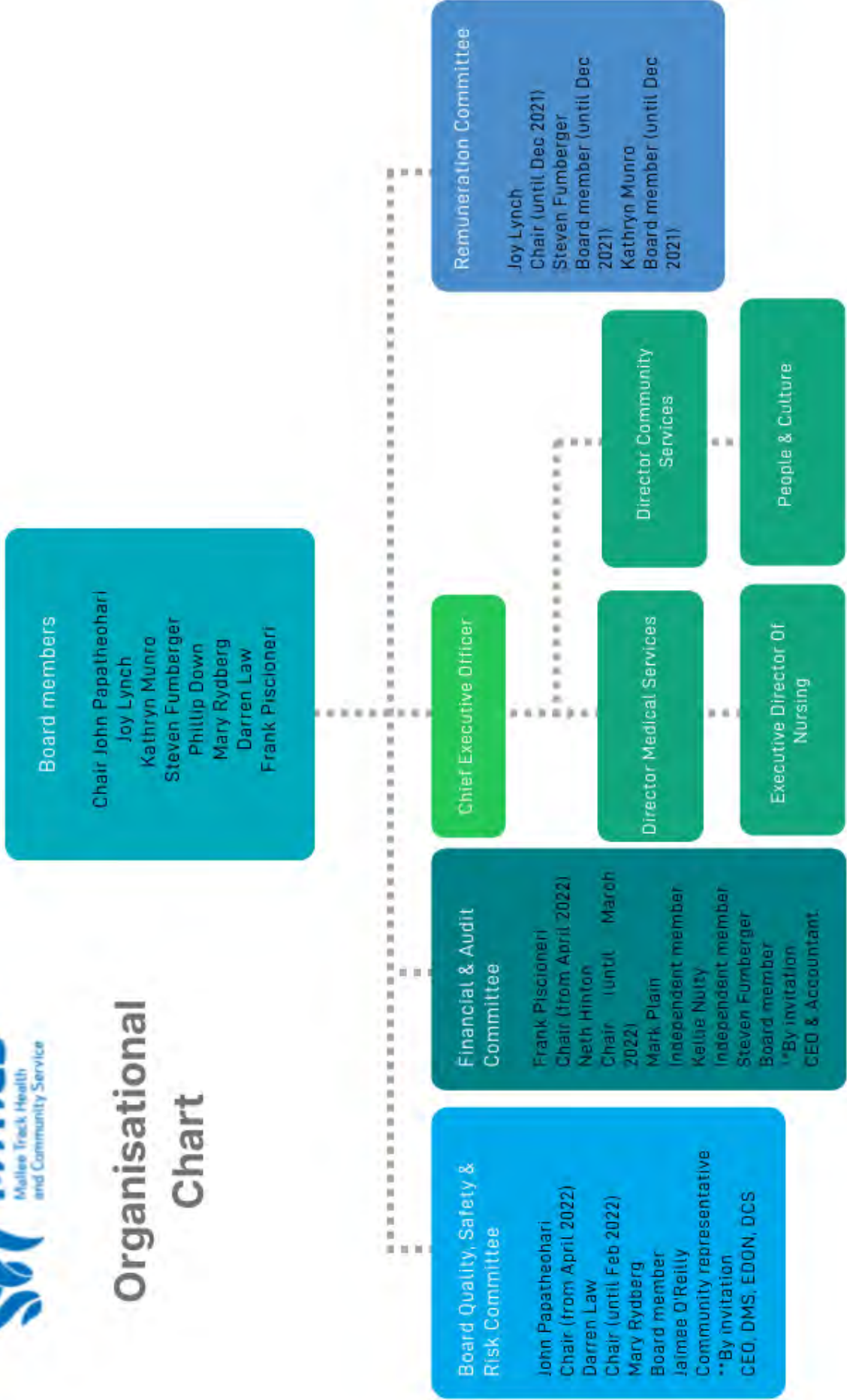
Dr Mau Wee, Director of Medical Services

The Director of Medical Services is a part of the MTHCS leadership team and has a key role in:

- Medical leadership
- As appropriate, board reporting on medical and clinical matters
- Have input into education and training for medical practitioners
- Undertake clinical reviews and medico-legal advice and support.



Organisational Chart



Corporate Services

COVID-19 pandemic response

The COVID-19 Pandemic has continued to demand time and energy from staff, volunteers and the community that we serve. While largely causing major disruptions for client service delivery, the pandemic restrictions presented some unexpected opportunities for MTHCS to explore and trial alternative models of delivery, including telehealth.

Programs such as exercise groups and tai chi sessions were successfully delivered by Zoom, as well as podiatry consultations by text. Home kits were mailed to podiatry clients. Medical clinics provided telehealth appointments and prescription deliveries. Crucial supports for geographically isolated residents such as Planned Activity Groups, carer support, community transport and Home Care were significantly impacted by pandemic restrictions and lock-downs. In response, MTHCS made regular wellbeing checks by phone and kept in close contact with aged care residents' families to facilitate video and phone chats during lock-downs. Aged care staff also sent photos and notes to families to keep them informed.

MTHCS used social media channels and weekly Community Updates published in the main local newspapers to keep residents informed of changing COVID-19 restrictions and impacts and vaccination clinics. The health service also continues to provide outreach vaccination clinics in the towns of Murrayville and Underbool to reduce the need for residents to travel to major centres for COVID-19 vaccination.

Services hosted or facilitated by MTHCS under the Multipurpose Service (MPS) funding model were greatly impacted. This included Neighbourhood House, Men's Sheds and Community Transport in Sea Lake, as well as the Royal Flying Doctor Service visiting optometry and dental clinics. We were forced to cease a range of allied health services.

The organisation's first positive COVID-19 cases occurred late in 2021 which caused widespread community alarm and required aged care facilities to go into lock-down. These lock-downs continued as needed during the year. Previously, the Buloke Shire was virus-free which had allowed MTHCS significant time to prepare.

MTHCS Medical Clinics responded with testing clinics as needed, including over weekends.



RURAL OUTREACH WORKER

246

OCCASSIONS OF SERVICE



PODIATRY (& FOOT CLINICS)

1152

OCCASSIONS OF SERVICE



SPEECH THERAPY

436

PARTNERSHIP WITH RDHS

Our values & behaviours



Accountability	Excellence	Compassion	Teamwork	Integrity	Transparency
<p>We define our expectations and are accountable for our actions</p> <ul style="list-style-type: none"> - We keep our word and do what we say - We own our actions and behaviours - We look for solutions not someone to blame - We hold others to account for poor behaviour and attitudes 	<p>We set high standards and continually strive to improve on them</p> <ul style="list-style-type: none"> - We continuously strive to improve by acting on feedback and being open to new ways of doing things - We take initiative and have the courage to question what we do - We are professional in every way, always 	<p>We treat everyone with care, respect and dignity</p> <ul style="list-style-type: none"> - We are person centred and deliver a positive experience, every time - We demonstrate care, kindness and empathy - We are flexible, compassionate and offer to help 	<p>We work collaboratively and in the spirit of partnership</p> <ul style="list-style-type: none"> - We are responsive to each others' needs - We seek opportunities to break down silos - We respect others' values and opinions - We treat others as we would like to be treated 	<p>We endeavour to do the right thing in all circumstances even if no-one is watching</p> <ul style="list-style-type: none"> - We are honest and reliable - We protect and care for our reputation and build community trust - We value diversity, and are not judgemental. - We respect privacy and confidentiality 	<p>We are open and honest and embrace positive change</p> <ul style="list-style-type: none"> - We base decisions on fact, not rumours - We share our knowledge and learning - We embrace change and have a 'can do' attitude - We don't hide or ignore issues but tackle them directly
VALUE					
BEHAVIOURS					
<ul style="list-style-type: none"> - We are person centred and deliver a positive experience, every time - We demonstrate care, kindness and empathy - We are flexible, compassionate and offer to help 					

These values and behaviours were developed by employees from across MTHCS in 2019 over a series of workshops and interviews.

Corporate Services... ctd

Incident Control Group

Meetings continued weekly to manage changes to regulations, lock-downs and restrictions. Communication to community from these meetings was achieved through social media and Community Updates with advice from coronavirus.vic.gov.au. Staff volunteered as "Health Heroes" featuring in photos of them receiving the vaccination with a statement about why they were choosing to be vaccinated (ie. "I want to keep my family and community safe"). This included Board chair and CEO as we led by example.

Keeping staff informed of the regularly changing COVID-19 restrictions and requirements has been a top priority. Email updates are sent to all staff following each ICG meeting. The Victorian Department of Health website is always treated as the "single point of truth" for both staff and community throughout the COVID-19 response.

Managers' meetings

Regular meetings of service area managers continued, often virtually, and was an important way for managers and staff to stay informed.

Consumer feedback

MTHCS seeks consumer feedback through surveys (internal and external), direct contact and our complaints and feedback process which was reviewed and strengthened in the reporting period. A website and social media pages are maintained and local media utilised on a regular basis to publish Community Updates that contain information on initiatives, general health issues and GP schedules.

A highlight for the reporting period was the introduction of Care Opinion, a web-based platform for consumers to provide feedback about their experiences with MTHCS. Prior to the introduction of Care Opinion, complaints and feedback were also directed to a dedicated Complaints Manager. We also launched a new website with many additional features and enhanced layout to improve readability and navigation for users.

Breast-feeding Friendly Accreditation achieved

MTHCS has again obtained accreditation as a Breast-Feeding-Friendly workplace and has continued to invest in the workforce with a focus on training and development in all state and national Quality Standards.

MPS PERFORMANCE PRIORITY REPORTING

Quality and safety			
Key Performance Indicator	Target		Result
Health Service Accreditation	FC*		FC
Compliance with cleaning standards	FC		FC
Compliance with Hand Hygiene Australia program	85%		95.5%
Percentage of healthcare workers immunised for influenza	92%		90.5%
Victorian Health Experience Survey - percentage of positive patient experience responses.	95%		FC**

*FC - Full compliance

** Less than 42 responses were received for this period due to the relative size of the health service.

Aboriginal cultural safety

Over the reporting period, MTHCS has undertaken the following initiatives to support Aboriginal cultural safety:

- Engaging with the Mallee Health Partnership to progress options for shared training in cultural competency and cultural sensitivity.
- Review and update of our Diversity plan.
- Engaging with the Mildura Base Public Hospital Aboriginal Health Unit to seek support to commence a cultural competency strategy.
- Promotion of NAIDOC week.
- Maintaining flexible working policies to ensure readiness for potential employees from Culturally and Linguistically Diverse (CALD) background and Aboriginal populations who may be considering MTHCS as an employer of choice.

MPS PERFORMANCE PRIORITY REPORTING

Governance and leadership		
Key Performance Indicator	Target	Result
People Matter Survey - Psychosocial Safety Climate	62%	67%
People Matter Survey - Patient Safety Climate	N/A	75%

Financial sustainability		
Key Performance Indicator	Target	Result
Operating result (\$m)	\$1,335m	\$2,426
Trade creditors	60 days	34
Patient fee debtors	60 days	1
Adjusted current asset ratio	0.7	1.16
Number of days in available cash	14 days	120.7

Financial information - Five-year comparison					
	2022	2021	2020	2019	2018
Operating result	\$2426	\$922	\$348	\$(788)	\$240
Total revenue	21,064	18,759	17,445	16,184	240
Total expenses	20,826	20,349	19,412	18,441	17,660
Net results from transactions	238	(1590)	(1947)	(2257)	(1733)
Total other economic flows	81	225	(15)	(3)	99
Net result	319	(1365)	(1982)	(2260)	(1634)
Total assets	51,041	43,321	44,455	46,339	39,933
Total liabilities	11,155	10,093	9,923	9,824	9,024
Net assets/total equity	39,886	33,228	34,532	36,515	30,909

Reconciliation of net result from transactions and operating result	Result
Net Operating Result	2426
Capital purpose income	(364)
Specific income	
COVID-19 State Supply Arrangements <ul style="list-style-type: none"> Assets received free of charge for nil consideration under the State Supply. 	(318)
State Supply items consumed up to 30 June 2022.	80
Assets provided free of charge	
Assets received free of charge	
Expenditure for capital purpose	167
Depreciation and amortisation	2623
Impairment of non-financial assets	
Finance costs (other)	
Net result from transactions	238



Quality and safety

Ongoing improvement in safety and quality in workplace and patient care is a key priority across the organisation.

The MTHCS Quality Management System (QMS) fosters a culture of continuous quality improvement that is embedded in everyday practice and supports the meaningful participation of people in giving feedback about the services they require, and the quality of services they receive.

MTHCS is committed to maintaining our QMS which is based on ISO 9001:2015. We also adhere to the National Safety and Quality Health Service Standards Version 2(NSQHS V2) and have maintained accreditation in all National Standards and the six NSQHS standards for Dental Services. The QMS functions to ensure all accreditation processes are continually reviewed and monitored to maintain compliance.

Every year, the health service has an assessment by qualified assessors against the ISO and the Board completes an attestation for compliance against the NSQHS V2.

A surveillance audit against the ISO 9001 standards was conducted in May 2022 and certification maintained until July 2023.

During the reporting period, the organisation continued to maintain an "Improvements Register" which documents "good ideas" and issues not captured on existing MTHCS registers. Improvements in the reporting period included:

- Developed Organisational values/behaviours posters resulting from staff cultural reviews
- Reviewed community nursing procedures and provided further education for nurses on coding for DVA nursing funding after identifying compliance errors.
- Policy amendments in response to changes to the Bus Safety Act 2009.

Board Quality, Safety and Risk Committee

This committee provides an ongoing forum for review, governance and recommendation.

Quality and risk management

During the reporting period, the organisation continued to maintain an "Improvements Register" which documents "good ideas" and issues not captured on existing MTHCS registers. Improvements in the reporting period included:

- Developed Organisational values/behaviours posters resulting from staff cultural reviews
- Reviewed community nursing procedures and provided further education for nurses on coding for DVA nursing funding after identifying compliance errors.
- Policy amendments in response to changes to the Bus Safety Act 2009.

Occupational health and safety

During this reporting period the COVID-19 pandemic continued to impact us all. Incident Control Group meetings were held weekly. There were only two Occupational Health and Safety Committee meetings with an average of ten members present at each.

The OH&S Committee has an agreed set of performance indicators. Indicators 1 to 6 are reported at each meeting with Indicators 7 to 9 reported annually.

1. % of planned workplace OH&S inspections completed.
2. Number of injured workers who are supported to RTW.
3. % of attendance at OH&S committee meetings.
4. % of planned OH&S system audits undertaken.
5. % of reported incidents investigated.
6. Number of major purchases made with OHS risk assessment.
7. % of OHS Committee trained.
8. % of HSR positions filled.
9. % Management trained in RTW.

Achievements of the OH&S Committee:

- The COVID-19 pandemic has continued to play out with management striving to provide a safe work environment for all staff and the community;
- Work on the Security Action Plan is ongoing;
- New Emergency Exit doors installed at Kaleesa - Sea Lake;
- Occupational Violence Action Plan developed;
- New Health and Safety Representatives have completed training;
- Education sessions on Code Grey rolled out for staff;
- Supporting a Positive Workplace and Bystander Training provided for staff;
- Food Safety audits attended across MTHCS;
- Summer Preparedness carried out across MTHCS;
- Emergency drills conducted across MTHCS;
- Family Violence Procedures updated to comply with MARAM;
- Staff across the entire MTHCS provided with Fluvax vaccines;
- All Fire Extinguishers checked;
- All buses in the fleet audited;
- Pedestrian signage added to front paths at Ouyen Campus;
- All Patient Handling Devices have had their yearly checks;
- Worker Wellbeing program being developed;
- Waste management continues with cardboard and plastic being segregated from other waste for recycling. Aluminum cans and polystyrene also being segregated.
- Food waste also now being segregated;
- Safety Data Sheets updated;
- Refresher training for Health and Safety Representative has been provided;
- Monitoring of MTHCS's water consumption continues.

People & Culture

MTHCS is one of the region's major employers with 220 staff and 120 registered volunteers. During the reporting period, our People and Culture department led a number of initiatives including coordinating professional development to enhance the confidence and capability of the workforce. This was frequently disrupted due to the pandemic restrictions and has delayed some progress, including progress ensuring every staff member has an annual review detailing their individual training plan.

There was a strong focus on staff wellbeing with a range of measures implemented, including our Employee Assistance Program, and government initiatives to increase support for staff impacted by the additional stress and workload of COVID-19. We are extremely grateful to staff for their dedication and hard work during what has been a challenging, difficult time for our communities.



People Matter Survey 2021-22

The organisation progressed measures to improve staff engagement in the People Matter Survey with 44% of staff participating. Due to statewide disruptions impacting the survey as a result of the pandemic and natural disasters, the department did not require the reporting of participation rates in the 2021-22 survey. During the reporting period, we continued implementation of the action plan developed from the survey results.

“Joy at Work”

Four activities were undertaken including staff breakfasts, rewards and thank-you initiatives as a way to thank staff for their commitment and dedication in response to their increased workloads and stress as a result of the pandemic.

Workplace Contact Officers

A network of Workplace Contact Officers was established to act as a first point of contact for staff members needing information and support regarding issues that may be impacting their professional and personal wellbeing. Staff who nominated as WCOs received additional training for their roles. WCO posters are widely displayed around all MTHCS campuses.

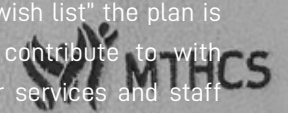
OVA campaign

We saw an increase in occupational violence and aggression during the pandemic. MTHCS engaged in extensive community education campaigns. Communication to staff was increased about supports available and increased managerial awareness to ensure unacceptable behavior was swiftly dealt with and staff appropriately supported.

Capital plan QR code

Staff continued to contribute to the MTHCS capital plan through whole of organisation survey. Previously known as the “wish list” the plan is available year-round to staff via QR code to contribute to with suggestions for equipment to improve consumer services and staff capacity.

RILEY



Workforce data

Hospitals Labour Category	June current month FTE		Average Monthly FTE	
	2021	2022	2021	2022
Nursing	37.13	39.72	39.80	39.54
Administration and Clerical	10.42	23.94	10.11	23.64
Medical Support	5.19	0	5.2	0
Hotel and Allied Services	32.61	34.71	33.46	34.79
Medical Officers	0	0	0	0
Hospital Medical Officers	0	0	0	0
Sessional Clinicians	0	0	0	0
Ancillary staff (Allied Health)	42.65	35.11	41.55	35.28

The FTE figures required in the table are those excluding over-time. These do not include contracted staff (eg agency nurses, fee-for-service visiting medical officers) who are not regarded as employees for this purpose. This data should be consistent with that provided in the Minimum Employee Data Set.

Definition of occupational violence

Occupational violence – any incident where an employee is abused, threatened or assaulted in circumstances arising out of, or in the course of their employment.

Incident – an event or circumstance that could have resulted in, or did result in, harm to an employee. Incidents of all severity rating must be included.

Code Grey reporting is not included, however, if an incident occurs during the course of a planned or unplanned Code Grey, the incident must be included.

Accepted Workcover claims – accepted Workcover claims that were lodged in 2021-22.

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.

Occupational violence statistics	2021-22
WorkCover accepted claims with an occupational violence cause per 100 FTE	0
Number of accepted WorkCover claims with lost time injury with an occupational violence cause per 1,000,000 hours worked.	0
Number of occupational violence incidents reported	10
Number of occupational violence incidents reported per 100 FTE	7.69
Percentage of occupational violence incidents resulting in a staff injury, illness or condition.	10

Occupational Health & Safety statistics	2021-22	2020-21	2019-20
The number of reported hazards/incidents for the year per 100 FTE	294	384.5	551.9
The number of "lost time" standard WorkCover claims for the year per 100 FTE	0.01	0.01	0
The average cost per WorkCover claim for the year ('000)	0.3	0.04	0

Achievements under Social Procurement Strategy

Mallee Track Health and Community Service has prioritized three Social Procurement Framework Objectives in the 2021-2022 financial year:

Opportunities for Victorians with disability, Opportunities for disadvantaged Victorians, and Sustainable Victorian social enterprises and Aboriginal business sectors.

During this Financial year MTHCS has engaged with five social benefit suppliers with a spend of \$4623.70 in total. MTHCS has engaged CrimCheck for obtaining police checks for staff and volunteers.

CrimCheck is an accredited provider of National Criminal History Checks with the Australian Criminal Intelligence Commission (ACIC).

The CrimCheck Ltd service is provided by a not-for-profit organisation to benefit other not-for-profits. Any surplus profits of the organisation are returned to the community.

Communicating with our workforce

The monthly staff newsletter was changed to fortnightly in response to strong staff buy-in and an increase in contributions and relevant staff, including the need for increased staff wellbeing messaging.

The newsletter is an important vehicle for staff recognition, as well as sharing information and increasing connection of employees working across the different campuses. add to people and culture.

MTHCS engaged Scope Australia to provide educational resources for one of our Kindergartens. Scope Australia is one of the largest not-for-profit disability service providers in Australia, supporting thousands of people with complex intellectual, physical and multiple disabilities.

MTHCS has also engaged MADEC as a training organization for professional development of Early Years staff.

Managers' meetings

Regular meetings of service area managers continued, often virtually, and was an important way for managers and staff to stay informed. add to people and culture.

MADEC is a successful not-for-profit and charitable organisation, with a proud 50-year history of providing relief to people experiencing poverty or distress throughout Sunraysia and the Mallee regions.

Capital Plan QR code

Staff continued to contribute to the MTHCS capital plan through whole of organisation survey. Previously known as the "wish list" the plan is available year-round to staff via QR code to contribute to with suggestions for equipment to improve consumer services and staff capacity.

Gender Equality Act 2020 Report

MTHCS adheres to the principles of the Gender Equality Act 2020. During the reporting period MTHCS progressed our gender audit and began longer term planning for compliance with the Act.

MTHCS has submitted our Gender Equality Action Plan (GEAP) 2021-2025. The plan lists key actions against seven workplace gender equality indicators set by the Commission. MTHCS will monitor its progress towards these key actions over the coming years and adhere to further reporting requirements set by the Commission.

Action	Deliverable	Strategic Direction/Objective	Outcomes
<p>Pandemic Response - COVID-19 - management and implementation</p>	<p>Oversee management of the COVID-19 pandemic plan response for MTHCS</p>	<p>COVID-19 pandemic response is in line with DHHS requirements and our own health service needs:</p> <ol style="list-style-type: none"> 1. Governance 2. Workforce 3. Risk management 4. Consumer partnerships 5. Clinical practice <p>Support statewide public sector health response</p> <p>Participate in sub-regional pandemic response</p>	<p>Ongoing - Systems, policies, procedures and approaches in responding to the COVID-19 pandemic have been developed and implemented.</p> <p>Maintenance of effort during the reporting period will be ongoing for the duration of the pandemic. This has included:</p> <ul style="list-style-type: none"> • Weekly Incident Control Group (ICG) meetings - to capture and implement constant rule changes and to adjust practice • Nurse-led immuniser clinics and mandatory vaccine public health orders • Response to local COVID-19 outbreaks under DoH guidance. <p>There will be ongoing adjustment of Service Plan and "usual business" to balance pandemic response and achieving the Strategic Plan. If appropriate, sole focus of the organisation will be on pandemic response to ensure community and health service safety.</p>
<p>Strategic Direction 1: Build Our Future.</p> <p>1. Develop and grow a diverse service delivery portfolio that provides cradle to grave services.</p> <p>2. Identify priority service gaps through a needs assessment and develop a service plan to address gaps.</p>	<p>1. Needs analysis to identify service gaps and priorities (growth areas) based on statistical data, community perspectives and service environment.</p> <p>2. Service planning will enable growth of existing services and development of new service lines (eg. increase medical care services, new disability services and home care services - depending on need identifier)</p>	<p>Engage external assistance to undertake with further work on the needs analysis - according to statistical data, community perspective and service environment</p> <p>Develop new service lines which meet service gaps and are a good fit for business.</p> <p>Development of Rural Outreach Worker role - focus on mental health</p> <p>Explore business opportunities with the embedding of the NDIS in residential care.</p>	<p>In progress</p> <p>Achieved and implemented. Rural Outreach Worker roles commenced with two staff based in Doyen and Sea Lake. Observing good client outcomes and need for the new service.</p> <p>In progress. Currently registered as a provider for one service type. Provide specific allied health and community services to NDIS participants that meet service demands and workforce capabilities as a non-registered provider</p>

Action	Deliverable	Strategic Direction/Objective	Outcome
<p>3. Develop models of care to enhance support for the mental health needs of the community.</p>	<p>New PHN commissioning models will enable an integrated approach to a stepped model of care for mental health that will provide opportunities to partner with mental health service providers to ensure a coordinated and supported approach that include local touch points, improve uptake of services and greater awareness of service availability</p>	<p>Explore and expand business opportunities in relation to CMBS billing for medical clinics and allied health</p> <p>Engage with the PHN and other appropriate service partners to identify stepped model of care appropriate to the catchment:</p> <ul style="list-style-type: none"> • Chronic disease • Mental health • Primary Health Care • Early Years OT. <p>Mental health - develop model of care within medical clinics utilising PHN GP incentive funding that meets the need of our community and workforces availability.</p> <p>Mental health - develop model of care with secondary colleges in the catchment to expand mental health service to the community.</p> <p>Primary Health Care</p> <p>Chronic disease - develop model of care that strengthens referral pathways into Allied Health programs. Develop education and health coaching programs that support self-management.</p> <p>Identify and implement models of care in primary health care that are suitable for the Mallee Track catchment. Continue to define AHAs scope of practice and delegation into aged care and wellbeing programs.</p>	<p>Complete and ongoing for allied health CMBS billing improvements in progress in medical clinics.</p> <p>Complete. Ongoing funding secured for podiatry to deliver and support chronic disease management.</p> <p>Complete. Contract with PHN terminated due to challenges recruiting the workforce required under the contract.</p> <p>In progress. Development of credentialled mental health nurse model in medical clinics.</p> <p>In progress. Model established. Recruitment efforts unsuccessful. Review model and decide on next steps. Secured mental health support in residential aged care - Sea Lake.</p> <p>Complete. Physio department providing Good Life with Osteoporosis Denmark (GLAD program) - arthritis pain self-management program. Successful implementation of telehealth exercise program - individual and group-based.</p> <p>In progress. AHA competencies further defined to support safer care</p>

Action	Deliverables	Strategic Direction/Objective/s	Outcome
		<p>Continue to define scope of practice for the organisation and staff within the models of care.</p> <p>Engage in partnering arrangements which enable uptake of services for the local community - place-based models of care. Potential partners include:</p> <ul style="list-style-type: none"> • Robinvale District Health Services • Sunraysia Community Health Service • Northern District Community Health • Mildura Base Hospital • Swan Hill District Health • Royal Flying Doctor Service • Loddon Mallee Health Network • East Wimmera Health Service • Rural North West Health. <p>Strengthen the delivery of medical services through recruitment and retention of an appropriate workforce in medical and primary health care.</p> <p>Identify opportunities to implement advanced and delegated scopes of practice to better meet the needs of the community.</p>	<p>In progress: Models of Care paper under development to help define innovative models of care and how we apply these at MTHCS.</p> <p>Ongoing: Formal partnerships in place with the Mallee Health Partnership - Mildura, Robinvale, Mallee Track and Swan Hill.</p> <p>Formal partnership in place with Northern Mallee Integrated Partnership - Mildura, Robinvale, Mallee Track. Key achievements include establishment of a sub-regional credentialing model, development of a shared MOU, a 12-month action plan identifying shared priorities and identifying opportunities for potential shared services.</p> <p>MTHCS is a signatory to the Loddon Mallee Health Network.</p> <p>RFDS Better Ageing project and Mobile Dental Van</p> <p>Formal partnerships with Ouyen, Murrayville and Mangatang P-12 colleges to develop and implement a mental health partnership model.</p> <p>MTHCS is a host site for Head to Health service (Sunraysia Community Health) on site in Ouyen on a weekly basis.</p> <p>Complete: Secured a regular bank of part-time locum GPs identified and secured to support delivery of medical services across the catchment.</p> <p>Reviewed the current available GP workforce to plan for sector preferences and restructuring available locum GP workforce.</p> <p>Successfully tested and implemented a Nurse Practitioner model to support medical services delivery.</p> <p>In progress: Participated in the Advancing Paramedicine Roles Implementation Project pilot - evaluation pending.</p>

Action	Deliverable	Strategic Direction/Objective	Uniforms
		<p>Commence implementation of Montessori in Aged Care across bed-based and community services.</p> <p>Explore option of implementation of Montessori in early years services.</p> <p>Identify opportunities for intergenerational programs across aged care and early years.</p> <p>Participate in Dementia Readiness Project as part of our work with the Loddon Mallee Health Network.</p> <p>Continue to implement school readiness funding to improve outcomes in Early Childhood Education and Care. Implement 3-year-old kindergarten rollout.</p> <p>Early Years - work with RFDs on developing mixed billing for Speech Therapy and other areas of need i.e. OT and social work.</p> <p>Develop strategy to fully utilise Basic Daily fee supplement (food & nutrition supplement) in aged care (eg. Kitchen garden, engagement of Maggie Beer Foundation, introduction of ChefMax).</p> <p>Implement Regional Community Platform - web-based community service client database and medical record. All health services in Loddon Mallee will use this platform.</p>	<p>In progress: Readiness for change assessment completed. Next steps for implementation identified.</p> <p>In progress: initial discussion commenced with staff in Early Years around introducing model of practice.</p> <p>Complete: Intergenerational music program commenced at RAFCs in Ouyen and Sea Lake. Ongoing delivery in line with COVID-19 restrictions.</p> <p>Complete: First stage of assessment complete.</p> <p>Complete: School Readiness Funding plans submitted and acquitted in line with Department of Education requirements. Offered 15 hours of 3-year-old Kinder in Sea Lake. Offered 5 hours of 3-year-old Kinder at Ouyen, Underbool, Murrayville and Manangatang as integrated 3 and 4-year-old programs.</p> <p>In progress: Contract extended for further 12 months. AHA delegations to do 11 sessions increasing as the model matures.</p> <p>In progress: Implementation of the ChefMax - electronic meal ordering system.</p> <p>Achieved: Implementation of meals: review and associated improvements.</p> <p>In progress: Regional Community Platform at User Acceptance Training stage. Further action plan for implementation in place.</p>

Action	Deliverable	Strategic Direction/Objective	Outcomes
<p>Strategic Direction 2. Engage our community.</p> <p>1. Build community engagement through strong community and volunteer networks.</p> <p>2. Prepare and implement a health literacy strategy for community members.</p>	<p>1 Volunteer networks strengthened through engagement of micro-volunteering.</p> <p>2. New community members engaged in local activities that improve wellbeing and access to other MTHCS services.</p> <p>3. Increased health literacy in the community.</p>	<p>Celebrate the work of volunteers at regular intervals throughout the year.</p> <p>Support volunteer workforce within the catchment to re-engage in safe COVID-19 normal activities</p> <p>Participate in the Loddon Mallee Health Network region-wide volunteer strategy.</p> <p>Define flexible micro-volunteering roles in the organisation that add value to the business and improve satisfaction levels of volunteers.</p> <p>Define scope of practice for volunteers within the organisation</p> <p>Undertake at least three community events with a focus on improving health literacy on topics relevant to the catchment.</p> <p>Host training and information sessions (own and with other service partners of interest) for staff and community which will improve the health literacy of our population.</p> <p>Expand social media profile as a platform to engage and inform the community on topics of health literacy and early childhood development.</p>	<p>Complete: COVID-19 safe volunteer appreciation events held in Duyen and Sea Lake.</p> <p>In progress: Volunteers are re-engaging in service delivery - aged care, delivered meals and transport. Transport Volunteers completing First Aid Certificate Courses in line with funding requirements. This commitment from our volunteers has enabled the transport program to continue to be provided.</p> <p>In progress: Volunteer Coordinator attending regular regional meetings</p> <p>In progress: Development of Aged Care volunteers into 1) support - Partners in Care.</p> <p>In progress: Commenced delimiting the scope of practice for volunteers. Currently in trials.</p> <p>Complete: Supported Mallee Track Road Trauma Prevention Forum. Provided opportunity for community to be involved in mental health first aid education, delivered Deputante Ball in Duyen. Neighbourhood Houses across the catchment continue to provide opportunities for community to be involved in events.</p> <p>Complete: Training offered for staff in mental health first aid, Child Safety education sessions, commenced introduction of Montessori model of care and training.</p> <p>In progress: Included in MTHCS communications plan, under development. Health promotion calendar in place.</p>

Action	Deliverable	Strategic Director/Objective	Outcome
		<p>Undertake at least one community education session on Aged Care - costs and preparation for entry to residential aged care</p> <p>Support the work of the respective auxiliaries and volunteer groups of the MTHCS who fund raise to support program areas:</p> <ul style="list-style-type: none"> ▪ Dwyca Farmers Festival ▪ Sea Lake Ladies' Auxiliary ▪ Respective Kindergarten Parent Advisory Groups 	<p>On hold. Due to COVID-19.</p> <p>Complete: Supported Sea Lake Ladies' Auxiliary Op Shop to operate in COVID-19 safe way. Auxiliary has supported the purchase of digital weather station, two tub chairs for the nursing home, podiatry magnifier lamp, furniture for Unit 4, 33-43 McClelland Avenue, Sea Lake (workforce accommodation), wheelchair weigh scales and a birdbath. Kindergarten Parent Advisory committee supported to purchase equipment and resources to support early childhood education and care.</p> <p>Complete: MTHCS Foundation launched in April 2022. Next steps: Expand the entity and its work to support MTHCS.</p>
<p>Strategic Direction 3: Pursue Organisational Excellence.</p> <p>1. Strengthen governance and financial arrangements of the organisation.</p> <p>2. Develop and articulate Clinical Governance models that ensure accountability.</p> <p>3. Upskill management and board members through professional development activities.</p>	<p>1. Review and streamline organisational policies and procedures.</p> <p>2. Prepare a capital master plan for all refurbishment of existing assets</p> <p>b) New build requirements and feasibility.</p>	<p>Expand the role of the MTHCS Foundation to harness community goodwill and funding on projects of a priority and shared interest. To include supporting the Kindergarten Parent Advisory Groups to become unincorporated.</p> <p>Engage external assistance (Rosie McMahon, Organisational Psychologist), to identify organisational structure and plan to deliver outcomes against the strategic directions. Specific focus on workforce strategy - recruitment, retention and training.</p> <p>Ensure sound financial management of the health service.</p> <p>Implement findings of fabric survey of all capital assets (including residential accommodation) of the health service</p> <p>Identify 10-year plan for maintenance of current capital.</p>	<p>Complete: Work to organisational psychologist complete. Report received - move to implement findings.</p> <p>Complete: Strong financial position delivered.</p> <p>In progress: 3-year plan of action to address items on the fabric surveys in place. First Year complete.</p> <p>In progress: Action plan from fabric surveys in place. Draft service plan for MTHCS under Board consideration for future capital master planning.</p>

Action	Deliverable	Strategic Direction/Objective	Outcome
	<p>3. Meet and exceed clinical accreditation standards.</p> <p>4. Undertake and implement a Clinical Governance Review.</p> <p>5. Undertake and implement Board evaluation and professional development.</p>	<p>Commence and document a 15-year capital masterplan for bed-based and community services.</p> <p>Implement a capital plan to consider residential accommodation to support workforce requirements.</p> <p>Finalise capital build for Early Years centre at Sea Lake - Tyrrell College.</p> <p>Assist capital planning for future location and planning of Manangatang Preschool.</p> <p>Engage with Murrayville community to confirm ongoing ownership arrangements of capital assets where Mallee Track operates these services, but these assets are still owned by a separate governing entity.</p> <p>Implementation of Aged Care Standards across bed-based and community services.</p> <p>Achieve tri-ennial accreditation for ISO and NSQHS.</p> <p>Maintain effort with National Quality Standards for all Early Childhood Education and Care services.</p> <p>Implement DET EYM Improvement Framework to improve outcomes for children by delivering high quality accessible early childhood education and care services.</p> <p>Conduct board evaluation through GovernWith.</p> <p>Support Board members to attend training and development relevant to their role and the business of the health service.</p>	<p>In progress: Draft service plan for MTHCS under Board consideration for future master planning.</p> <p>In progress: Three residential properties renovated including landscaping and beautification.</p> <p>In progress: Build in the final stages - awaiting completion of defects and certificate of occupancy. Next steps - to include landscaping larger outdoor play space. Involved in community consultation and sharing learnings from Sea Lake build.</p> <p>In progress: First steps paper prepared by Swan Hill Rural City Council in consultation with the community and MTHCS.</p> <p>Not yet commenced.</p> <p>In progress: Self-assessment complete. Quality improvement plan in place. Commenced implementing an organisational philosophy of care at MTHCS - Montessori.</p> <p>Achieved Re-certification achieved.</p> <p>Complete: All early childhood services governed by the National Quality Standards have maintained their certification.</p> <p>In progress: 18-month planning cycle to commence July 2022.</p> <p>Complete: Action plan to address key findings in place.</p> <p>In progress: Board members supported to attend training relevant to their needs.</p>

Action	Deliverables	Strategic Direction/Objective	Outcome
		Commission independent reviews of programs or service areas of the health service as needed	<p>Complete: Review of Fattinson House complete and findings reported to staff.</p> <p>Reviewed providing child care during January period where we have traditionally not provided this services over this period.</p> <p>In progress: Plan for further service reviews</p>
<p>Strategic Direction 4. Develop our workforce.</p> <p>1. Maintain and enhance a "grown your own" approach to workforce recruitment and retention.</p> <p>2. Engage staff in professional development to enhance confidence and capability of the existing workforce.</p>	<p>1. Develop and implement a workforce plan to:</p> <ul style="list-style-type: none"> a) Increase clinical capability of staff (upskilling). b) Increase number of local staff/services provided. <p>2. Greater transparency of career pathways and education/training opportunities.</p> <p>3. Increased number of traineeships available.</p> <p>4. Increased sustainability of the local workforce</p>	<p>Identify strategic priorities for the People and Culture team to implement across the organisation.</p> <p>Identify and, where appropriate, implement expanded shared services arrangements with other neighbouring or regional health services.</p> <p>Establish shared service with MBPH - Mallee Integrated Partnership role.</p> <p>As part of clinical governance review, identify training and developmental plan for medical and nursing to increase clinical confidence and competence</p> <p>Complete Allied Health Clinical Supervision Framework Self-assessment to support implementation of clinical supervision for allied health staff</p> <p>Continue involvement in Rural Urgent Care Nursing Capability Development Program.</p> <p>Implement all required systems and processes to enable application of RUPERN nurses and nurse practitioners at MTHCS.</p> <p>Ensure every staff member has an annual review which details their individual training plan</p> <p>Offer traineeships and education upskilling in programs and service areas of the organisation where there are significant workforce pressures.</p>	<p>Complete: Strategic priorities identified.</p> <p>Complete: Loddon Mallee Rural Health Alliance future opportunities under development</p> <p>Complete: Shared service (executive support) in place with Mildura Base Public Hospital.</p> <p>In progress: Exploring options of international recruitment to reduce clinical and allied health professionals workforce deficit. Self-assessment against the framework completed and action plan in place</p> <p>In progress: Nurses enrolled in Rural Urgent Care Network program</p> <p>Complete: Credentialing for Nurse Practitioners process identified. Further work for RUPERN nurses to be completed</p> <p>In progress: Compliance rate impacted by COVID-19</p> <p>Complete: Traineeships offered in Early Years, nursing and administration.</p>

Action	Deliverable	Strategic Direction/Objective	Outcome
	<p>5. Annual participation in the Victorian Public Sector Commission "People Matter Survey" to inform MTHCS of staff engagement and job satisfaction.</p>	<p>Offer nursing scholarships to support progression from Division 2 to Division 1 nursing</p> <p>Promote the uptake of the People Matters Survey for 2022.</p> <p>Implement action plan in response to People Matters Survey 2021.</p> <p>Identify strategy with Managers Group to ensure staff feel valued - Joy at Work.</p> <p>Implement Speaking up for Safety.</p> <p>Continue one-on-one mentoring for managers.</p> <p>Develop succession planning framework.</p> <p>Develop a strategy for emerging leaders at MTHCS - Identification and training</p> <p>Implement SAP in payroll.</p> <p>Implement KRONOS upgrade in payroll.</p> <p>Commence transition planning for working bank accounts to the Centralised Banking system.</p> <p>Explore options to re-introduce Oracle</p>	<p>Complete Scholarships offered - two staff supported.</p> <p>In progress: People Matters Survey for 2022 underway.</p> <p>Achieved: Action plan put in place and delivered</p> <p>Achieved: Four "Joy at Work" activities undertaken at MTHCS. Staff invited to contribute to capital plan through whole of organisation survey. Implemented Healthcare Worker Wellbeing project as funded by DeH.</p> <p>In progress: Trainer certified. Program delayed due to certified trainer being unavailable for an 8-month period.</p> <p>Achieved: All managers offered ongoing one-on-one coaching and mentoring through HR on Track.</p> <p>Delayed due to COVID-19.</p> <p>In progress: Emerging Leaders training delivered. Further work to develop policies and framework on succession planning underway.</p> <p>Achieved: Led by People and Culture.</p> <p>Achieved: Led by People and Culture.</p> <p>In progress: Preferred banking provider identified.</p> <p>On hold: Awaiting completion of transition to Centralised Banking System.</p>

Action	Deliverable	Strategic Direction/Objective	Outcome
<p>Strategic direction 5. Strengthen our relationships.</p> <ul style="list-style-type: none"> • Initiate and expand innovative models of care to deliver quality services. • Develop and maintain a communications strategy to engage with staff, critical friends, funders and community regarding MTHCS services and programs. 	<ul style="list-style-type: none"> • Enhancement or expansion of: <ul style="list-style-type: none"> ◦ Nurse-led models of care: ◦ Nurse practitioners: ◦ Nurse-supported telehealth with specialists; ◦ Allied Health Assistants for acute, community and aged care 2. Formal partnerships with critical friends and a common goal/agenda set. 3. Communications strategy to maintain and strengthen partnerships. 4. Communication strategy for staff to create a unified MTHCS sites. 5. Communication strategy for community member to allow easier navigation of MTHCS services and broader health services in the region. 	<p>Participate in the Loddon Mallee Shared Services regional telehealth strategy.</p> <p>Participate and contribute to the Mallee Health Partnership with RDHS and MBPH</p> <p>Identify opportunities to expand services which can be delivered by telehealth opportunities.</p> <p>Identify opportunities where the workforce can be harnessed and trained under delegated or advanced scope of practice roles. Opportunities to be explored including:</p> <ul style="list-style-type: none"> • Paramedicine • District Nursing • RIPERN • Allied Health • Mental Health Nursing • Other opportunities as they arise <p>Expand the application of My Emergency Dr to support after hours and on-call arrangements for urgent care centres and residential aged care facilities</p>	<p>In progress.</p> <p>Ongoing. Key achievements include the introduction for capacity building training for managers and accredited trainer for Speaking up for Safety. Actively involved in Regional Mental Health Model review and development. Established sub-regional credentialing model for medical services with MBPH and RDHS.</p> <p>Ongoing. New services introduced have included: Bendigo Health Genl Connect telehealth consultations available for community and residential aged care.</p> <p>In progress: In evaluation stage for the Advancing Paramedicine Role Implementation Project. Nurse Practitioner model employed for eight months in medical clinic -- well received by the community. Nurse-led COVID-19 immunisation clinics undertaken during the reporting period. Two AHA trainees working towards Certificate 4 in Allied Health Assistance. Two AHAs trained in Basic Foot Care to support podiatry wait list management for non-urgent podiatry needs clients. Plan underway for development of Mental Health Nurse in GP clinics to be delivered in next reporting period.</p> <p>Ongoing: My Emergency Dr available at UCC in Sea Lake and Duyen. Expanding this model to residential aged care at Sea Lake and Duyen.</p>

Action	Deliverable	Strategic Direction/Objective	Outcome
		<p>Continue to develop relationships with visiting services providing allied health services.</p> <p>Work with NewsletterR to develop and implement a communications plan for 2022.</p> <ul style="list-style-type: none"> ▪ Regular press releases on items of interest that link with the strategic plan ▪ Regular advertorials/space in the local paper "what's on" ▪ Staff newsletter ▪ Cultural review ▪ Change management and implementation of delivery against the strategic plan ▪ Specific engagement of Sea Lake staff and community to continue to reassure their place in the broader entity ▪ Delivery of health literacy strategy ▪ Community education on MTHCS core business ▪ Change management as state and commonwealth governments implement policy improvements (Aged Care Royal Commission, NDIS, Mental Health Royal Commission). <p>Progress rebrand of MTHCS.</p>	<p>Ongoing. Key relationships with RCHS in place and visiting allied health services. Includes dietetics and speech pathology. Credentialling process strengthened internally to ensure safe clinical services.</p> <p>Ongoing. Communications Strategy identified and in place. In process of delivery. Continue to deliver weekly advertorials in local print media and regular editions of staff newsletters.</p> <p>In progress. In final stages - signage at Ujorbool and Murrayville campus to be finalised.</p>

Primary Health & Community Services

MTHCS delivers a large portfolio of allied health and community services from district nursing and allied health to management of early childhood education and care and Neighbourhood Houses. MTHCS Community Services are available to all members of the community.

Some are on a fee-for-service basis and others are partially subsidised. Funding includes:

- MPS funding
- Commonwealth Home Support Program
- Home and Community Care Program for Young People (HACCPYP)
- Primary Health Care Network (PHN)
- Commonwealth Medicare Benefits Scheme
- Department of Veterans Affairs
- NDIS participants
- Aged Care Packages including Flexible Home Care Packages for Sea Lake and district.

Primary health and community services include:

- Occupational Therapy
- District nursing
- Physiotherapy
- Podiatry
- Hydrotherapy
- Social Support individualised programs
- Meet and Eat Social Support Groups and Planned Activity Groups (PAG)
- Exercise programs (tai chi) (Falls prevention program)
- Delivered meals
- Carer support groups
- Dementia-friendly community awareness and education
- Speech therapy (partnership with RDHS and RFDS)
- Community transport
- Community Health Promotion Events (RUOK etc)
- Neighbourhood Houses
- Ouyen, Sea Lake and Murrayville Auxiliaries and Volunteers
- Ouyen Farmers Festival.
- Free dietetics service at Sea Lake, as part of Buloke Group Heart Health Campaign.



OUYEN & SEA LAKE

4740

DELIVERED MEALS



OUYEN & SEA LAKE

1382

trips

VOLUNTEER TRANSPORT



OUYEN & SEA LAKE

121

REGISTERED VOLUNTEERS



140

CHILDREN IN CHILD CARE

Primary Health and Community Services...ctd

MPS Primary Health Care activity		
Service	2020-21 Actual Services	2021-22 services
District Nursing*	2118 hours	1729 hours 7065 occasions 543 clients
Podiatry* including Foot Care Clinics	816 hours	949 hours 1552 occasions
Occupational Therapy*	681 hours	78 hours 110 hours
Physiotherapy (including Hydrotherapy)	465 hours	437 hours 882 occasions
Exercise groups*	887 hours	1001 hours 1032 occasions
Community Social Support*	21223 hours	5450 hours
Volunteer Transport*	1118 trips	1382 trips
Delivered Meals*	6304 meals	4740 meals
Speech Therapy* in partnership with RDHS	265 sessions	436 occasions
Carer support*	46 hours	106 hours
Rural Outreach Worker		130 hours 246 occasions of service
Registered volunteers	140	121
Early Years Services		
Kindergartens	53	67
Child care	94	140

MPS Acute Care activity		
Service - Ouyen	Type of activity	Annual activity 2021-22
Medical inpatients	Bed days	17
Urgent Care	Presentations	603
District Nursing	Visits	1900

Service - Sea Lake	Type of activity	Annual activity 2021-22
Medical inpatients	Bed days	0
Urgent Care	Presentations	126
District Nursing	Visits	356

*District Nursing Occasions of Service not available for extraction/breakdown at Ouyen and Sea Lake. Data provided is for District Nursing visits in Ouyen and Sea Lake.

Primary Health and Community Services...ctd

Auxiliaries

MTHCS is fortunate to have two auxiliaries - at Ouyen and Sea Lake.

These auxiliaries are made up of generous volunteers who have given up their time over many years to raise funds for equipment and resources.

All money raised goes to local facilities and often includes landscaping, improvements, as well as funding beds and equipment.

The Sea Lake Ladies Auxiliary also operates the Opportunity Shop in Sea Lake.

Foundation

The Foundation of Mallee Track is a registered charity, established to raise funds for Mallee Track Health and Community Service (MTHCS).

The Foundation is a separate entity to MTHCS and is managed by a board of seven local directors, who have a proud history of supporting health services in our communities over many years.

Together, the directors use their professional expertise and local networks to ensure all money raised goes directly to what our communities need most. MTHCS has engaged CrimCheck for obtaining police checks for staff and volunteers.

The Directors are:

Howard Crothers, Greg Vallance, Keith Erhardt, Terry Elliott, Philip Down, Leanne Boyd and Mark Wilson.

The Foundation's first priority is to raise money to purchase two patient transport and critical care defibrillator machines – one each for the Urgent Care Centres in Sea Lake and Ouyen.

In addition to this, the Foundation is also raising money for a Workforce Scholarship program that will operate over the next five years.

This program will help MTHCS staff members access important training and education to improve skills and knowledge.

The Foundation's future funding priorities will remain flexible and will reflect the needs of the health service.

People can support the Foundation of Mallee Track by:

- Running a fundraising event/activity.
- Supporting a fundraising event/activity by purchasing tickets or making a donation.
- Donating directly to the Foundation.
- Remembering the Foundation in their will.



Aged Care Services

MTHCS has residential aged care facilities in Ouyen and Sea Lake, as well as many services to help eligible residents assessed through My Aged Care access support to remain living independently at home.

Community-based services include:

- Meals on Wheels
- Community Transport Program
- District Nursing
- Social and Carer support groups
- Social and Carer support groups
- Flexible Home-Based Aged Care (Sea Lake only)
- Continence support
- Podiatry
- Occupational Therapy
- Exercise and fitness groups
- Dietetics.

These programs are delivered in a range of ways in Ouyen and Sea Lake and to outreach areas including Patchewollock, Underbool, Murrayville and Sea Lake districts. MTHCS receives funding from a number of Government sources to provide help at-home services. Each service has a different cost and discounted rate for eligible consumers. We provide a detailed Community Services Fees Policy for the latest costs.

To access services, consumers must be assessed as eligible by My Aged Care. Once assessed, we work with residents to tailor support programs.

Short-term respite

Residential respite, including in-patient respite, is short-term care arranged at our residential aged care facilities for a planned period of time on an emergency basis. Respite care offers the resident a period of rest, care and support to increase their capacity to return home and continue living as independently as possible. For those with a carer, it allows the community member and their carer to take a break while still ensuring care needs are met.



Aged Care Services ctd

MPS utilisation of flexible aged care places

Campus - Ouyen	Number	Occupancy level %
Flexible high care	29	80.5%
Flexible low care	27	44.5%
Respite	2	136%
Total	58	

Campus - Sea Lake	Number	Occupancy level %
Flexible high care	19	66%
Flexible low care	6	52%
Respite	2	57.5%
Flexible home care	5	35%
Total	32	



Aged Care Services ctd

Short-term respite

Residential respite, including in-patient respite, is short-term care arranged at our residential aged care facilities for a planned period of time on an emergency basis.

Respite care offers the resident a period of rest, care and support to increase their capacity to return home and continue living as independently as possible. For those with a carer, it allows the community member and their carer to take a break while still ensuring care needs are met.

Residential aged care

Residential aged care is provided at Pattinson House and TD Canon Martin Nursing Home at Ouyen, and Kaleesa Nursing Home and Carinya Hostel in Sea Lake. Flexible Home Care Packages are also available for eligible aged care residents in the Sea Lake and district.

Highlights:

- Advancing Paramedicine Roles Implementation Project (APRIP): MTHCS was one of only two health services across the state to be selected in a pilot project to explore the use of paramedicine in primary care and aged care. This pilot was extremely successful. We will continue to advocate its benefits with the hope of securing an ongoing financial commitment from the state or commonwealth for the use of paramedicine in areas where the medical workforce has failed. We thank Ambulance Victoria for their partnership work with us to progress and explore the potential of this model for the future. Evaluation is pending.
- Montessori in aged care: Staff training began and the roll-out of this model across our residential aged care facilities is underway. While already in the pipeline (delayed by pandemic restrictions), it proved to be a more organic transition than planned with staff already well-versed in implementing purposeful and meaningful activities for individual residents' needs as part of managing their wellbeing during lock-downs.

Meals review

Numerous improvements and refinements continued in the reporting period as a result of the MTHCS Meals Review and surveying/consulting residents and consumers of Delivered Meals.

Improvements included purchasing food moulds to improve visual appeal of pureed foods for clients with special dietary requirements. It was made clear to us that presentation and visual appeal was of equal importance to many consumers as taste and quality. We now offer more diverse snack options throughout the day including fresh fruit, pure juices and milk shakes and iced coffee.

Kitchen gardens

Capital funding received to set up a kitchen garden (garden to plate) at residential aged care facilities. Anticipated benefits include increasing resident connections with each other and their friends and families, improved nutrition and encouraging residents to be more active. Develop sustainability plan for the gardens including chef apprenticeship opportunities.

Social support

MTHCS employs Leisure and Lifestyle staff to coordinate social support groups throughout the catchment. These groups provide important social connections for many residents who can be socially and geographically isolated in their small, rural towns. We have been pleased to be able to gradually resume these groups in the reporting period.

Community transport

We rely on volunteer drivers to deliver Community Transport services in Ouyen, Murrayville, Underbool and Sea Lake. Transport includes a shopping bus as well as individual car-trips to take eligible residents to appointments. Volunteer drivers receive induction including basic First Aid Training and use fleet vehicles. We extend our grateful thanks to our generous volunteer drivers.

Carer support

Carer support services were greatly impacted by the pandemic restrictions and this was a major concern for MTHCS. In response to having to pause support groups and some face-to-face support visits, we stepped up phone contact and wellbeing checks with carers.

Communication improvements for residents and families

Improved communication methods for keeping in contact with families about pandemic restrictions affecting aged care residents. We also accessed ipads for facilities so that staff could support residents and their families to have videochats during restrictions. We also facilitated "window visits". These improvements directly resulted from families' feedback about ways to stay in touch with and check on their loved ones.

Early Years Services

MTHCS receives funding from Commonwealth and State Departments of Education and Training for early education and care programs. Commonwealth Child Care Subsidy and Community Child Care funding supports MTHCS to provide a childcare in four locations, Ouyen, Sea Lake, Underbool and Murrayville.

State Department of Education and Training provides block funding and Early Years Management funding to support five sessional kindergartens programs in Ouyen, Sea Lake, Underbool Murrayville and Manangatang. All kinder services achieved Victorian Government Kinder Tick accreditation.

We were also active promoting the roll-out of three-year-old kinder in the catchment's three local government areas.

Highlights during the reporting period:

- Smiles for Miles
- Kinder Tick accredited
- Initial discussions with staff in Early Years around introducing Montessori model of practice commenced.
- Intergenerational music program commenced at RACF's in Ouyen and Sea Lake. Ongoing delivery in line with COVID restrictions.
- School Readiness Funding plans submitted and acquitted in line with Department of Education requirements. Offered 15 hours of 3 year old kinder in Sea Lake.
- Offered 5 hours of 3 years old kinder at Ouyen, Underbool, Murrayville and Manangatang as integrated 3 and 4 year old programs.
- Finalise capital build for Early Years centre at Sea Lake – Tyrrell College. The build is in the final stages – awaiting completion of defects and certificate of occupancy. Next steps to including landscaping larger outdoor plan space. Involved in community consultation and sharing learnings from Sea Lake build.
- All Early childhood services governed by the National Quality Standards have maintained their certification.



Clinical Services

MTHCS provides acute, urgent care, nursing home and hostel care to the people of the Mallee Track communities in both Ouyen and Sea Lake.

The health service provides management of both Ouyen and Sea Lake clinics as part of planning to ensure the stability of local medical clinics.

Access to GPs and mental health services are a priority for community members (based on the Strategic Plan community survey). Best practice clinical care is provided to acute and urgent care patients by appropriately skilled and qualified staff.

Our medical services model operates with visiting locum GPs on a regular roster basis and a Nurse Practitioner to provide continual coverage for the region. Patients requiring complex care are referred to a higher-level service (i.e., Mildura Base Public Hospital, Swan Hill District Health or Bendigo Health).

The strategy was developed from input and feedback from staff across all health services in the region. The provision of quality health care via telehealth requires changes to traditional models of care and infrastructure to support these models.

Urgent care

MTHCS has 24-hour Urgent Care Centres at Sea Lake and Ouyen. Registered nurses are available at all times, as well as triage for the on-call GP. A Telehealth model to support our Urgent Care Centre is also in place with My Emergency Doctor.

Telehealth

Locum doctors and Telehealth have become the new normal as the nationwide shortage of rural doctors and nurses shows no sign of easing. This year, we were excited to be part of the announcement of the Loddon Mallee Health Network Telehealth Strategy.

The strategy was developed from input and feedback from staff across all health services in the region. The provision of quality health care via telehealth requires changes to traditional models of care and infrastructure to support these models. As part of the strategic planning process, LMHN health services received approximately \$400,000 of equipment.

A Virtual Care Toolbox was also developed to build workforce capacity and a Virtual Care Office is being established to further support this. Development of a telehealth model for the Mallee Track catchment has been several years in the making as we seek to reduce the impact of GP and medical workforce shortages that are directly impacting some areas of primary health care.



OUYEN & SEA LAKE

723

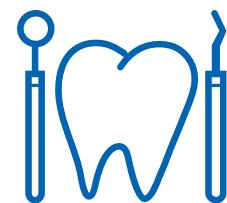
URGENT CARE
PRESENTATIONS



DISTRICT NURSING

543

VISITS



DENTAL SERVICES

767

CLIENTS

Clinical Services...ctd

Nurse Practitioner (NP) – Underbool and Murrayville

MTHCS provides a host environment for NP Di Thornton, from mobile health service Mallee Border Health. The District Nursing program also supports these communities. Mallee Border Health also coordinates regular visits by GPs and other allied health professionals.

Rural Women's Wellbeing Clinic

MTHCS has a partnership with the Royal Flying Doctor Service to operate the Rural Women's GP Program in Ouyen. Dr Jane Russell is an accredited shared care doctor with the Royal Women's Hospital and has worked with the RFDS for the past 19 years.

Diabetes Management and Chronic Disease management

MTHCS hosts a visiting Diabetes educator to support and assist clients with diabetes and has a partnership with Sunraysia Community Health Services to provide continence clinics. These are important components of our chronic disease management model of care.

Dental Services

A public dental service provided by Tankard Dental is available from the MTHCS campus in Ouyen, while other communities are provided with a mobile dental service by the Royal Flying Doctor Service.

Services were interrupted during the year due to lock-downs and pandemic restrictions with the RFDS unable to attend scheduled visits to outreach towns in March due to workforce shortages. The service expects visits to resume in the coming year and considers this an urgent priority.

Dental service	2020-21	2021-22
Priority access clients	19.2%	20.9%
Aboriginal and Torres Strait Islander	32	38
Child or young person in residential care	1	2
Mental health client	1	2
Intellectual disability client	14	11
Youth justice in custodial care	0	0

Dental service Individuals treated	2019-20	2020-21	2021-22
Child	141	132	139
Adult	596	645	628
Total	737	777	767



Disclosures required under legislation

Consultancies information FRD 11(e)

Details of consultancies (under \$10,000)

In 2021-2022, there were no consultancies where the total fees payable to the consultants were less than \$10,000.

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

In 2021-2022, there were <insert five consultancies where the total fees payable to the consultants were \$10,000 or greater.

Consultant	Purpose of consultancy	Start date	End date	Total approved project fee (excluding GST)	Expenditure 2021-22 (excluding GST)	Future expenditure
AFS & Associates Pty Ltd	Internal audits completed for 2021/22	July 2021	June 2022	\$30,100.00	\$30,100	\$30,100
Peter Wallis Consulting	Support with CEO Review, Foundation support, review and advice.	Oct 2021	April 2022	\$12,254.55	\$12,254.55	\$0
People Tactics	Organisational design audit.	May 2022	May 2022	\$24,000.00	\$24,000.00	\$0
Lesia Paslawasky and Associates	Integrative Leadership Coaching and Consultation, service planning	Sept 2021	April 2022	\$25,000.00	\$25,000.00	\$0
Warringtonfire Australia Pty Ltd	Fire Safety Audits Ouyen and Sea Lake	July 2021	Nov 2021	\$23,910.00	\$23,910.00	\$0

Information and Communication Technology (ICT) Expenditure 22H 5.17

Business As Usual (BAU) ICT expenditure	Non-Business As Usual (non-BAU) ICT expenditure		
Total (excluding GST)	Total = Operating Expenditure & Capital Expenditure (excluding GST) (a)+(b)	Operational expenditure (excluding GST) (a)	Capital expenditure (including GST) (b)
\$723,269.83	\$44,662.20	\$26,852.20	\$17,810.00

Environmental performance

Greenhouse Gas Emissions

Total greenhouse gas emissions (tonnes CO2e)	2019-20	2020-21	2021-22
Scope 1	114.1893	108.2758	111.0191
Scope 2	901.009	692.611	576.2757
Total	1,015	801	687

Normalised greenhouse gas emissions	2019-20	2020-21	2021-22
Emissions per unit of floor space (kgCO2e/m2)	89.16981116	70.345788	60.3684497
Emissions per unit of Separations (kgCO2e/OBD)	112799.8111	200221.7	229098.267
Emissions per unit of bed-day (LOS+Aged Care OBD) (kgCO2e/OBD)	51.35564043	39.264931	33.8202342

Stationary energy

Total stationary energy purchased by energy type (GJ)	2019-20	2020-21	2021-22
Electricity	3180.0341	2544.285	2279.7715
Liquefied Petroleum Gas	1884.3109	1786.7334	1831.999
Total	5,064	4,331	4,112

Normalised stationary energy consumption	2019-20	2020-21	2021-22
Energy per unit of floor space (GJ/m2)	0.444826087	0.3804144	0.36115683
Energy per unit of Separation (GJ/Separations)	562.705	1082.7546	1370.59017
Energy per unit of bed-day (LOS+Aged Care OBD)	0.256189043	0.212336	0.202331

Embedded generation

Total embedded stationary energy generated by energy type (GJ)	2019-20	2020-21	2021-22
Solar power	N/A	602.3131	482.9329
Total	N/A	602	483

Normalised embedded generation	2019-20	2020-21	2021-22
Embedded generation per unit of floor space (GJ/m2)	N/A	0.0529041	0.04241835
Embedded generation per unit of Separations	N/A	150.57828	160.977633
Embedded generation per unit of bed-day (LOS+Aged Care OBD) (GJ/OBD)	N/A	0.0295295	0.02376404

Environmental performance

Water

Total water consumption by type (kL)	2019-20	2020-21	2021-22
Potable water	20599.2076	19157.403	23708.7594
Total	20,599	19,157	23,709

Normalised water consumption (Potable + Class A)	2019-20	2020-21	2021-22
Water per unit of floor space (kL/m ²)	1.809328731	1.682688	2.08245581
Water per unit of Separations (kL/Separations)	2288.800844	4789.3505	7902.9198
Water per unit of bed-day (LOS+Aged Care OBD) (kL/OBD)	1.042048138	0.9392265	1.16665483

Waste and recycling

Waste	2019-20	2020-21	2021-22
Total waste generated (kg clinical waste+kg general waste+kg recycling waste)	383.4	431.8	325
Total waste to landfill generated (kg clinical waste+kg general waste)	383.4	431.8	325
Total waste to landfill per patient treated (kg clinical waste+kg general waste)/PPT)	0.019386156	0.0211656	0.01599016

Normalisers (for information only)	2019-20	2020-21	2021-22
Area M2	11385	11385	11385
Aged Care OBD	19750	20392	20309
ED Departures	0	0	0
FTE	129	137	N/A
LOS	18	5	13
OBD	19768	20397	20322
PPT	19777	20401	20325
Separations	9	4	3

Environmental performance - General notes

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

Car parking

MTHCS provides free public car parking.

Local Jobs First Act 2003

MTHCS adheres to the principles of the Local Jobs Act 2003. During the reporting period, there were no contracts requiring disclosure under the Act.

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;



Disclosures required under legislation... ctd

Freedom of Information Act 1982

Freedom of Information Requests can be made by contacting the MTHCS Freedom of Information Officer either via a letter stating what documents you are seeking access to or via email. An application fee of \$30.60 needs to be paid before the request is processed.

Freedom of Information Officer
Mallee Track Health and Community Service
Pam Vallance
PO Box 130
Ouyen Vic 3490
pvallance@mthcs.vic.gov.au

Payment of Application Fee can be made by Direct Deposit or Cheque to:

Mallee Track Health and Community Service
BSB: 013756
Account No: 290605963.

MTHCS has the following documents available for access:

- Organisational reports;
- Medical records;
- Personnel files;
- Organisational policies and procedures.

This is not an exhaustive list as there may be other documents not listed.

MTHCS processed 15 requests during the 2021 - 2022 reporting period. The majority of requests received were from Legal Representatives on behalf of members of the public. Other requests processed included Subpoenas, Summons to Produce, WorkCover requests and Coroner's requests.

Further information about Freedom of Information can be found at <http://www.legislation.vic.gov.au/FOI>

Safe Patient Care Act Report

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

Gender Equality Act 2020 report

MTHCS adheres to the principles of the Gender Equality Act 2020. During the reporting period MTHCS progressed our gender audit and began longer term planning for compliance with the Act.

MTHCS has submitted our Gender Equality Action Plan (GEAP) 2021-2025. The plan lists key actions against seven workplace gender equality indicators set by the Commission.

MTHCS will monitor its progress towards these key actions over the coming years and adhere to further reporting requirements set by the Commission.

Building Act 1993

MTHCS complies with the provisions of the Building Act 1993 in accordance with the Department of Health and Human Services Capital Development Guidelines (Minister for Finance Guideline Building Act 1993/ Standards for Publicly Owned Buildings 1994/ Building Regulations 2005 and Building Code of Australia 2004).

Protected Disclosures Act 2012

The Public Interest Disclosure Act 2012 intent is to encourage and facilitate the making of disclosure of improper conduct by public officers and public bodies, and establish a system for investigation of matters.

The Act provides protection from detrimental action to any person affected by a protected disclosure whether it is a person who makes a disclosure, a witness, or a person who is the subject of an investigation.

Protected Disclosures are to be reported directly to:

Independent Broad-Based Anti-Corruption Commission (IBAC)
Phone 1300 735 135
Fax 03 8635 6444
Street address Level 1, North Tower, 459 Collins Street, Melbourne VIC 3000
Postal address GPO Box 24234, Melbourne VIC 3001
www.ibac.vic.gov.au/contact-us

Statement on National Competition Policy

MTHCS complied with all the government policies regarding competitive neutrality.

Under the Act, State government departments, councils and organisations funded by government to provide programs and services to people in care relationships, need to take all practicable measures to:

- Ensure staff have available and understand the principles in the Act
- Ensure staff promote the principles to people in care relationships, so that people in care relationships are aware of and understand the principles of the Act
- Reflect the care relationship principles in developing, providing or evaluating support and assistance for those in care relationships.
- Staff have access to copies of the principles of the Act and copies of the charter.

Carers Recognition Act 2012

Mallee Track Health and Community Service has taken all practical measures to comply with its obligations under the Act.

Disclosures Index

The annual report of the Mallee Track Health and Community 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.	2
FRD 22	Purpose, functions, powers and duties.	11
FRD 22	Nature and range of services provided,	5
FRD 22	Activities, programs and achievements for the reporting period.	6
FRD 22	Significant changes in key initiatives and expectations for the future.	
Management and Structure		
FRD 22	Organisational structure.	13
FRD 22	Workforce data/employment and conduct principles.	15, 20
FRD 22	Occupational Health and Safety	19-22
Financial information		
FRD 22	Summary of the financial results for the year	17
FRD 22	Significant changes in financial position during the year	
FRD 22	Operational and budgetary objectives and performance against objectives	
FRD 22	Subsequent events	
FRD 22	Details of consultancies under \$10,000	43
FRD 22	Details of consultancies over \$10,000	43
FRD 22	Disclosure of ICT expenditure	43

Disclosures Index

The annual report of the Mallee Track Health and Community 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
Legislation		
FRD 22	Application and operation of Freedom of Information Act 1982	47
FRD 22	Compliance with building and maintenance provisions of Building Act 1993	47
FRD 22	Application and operation of Public Interest Disclosure Act 2012	47
FRD 22	Statement on National Competition Policy	47
FRD 22	Summary of the entity's environmental performance	44-46
FRD 22	Additional information available on request	46
Other relevant reporting directives		
FRD 25	Local Jobs First Act 2003 disclosures	46
SD 5.1.4	Financial Management Compliance attestation	3
SD 5.2.3	Declaration in report of operations	3
Attestations		
Attestations on Data Integrity		3
Attestations on managing conflicts of interest		4
Attestation on integrity, fraud and corruption		4
Operational and budgetary objectives and performance against objectives		
Other reporting requirements		46
Reporting of outcomes from Statement of Priorities 2021-2022		N/A
Occupational Violence reporting		21
Gender Equality Act 2020		22
Reporting obligations under the Safe Patient Care Act 2015		47
Reporting of compliance regarding Car Parking Fees		46

Financials

Mallee Track Health and Community Service

Financial Statements

Financial Year ended 30 June 2022

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

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

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

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

We authorise the attached financial statements for issue on 24th October, 2022.

Board member



John Papatheohari

Chair

Ouyen
24/10/2022

Accountable Officer

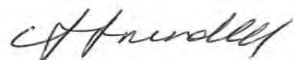


Pamela Vallance

Chief Executive Officer (Acting)

Ouyen
24/10/2022

Chief Finance & Accounting Officer



Andrew Arundell

Chief Finance and Accounting Officer
(Contract)

Ouyen
24/10/2022

Independent Auditor's Report

To the Board of Mallee Track Health and Community Service

Opinion I have audited the financial report of Mallee Track Health and Community Service (the health service) which comprises the:

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

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

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

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

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

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

Auditor's responsibilities for the audit of the financial report

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

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

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

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

MELBOURNE
31 October 2022



Dominika Ryan
as delegate for the Auditor-General of Victoria

Mallee Track Health and Community Service
Comprehensive Operating Statement
For the Financial Year Ended 30 June 2022

		Total 2022 \$'000	Total 2021 \$'000
	Note		
Revenue and income from transactions			
Operating activities	2.1	20,480	17,797
Non-operating activities	2.1	29	25
Share of revenue from joint operations	8.7	555	937
Total revenue and income from transactions		21,064	18,759
Expenses from transactions			
Employee expenses	3.1	(13,812)	(13,028)
Supplies and consumables	3.1	(1,257)	(1,262)
Finance costs	3.1	(21)	(15)
Depreciation	3.1	(2,623)	(2,676)
Share of expenditure from joint operations	8.7	(537)	(881)
Other administrative expenses	3.1	(1,604)	(1,573)
Other operating expenses	3.1	(970)	(887)
Other non-operating expenses	3.1	(2)	(27)
Total Expenses from transactions		(20,826)	(20,349)
Net result from transactions - net operating balance		238	(1,590)
Other economic flows included in net result			
Net gain/(loss) on sale of non-financial assets	3.2	9	63
Net gain/(loss) on financial instruments	3.2	6	(1)
Other gain/(loss) from other economic flows	3.2	66	163
Total other economic flows included in net result		81	225
Net result for the year		319	(1,365)
Other comprehensive income			
Items that will not be reclassified to net result			
Changes in property, plant and equipment revaluation surplus	4.3	6,339	61
Comprehensive result for the year		6,658	(1,304)

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

Mallee Track Health and Community Service
Balance Sheet
As at 30 June 2022

	Total 2022 \$'000	Total 2021 \$'000
Current assets		
Cash and cash equivalents	6.2 11,305	8,320
Receivables and contract assets	5.1 308	274
Inventories	4.5 139	65
Prepaid expenses	176	131
Total current assets	11,928	8,790
Non-current assets		
Receivables and contract assets	5.1 722	557
Property, plant and equipment	4.1 (a) 38,023	33,789
Right of use assets	4.2 (a) 368	185
Total non-current assets	39,113	34,531
Total assets	51,041	43,321
Current liabilities		
Payables and contract liabilities	5.2 1,533	1,454
Borrowings	6.1 149	74
Employee benefits	3.3 3,124	2,967
Other liabilities	5.3 5,706	5,084
Total current liabilities	10,512	9,579
Non-current liabilities		
Borrowings	6.1 343	278
Employee benefits	3.3 300	236
Total non-current liabilities	643	514
Total liabilities	11,155	10,093
Net assets	39,886	33,228
Equity		
Property, plant and equipment revaluation surplus	4.3 40,448	34,109
Contributed capital	SCE 9,793	9,793
Accumulated deficit	SCE (10,355)	(10,674)
Total equity	39,886	33,228

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

**Mallee Track Health and Community Service
Statement of Changes in Equity
For the Financial Year Ended 30 June 2022**

	Property, Plant and Equipment			
	Revaluation Surplus	Contributed Capital	Accumulated Deficits	Total
Note	\$'000	\$'000	\$'000	\$'000
Balance at 30 June 2020	34,048	9,793	(9,309)	34,532
Net result for the year	-	-	(1,365)	(1,365)
Other comprehensive income for the year	61	-	-	61
Balance at 30 June 2021	34,109	9,793	(10,674)	33,228
Net result for the year	-	-	319	319
Other comprehensive income for the year	6,339	-	-	6,339
Balance at 30 June 2022	40,448	9,793	(10,355)	39,886

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

Mallee Track Health and Community Service
Cash Flow Statement
For the Financial Year Ended 30 June 2022

	Total	Total
	2022	2021
Note	\$'000	\$'000
Cash Flows from operating activities		
Operating grants from government	15,957	15,320
Capital grants from government - State	151	43
Patient fees received	2,243	2,224
Donations and bequests received	8	50
Interest and investment income received	29	25
Commercial Income Received	1	11
Other receipts	1,506	1,850
Total receipts	19,895	19,523
Employee expenses paid	(13,295)	(13,524)
Payments for supplies and consumables	(437)	(1,301)
Payments for medical indemnity insurance	(63)	(56)
Payments for repairs and maintenance	(466)	(406)
Finance Costs	(21)	(15)
GST paid to ATO	(2)	(30)
Other payments	(2,701)	(2,823)
Total payments	(16,985)	(18,155)
Net cash flows from operating activities	2,910	1,368
	8.1	
Cash Flows from investing activities		
Purchase of property, plant and equipment	(465)	(639)
Proceeds from disposal of property, plant and equipment	9	63
Net cash used in investing activities	(456)	(576)
Cash flows from financing activities		
Proceeds / (repayment) of borrowings	(90)	(22)
Net Receipt / (Repayment) of Monies Held in Trust	621	96
Net cash flows from financing activities	531	74
Net increase in cash and cash equivalents held	2,985	866
Cash and cash equivalents at beginning of year	8,320	7,454
Cash and cash equivalents at end of year	11,305	8,320
	6.2	

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

**Mallee Track Health and Community Service
Notes to the Financial Statements
For the Financial Year Ended 30 June 2022**

Note 1: Basis of preparation

Structure

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

Mallee Track Health and Community Service

Notes to the Financial Statements

For the Financial Year Ended 30 June 2022

Note 1: Basis of preparation

These financial statements represent the audited general purpose financial statements for Mallee Track Health and Community Service for the year ended 30 June 2022. The report provides users with information about Mallee Track Health and Community 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.

Mallee Track Health and Community 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 in Australian dollars.

Mallee Track Health and Community Service

Notes to the Financial Statements

For the Financial Year Ended 30 June 2022

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 Mallee Track Health and Community Service on 24th October, 2022.

Note 1.2 Impact of COVID-19 pandemic

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

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

In response to the ongoing COVID-19 pandemic, Mallee Track Health and Community Service has:

including:

- introduced restrictions on non-essential visitors
- utilised telehealth services
- deferred elective surgery and reduced activity
- performed COVID-19 testing
- established and operated vaccine clinics
- changed infection control practices
- implemented work from home arrangements where appropriate.

Where financial impacts of the pandemic are material to Mallee Track Health and Community Service, they are disclosed in the explanatory notes. For Mallee Track Health and Community Service, this includes:

- Note 3: The cost of delivering services.

Mallee Track Health and Community Service

Notes to the Financial Statements

For the Financial Year Ended 30 June 2022

Note 1.3 Abbreviations and terminology used in the financial statements

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

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

Note 1.4 Joint arrangements

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

Mallee Track Health and Community Service has the following joint arrangements:

- Loddon Mallee Rural Health Alliance (LMRHA)

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

Note 1.5 Key accounting estimates and judgements

Management make estimates and judgements when preparing the financial statements.

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

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

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

Mallee Track Health and Community Service

Notes to the Financial Statements

For the Financial Year Ended 30 June 2022

Note 1.6 Accounting standards issued but not yet effective

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

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

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

Note 1.7 Goods and Services Tax (GST)

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

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

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

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

Mallee Track Health and Community Service

Notes to the Financial Statements

For the Financial Year Ended 30 June 2022

Note 1.8 Reporting Entity

The financial statements include all activities of Mallee Track Health and Community Service.

Its principal address is:

28 Britt Street

Ouyen VIC 3490

A description of the nature of Mallee Track Health and Community 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

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

Structure

2.1 Revenue and income from transactions

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

2.3 Other income

Telling the COVID-19 story

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

Key judgements and estimates

This section contains the following key judgements and estimates:

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

Note 2.1 Revenue and income from transactions

	Total 2022 \$'000	Total 2021 \$'000
Operating activities		
Revenue from contracts with customers		
Government grants (State) - Operating	694	717
Patient and resident fees	2,280	2,245
Commercial activities ¹	1	11
Total revenue from contracts with customers	2,975	2,973
Other sources of income		
Government grants (State) - Operating	8,785	7,520
Government grants (Commonwealth) - Operating	7,296	6,282
Government grants (State) - Capital	151	43
Other capital purpose income	213	258
Assets received free of charge or for nominal value	326	73
Other revenue from operating activities (including non-capital donations)	734	648
Total other sources of income	17,505	14,824
Total revenue and income from operating activities	20,480	17,797
Non-operating activities		
Income from other sources		
Other interest	29	25
Total other sources of income	29	25
Total income from non-operating activities	29	25
Total revenue and income from transactions	20,509	17,822

1. Commercial activities represent business activities which Mallee Track Health and Community Service enter into to support their operations.

Note 2.1 Revenue and income from transactions (continued)

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

Mallee Track Health and Community Service disaggregates revenue by the timing of revenue recognition.

Goods and services transferred to customers:

At a point in time

Over time

	Total 2022 \$'000	Total 2021 \$'000
	695	728
	2,280	2,245
Total revenue from contracts with customers	2,975	2,973

How we recognise revenue and income from transactions

Government operating grants

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

When both these conditions are satisfied, the health service:

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

Where the contract is not enforceable and/or does not have sufficiently specific performance obligations, in accordance with AASB 1058 - *Income for not-for profit entities* 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 Mallee Track Health and Community Service's goods or services. Mallee Track Health and Community 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.

Mallee Track Health and Community Service
Notes to the Financial Statements
for the financial year ended 30 June 2022

This policy applies to each of Mallee Track Health and Community Service's revenue streams, with information detailed below relating to Mallee Track Health and Community Service's significant revenue streams:

Government grant	Performance obligation
Dental Weighted Activity Units (DWAU's)	The Dental Health Program funding model is activity-based, using the Australian Dental Association service item codes, rather than courses of care. Performance is measured in terms of Dental Weighted Activity Units (DWAU), calculated using weighted Australian Dental Association item codes. Funding is aligned to DWAUs to ensure that state activity targets are met. Revenue is recognised at point in time which is when a patient is treated.
Small Rural Health Service (SRHS) Funding (State Operating Grants) and; Multi Purpose Service (MPS) Funding (Commonwealth Operating Grants)	Mallee Track Health and Community Services receives block funding under the Commonwealths MPS and State's SRHS program. These programs aim to give regional and remote communities improved access to a mix of health and aged care services that meet the community needs, more innovative and integrated service delivery, flexible use of funding, improved quality of care for residents and improved cost effectiveness and long-term viability of services. There are no performance obligations attached to the funding and it is recognised over time, as and when the funding is received.

Note 2.1 Revenue and income from transactions (continued)

Capital grants

Where Mallee Track Health and Community 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 Mallee Track Health and Community 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 consulting room and property rental. Commercial activity revenue is recognised at a point in time, upon provision of the goods or service to the customer.

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

	Total 2022 \$'000	Total 2021 \$'000
Cash donations and gifts	8	44
Personal protective equipment	318	29
Total fair value of assets and services received free of charge or for nominal consideration	326	73

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

Personal protective equipment

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

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

Contributions

Mallee Track Health and Community Service may receive assets for nil or nominal consideration to further its objectives. The assets are recognised at their fair value when Mallee Track Health and Community Service obtains control over the asset, irrespective of whether restrictions or conditions are imposed over the use of the contributions.

On initial recognition of the asset, Mallee Track Health and Community Service recognises related amounts being contributions by owners, lease liabilities, financial instruments, provisions and revenue or contract liabilities arising from a contract with a customer.

Mallee Track Health and Community Service recognises income immediately in the profit or loss as the difference between the initial fair value of the asset and the related amounts.

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 Mallee Track Health and Community Service as a capital contribution transfer.

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

Voluntary Services

Mallee Track Health and Community Service receives volunteer services from members of the community in the following areas:

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

Mallee Track Health and Community 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.

Mallee Track Health and Community 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 Mallee Track Health and Community Service as follows:

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

Note 2.3 Other income

	Total 2022 \$'000	Total 2021 \$'000
Operating		
Recoveries - sale of services	176	234
Medical Clinic Incentive Payments	159	163
Child Care Fees	228	176
Other revenue	171	75
Total other income - Operating	734	648
Interest	29	25
Total other income	29	25

How we recognise other income

Joint Venture Alliance Revenue

Our share of joint venture alliance revenue is recognised in accordance with the Joint Arrangement agreement, with Mallee Track Health and Community Service recording our share of revenue as per note 8.7 joint arrangements.

Recovery Income

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

Medical Clinic Incentive Payments, Child Care Fees and Other Revenue

Medical clinic incentive payments, child care fees and other revenue is recorded as revenue when received.

Interest Income

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

Note 3: The cost of delivering our services

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

Structure

3.1 Expenses from transactions

3.2 Other economic flows

3.3 Employee benefits in the balance sheet

3.4 Superannuation

Telling the COVID-19 story

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

Additional costs were incurred to deliver the following additional services:

- Establish facilities within Mallee Track Health and Community Service for the treatment of suspected and admitted COVID-19 patients resulting in an increase in employment costs and additional equipment purchases.
- Implement COVID safe practices throughout Mallee Track Health and Community Service, including increased cleaning, increased security and consumption of personal protective equipment.

Key judgements and estimates

This section contains the following key judgements and estimates:

Key judgements and estimates	Description
Classifying employee benefit liabilities	<p>Mallee Track Health & Community Service applies significant judgment when measuring and classifying its employee benefit liabilities.</p> <p>Employee benefit liabilities are classified as a current liability if Mallee Track Health & Community 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.</p> <p>Employee benefit liabilities are classified as a non-current liability if Mallee Track Health & Community 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.</p>
Measuring employee benefit liabilities	<p>Mallee Track Health & Community Service applies significant judgment when measuring its employee benefit liabilities.</p> <p>The health service applies judgement to determine when it expects its employee entitlements to be paid.</p> <p>With reference to historical data, if the health service does not expect entitlements to be paid within 12 months, the entitlement is measured at its present value, being the expected future payments to employees.</p> <p>Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields on government bonds at the end of the reporting period.</p> <p>All other entitlements are measured at their nominal value.</p>

Note 3.1 Expenses from transactions

Note	Total 2022 \$'000	Total 2021 \$'000
Salaries and wages	11,292	10,880
On-costs	1,096	1,050
Agency expenses	395	244
Fee for service medical officer expenses	931	747
Workcover premium	98	107
Total employee expenses	13,812	13,028
Drug supplies	20	25
Medical and surgical supplies (including Prostheses)	821	847
Other supplies and consumables	416	390
Total supplies and consumables	1,257	1,262
Finance costs	21	15
Total finance costs	21	15
Other administrative expenses	1,604	1,573
Total other administrative expenses	1,604	1,573
Fuel, light, power and water	274	306
Repairs and maintenance	341	307
Maintenance contracts	125	99
Medical indemnity insurance	63	56
Expenditure for capital purposes	167	119
Total other operating expenses	970	887
Total operating expense	17,664	16,765
Depreciation	4.4 2,623	2,676
Total depreciation and amortisation	2,623	2,676
Specific expense	-	26
Bad and doubtful debt expense	2	1
Total other non-operating expenses	2	27
Total non-operating expense	2,625	2,703
Total expenses from transactions	20,289	19,468

Note 3.1 Expenses from transactions

How we recognise expenses from transactions

Expense recognition

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

Employee expenses

Employee expenses include:

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

Supplies and consumables

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

Finance costs

Finance costs include:

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

Other operating expenses

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

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

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

Non-operating expenses

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

Note 3.2 Other economic flows included in net result

	Total 2022 \$'000	Total 2021 \$'000
Net gain/(loss) on disposal of property plant and equipment	9	63
Total net gain/(loss) on non-financial assets	9	63
Net gain/(loss) on disposal of financial instruments	6	(1)
Total net gain/(loss) on financial instruments	6	(1)
Net gain/(loss) arising from revaluation of long service liability	66	163
Total other gains/(losses) from other economic flows	66	163
Total gains/(losses) from other economic flows	81	225

How we recognise other economic flows

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

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

Net gain/(loss) on non-financial assets

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

- net gain/(loss) on disposal of non-financial assets

Any gain or loss on the disposal of non-financial assets is recognised at the date of disposal.

Note 3.3 Employee benefits in the balance sheet

	Total 2022 \$'000	Total 2021 \$'000
Current employee benefits and related on-costs		
<i>Accrued days off</i>		
Unconditional and expected to be settled wholly within 12 months ⁱ	44	33
	44	33
<i>Annual leave</i>		
Unconditional and expected to be settled wholly within 12 months ⁱ	1,045	935
Unconditional and expected to be settled wholly after 12 months ⁱⁱ	-	-
	1,045	935
<i>Long service leave</i>		
Unconditional and expected to be settled wholly within 12 months ⁱ	280	242
Unconditional and expected to be settled wholly after 12 months ⁱⁱ	1,406	1,436
	1,686	1,678
<i>Provisions related to employee benefit on-costs</i>		
Unconditional and expected to be settled within 12 months ⁱ	169	120
Unconditional and expected to be settled after 12 months ⁱⁱ	180	201
	349	321
	3,124	2,967
Total current employee benefits and related on-costs		
Non-current provisions and related on-costs		
Conditional long service leave (i)	265	212
Provisions related to employee benefit on-costs (ii)	35	24
Total non-current employee benefits and related on-costs	300	236
	3,424	3,203
Total employee benefits and related on-costs	3,424	3,203

ⁱ The amounts disclosed are nominal amounts.

ⁱⁱ The amounts disclosed are discounted to present values.

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

	Total 2022 \$'000	Total 2021 \$'000
Current employee benefits and related on-costs		
Unconditional accrued days off	44	33
Unconditional annual leave entitlements	1,182	1,069
Unconditional long service leave entitlements	1,898	1,865
Total current employee benefits and related on-costs	3,124	2,967
Conditional long service leave entitlements	300	236
Total non-current employee benefits and related on-costs	300	236
Total employee benefits and related on-costs	3,424	3,203
Attributable to:		
Employee benefits	3,040	2,858
Provision for related on-costs	384	345
Total employee benefits and related on-costs	3,424	3,203

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

	Total 2022 \$'000	Total 2021 \$'000
Carrying amount at start of year	345	370
Additional provisions recognised	170	65
Net gain/(loss) arising from revaluation of long service liability	8	20
Amounts incurred during the year	(139)	(110)
Carrying amount at end of year	384	345

How we recognise employee benefits

Employee benefit recognition

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

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

Annual leave and accrued days off

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

Termination benefits

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

Provision for on-costs related to employee benefits

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

Note 3.4 Superannuation

	Paid contribution for the year		Contribution Outstanding at Year-end	
	Total	Total	Total	Total
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Defined benefit plans:ⁱ				
Aware Super	28	48	-	-
Defined contribution plans:				
Aware Super	645	691	-	-
Hesta / Other	402	345	-	-
Total	1,075	1,084	-	-

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 Mallee Track Health and Community Service are entitled to receive superannuation benefits and it contributes to both defined benefit and defined contribution plans.

Defined benefit superannuation plans

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

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

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

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

Defined contribution superannuation plans

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

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

Note 4: Key assets to support service delivery

Mallee Track Health and Community 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 Mallee Track Health and Community Service to be utilised for delivery of those outputs.

Structure

4.1 Property, plant & equipment

4.2 Right-of-use assets

4.3 Revaluation surplus

4.4 Depreciation and amortisation

4.5 Inventories

4.6 Impairment of assets

Telling the COVID-19 story

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

Key judgements and estimates

This section contains the following key judgements and estimates:

Key judgements and estimates	Description
Estimating useful life of property, plant and equipment	Mallee Track Health and Community 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	<p>The useful life of each right-of-use asset is typically the respective lease term, except where the health service is reasonably certain to exercise a purchase option contained within the lease (if any), in which case the useful life reverts to the estimated useful life of the underlying asset.</p> <p>Mallee Track Health and Community Service applies significant judgement to determine whether or not it is reasonably certain to exercise such purchase options.</p>
Identifying indicators of impairment	<p>At the end of each year, Mallee Track Health and Community 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.</p> <p>The health service considers a range of information when performing its assessment, including considering:</p> <ul style="list-style-type: none"> ▪ If an asset's value has declined more than expected based on normal use ▪ If a significant change in technological, market, economic or legal environment which adversely impacts the way the health service uses an asset ▪ If an asset is obsolete or damaged ▪ If the asset has become idle or if there are plans to discontinue or dispose of the asset before the end of its useful life ▪ If the performance of the asset is or will be worse than initially expected. <p>Where an impairment trigger exists, the health services applies significant judgement and estimate to determine the recoverable amount of the asset.</p>

Note 4.1 (a) Gross carrying amount and accumulated depreciation

	Total 2022 \$'000	Total 2021 \$'000
Land at fair value - Freehold	668	580
Total land at fair value	668	580
Buildings at fair value	36,202	36,325
Less accumulated depreciation	-	(4,389)
Total buildings at fair value	36,202	31,936
Total land and buildings	36,870	32,516
Plant and equipment at fair value	1,918	1,875
Less accumulated depreciation	(1,505)	(1,469)
Total plant and equipment at fair value	413	406
Motor vehicles at fair value	941	1,002
Less accumulated depreciation	(878)	(856)
Total motor vehicles at fair value	63	146
Medical equipment at fair value	1,128	1,127
Less accumulated depreciation	(957)	(966)
Total medical equipment at fair value	171	161
Computer equipment at fair value	698	726
Less accumulated depreciation	(548)	(527)
Total computer equipment at fair value	150	199
Furniture and fittings at fair value	917	818
Less accumulated depreciation	(561)	(554)
Total furniture and fittings at fair value	356	264
Total plant, equipment, furniture, fittings and vehicles at fair value	1,153	1,176
Work in Progress - Buildings at cost	-	97
Total Work in Progress - Buildings at cost	-	97
Total property, plant and equipment	38,023	33,789

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

	Land	Buildings	Plant & equipment	Computers & Communication Equipment	Motor Vehicles	Medical Equipment	Furniture & Fittings	Total
Note	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 July 2020	452	33,968	426	299	231	173	191	35,740
Additions	67	262	81	58	-	46	126	640
Disposals	-	-	-	-	-	-	-	-
Revaluation increments/(decrements)	61	-	-	-	-	-	-	61
Net transfers between classes	-	-	-	-	-	-	-	-
Depreciation	4.4	(2,198)	(101)	(158)	(84)	(58)	(53)	(2,652)
Balance at 30 June 2021	4.1 (a)	580	32,032	406	199	161	264	33,789
Additions	-	125	90	54	-	58	138	465
Revaluation increments/(decrements)	88	6,251	-	-	-	-	-	6,339
Net Transfers between classes	-	-	-	-	-	-	-	-
Depreciation	4.4	(2,206)	(83)	(103)	(84)	(48)	(46)	(2,570)
Balance at 30 June 2022	4.1 (a)	668	36,202	413	150	171	356	38,023

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

Land and Buildings Carried at Valuation

The Valuer-General Victoria undertook to re-value all of Mallee Track Health and Community 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 2019.

How we recognise property, plant and equipment

Property, plant and equipment are tangible items that are used by Mallee Track Health and Community 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 amounts of each class of asset

Revaluation

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

Where an independent valuation has not been undertaken at balance date, Mallee Track Health and Community 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%, Mallee Track Health and Community Service would obtain an interim independent valuation prior to the next scheduled independent valuation.

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

- increase in fair value of land of 15% (\$87,835)
- increase in fair value of buildings of 20% (\$6,250,919)

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

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

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

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

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

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

Note 4.2 Right-of-use assets

Note 4.2(a) Gross carrying amount and accumulated depreciation

	Total 2022 \$'000	Total 2021 \$'000
Right of use vehicles at fair value	448	212
Less accumulated depreciation	(80)	(27)
Total right of use vehicles at fair value	368	185
Total right of use vehicles at fair value	368	185
Total right of use assets	368	185

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

	Note	Right-of-use - Vehicles \$'000	Total \$'000
Balance at 1 July 2020		88	88
Additions		121	121
Depreciation	4.4	(24)	(24)
Balance at 30 June 2021	4.2 (a)	185	185
Additions		236	236
Depreciation	4.4	(53)	(53)
Balance at 30 June 2022	4.2 (a)	368	368

How we recognise right-of-use assets

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

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

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

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

Initial recognition

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

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

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

Subsequent measurement

Right-of-use assets are subsequently measured at fair value, 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 2022 \$'000	Total 2021 \$'000
Balance at the beginning of the reporting period	34,109	34,048
Revaluation increment		
- Land	88	61
- Buildings	6,251	-
Balance at the end of the Reporting Period*	40,448	34,109
* Represented by:		
- Land	430	342
- Buildings	40,018	33,767
	40,448	34,109

Note 4.4 Depreciation

	Total 2022 \$'000	Total 2021 \$'000
Depreciation		
Buildings	2,206	2,198
Plant and equipment	83	101
Motor vehicles	84	84
Medical equipment	48	58
Computer equipment	103	158
Furniture and fittings	46	53
Total depreciation - property, plant and equipment	2,570	2,652
Right-of-use assets		
Right of use - motor vehicles	53	24
Total depreciation - right-of-use assets	53	24
Total depreciation and amortisation	2,623	2,676

How we recognise depreciation

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

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

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

	2022	2021
Buildings		
- Structure shell building fabric	25 to 60 years	25 to 60 years
- Site engineering services and central plant	20 to 30 years	20 to 30 years
Central Plant		
- Fit out	7 to 13 years	7 to 13 years
- Trunk reticulated building system	7 to 15 years	7 to 15 years
Plant and equipment		
Medical equipment	3 to 7 years	3 to 7 years
Computers and communication	7 to 10 years	7 to 10 years
Furniture and fitting	3 to 9 years	3 to 9 years
Motor vehicles	13 years	13 years
	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 4.5 Inventories

Medical and surgical consumables at cost
General stores at cost
Total inventories

Total 2022 \$'000	Total 2021 \$'000
-	9
139	56
139	65

How we recognise inventories

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

Note 4.6: Impairment of assets

How we recognise impairment

At the end of each reporting period, Mallee Track Health and Community 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 Mallee Track Health and Community 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, Mallee Track Health and Community 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, Mallee Track Health and Community Service estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Mallee Track Health and Community Service did not record any impairment losses for the year ended 30 June 2022.

Note 5: Other assets and liabilities

This section sets out those assets and liabilities that arose from Mallee Track Health and Community Service's operations.

Structure

5.1 Receivables and contract assets

5.2 Payables and contract liabilities

5.3 Other liabilities

Telling the COVID-19 story

The measurement of other assets and liabilities were not materially impacted by the COVID-19 Coronavirus pandemic and its impact on our economy and the health of our community.

Key judgements and estimates

This section contains the following key judgements and estimates:

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

Note 5.1 Receivables and contract assets

Notes	Total 2022 \$'000	Total 2021 \$'000
Current receivables and contract assets		
Contractual		
Trade receivables	73	92
Patient fees	24	(11)
Accrued revenue	1	7
Amounts receivable from governments and agencies	81	59
Total contractual receivables	179	147
Statutory		
GST receivable	129	127
Total statutory receivables	129	127
Total current receivables and contract assets	308	274
Non-current receivables and contract assets		
Contractual		
Long service leave - Department of Health	722	557
Total contractual receivables	722	557
Total non-current receivables and contract assets	722	557
Total receivables and contract assets	1,030	831
<i>(i) Financial assets classified as receivables and contract assets (Note 7.1(a))</i>		
Total receivables and contract assets	1,030	831
GST receivable	(129)	(127)
Total financial assets	7.1(a) 901	704

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

	Total 2022 \$'000	Total 2021 \$'000
Balance at the beginning of the year	-	-
Amounts written off during the year	-	-
Reversal of allowance written off during the year as uncollectable	-	-
Balance at the end of the year	-	-

How we recognise receivables

Receivables consist of:

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

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

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

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

Impairment losses of contractual receivables

Refer to Note 7.2 (a) for Mallee Track Health and Community Service's contractual impairment losses.

Note 5.2 Payables and contract liabilities

	Total 2022 \$'000	Total 2021 \$'000
Current payables and contract liabilities		
Contractual		
Trade creditors	303	232
Accrued salaries and wages	329	99
Accrued expenses	350	314
Contract liabilities	156	194
Amounts payable to governments and agencies	395	615
Total contractual payables	1,533	1,454
Total current payables and contract liabilities	1,533	1,454
Total payables and contract liabilities	1,533	1,454
<i>(i) Financial liabilities classified as payables and contract liabilities (Note 7.1(a))</i>		
Total payables and contract liabilities	1,533	1,454
Contract liabilities	(156)	(194)
Total financial liabilities	1,377	1,260

How we recognise payables and contract liabilities

Payables consist of:

- **Contractual payables**, which mostly includes payables in relation to goods and services. These payables are classified as financial instruments and measured at amortised cost. Accounts payable and salaries and wages payable represent liabilities for goods and services provided to the Mallee Track Health and Community Service prior to the end of the financial year that are unpaid.
- **Statutory payables** comprises Goods and Services Tax (GST) payable. Statutory payables are recognised and measured similarly to contractual payables, but are not classified as financial instruments and not included in the category of financial liabilities at amortised cost, because they do not arise from contracts.

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

Note 5.2 (a) Contract liabilities

	Total 2022 \$'000	Total 2021 \$'000
Opening balance of contract liabilities	194	50
Grant consideration for sufficiently specific performance obligations received during the year	2,937	3,117
Revenue recognised for the completion of a performance obligation	(2,975)	(2,973)
Total contract liabilities	156	194
* Represented by:		
- Current contract liabilities	156	194
	156	194

How we recognise contract liabilities

Contract liabilities include consideration received in advance from customers in respect of activity based services. The balance of contract liabilities was lower than the previous reporting period due to reduced funding recalls implemented by the Department of Health

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

Financial guarantees

Payments that are contingent under financial guarantee contracts are recognised as a liability, at fair value, at the time the guarantee is issued. Subsequently, should there be a material increase in the likelihood that the guarantee may have to be exercised, the liability is recognised at the higher of the amount determined in accordance with the expected credit loss model under AASB 9 *Financial Instruments* and the amount initially recognised less, when appropriate, cumulative amortisation recognised.

In the determination of fair value, consideration is given to factors including the overall capital management/prudential supervision framework in operation, the protection provided by the Department of Health by way of funding should the probability of default increase, probability of default by the guaranteed party and the likely loss to the health service in the event of default.

Maturity analysis of payables

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

Note 5.3 Other liabilities

	Total 2022 \$'000	Total 2021 \$'000
Current monies held in trust		
Patient monies	14	13
Refundable accommodation deposits	5,692	5,071
Total current monies held in trust	5,706	5,084
Total other liabilities	5,706	5,084
* Represented by:		
- Cash assets	6.2 5,706	5,084
	5,706	5,084

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 Mallee Track Health and Community 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 Mallee Track Health and Community Service during its operations, along with interest expenses (the cost of borrowings) and other information related to financing activities of Mallee Track Health and Community 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

Telling the COVID-19 story

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

Key judgements and estimates

This section contains the following key judgements and estimates:

Key judgements and estimates	Description
Determining if a contract is or contains a lease	<p>Mallee Track Health and Community Service applies significant judgement to determine if a contract is or contains a lease by considering if the health service:</p> <ul style="list-style-type: none"> ▪ has the right-to-use an identified asset ▪ has the right to obtain substantially all economic benefits from the use of the leased asset and ▪ can decide how and for what purpose the asset is used throughout the lease.
Determining if a lease meets the short-term or low value asset lease exemption	<p>Mallee Track Health and Community Service applies significant judgement when determining if a lease meets the short-term or low value lease exemption criteria.</p> <p>The health service estimates the fair value of leased assets when new. Where the estimated fair value is less than \$10,000, the health service applies the low-value lease exemption.</p> <p>The health service also estimates the lease term with reference to remaining lease term and period that the lease remains enforceable. Where the enforceable lease period is less than 12 months the health service applies the short-term lease exemption.</p>
Discount rate applied to future lease payments	<p>Mallee Track Health and Community 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, Mallee Track Health and Community 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.</p>
Assessing the lease term	<p>The lease term represents the non-cancellable period of a lease, combined with periods covered by an option to extend or terminate the lease if Mallee Track Health and Community Service is reasonably certain to exercise such options.</p> <p>Mallee Track Health and Community Service determines the likelihood of exercising such options on a lease-by-lease basis through consideration of various factors including:</p> <ul style="list-style-type: none"> ▪ If there are significant penalties to terminate (or not extend), the health service is typically reasonably certain to extend (or not terminate) the lease. ▪ If any leasehold improvements are expected to have a significant remaining value, the health service is typically reasonably certain to extend (or not terminate) the lease. ▪ The health service considers historical lease durations and the costs and business disruption to replace such leased assets.

Note 6.1 Borrowings

Note	Total 2022 \$'000	Total 2021 \$'000
Current borrowings		
Lease liability ⁽ⁱ⁾	111	36
Advances from government (ii)	38	38
Total current borrowings	149	74
Non-current borrowings		
Lease liability ⁽ⁱ⁾	258	150
Advances from government (ii)	85	128
Total non-current borrowings	343	278
Total borrowings	492	352

ⁱ Secured by the assets leased.

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

How we recognise borrowings

Borrowings refer to interest bearing liabilities mainly raised from VicFleet vehicle lease liabilities and other non interest-bearing arrangements with the Department of Health Victoria.

Initial recognition

All borrowings are initially recognised at fair value of the consideration received, less directly attributable transaction costs. The measurement basis subsequent to initial recognition depends on whether the Mallee Track Health and Community Service has categorised its liability as either 'financial liabilities designated at fair value through profit or loss', or financial liabilities at 'amortised cost'.

Subsequent measurement

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

Maturity analysis

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

Defaults and breaches

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

Note 6.1 (a) Lease liabilities

Mallee Track Health and Community Service's lease liabilities are summarised below:

	Total 2022 \$'000	Total 2021 \$'000
Total undiscounted lease liabilities	380	194
Less unexpired finance expenses	(11)	(8)
Net lease liabilities	369	186

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

	Total 2022 \$'000	Total 2021 \$'000
Not longer than one year	117	40
Longer than one year but not longer than five years	263	154
Minimum future lease liability	380	194
Less unexpired finance expenses	(11)	(8)
Present value of lease liability	369	186
* Represented by:		
- Current liabilities	111	36
- Non-current liabilities	258	150
	369	186

How we recognise lease liabilities

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

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

Mallee Track Health and Community Service's lease arrangements consist of the following:

Type of asset leased	Lease term
Leased vehicles	3 years

Note 6.1 (a) Lease liabilities (continued)

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

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

Separation of lease and non-lease components

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

Initial measurement

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

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

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

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

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

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

Note 6.1 (a) Lease liabilities (continued)

Subsequent measurement

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

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

Note 6.2 Cash and Cash Equivalents

Note	Total 2022 \$'000	Total 2021 \$'000
Cash on hand (excluding monies held in trust)	1	1
Cash at bank (excluding monies held in trust)	742	627
Cash at bank - CBS (excluding monies held in trust)	4,856	2,608
Total cash held for operations	5,599	3,236
Cash at bank - CBS (monies held in trust)	5,706	5,084
Total cash held as monies in trust	5,706	5,084
Total cash and cash equivalents	7.1 (a) 11,305	8,320

How we recognise cash and cash equivalents

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

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

Note 6.3 Commitments for expenditure

	Total 2022 \$'000	Total 2021 \$'000
Capital expenditure commitments		
Less than one year	-	412
Total capital expenditure commitments	-	412
Non-cancellable short term and low value lease commitments		
Less than one year	57	57
Longer than one year but not longer than five years	-	57
Total non-cancellable short term and low value lease commitments	57	114
Total commitments for expenditure (exclusive of GST)	57	526
Less GST recoverable from Australian Tax Office	(5)	(48)
Total commitments for expenditure (exclusive of GST)	52	478

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

How we disclose our commitments

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

Expenditure commitments

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

Short term and low value leases

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

Note 7: Risks, contingencies and valuation uncertainties

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

Structure

7.1 Financial instruments

7.2 Financial risk management objectives and policies

7.3 Contingent assets and contingent liabilities

7.4 Fair value determination

Key judgements and estimates

This section contains the following key judgements and estimates:

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

Key judgements and estimates (continued)

Key judgements and estimates	Description
<p>Measuring fair value of non-financial assets (continued)</p>	<p>Mallee Track Health and Community Service uses a range of valuation techniques to estimate fair value, which include the following:</p> <ul style="list-style-type: none"> ▪ Market approach, which uses prices and other relevant information generated by market transactions involving identical or comparable assets and liabilities. The fair value of Mallee Track Health and Community Service’s [specialised land, non-specialised land, non-specialised buildings, investment properties and cultural assets] are measured using this approach. ▪ Cost approach, which reflects the amount that would be required to replace the service capacity of the asset (referred to as current replacement cost). The fair value of Mallee Track Health and Community 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. Mallee Track Health and Community Service does not this use approach to measure fair value. <p>The health service selects a valuation technique which is considered most appropriate, and for which there is sufficient data available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.</p> <p>Subsequently, the health service applies significant judgement to categorise and disclose such assets within a fair value hierarchy, which includes:</p> <ul style="list-style-type: none"> ▪ Level 1, using quoted prices (unadjusted) in active markets for identical assets that the health service can access at measurement date. Mallee Track Health and Community 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. Mallee Track Health and Community Service categorises non-specialised land and right-of-use concessionary land in this level. ▪ Level 3, where inputs are unobservable. Mallee Track Health and Community 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 Mallee Track Health and Community 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		Financial Assets at	Financial Liabilities	Total
30 June 2022	Note	Amortised Cost	at Amortised Cost	Total
		\$'000	\$'000	\$'000
Contractual Financial Assets				
Cash and Cash Equivalents	6.2	11,305	-	11,305
Receivables and contract assets	5.1	901	-	901
Total Financial Assets ⁱ		12,206	-	12,206
Financial Liabilities				
Payables	5.2	-	1,377	1,377
Borrowings	6.1	-	492	492
Other Financial Liabilities - Refundable Accommodation Deposits	5.3	-	5,692	5,692
Other Financial Liabilities - Other monies held in trust	5.3	-	14	14
Total Financial Liabilities ⁱ		-	7,575	7,575

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

Total		Financial Assets at	Financial Liabilities	Total
30 June 2021	Note	Amortised Cost	at Amortised Cost	Total
		\$'000	\$'000	\$'000
Contractual Financial Assets				
Cash and cash equivalents	6.2	8,320	-	8,320
Receivables and contract assets	5.1	704	-	704
Total Financial Assetsⁱ		9,024	-	9,024
Financial Liabilities				
Payables	5.2	-	1,260	1,260
Borrowings	6.1	-	352	352
Other Financial Liabilities - Refundable Accommodation Deposits	5.3	-	5,071	5,071
Other Financial Liabilities - Other monies held in trust	5.3	-	13	13
Total Financial Liabilitiesⁱ		-	6,696	6,696

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

How we categorise financial instruments

Categories of financial assets

Financial assets are recognised when Mallee Track Health and Community Service becomes party to the contractual provisions to the instrument. For financial assets, this is at the date Mallee Track Health and Community 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 (continued)

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 Mallee Track Health and Community 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.

Mallee Track Health and Community Service recognises the following assets in this category:

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

Categories of financial liabilities

Financial liabilities are recognised when Mallee Track Health and Community 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.

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

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

Financial liabilities at amortised cost

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

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

Mallee Track Health and Community Service recognises the following liabilities in this category:

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

Derivative financial instruments

A derivative financial instrument is classified as a held for trading financial asset or financial liability. They are initially recognised at fair value on the date on which a derivative contract is entered.

Derivatives are carried as assets when their fair value is positive and as liabilities when their fair value is negative. Any gains or losses arising from changes in the fair value of derivatives after initial recognition, are recognised in the consolidated comprehensive operating statement as an other economic flow included in the net result.

Offsetting financial instruments

Financial instrument assets and liabilities are offset and the net amount presented in the consolidated balance sheet when, and only when, Mallee Track Health and Community 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 Mallee Track Health and Community 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 (continued)

Derecognition of financial assets

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

- the rights to receive cash flows from the asset have expired or
- Mallee Track Health and Community 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
- Mallee Track Health and Community 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 Mallee Track Health and Community Service has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset is recognised to the extent of Mallee Track Health and Community 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, Mallee Track Health and Community 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, Mallee Track Health and Community 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.

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

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

Note 7.2 (a) Credit risk

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

Credit risk associated with Mallee Track Health and Community 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, Mallee Track Health and Community 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, Mallee Track Health and Community 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 Mallee Track Health and Community 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 Mallee Track Health and Community Service's maximum exposure to credit risk without taking account of the value of any collateral obtained.

There has been no material change to Mallee Track Health and Community Service's credit risk profile in 2021-22.

Note 7.2 (a) Credit risk (continued)

Impairment of financial assets under AASB 9

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

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

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

Contractual receivables at amortised cost

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

On this basis, Mallee Track Health and Community Service determines the closing loss allowance at the end of the financial year as follows:

Note 7.2 (a) Contractual receivables at amortised cost

				Current	Less than 1 month	1–3 months	3 months –1 year	1–5 years	Total
30 June 2022									
Expected loss rate				0.0%	0.0%	0.0%	0.0%	0.0%	
Gross carrying amount of contractual receivables	\$000	5.1		138	32	9	0	0	179
Loss allowance				-	-	-	-	-	-
				Current	Less than 1 month	1–3 months	3 months –1 year	1–5 years	Total
30 June 2021									
Expected loss rate				0.0%	0.0%	0.0%	0.0%	0.0%	
Gross carrying amount of contractual receivables	\$000	5.1	Note	113	26	7	0	0	147
Loss allowance				-	-	-	-	-	-

Note 7.2 (a) Contractual receivables at amortised cost

Statutory receivables and debt investments at amortised cost

Mallee Track Health and Community 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.

Mallee Track Health and Community Service also has investments in five-year government bonds and debentures.

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

Note 7.2 (b) Liquidity risk

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

Mallee Track Health and Community 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 investments and other contractual financial assets that are readily tradeable in the financial markets and
- careful maturity planning of its financial obligations based on forecasts of future cash flows.

Mallee Track Health and Community 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 liquidation of investments and other financial assets.

The following table discloses the contractual maturity analysis for Mallee Track Health and Community 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

		Maturity Dates						
		Carrying	Nominal	Less than 1	3 months - 1			
		Amount	Amount	Month	1-3 Months	Year	1-5 Years	Over 5 years
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Total								
30 June 2022	Note							
Payables	5.2	1,377	1,377	1,377	-	-	-	-
Borrowings	6.1	492	-	-	-	149	343	-
Other Financial Liabilities - Refundable Accommodation Deposits	5.3	5,692	5,692	-	-	964	4,728	-
Other Financial Liabilities - Patient monies held in trust	5.3	14	14	-	-	14	-	-
Total Financial Liabilities		7,575	7,083	1,377	-	1,127	5,071	-

		Maturity Dates						
		Carrying	Nominal	Less than 1	3 months - 1			
		Amount	Amount	Month	1-3 Months	Year	1-5 Years	Over 5 years
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Total								
30 June 2021	Note							
Financial Liabilities at amortised cost								
Payables	5.2	1,260	1,260	1,260	-	-	-	-
Borrowings	6.1	352	-	-	-	74	278	-
Other Financial Liabilities - Refundable Accommodation Deposits	5.3	5,071	5,071	-	-	1,497	3,574	-
Other Financial Liabilities - Patient monies held in trust	5.3	13	13	-	-	13	-	-
Total Financial Liabilities		6,696	6,344	1,260	-	1,584	3,852	-

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

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

Note 7.2 (c) Market risk

Mallee Track Health & Community 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

Mallee Track Health & Community Service's sensitivity to market risk is determined based on the observed range of actual historical data for the preceding five-year period. Mallee Track Health & Community 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 2% to 2.5% up.

Interest rate risk

Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market interest rates. Mallee Track Health & Community 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. Mallee Track Health & Community 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 the date of this report, the Board are not aware of any contingent assets or liabilities.

How we measure and disclose contingent assets and contingent liabilities

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

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

Contingent assets

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

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

Contingent liabilities

Contingent liabilities are:

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

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

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.

Mallee Track Health and Community 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.

Mallee Track Health and Community 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 Mallee Track Health and Community Service's independent valuation agency for property, plant and equipment.

Identifying unobservable inputs (level 3) fair value measurements

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

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

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

	Note	Total carrying amount	Fair value measurement at end of reporting period using:		
		30 June 2022	Level 1 ⁱ	Level 2 ⁱ	Level 3 ⁱ
		\$'000	\$'000	\$'000	\$'000
Specialised land		668	-	-	668
Total land at fair value	4.1 (a)	668	-	-	668
Specialised buildings		36,202	-	-	36,202
Total buildings at fair value	4.1 (a)	36,202	-	-	36,202
Plant and equipment at fair value	4.1 (a)	413	-	-	413
Motor vehicles at fair value	4.1 (a)	63	-	-	63
Medical equipment at Fair Value	4.1 (a)	171	-	-	171
Computer equipment at fair value	4.1 (a)	150	-	-	150
Furniture and fittings at fair value	4.1 (a)	356	-	-	356
Total plant, equipment, furniture, fittings and vehicles at fair value		1,153	-	-	1,153
Right of use assets at fair value - vehicles	4.2 (a)	368	-	-	368
Total right-of-use assets at fair value		368	-	-	368
Total property, plant and equipment at fair value		38,391	-	-	38,391
		Total carrying amount	Fair value measurement at end of reporting period using:		
		30 June 2021	Level 1 ⁱ	Level 2 ⁱ	Level 3 ⁱ
		\$'000	\$'000	\$'000	\$'000
Specialised land		580	-	-	580
Total land at fair value	4.1 (a)	580	-	-	580
Specialised buildings		31,935	-	-	31,935
Total buildings at fair value	4.1 (a)	31,935	-	-	31,935
Plant, equipment and vehicles at fair value	4.1 (a)	406	-	-	406
Motor vehicles at fair value	4.1 (a)	147	-	-	147
Medical equipment at Fair Value	4.1 (a)	161	-	-	161
Computer equipment at fair value	4.1 (a)	199	-	-	199
Furniture and fittings at fair value	4.1 (a)	264	-	-	264
Total plant, equipment, furniture, fittings and vehicles at fair value		1,177	-	-	1,177
Right of use assets at fair value - vehicles	4.2 (a)	185	-	-	185
Total right-of-use assets at fair value		185	-	-	185
Total Property, Plant and Equipment		33,877	-	-	33,877

ⁱ Classified in accordance with the fair value hierarchy.

How we measure fair value of non-financial physical assets

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

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

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

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

Specialised land and specialised buildings

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

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

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

For Mallee Track Health and Community 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 Mallee Track Health and Community Service's specialised land and specialised buildings was performed by the Valuer-General Victoria. The effective date of the valuation is 30 June 2019.

Vehicles

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

Furniture, fittings, plant and equipment

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

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

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

Total	Note	Land \$'000	Buildings \$'000	Plant and equipment \$'000	Motor vehicles \$'000	Medical equipment \$'000	Computer equipment \$'000	Furniture & fittings \$'000	Right of use - motor vehicles \$'000
Balance at 1 July 2020		452	33,868	426	230	173	299	191	88
Additions/(Disposals)		67	266	81	-	46	58	126	121
Net Transfers between classes		-	-	-	-	-	-	-	-
- Depreciation		-	(2,198)	(101)	(84)	(58)	(158)	(53)	(24)
Items recognised in other comprehensive income									
- Revaluation		61	-	-	-	-	-	-	-
Balance at 30 June 2021	7.4 (a)	580	31,936	406	146	161	199	264	185
Additions/(Disposals)		-	125	90	-	58	54	138	236
Net Transfers between classes		-	97	-	-	-	-	-	-
- Depreciation		-	(2,206)	(83)	(84)	(48)	(103)	(46)	(53)
Items recognised in other comprehensive income									
- Revaluation		88	6,251	-	-	-	-	-	-
Balance at 30 June 2022	7.4 (a)	668	36,203	413	62	171	150	356	368

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

Asset class	Likely valuation approach	Significant inputs (Level 3 only)
Specialised land (Freehold)	Market approach	Community Service Obligations Adjustments ⁽ⁱ⁾
Specialised buildings	Depreciated replacement cost approach	- Cost per square metre - Useful life
Vehicles	Depreciated replacement cost approach	- 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 the Mallee Track Health and Community 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 disclosure

8.3 Remuneration of executives

8.4 Related parties

8.5 Remuneration of auditors

8.6 Events occurring after the balance sheet date

8.7 Jointly controlled operations

8.8 Equity

8.9 Economic dependency

Telling the COVID-19 story

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

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

	Total 2022 \$'000	Total 2021 \$'000
Net result for the year	319	(1,365)
Non-cash movements:		
(Gain)/Loss on sale or disposal of non-financial assets	3.2 (9)	(63)
Depreciation and amortisation of non-current assets	4.4 2,623	2,676
(Gain)/Loss on revaluation of long service leave liability	3.2 66	163
Discount (interest) / expense on loan	3.2 (6)	1
Movements in Assets and Liabilities:		
(Increase)/Decrease in receivables and contract assets	(199)	87
(Increase)/Decrease in inventories	(74)	37
(Increase)/Decrease in prepaid expenses	(45)	19
Increase/(Decrease) in payables and contract liabilities	79	252
Increase/(Decrease) in employee benefits	155	(425)
Increase/(Decrease) in other liabilities	1	(14)
Net cash inflow from operating activities	2,910	1,368

Note 8.2 Responsible persons

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

	Period
Minister for Health	
The Honourable Martin Foley MP	1 Jul 2021 - 27 Jun 2022
The Honourable Mary-Anne Thomas MP	27 Jun 2022 - 30 Jun 2022
Minister for Mental Health	
The Honourable James Merlino MP	1 Jul 2021 - 27 Jun 2022
The Honourable Gabrielle Williams MP	27 Jun 2022 - 30 Jun 2022
Minister for Disability, Ageing and Carers	
The Honourable Luke Donnellan MP	1 Jul 2021 - 11 Oct 2021
The Honourable James Merlino MP	11 Oct 2021 - 06 Dec 2021
The Honourable Anthony Carbines MP	06 Dec 2021 - 27 Jun 2022
The Honourable Colin Brooks MP	27 Jun 2022 - 30 Jun 2022
Governing Boards	
John Papatheohari (Board Chair)	1 Jul 2021 - 30 Jun 2022
Frank Piscioneri	1 Jul 2021 - 30 Jun 2022
Joyce Lynch	1 Jul 2021 - 30 Jun 2022
Phillip Down	1 Jul 2021 - 30 Jun 2022
Steven Fumberger	1 Jul 2021 - 30 Jun 2022
Darren Law	1 Jul 2021 - 30 Jun 2022
Kathryn Munro	1 Jul 2021 - 30 Jun 2022
Mary Rydberg	1 Jul 2021 - 30 Jun 2022
Accountable Officers	
Lois O'Callaghan (Chief Executive Officer)	1 Jul 2021 - 30 Jun 2022

Note 8.2 Responsible persons (continued)

Remuneration of Responsible Persons

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

Income Band	Total 2022 No	Total 2021 No
\$0,000 - \$9,999	8	7
\$190,000 - \$199,999	1	1
Total Numbers	9	8

Total remuneration received or due and receivable by Responsible Persons from the reporting entity amounted to:	Total 2022 \$'000	Total 2021 \$'000
	\$226	\$229

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

Note 8.3 Remuneration of executives

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

Remuneration of executive officers

(including Key Management Personnel disclosed in Note 8.4)

Short-term benefits

Post-employment benefits

Other long-term benefits

Total remunerationⁱ

Total number of executives

Total annualised employee equivalentⁱⁱ

	Total Remuneration	
	2022	2021
	\$'000	\$'000
Short-term benefits	400	363
Post-employment benefits	51	48
Other long-term benefits	10	8
Total remuneration	461	419
Total number of executives	3	3
Total annualised employee equivalent	3.0	2.6

ⁱ The total number of executive officers includes persons who meet the definition of Key Management Personnel (KMP) of Mallee Track Health and Community 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 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

The Board of Directors and Chief Executive Officer of Mallee Track Health and Community Services are deemed to be KMPs.

KMPs	Position Title
John Papatheohari	Chair of the Board
Frank Piscioneri	Board Member
Joyce Lynch	Board Member
Phillip Down	Board Member
Steven Fumberger	Board Member
Darren Law	Board Member
Kathryn Munro	Board Member
Mary Rydberg	Board Member
Lois O'Callaghan	Chief Executive Officer
Pam Vallance	Executive Director of Nursing
Lyndal Munro	Director of Community Services

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

	Total 2022 \$'000	Total 2021 \$'000
Compensation - KMPs		
Short-term Employee Benefits ⁱ	480	480
Post-employment Benefits	55	58
Other Long-term Benefits	12	12
Total ⁱⁱ	547	550

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

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

Note 8.4: Related Parties (continued)

Significant transactions with government related entities

Mallee Track Health and Community Service received funding from the Department of Health of \$8.150 m (2021: \$6.87 m) and indirect contributions of \$0.216 m (2021: \$0.045 m). Balances recallable as at 30 June 2022 are \$0.395 m (2021 \$0.615 m)

Other State Government grants includes \$0.694 m (2021: \$0.717 m) from Dental Health Services Victoria and \$0.786 m (2021: \$0.693 m) from Department of Education and Training.

The Department of Health provided free of charge \$0.318 m (2021: 0.029 m) of essential personal protective supplies and equipment as part of the State Supply arrangement in order to meet the needs of the Health Service during the COVID-19 pandemic (refer note 2.2).

Expenses incurred by Mallee Track Health and Community 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 Mallee Track Health and Community 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 Mallee Track Health and Community Service, there were no related party transactions that involved key management personnel, their close family members or their personal business interests. No provision has been required, nor any expense recognised, for impairment of receivables from related parties. There were no related party transactions with Cabinet Ministers required to be disclosed in 2022 (2021: none).

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

Note 8.5: Remuneration of Auditors

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

Total 2022 \$'000	Total 2021 \$'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	
		2022	2021
		%	%
Loddon Mallee Rural Health Alliance	Provision of Information Technology Services	4.41	4.25

Mallee Track Health and Community Services interest in the above joint arrangement is detailed below. The amounts are included in the financial statements under their respective categories:

	2022 \$'000	2021 \$'000
Current assets		
Cash and cash equivalents	351	274
Receivables	25	46
Prepaid expenses	108	64
Total current assets	484	384
Non-current assets		
Property, plant and equipment	36	41
Total non-current assets	36	41
Total assets	520	425
Current liabilities		
Payables	180	113
Other Current Liabilities	11	12
Total current liabilities	191	125
Total liabilities	191	125
Net assets	329	300
Equity		
Accumulated surplus	329	300
Total equity	329	300

Note 8.7 Joint arrangements

Mallee Track Health and Community Services interest in revenues and expenses resulting from joint arrangements are detailed below:

	2022	2021
	\$'000	\$'000
Revenue		
Grants	547	884
Other income	8	53
Total revenue	555	937
Expenses		
Other Expenses from Continuing Operations	529	866
Depreciation	8	8
Expenditure Using Capital Purpose Income	-	7
Total expenses	537	881
Net result	18	56

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 Mallee Track Health and Community 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

Note 8.9: Economic dependency

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

