ALEXANDRA
DISTRICT HEALTH




## 155th Annual Report

# ALEXANDRA DISTRICT HEALTH

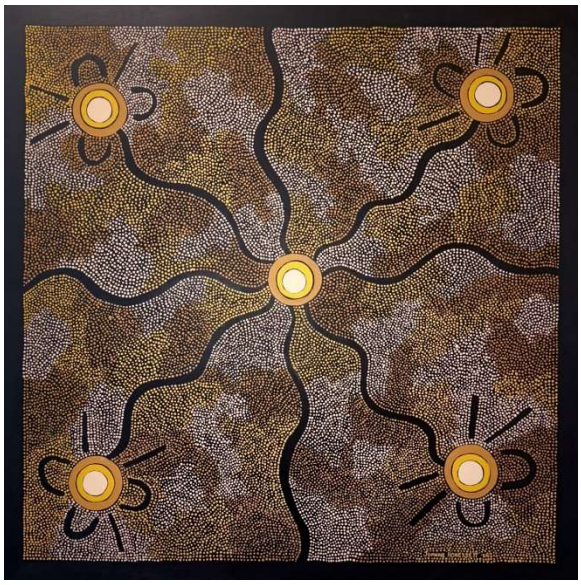
# 2025/26

# Acknowledgement of Traditional Owners

We acknowledge that we are on Taungurung Country. We hereby express our respect for the Taungurung people, who are the Traditional Owners of the land on which we are based.

We pay our respects to their Leaders and Elders past, present and emerging, for they hold forever the memories, traditions, culture and hopes of all Taungurung people.

We express our gratitude for the sharing of this land, our sorrow for the personal, spiritual and cultural costs of that sharing and our hope that we can walk forward together in harmony and in the spirit of reconciliation.





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


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# Mission Statement

## Our Mission

To partner with our community so together we achieve excellence in rural healthcare.

## Our Values

The following values underpin all interactions between Alexandra District Health patients, staff, other service providers, supporters and the communities in which ADH operates. The values were developed and are owned by our staff and enthusiastically supported by the Board.

| | | We will: |
|---|---|---|
| **A** | **Accessible** | Create a welcoming environment for all |
| **D** | **Dedicated** | Strive to do our best each and every time |
| **H** | **Holistic** | Consider the treatment of the whole person, considering mental and social factors, rather than just symptoms of a disease |
| **C** | **Compassionate** | Be sympathetic and show care and kindness to patients, visitors and each other |
| **A** | **Accountable** | Take responsibility for our actions |
| **R** | **Respect** | Maintain the privacy and confidentiality of others |
| **E** | **Excellent** | Continuously strive to do better, learning from our mistakes |
| **S** | **Safe** | Ensure a safe Health Service for all patients, staff and visitors |

## Strategic Goals and Objectives

### Service Profile and Clinical Excellence

- Services adapt to the changing needs of our community and are appropriate for the future needs of our community.
- Care that is safe, evidence based, proactive and contemporary.

### Communication, Partnerships and Engagement

- Excellence in rural health care through mutually beneficial partnerships with our community, our staff and our service partners.

### Governance and Leadership

- Board and executive providing strong leadership and direction.
- A resilient Health Service.

### Workforce

- Engaged, outstanding people providing great healthcare locally within a safe and healthy work environment.

### Resourcing and Sustainability

- A sustainable financial base to deliver present and future services.
- Our buildings and equipment are well planned, well maintained and fit for purpose.
- Our outreach services are delivered in fit for purpose facilities.

# Our Profile

## Board of Directors Chair
Mr. Kim Flanagan

## Finance, Audit and Risk Committee Chair
Mr. Alan Studley

## Quality and Clinical Governance Committee Chair
Ms. Michelle Fleming

## Interim Chief Executive Officer
Ms. Claire Palmer

## Responsible Ministers
Alexandra District Health (ADH) is a public health service established under the Health Services Act 1988 (Vic).

Minister for Health
Minister for Ambulance Services
- The Hon. Mary-Anne Thomas MP from 1 July 2025 to 15 April 2026

Minister for Health
Minister for Ambulance Services
Minister for Water
- Hon. Harriet Shing MP from 15 April 2026 to 30 June 2026

Minister for Health Infrastructure
- The Hon. Melissa Horne MP from 1 July 2025 to 30 June 2026

Minister for Mental Health
Minister for Ageing
- The Hon. Ingrid Stitt MP from 1 July 2025 to 30 June 2026

Minister for Disability
Minister for Children
- The Hon. Lizzie Blandthorn MP from 1 July 2025 to 30 June 2026

## Accreditation Status
Fully Accredited to 9 March 2028.

## Board of Directors (1 July 2025 to 30 June 2026)

| | |
|---|---|
| **Chair** | Mr. Kim Flanagan |
| **Deputy Chair** | Ms. Cindy Neenan |
| **Board Members** | Mr. Alan Studley |
| | Ms. Michelle Fleming |
| | Ms. Melanie Telford |
| | Ms. Soulla Nicodimou |
| | Ms. Natalie Sheridan-Smith |
| | Ms. Roslyn Pruden |
| | Mr. Ashley Shea |
| | Ms. Kellie Vivekanantham |

## Finance, Audit and Risk

All ADH Board Directors participate in the Finance, Audit and Risk Committee. ADH aim to have an independent audit committee member participate.

| | |
|---|---|
| **Auditor** | HLB Mann Judd (Internal Auditor)/ Crowe (External Auditor)/ VAGO (Victorian Auditor General's Office) |
| **Bankers** | Westpac (CBS), NAB (CBS) |
| **Solicitors** | Health Legal |

## Responsible Bodies Declaration

In accordance with the Financial Management Act 1994, I am pleased to present the Report of Operations for Alexandra District Health for the year ending 30 June 2026.



Kim Flanagan
**Board Chair**
Alexandra District Health
30 June 2026

# About Us

Alexandra District Health employs a team of approximately 135 staff who work across our clinical and corporate services. Our services consist of a 25-bed acute ward, 6-day procedure beds and a 6 cubicle Urgent Care Centre.

We provide a range of in service (medical and surgical) and primary health services in Alexandra.

| IN HOSPITAL SERVICES | PRIMARY HEALTH SERVICES | VISITING SERVICES |
|---|---|---|
| Acute Ward<br>Urgent Care Centre<br>Dietetics<br>Occupational Therapy<br>Physiotherapy<br>Social Work<br>Speech Pathology<br><br>Surgery Including:<br>• Gynaecology<br>• Orthopaedic<br>• Endoscopy<br>• Ophthalmology | Advanced Care Planning Clinic<br>Asthma Education<br>Cardiac Rehabilitation<br>Counselling Services<br>Heart Health Program<br>Diabetes Education<br>Dietetics<br>District Nursing Service<br>Meals on Wheels<br>Occupational Therapy<br>Physiotherapy<br>Pulmonary Rehabilitation Program<br>Social Work | Hearing Clinic<br>Echocardiography<br>Private Specialists Including;<br>• Gynaecologist<br>• Urologist<br>• Orthopaedic Surgeon<br>• Gastroenterologist<br>• Ophthalmologist<br>• Renal Specialist<br>• Cardiologist<br>• Podiatry<br><br>Day Oncology Service |

| ACTIVITY | 2025/26 | 2024/25 |
|---|---|---|
| Urgent Care Presentations | 3,495 | 3,724 |
| Health Service Admissions | 896 | 829 |
| Surgical Procedures | 596 | 634 |

# Medical Staff

## Director Medical Services

**Dr. Poranee Buttery,** MBBS, FANZCA, PGCertCU (UoM), AFRACMA, RACMA Candidate MHA (Monash), MAICD

## General Practitioners

**Dr D Deelen** MBBS, FRACGP, FACRRM, RGA

**Dr. L Carter** BSc, MBBS, FRACGP, FACRRM, RGA.
**Dr S Wiles** MBBS, FRACGP, DipRGA-JCCA

**Dr K Douglas** MBBS, FRACGP, Dip Child Health

**Dr. S Sharma** MBBS, FRACGP, AFRACMA, Cert Emerg Med (ACEM), Clin Dip Palliative Care

**A/Prof. S Fernandez** MBBS, FRACGP, Adv Dip Emerg Med (ACEM), RGA

## Critical Care Physician

**Dr P Chan**, BSc (Hons) MBBS (Hons), FCICM

## Career Medical Officer

**Dr K Al Kafaji,** MB ChB, AMC, Adv Dip Emerg Med (ACEM)

## Rural Generalist Anaesthetists

**Dr D Deelen** MBBS, FRACGP, FACRRM, RGA

**Dr. L Carter** BSc, MBBS, FRACGP, FACRRM, RGA.

**Dr S Wiles** MBBS, FRACGP, RGA

## Orthopaedic Surgeons

**Mr J Harvey**, MBBS, FRACS (Orth)

**Mr C Kondogiannis** MBBS, FRACS (Orth)

## Urologist

**Dr P Ruljancich** MBBS, FRACS (Urol)

## Gastroenterologist

**Dr P Mahindra** MBBS, FRACP, GESA

**Dr E Tsoi** MBBS, FRACP, GESA, MPH (UNSW), PhD (UoM)

## Ophthalmologist

**Dr R Bunting** MBBS, RANZCO, FRCOphth

## Oncologist

**Dr Yang Wang**

## Cardiologist

**Dr E Kotschet** MBBS (Hons) FRACP (Cardiol)

## Paediatrician

**Dr D Cutting** MBBS, FRACP (Paed and Child Health)

## Nephrologist

**Dr P Branley** BPharm, MBBS, FRACP (Nephrol)

**Dr A Malaweera**
MBBC MRCP FRACP
PhD Candidate

## Gynaecologist

**Dr A Lawrence BSc**. (Hons), MBBS (Hons), FRANZCOG, MRCOG

## General Surgeon

**Dr B Nguyen** MBBS, FRACS (Gen Surg), GESA

## Telecare Physicians

**Dr K Wong** MBBS FRACP (Geriatrics)

**Dr R Sriamareswaran** MBBS, FRACP (Geriatrics), MPH & MHLM (UNSW), CHIA

**Dr C Sia** MBBS, FRACP (Nephrol)

# Board Chair and Chief Executive Officer Report

## Our Year in Review

On behalf of the Board of Directors and staff of Alexandra District Health (ADH), we are pleased to present the 155th Report of Operations and Annual Report for the year ended 30 June 2026.

This has been one of the most significant years in Alexandra District Health's history. Throughout the year, the Board and Executive have remained steadfast in our commitment to delivering safe, high-quality healthcare while planning for the long-term future of health services across the Murrindindi Shire. Against a backdrop of statewide health reform, continued financial pressures across the Victorian public health sector and increasing demand for rural healthcare services, Alexandra District Health has continued to demonstrate resilience, sound governance and an unwavering focus on our community.

None of these achievements would have been possible without the dedication, professionalism and compassion of our staff, volunteers, visiting medical officers and Board Directors. Every day they demonstrate an extraordinary commitment to caring for our community, often under challenging circumstances. We sincerely thank each of them for their continued service.

One of the Board's most significant strategic priorities during the year has been the exploration of a proposed voluntary amalgamation between Alexandra District Health and Eastern Health. This work has been undertaken in response to the changing landscape of Victorian healthcare and the increasing need to ensure rural health services remain clinically sustainable, financially resilient and capable of meeting future community expectations.

Following the development of a comprehensive business case and extensive engagement with staff, volunteers, stakeholders and the community, the Boards of both organisations jointly recommended a voluntary amalgamation to the Victorian Minister for Health.

Since the end of the reporting period, the Minister for Health has approved the voluntary amalgamation. It has subsequently been announced that Alexandra District Health will amalgamate with Eastern Health, with the amalgamation to take effect on 1 November 2026.

The Minister’s approval represents an important milestone and provides a clear direction for the future of health services in Alexandra and across the wider Murrindindi community. The period leading up to 1 November 2026 will focus on careful transition planning, maintaining continuity of care, supporting our workforce and community, and establishing the governance, clinical and operational arrangements required for the amalgamation.

Throughout this process, the Board has remained guided by one fundamental principle: achieving the best possible healthcare outcomes for the people of Alexandra and the wider Murrindindi community. Our objective has never been organisational change for its own sake, but rather ensuring our community continues to receive safe, sustainable and high-quality healthcare closer to home for generations to come.

The amalgamation provides an opportunity to strengthen local healthcare delivery through expanded specialist services, improved access to diagnostics, enhanced workforce recruitment and retention, increased education opportunities, and more integrated clinical pathways between rural and metropolitan health services.

Importantly, the amalgamation has been developed with a strong commitment to maintaining Alexandra District Health’s unique local identity and community connections. This includes preserving a meaningful local voice, ensuring locally raised funds continue to support local services and maintaining strong community engagement in the future planning and delivery of healthcare across the region. These principles have been central to the Board’s deliberations and will remain important throughout the transition.

While significant attention has rightly been focused on the future, Alexandra District Health has continued to perform strongly across all aspects of service delivery.

We are pleased to report that the organisation has continued to strengthen its financial position despite the challenging environment facing health services across Victoria. Careful financial stewardship, disciplined decision-making and the ongoing implementation of our Financial Sustainability Plan have enabled Alexandra District Health to maintain a stable financial position while continuing to invest in patient care, staff capability and essential infrastructure.

This year has been one of significant achievement, innovation and collaboration as ADH continued to strengthen partnerships and improve access to care for our community.

A major milestone was our active participation in the East Metro Murrindindi Local Health Service Network (EMM LHSN) and the development of the Clinical Services Plan (CSP) Part A. Through extensive consultation with health services across the network and the Department of Health, a clear and shared direction has been established for admitted services, ensuring future planning focuses on delivering the right care, in the right place, and closer to home for our communities.

Providing care closer to home remains at the centre of our strategic focus. In August 2025, we established a Day Oncology Infusion Clinic, enabling local residents to receive treatment without the burden of travelling long distances. Community demand for this service continued to grow, resulting in the introduction of a second clinic day in April. This expansion reflects both the need for and value of delivering specialist services locally.

We also strengthened specialist access through the establishment of a Cardiology Discharge Telehealth Clinic, improving continuity of care and supporting patients to transition safely from hospital to home. Further enhancing community-based care, a service agreement with Eastern Health has enabled the provision of Hospital in the Home services to the Murrindindi community, offering patients greater choice and access to treatment in familiar surroundings.

Our partnerships are also creating exciting opportunities for workforce development. Discovery Days with both Eastern Health and St Vincent's Hospital are being planned, providing valuable exposure, learning and career development opportunities for our clinical workforce while strengthening relationships across the broader health system.

January brought extraordinary challenges as devastating bushfires impacted the Murrindindi region. While the effects continue to be felt throughout our community, we acknowledge and sincerely thank our staff for their remarkable resilience and dedication. Many came to work and continued to care for others while their own homes and properties were under direct threat. Their commitment exemplifies the values and strength of our organisation.

The Primary Health Team played a vital role in supporting community recovery, delivering more than 300 hours of mental health and wellbeing support to those affected by the bushfires. We are grateful for their compassion, professionalism and commitment during a difficult period for our community.

We also thank Alexandra Events for their support, through opportunities to utilise the Murrindindi Health Van to deliver healthcare services and health promotion activities directly within the community.

Supporting our workforce remained a priority throughout the year. Significant investment in education and professional development has ensured staff continue to build their skills and deliver high-quality care.

The Board of Directors proudly supported five scholarships for doctors and nurses to undertake Paediatric Advanced Life Support (PALS) training, enhancing our capability to respond to paediatric emergencies and strengthening care for local families.

Recognising the importance of staff wellbeing, a Staff Wellbeing Committee was established during the year. The committee has led several initiatives aimed at fostering connection, support and resilience

across the organisation, including morning teas, soup lunches and opportunities for staff to check in with one another. The organisation also actively recognised R U OK? Day, reinforcing the importance of mental health awareness and encouraging meaningful conversations among colleagues.

Community remains at the heart of everything we do. Through our Community Engagement Committee, volunteers, donors and valued community partners, we continue to receive extraordinary support that enables Alexandra District Health to thrive. We sincerely thank every member of our community who contributes their time, expertise, advocacy and generosity to support local healthcare.

The Board extends its sincere appreciation to Jane Poxon, who concluded her tenure as Chief Executive Officer during the year. Jane provided outstanding leadership to Alexandra District Health over many years, guiding the organisation through significant challenges while maintaining an unwavering focus on quality care, staff wellbeing and financial sustainability. Her professionalism, integrity and commitment to our community have left a lasting legacy, and on behalf of the Board, staff and community, we thank Jane for her exceptional contribution and wish her every success in the future.

Following Jane's departure, Claire Palmer was appointed Acting Chief Executive Officer. Claire has provided strong and steady leadership during this period of transition, ensuring continuity of services while continuing to progress the organisation's strategic priorities. The Board sincerely thanks Claire for her dedication, professionalism and commitment to Alexandra District Health during this important time.

The Board and Senior Management would also like to acknowledge the retirement of our Deputy Chair, Cindy Neenan, and thank her for her significant contribution to Alexandra District Health. Throughout her time on the Board, Cindy provided valuable insight, sound judgement and wise counsel, and her contribution to Board deliberations was always considered and greatly valued. We extend our sincere appreciation to Cindy for her commitment and service to Alexandra District Health and wish her every success and happiness for the future.

As we look ahead, our immediate priority is to work closely with Eastern Health, the Department of Health, our staff, volunteers, clinicians, community representatives and other stakeholders to prepare for the amalgamation on 1 November 2026. This work will be undertaken carefully and transparently, with a strong focus on continuity of care, workforce support and the ongoing delivery of safe and accessible health services.

The amalgamation marks the beginning of a new chapter for healthcare in Alexandra and the Murrindindi region. While our organisational arrangements will change, our commitment to the community remains unchanged. We will continue to advocate for healthcare that is safe, accessible, sustainable and centred on local needs. We will continue to protect and celebrate the values, identity and community connections that have defined Alexandra District Health for more than 155 years.

We are immensely proud of what has been achieved during the past year and remain optimistic about the opportunities ahead. Together, we are building a stronger future for healthcare across the Murrindindi region while remaining true to the values that have guided Alexandra District Health since its establishment.

We thank our staff, volunteers, medical practitioners, community members, donors and partners for their ongoing trust, commitment and support.

We hope you enjoy reading our 2025–2026 Annual Report and learning more about the achievements of Alexandra District Health over the past year.

## Financial Performance

Alexandra District Health (ADH) delivered a positive financial result in 2025/26, achieving an operating surplus of $44,049, exceeding the Department of Health Statement of Priorities target of a breakeven position. This outcome was achieved despite ongoing health sector-wide challenges including rising workforce costs, inflationary pressures, increased compliance requirements and investment in new clinical services.

A number of revenue initiatives contributed positively to the year's result. ADH benefited from the first full year of the Medicare COAG (19.2A) exemption, generating $113,578 in additional revenue from eligible Urgent Care Centre and Medical Review Clinic presentations. The organisation also achieved a significant improvement in private patient revenue, increasing by $49,712 when compared with 2024/25. This improvement was driven by strengthened patient billing processes through the iPM patient administration system, the development of a patient information brochure outlining private patient arrangements, and better identification of patients with private health insurance at the point of presentation. In addition, ADH increased revenue generated from clinical education activities, with student placement revenue increasing by $13,700 when compared with the previous financial year.

Partnerships established as part of the East Murrindindi Local Heath Service Network remain central to ADH's long-term financial sustainability strategy. During the year, collaboration with Eastern Health enabled the successful establishment of a local oncology service, improving access to specialist cancer care for the community. Initially operating one day per week and increasing to two days per week from April 2026, the service has improved access to specialist cancer treatment closer to home and reduced travel requirements for local patients.

ADH also worked with the Local Health Service Network to identify opportunities for shared services, workforce support, service integration and future clinical developments, including the planned introduction of renal dialysis services. These collaborative arrangements help maximise resources, strengthen service delivery and improve health outcomes for local residents.

While expenditure pressures remained significant, particularly in workforce costs, digital health systems and service expansion activities, ADH successfully participated in Year 2 of the Department of Health Budget Action Plan. The organisation achieved $381,907 in efficiency and sustainability savings, exceeding its annual target of $360,754 and demonstrating a strong commitment to prudent financial management.

ADH's consolidated net result for 2025/26 was a deficit of $1.93 million, largely driven by non-cash depreciation and asset-related adjustments associated with maintaining and renewing the organisation's infrastructure and equipment. While these impacts reduced the consolidated result, ADH achieved its operational target with an operating surplus reported for 2025/26. As at 30 June 2026, cash available for operations totalled approximately $1.2 million, representing 34 days available cash on hand, this is above the Department of Health benchmark of 14 days.

Looking ahead to 2026–27, ADH will continue to focus on financial sustainability and the delivery of essential community services as it prepares to amalgamate with Eastern Health on 1 November 2026. Priorities for the period before the effective date will include maintaining sound financial controls, supporting continuity of care, progressing agreed service developments and completing the necessary financial and operational transition activities.

Planned service developments include the introduction of renal dialysis services, expansion of oncology and infusion services, and commencement of radiology services. These developments, together with the amalgamation, are expected to support greater integration of services and improved access to specialist care for the Murrindindi community.

Supported by its financial sustainability program and continued efficiency initiatives through the implementation of the Budget Action Plan, ADH will enter the transition period from a stable operating position and with a continued commitment to delivering safe, high-quality healthcare for the local community.



Kim Flanagan
**Board Chair**



Claire Palmer
**Interim Chief Executive Officer**

# Executive Team

## Chief Executive Officer, Jane Poxon (1 Jul 2025 – 19 Apr 2026)/ Interim Chief Executive Officer, Claire Palmer (20 Apr 2026 – 30 Jun 2026)

The Chief Executive Officer is responsible to the Board of Directors for the effective operational, financial and human resource management of Alexandra District Health. Additionally, this position holds full responsibility for legislative compliance and organisational performance together with organisational development and enhancement.

## Director Medical Services, Dr Poranee Buttery

The Director Medical Services (DMS) acts on behalf of Alexandra District Health, in overseeing the professional performance of all employed and visiting medical practitioners to enhance and develop medical service provision. The DMS is responsible for ensuring a safe medical care environment for patients of the Health Service.

## Director of Clinical Services, Nathan Willoughby

The role of the Director Clinical Services is to provide strategic direction to Alexandra District Health clinical services and primary health streams and perform as a member of the Executive management team.

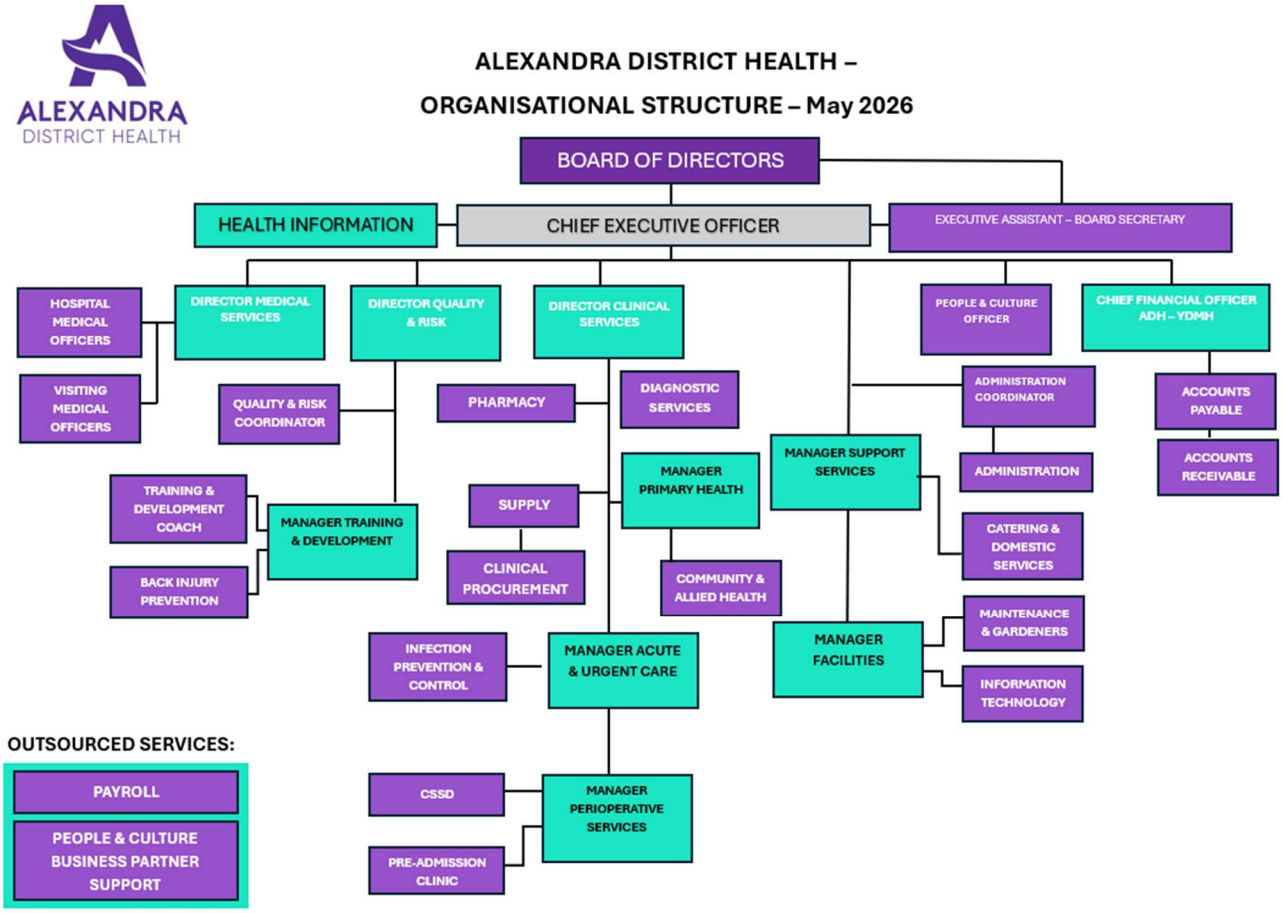
## Director Quality and Risk, Natasha Bowater

The Director Quality and Risk (DQR) works in collaboration with the Chief Executive Officer and the executive team to lead the quality improvement and risk management program at Alexandra District Health. The DQR works collaboratively with the senior leadership team, clinical and non-clinical staff and consumers to ensure that Alexandra District Health has an effective, coordinated, organisation- wide approach to the provision of quality improvement, incident and risk management, management of policies and procedures, emergency management systems and accreditation process across all areas of the organisation.

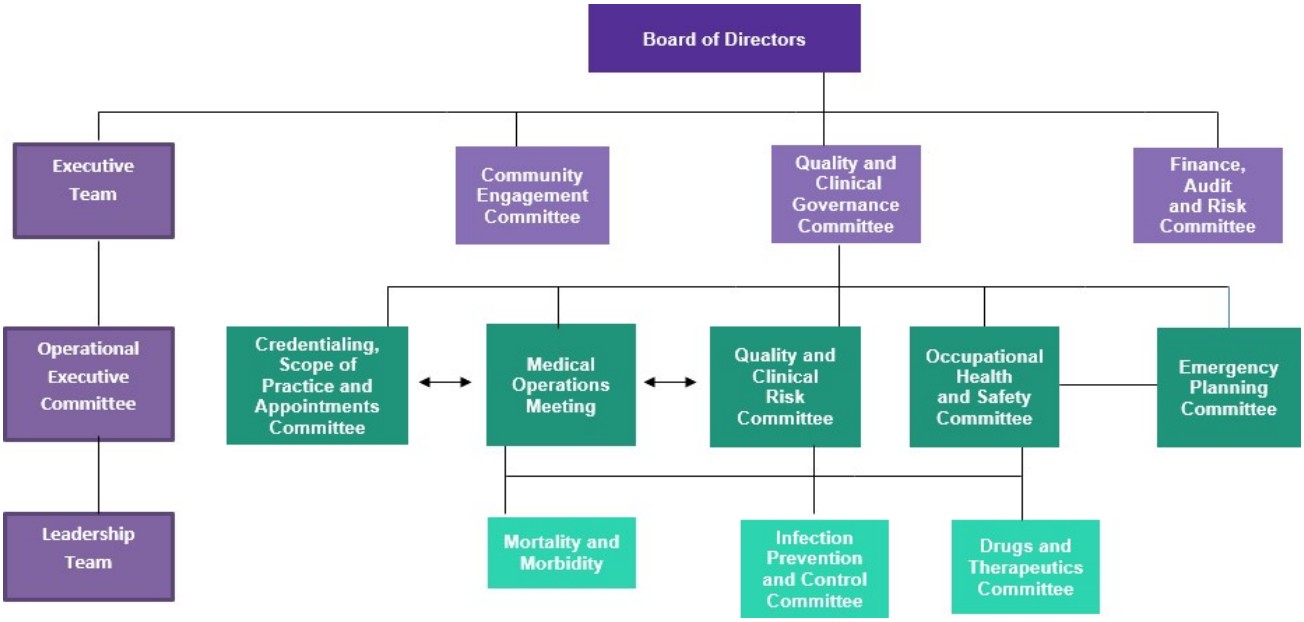
## Chief Finance Officer, Tracey Spiers

The Chief Finance Officer oversees the financial management practices and controls of Alexandra District Health including the provision of sound financial reporting and advice to the Board, Chief Executive Officer and Executive/Leadership team to support well informed decision making.

# Organisational Structure




# Committee Reporting Structure



# Administrative Structure

**Board of Directors**

| | |
|---|---|
| Directors | Mr. Kim Flanagan - Chair, Board of Directors<br>Ms. Cindy Neenan<br>Mr. Alan Studley<br>Ms. Michelle Fleming<br>Ms. Melanie Telford<br>Ms. Natalie Sheridan-Smith<br>Ms. Soulla Nicodimou<br>Mr. Ashley Shea<br>Ms. Roslyn Pruden<br>Ms. Kellie Vivekanantham |
| Finance, Audit and Risk Committee | Mr. Alan Studley - Chair |
| Quality and Clinical Governance Committee | Ms. Michelle Fleming - Chair |
| Community Engagement Committee | Ms. Melanie Telford - Chair |

**Executive**

| | |
|---|---|
| Chief Executive Officer | Mrs Jane Poxon (1 July 2025 – 19 April 2026) |
| Interim Chief Executive Officer | Ms. Claire Palmer (20 April 2026 – 30 June 2026) |
| Acting Director Clinical Services | Mr. Nathan Willoughby |
| Executive Project Manager | Ms. Claire Palmer (1 July 2025 – 19 April 2026) |
| Director Medical Services | Dr. Poranee Buttery |
| Director Quality and Risk | Ms. Natasha Bowater |
| Chief Finance Officer | Ms. Tracey Spiers |
| Executive Assistant | Ms. Jennifer Creed |

# Board of Directors

## Mr Kim Flanagan – Chair

Kim Flanagan is the Chair of Alexandra District Health Service. He is also a Non-Executive Director of Carinya (an NDIS Residential Care Provider) and the Chief Operating Officer of New Age HSE Services, a respected risk management consulting company.

Kim has worked in both Federal and State Government Business Enterprises and departments such as Monash Health, the Department of Health and Human Services and the Westgate Tunnel Authority. He has also been an Executive in the private sector with companies such as BHP, Finemore Holdings Limited, the Ford Motor Company of Australia, UGL Limited and NBN Co. Limited

Kim has a bachelor's degree in social science majoring in Human Physiology and Sociology and is trained in Six Sigma and Lean philosophy, Six Sigma Project Champion and is an accredited Exemplar Global Master Auditor. He is also a Fellow of the Institute of Logistics and Transport, Fellow of the Governance Institute of Australia, Member of the Australian Institute of Company Directors and a Fellow of the International Safety, Quality & Environment Management Association.

## Ms. Cindy Neenan - Deputy Chair

Cindy is a semi-retired executive who has forged a successful career across manufacturing and engineering in Australia, NZ and overseas. Cindy's expertise resides in all aspects of human resources, particularly industrial relations and organisation development. She has been a past director of a Mercer Superannuation Master Trust Fund, past Chair of the Australian Automotive Industrial Relations Committee and founder and Chair of Diversity and People councils across her industry. She has previously managed large commercial portfolios as a purchasing director, overseeing vendor costs and quality systems, business process re-engineering, and holds a six-sigma qualification.

Cindy has a keen interest in public health advancements for cancer standard of care treatment and to this end sits on the Human Research Ethics Committee in a large metropolitan hospital. She is passionate about community sport, is the finance manager of her local rowing club and community liaison with local council and peak bodies overseeing environmental systems on the inner west river system. She also coaches school, club and adult rowing. Cindy is the Deputy Chair of the ADH Board, is a member of the Finance, Audit and Risk Committee and the Quality and Clinical Governance Committee.

## Mr Alan Studley

Alan is Chair of the Finance, Audit and Risk Committee and a member of the Quality and Clinical Governance Committee.

He is Chair of the Finance and Audit Committee of Access Community Health, Chair of the Finance and Audit Committee Wayss (Family Violence & Housing Support), Independent member of the Murrindindi Audit and Risk Committee and a Director of ANZGITA.

Alan has worked for multi-national companies in the fields of manufacturing, media and food production. His roles have included Finance Director, Chief Executive Officer and Executive Chairman in large acute care health facilities, public transport related services and a federal government trust responsible for national heritage assets.
In the past Alan has been a director and trustee of the Metropolitan Ambulance Service, Royal Guide Dogs for the Blind Association of Victoria and Australia, Aware Super (Health Super) and ASX listed Sausage Software Pty Ltd. And ASX listed ANTEO PTY LTD.

He has acted as a surveyor for the Australian Council of Healthcare Standards and member of the Department of Human Services, Strategy Steering Committee I2T2. He is a Fellow of the Australian Institute of Company Directors and a fellow of CPA Australia.

## Ms. Michelle Fleming

Michelle has a background in health and community services and currently works as acting Director Operations, Medicine at Eastern Health. Michelle has significant operational health service leadership experience including across acute and subacute inpatient services, subacute ambulatory services, community health, Aboriginal health, general practice, and sexual assault support services. Michelle has a Graduate Diploma in Health Promotion, Masters in Health and Human Services Management and is a member of the Australian Health Promotion Association and a member/Graduate of the Australian Institute of Company Directors. Michelle is currently studying towards a Diploma of Sustainable Living.

Michelle is passionate about delivering the best quality care to patients and helping them remain well within their community. She has strong connections to the local community, having lived in the local area for most of her life and currently residing in Taggerty. Michelle is a member of the Finance, Audit and Risk Committee and Chair of the Quality and Clinical Governance Committee.

## Ms. Melanie Telford

Melanie is a finance professional with extensive experience in financial management, business partnering and process improvement. She has a Bachelor of Commerce / Arts and a Graduate Diploma in Applied Finance and Investment. She currently is a Director of her own consulting business and is a non-executive Director at the Tweddle Foundation. Melanie has previously worked in various roles at ANZ, GE and Ford Credit.

Melanie is passionate about public health and improving outcomes for people with chronic conditions. Melanie also has property in Alexandra and intends to relocate to the area in the long term.

## Ms. Soulla Nicodimou

Soulla is an interim executive who has worked across a range of industries including resources, technology, education, utilities and research for large multi-nationals, national and social enterprise start-ups in Australia, Asia, Africa and Europe.

Having held positions such as Chief Finance Officer, Chief Operating Office and Program Manager roles, Soulla has extensive experience in finance, cyber security, information technology and digital transformation.

Soulla also holds a board position with Mary Ward International Australia, an NFP who work with women and communities to transform unjust structures and reduce poverty primary through education.

Soulla has previously held volunteer positions at Brunswick Cycling Club and was a founding member of the Safeguarding Committee for global research enterprise. Soulla is a Fellow of CPA Australia and a member / graduate of the Australian Institute of Company Directors.

## Ms. Natalie Sheridan-Smith

Natalie is a barrister with over 20 years' experience appearing in courts in Victoria, NSW, ACT, Queensland and the Northern Territory. Natalie specialises in criminal, children and family law, family violence, mental health and regulatory compliance.

In June 2023 Natalie was appointed as a sessional legal member of the Mental Health Tribunal.

Natalie is also an experienced board director and a graduate of the Australian Institute of Company Directors (GAICD).

She was appointed as a non-executive director of Alexandra District Hospital in 2022 and has additionally been involved in the sub-committees to recruit new board directors and the CEO. She is currently a member of the Finance, Audit and Risk Committee, Quality and Clinical Governance Committee and the Community Engagement Committee.

Natalie is also currently the Chair of the Heathcote & District Community Bank (Heathcote and Nagambie branches). Previous appointments include non-executive director of Heathcote Hospital (2018-2021),

President of the Children's Court Bar Association (2021-2023) and company secretary for Howells' List Pty Ltd (2010-2020).

Natalie's board expertise lies in corporate governance, strategy and risk, legal and compliance.

## Ms. Roslyn Pruden

Roslyn has a background as an occupational therapist and has worked across community health, not for profit organisations, local government and state government. She is currently the Manager, Family Youth and Wellbeing at Bayside City Council. Roslyn has a Bachelor of Occupational Therapy, Graduate Diploma of Health Sciences in Occupational Therapy, Cert IV in Workplace and Business Coaching, and is a Graduate of the Australian Institute of Company Directors.

Roslyn is passionate about delivering the best quality health and community services that meet the needs of the local community. She has a strong interest in diversity, equity and inclusion and is passionate about community sport. She is an avid baseball player, and is the Chair of the Baseball Victoria Women's Pathway Working group, which aims to increase the participation and opportunities for females within the sport of baseball. Roslyn has ties with Alexandra through spending many summers at Lake Eildon/Bonnie Doon area.

## Mr Ashley Shea

Ashley is a dedicated professional passionate about designing and developing future healthcare services that ensure high-quality care for both staff and patients. With a Master's in Business Administration and over 15 years of Intensive Care experience, Ashley currently serves as the Director of Capital Development at Northern Health while still actively working in the ICU.

Ashley's career began as a registered nurse, specializing in ICU care, where they developed a deep understanding of the complexities of patient care in high-pressure environments. This experience led to leadership roles, including Nurse Unit Manager of ICU at the Northern Hospital, and later, Project Manager in Capital Development. In these roles, Ashley has been instrumental in shaping healthcare environments that are both efficient and compassionate with a unique blend of hands-on healthcare experience, strategic leadership, and a commitment to innovation.

## Ms. Kellie Vivekanantham

Kellie is a highly experienced critical care trained emergency nurse and health manager and works within a diverse range of healthcare environments.

She has held senior leadership and management positions within the Victorian public health sector for over two decades and currently works as the Divisional Director for Aged, General Medicine and Subacute Services at Western Health.

Kellie has significant operational leadership experience within acute, subacute and community health and has many academic achievements including a Masters in Health Service Management, Masters in Emergency Health, Post Graduate Diploma in Advance Nursing (Critical Care) and is a Graduate and Member of the Australian Institute of Company Directors.

Kellie is a Non-Executive Director member of the Latrobe Community Health Service Board Quality & Safety Committee and is fully committed to ensuring fiscal leadership in complex and challenging health environments, whilst ensuring patients have access to safe, equitable, quality and timely healthcare.

# Attestations

## Financial Management Compliance

I, Kim Flanagan, on behalf of the Responsible Body, certify that Alexandra District Health has no Material Compliance Deficiency with respect to the applicable Standing Directions under the Financial Management Act 1994 and Instructions.



Kim Flanagan
**Board Chair**
Alexandra District Health
30 June 2026

## Data Integrity Declaration

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



Claire Palmer
**Interim Chief Executive Officer**
Alexandra District Health
30 June 2026

## Conflict of Interest Declaration

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



Claire Palmer
**Interim Chief Executive Officer**
Alexandra District Health
30 June 2026

# Attestations continued

## Integrity, Fraud and Corruption Declaration

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



Claire Palmer
**Interim Chief Executive Officer**
Alexandra District Health
30 June 2026

## Compliance with Health Share Victoria (HSV) Purchasing Policies

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



Claire Palmer
**Interim Chief Executive Officer**
Alexandra District Health
30 June 2026

# Workforce Data

## Employment and Conduct Principles

All employees are correctly classified in the workforce data collections and are required to comply with the Alexandra District Health Code of Conduct under their respective employment agreements. Alexandra District Health is committed to applying the public sector employment principles and upholds the key principles of merit and equity in all aspects of the employment relationship. To this end we have policies and practices in place to ensure all employment related decisions, including recruitment and retention, are based on merit.

| | JUNE Current Month FTE | | Average Monthly FTE | |
|---|---|---|---|---|
| **Hospitals Labour category** | 2025 | 2026 | 2025 | 2026 |
| Nursing | 29.18 | 29.76 | 27.80 | 28.95 |
| Administration and Clerical | 13.20 | 12.80 | 13.42 | 12.87 |
| Medical Support | 1.40 | 1.49 | 1.47 | 1.53 |
| Hotel and Allied Services | 7.82 | 7.69 | 8.26 | 8.73 |
| Sessional Clinicians | 2.35 | 2.29 | 2.15 | 2.05 |
| Ancillary Staff (Allied Health) | 5.10 | 5.24 | 5.36 | 4.83 |
| **Total** | **59.05** | **59.27** | **58.46** | **58.96** |

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

# Statutory Reporting

Alexandra District Health's Annual Report has been compiled to meet the requirements of the Public Administration Act, Financial Management Act and other requirements.

Disclosures required under Legislation but not recorded elsewhere in this annual report are summarised below.

## Freedom of Information Act 1982

During 2025/2026, Alexandra District Health received 36 applications. Of these requests, 0 were from Members of Parliament, 1 from the media, and the remainder from the general public.
Alexandra District Health made 36 FOI decisions during the 12 months ended 30 June 2026.

There were 35 decisions made within the statutory time periods. Of the decisions made outside time, 1 were made within a further 45 days and 0 decisions were made in greater than 45 days. A total of 36 FOI access decisions were made where access to documents was granted in full, granted in part or denied in full. 0 decision was made after mandatory extensions had been applied or extensions were agreed upon by the applicant. Of requests finalised, the average number of days over / under the statutory time (including extended timeframes) to decide the request was 10.96 days.

During 2025/2026, zero requests were subject to a complaint/internal review by Office of the Victorian Information Commissioner. One request progressed to the Victorian Civil and Administrative Tribunal (VCAT).

## Building Act 1993

Alexandra District Health complies with Regulation 1209 and 1215 of the Building Act 1993. The Alexandra District Health engages an independent contractor to perform an assessment of all buildings in accordance with Section 22E of the Act. A current Annual Safety Measures Report is on display at the Urgent Care entry.

## Local Jobs First Act 2003
Alexandra District Health has no contracts required to be reported under the Local Jobs First Disclosure in 2025/2026.

## National Competition Policy
Alexandra District Health has a policy in place for the implementation of the Victorian Government's policy on Competitive Neutrality.

## Industrial Disputes
No time lost through industrial disputes.

## Pecuniary Interests
The Board of Directors members are required to notify the Chair of the Board of any pecuniary interests. All members have completed a statement of pecuniary interests.

## Carers Recognition Act 2012
Alexandra District Health recognises and supports its responsibilities and obligations under the Act for people in care relationships and the role of carers in our community. ADH has strategies and actively works with carers to find ways for people in care relationships to have a say in care planning and service delivery complying with all requirements of the Act. ADH has complied with its obligations under Section 11 of the Act for the reporting period 1 July 2025 to 30 June 2026.

## Safe Patient Care (Nurse to Patient Ratios) Act 2015
Alexandra District Health has no matters to report in relation to its obligations under section 40 of the *Safe Patient Care Act 2015.*

## Workforce Inclusion Policy
Alexandra District Health is committed to fostering a respectful, inclusive, and dynamic workplace environment that values diversity and prioritises the wellbeing of all staff. We aim to attract, develop, and retain a workforce that reflects the communities we serve and is dedicated to delivering high-quality, person-centred care to patients, residents, and the broader community.

Our organisational culture is built on the principles of respect, collaboration, continuous improvement, and ethical practice. Through this culture, we empower our people, enhance job satisfaction, and ensure excellence in service delivery. We recognise that our staff are our greatest asset in delivering compassionate and equitable healthcare.

## Gender Equality Act 2020
Alexandra District Health remains committed to advancing gender equality and fostering a workplace culture that is inclusive, respectful and equitable for all staff. Throughout 2025/26, ADH continued to implement initiatives aligned with its Gender Equality Action Plan (GEAP), with a focus on leadership capability, flexible work practices, workforce diversity, employee wellbeing and the integration of gender equality considerations into organisational decision-making.

In May 2026, ADH submitted its final Progress Report against the 2021–2025 Gender Equality Action Plan, meeting its obligations under the Gender Equality Act 2020. The report highlighted achievements including the completion of Gender Impact Assessments, improved workforce diversity data collection, incorporation of gender equality education into staff and Board induction programs, and continued support for flexible work arrangements and professional development opportunities

During the year, ADH also promoted awareness and inclusion through initiatives such as White Ribbon Day and the 16 Days of Activism Against Gender-Based Violence campaign. Gender equality considerations continue to be integrated into policy review processes, workforce planning activities and organisational improvement initiatives. Looking ahead, ADH will build on the foundations established through the 2021–2025 GEAP as it develops and implements its next Gender Equality Action Plan

## Public Interest Disclosure Act 2012

Alexandra District Health complied with the Public Interest Disclosure Act 2012 for the year 2025/2026. There are no disclosures to report.

Complaints regarding improper conduct and corruption in the Victorian public sector can be reported to the Independent Broad-based Anticorruption Commission (IBAC).
www.ibac.vic.gov.au

## Publications

The following publications dealing with the functions, powers, duties and activities of the hospital were produced in 2025/2026 and may be viewed on the Health Service website:

- Alexandra District Health 155th Annual Report.
- Alexandra District Health Strategic Directions 2020-2024
- Alexandra District Health Annual Procurement Activity Plan 2026-2027

## Additional information available on request

In compliance with the requirements of the Standing Directions 2018 under the Financial Management Act 1994, details in respect of the items listed below have been retained by the health service and are available on request to the relevant Ministers, Members of Parliament and the public, subject to the provisions of the *Freedom of Information Act 1982*. a statement that declarations of pecuniary interests have been duly completed by all relevant officers;

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

The information is available on request from:

Office of the Chief Executive (Alexandra District Health)
**Phone:** (03) 5772 0900
**Email:** AlexandraEmail@adh.org.au

## Details of consultancies (under $10,000)

In 2025-26, there were 4 consultancies where the total fees payable to the consultants were less than $10,000. The total expenditure incurred during 2025-26 in relation to these consultancies is $25,052 (excl. GST).

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

In 2025-26, there were 2 consultancies where the total fees payable to the consultant were $10,000 or greater. The total expenditure incurred during 2025-26 in relation to these consultancies was $118,391 (excl. GST). Details of the consultancies are as follows:

| Consultant | Purpose of Consultancy | Start Date | End Date | Total approved project fee (exc. GST) | Expenditure 2025-26 (exc. GST) | Future expenditure (exc. GST) |
|---|---|---|---|---|---|---|
| Fleishman Hillard | Stakeholder engagement/ Public Relations – Voluntary Amalgamation | 1/10/2025 | 31/12/2026 | $150,000 | $103,901 | $46,099 |
| Clarke Hopkins Clarke Architects | Dialysis Feasibility and infrastructure space costings | 19/01/2026 | 31/03/2027 | $50,000 | $14,490 | $35,510 |

## Information and Communication Technology (ICT) Expenditure

The total ICT expenditure incurred during 2025-26 is $0.69 million (excluding GST) with the details shown below:

| **Business as Usual (BAU) ICT expenditure** | Non-Business as Usual (non-BAU) ICT expenditure | | |
|---|---|---|---|
| **Total (excluding GST)** | Total = Operational expenditure and Capital Expenditure (excluding GST) (a) + (b) | Operational expenditure (excluding GST) (a) | Capital expenditure (excluding GST) (b) |
| $0.69 | **$0.00** | $0.00 | $0.00 |

## Financial Performance – 5 Year Summary

| | 2026 $'000 | 2025 $'000 | 2024 $'000 | 2023 $'000 | 2022 $'000 |
|---|---|---|---|---|---|
| **OPERATING RESULT *** | **44** | **114** | **(1,570)** | **93** | **43** |
| Total revenue | 13,365 | 12,405 | 10,286 | 12,568 | 12,300 |
| Total expenses | (15,309) | (14,248) | (13,213) | (13,396) | (12,025) |
| **Net result from transactions** | **(1,944)** | **(1,843)** | **(2,927)** | **(829)** | **275** |
| Total other economic flows | (17) | (2) | (10) | (3) | 52 |
| **Net result** | **(1,927)** | **(1,845)** | **(2,937)** | **(832)** | **327** |
| Total assets | 35,510 | 36,948 | 38,126 | 33,099 | 34,208 |
| Total liabilities | (4,683) | (4,194) | (3,527) | (3,152) | (3,429) |
| **Net assets/Total equity** | **30,827** | **32,754** | **34,599** | **29,947** | **30,779** |

**The Operating result is the result by which ADH is monitored in the Statement of Priorities.*

## Financial Performance – Net Result from Transactions (NRFT) Reconciliation

| | 2026 $'000 |
|---|---|
| Net operating result | 44 |
| Capital purpose income | 180 |
| Expenditure for capital purpose | (158) |
| Depreciation and amortisation | (2,010) |
| **Net result from transactions** | **(1,944)** |

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

## Summary of significant changes in financial position

There have been no significant changes in financial position during 2025/26. ADH's financial position moved from an operating surplus of $114,000 as at 30 June 2025 to an operating surplus of $44,000 as at the 30 June 2026.

Key contributor for the financial year was the receipt of Medicare COAG 19.2 A exemption funds of $113,578 for eligible urgent care and medical review clinic presentations as well as again achieving those cost control initiatives identified as part of ADH's budget action plan (Year 2) for the 2025/26 financial year.

Key Financial Highlights 2025–26

- Operating surplus of $44,049.
- Budget Action Plan savings of $381,907, representing 106 per cent of the annual target.
- Additional Medicare COAG 19.2A revenue of $113,578.
- Increase in private patient revenue of $49,712.
- New local oncology service established in partnership with Eastern Health.
- 34 days of cash on hand, exceeding the Department of Health benchmark of 14 days.
- Strong operating position maintained while investing in future service expansion.
- Ministerial approval received for the voluntary amalgamation with Eastern Health, effective 1 November 2026.

## Summary of operational and budgetary objectives and factors affecting performance

As a public hospital, Alexandra District Health is required to negotiate a Statement of Priorities (SoP) where a financial performance operating result target is agreed annually with the Department of Health (DH).

For the 2025/26 financial year, ADH agreed to a SoP operating result target of breakeven. ADH achieved this target and were $44,000 favourable to budget for the 2025/26 financial year.

## Occupational Health and Safety

Alexandra District Health has an Occupational Health and Safety (OH&S), Occupational Violence Committee which meets bi-monthly. Staff report incidents, accidents, injuries and near misses which are then assessed at a weekly Clinical Activity Review and Evaluation (CARE) meeting. Appropriate action is taken and prioritised according to the Incident Severity Rating (ISR).

During 2025/26 Alexandra District Health has continued to provide:

- Ongoing mandatory manual handling and occupational violence training for all staff.
- Face to face and online training on anti-bullying and harassment to all staff.
- Annual fire evacuation and emergency management training.
- Orientation programs for new staff incorporating an introduction to Alexandra District Health's occupational health and safety, and anti-bullying and harassment programs.

## Occupational Health and Safety Data

| OCCUPATIONAL HEALTH AND SAFETY STATISTICS | 2025-26 | 2024-25 | 2023-24 |
|---|---|---|---|
| The number of reported hazards/incidents | 20 | 17 | 40 |
| The number of reported hazards/incidents per 100 FTE | 33.92 | 29.08 | 65.18 |
| The number of 'lost time' standard<br>WorkCover claims for the year per 100 FTE | 2 | 2 | 3 |
| **The average cost per WorkCover claim for the year** | **$30,924** | **$4,162** | **$73,450** |

## Occupational Violence Statistics

| OCCUPATIONAL VIOLENCE STATISTICS | 2025-26 |
|---|---|
| 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 | 15 |
| Number of occupational violence incidents reported per 100 FTE | 25.44 |
| Percentage of occupational violence incidents resulting in a staff injury, illness or condition | 0 |

Definitions

- **Occupational violence** – any incident where an employee is abused, threatened or assaulted in circumstances arising out of, or in the course of their employment.
- **Incident** – an event or circumstance that could have resulted in, or did result in, harm to an employee. Incidents of all severity rating must be included. Code Grey reporting is not included.
- **Accepted Workcover claims** – Accepted Workcover claims that were lodged in 2025-26.
- **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.

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

# Environment and Sustainability

Alexandra District Health (ADH) is classified as a Tier 3a entity under Financial Reporting Direction 24, Reporting of environmental data by government entities (FRD 24). Tier 3a includes regional, sub-regional, local, small rural, multi-purpose and other public health services and hospitals. FRD 24 requires ADH to disclose relevant information about its energy and resource consumption and environmental performance in its Annual Report of Operations.

ADH's environmental reporting boundary covers operations under its operational control. Environmental data is maintained through the Victorian public health system's Environmental Data Management System, also known as Eden Suite. Where data was unavailable or an indicator was not relevant to ADH's operations, the indicator has not been reported.

## Environmental performance summary

During 2025-26, ADH's gross greenhouse gas emissions were 449.2 tonnes of carbon dioxide equivalent (t $CO_2$-e), broadly consistent with 447.1 t $CO_2$-e in the previous year. After applying eligible electricity-related offsets, net reported emissions decreased to 61.2 t $CO_2$-e.

Direct Scope 1 emissions decreased by 17.6 per cent, primarily due to a 15.6 per cent reduction in LPG consumption. Scope 3 emissions decreased by 8.2 per cent, while Scope 2 electricity emissions increased by 5.0 per cent.

Electricity consumption increased by 2.9 per cent to 507.2 MWh. Energy efficiency nevertheless improved, with stationary energy use per occupied bed-day decreasing by 5.8 per cent and energy use per separation decreasing by 9.5 per cent.

Potable water consumption increased by 16.0 per cent to 5,304.3 kL. Reported waste disposal decreased by 51.7 per cent to 4,391.4 kg, including a 58.1 per cent reduction in general waste sent to landfill.

## Greenhouse gas emissions

| Indicator | 2025-26 | 2024-25 | 2023-24 |
|---|---|---|---|
| ***Scope 1*** direct emissions, t $CO_2$-e | 36.1 | 43.7 | 44.9 |
| ***Scope 2*** electricity emissions, t $CO_2$-e | 341.6 | 325.3 | 332.8 |
| ***Scope 3*** indirect emissions, t $CO_2$-e | 71.6 | 78.0 | 74.0 |
| **Gross greenhouse gas emissions, t $CO_2$-e** | **449.2** | **447.1** | **451.7** |
| Gross emissions per occupied bed-day, t $CO_2$-e/OBD | 0.217 | 0.224 | 0.180 |
| Eligible electricity-related offsets, t $CO_2$-e | (388.0) | Nil | Nil |
| **Net greenhouse gas emissions, t $CO_2$-e** | **61.2** | **447.1** | **451.7** |

***Scope 1*** *emissions arise principally from LPG used in buildings.* ***Scope 2*** *emissions relate to purchased electricity, while reported* ***Scope 3*** *emissions include indirect stationary energy, transport energy, water and waste emissions. Electricity-related emissions are calculated using the market-based method.*

## Electricity

| Indicator | 2025-26 | 2024-25 | 2023-24 |
|---|---|---|---|
| Purchased electricity, MWh | 510.2 | 493.1 | 506.0 |

| Indicator | 2025-26 | 2024-25 | 2023-24 |
|---|---|---|---|
| Adjustment for exported solar electricity, MWh | (3.0) | Nil | Nil |
| **Total electricity consumption, MWh** | **507.2** | **493.1** | **506.0** |
| Solar electricity exported, MWh | 3.0 | Nil | Nil |
| Installed solar generation capacity, MW | 0.099 | 0.099 | 0.099 |
| Installed diesel generation capacity, MW | 0.275 | 0.275 | 0.275 |
| **Total installed generation capacity, MW** | **0.374** | **0.374** | **0.374** |
| Large-scale Generation Certificates retired, MWh | 448.4 | Nil | Nil |
| Renewable Power Percentage in the grid, MWh | 88.4 | 90.3 | 94.9 |
| Total electricity offsets, capped at purchased electricity, MWh | 510.2 | 90.3 | 94.9 |

*ADH retired 448.4 MWh of Large-scale Generation Certificates during 2025-26. Together with the renewable component of grid electricity, these certificates supported the recognition of purchased electricity as renewable for the applicable FRD 24 energy reporting measures.*

## Stationary energy

| Indicator | 2025-26 | 2024-25 | 2023-24 |
|---|---|---|---|
| LPG used in buildings, MJ | 595,109 | 705,167 | 694,193 |
| Greenhouse gas emissions from LPG, t $CO_2$-e | 36.1 | 42.7 | 42.1 |

*LPG consumption decreased by 15.6 per cent during 2025-26, with a corresponding reduction in stationary fuel emissions.*

## Transportation energy

| Indicator | 2025-26 | 2024-25 | 2023-24 |
|---|---|---|---|
| Petrol used by the vehicle fleet, MJ | 14,918 | 41,878 | Not available |
| Fleet greenhouse gas emissions, t $CO_2$-e | 1.0 | 2.8 | Not available |
| Diesel used by the vehicle fleet, MJ | Nil | Nil | Not available |

*Complete information on fleet composition, fuel type proportions, distance travelled and commercial air travel was not available from Eden Suite for disclosure.*

## Total energy use

| Indicator | 2025-26 | 2024-25 | 2023-24 |
|---|---|---|---|
| Stationary and transport fuel energy, MJ | 595,109 | 720,085 | 736,071 |
| Electricity energy, MJ | 1,826,067 | 1,775,015 | 1,821,455 |
| Renewable energy, MJ | 1,826,067 | 324,942 | 341,742 |
| Non-renewable energy, MJ | 595,109 | 2,170,157 | 2,215,784 |

| Indicator | 2025-26 | 2024-25 | 2023-24 |
|---|---|---|---|
| Energy per occupied bed-day, MJ/OBD | 1,170.8 | 1,243.2 | 1,001.1 |
| Energy per separation, MJ/separation | 2,705.2 | 2,988.2 | 2,681.9 |
| Energy per square metre, MJ/m² | 339.8 | 348.0 | 353.0 |

*Stationary and transport fuel energy decreased by 17.4 per cent. Energy used per occupied bed-day decreased by 5.8 per cent, energy per separation decreased by 9.5 per cent and energy per square metre decreased by 2.4 per cent.*

## Water

| Indicator | 2025-26 | 2024-25 | 2023-24 |
|---|---|---|---|
| Potable water consumed, kL | 5,304.3 | 4,573.5 | 3,779.3 |
| Water per occupied bed-day, kL/OBD | 2.565 | 2.292 | 1.504 |
| Water per separation, kL/separation | 5.927 | 5.510 | 4.029 |
| Water per square metre, kL/m² | 0.744 | 0.642 | 0.530 |
| Water-related emissions, t $CO_2$-e | 7.4 | 7.5 | 6.3 |

*Water consumption increased by 16.0 per cent during the year and includes additional water consumption resulting from additional water usage needed during the January 2026 Longford Bushfire Event. ADH will continue to monitor consumption and investigate material variations to identify opportunities for improved water efficiency.*

## Waste and recycling

| Indicator | 2025-26 | 2024-25 | 2023-24 |
|---|---|---|---|
| General waste sent to landfill, kg | 3,393.0 | 8,091.0 | 8,091.0 |
| Clinical waste incinerated, kg | Nil | Nil | 23.0 |
| Clinical sharps waste, kg | 170.3 | 170.3 | 171.1 |
| Treated clinical waste, kg | 828.1 | 828.1 | 830.4 |
| **Total reported waste disposed, kg** | **4,391.4** | **9,089.4** | **15,385.5** |
| Landfill waste per patient treated, kg | 1.145 | 2.864 | 2.345 |
| Off-site treatment waste per patient treated, kg | 0.337 | 0.353 | 0.297 |
| Waste-related greenhouse gas emissions, t $CO_2$-e | 5.7 | 11.8 | 11.8 |

*Total reported waste disposal decreased by 51.7 per cent. General waste sent to landfill decreased by 58.1 per cent, while landfill waste per patient treated decreased by 60.0 per cent.*

Complete 2025-26 recycling data, including a reliable recycling rate and coverage of dedicated collection services, was not available. ADH will continue to improve waste and recycling data collection to support more complete future reporting.

## Sustainable buildings, infrastructure and procurement

No newly completed ADH-owned buildings, relevant new leases, qualifying major infrastructure upgrades or environmental building ratings were recorded through Eden Suite for 2025-26. Information for sustainable procurement indicators was not available for separate disclosure.

## Solar panel expansion

During 2025-26, ADH progressed a significant expansion of its rooftop solar panel system. The existing system was approaching the end of its useful life and included panels damaged during an earlier storm, limiting the benefit achieved from the installation.

In October 2025, through the Victorian Health Building Authority, DETA Consulting Pty Ltd was engaged to implement the expansion. DETA engaged Aus1 Energis Pty Ltd as the delivery subcontractor.
The additional system commenced operation in July 2026 and comprises 228 solar panels incorporating micro-inverter technology, providing an additional 100 kW DC of generation capacity.

Once fully commissioned, the system is expected to:

- generate approximately **141,790 kWh of renewable electricity annually;**
- reduce electricity purchased from the grid;
- avoid approximately **123 tonnes of $CO_2$ emissions each year;** and
- provide environmental and financial benefits for approximately **25 to 30 years**.

Final commissioning is anticipated before September 2026. As the additional system commenced operation after 30 June 2026, its generation capacity and environmental benefits are not included in the 2025-26 FRD 24 results. The project's contribution will begin to be reflected in ADH's environmental reporting from 2026-27.

## Looking ahead

ADH will continue to improve its environmental performance by:

- completing and monitoring the expanded rooftop solar system;
- comparing actual solar generation and emissions reductions with project forecasts;
- monitoring electricity, LPG and water consumption;
- investigating significant movements in resource consumption;
- reducing waste sent to landfill; and
- improving the completeness of recycling, transport and sustainable procurement data.

# Social Procurement

All health services subject to the Standing Directions 2018 under the Financial Management Act 1994 must report under the Social Procurement Framework (SPF).

Social procurement can be grouped into two broad approaches:

- **Direct** – Purchasing of goods, services or construction directly from a social benefit supplier which includes a:
  - Victorian social enterprise
  - Victorian Aboriginal business
  - Australian Disability Enterprise
- **Indirect** – Using the invitation to supply process and clauses in contracts with the private sector to seek social and sustainable outcomes for Victorians.

| SUSTAINABLE PROCUREMENT | |
|---|---|
| **Social Procurement Activity** | **2025-26** |
| Total Number of Suppliers | 233 |
| Total Spend with all Suppliers | 2,913,623 |
| Social Benefit Suppliers | 1 |
| **Total Spent with Social Benefit Suppliers** | **$983** |
| Number of Aboriginal Businesses Engaged | 0 |
| Total Expenditure with Victorian Aboriginal Businesses (excl GST) | $0 |

***Notes***

*a) Alexandra District Health monitor for opportunities to directly or indirectly procure from social enterprises, Australian Disability Enterprises or Aboriginal businesses.*

*b) Alexandra District Health procurement activities align with Health Share Victoria purchasing guidelines.*

*c) Alexandra District Health had 'nil reports' of emergency procurement being activated, resulting in nil spending for emergency procurements.*

*d) Alexandra District Health had 'nil reports' of procurement complaints received in 2025/26.*

# Asset Management Accountability Framework (AMAF)

Each year, Alexandra District Health undertakes a self-assessment against the mandatory requirements of the AMAF assessing its compliance for the financial year.

Based on this self-assessment, Alexandra District Health can confirm that during 2025/26 the health service has taken all reasonable steps to ensure that asset management practices are consistent with the principles of the Asset Management Accountability Framework and support long-term sustainability of the health services assets.

Where opportunities for improvement are identified, appropriate actions have been planned or initiated to strengthen compliance and enhance asset management maturity.

# Statement of Priorities (SOP)

## SOP ACTION PLAN

## STRATEGIC PRIORITIES

In 2025/26 Alexandra District Health will contribute to the achievement of the Victorian Government's commitments by:

| INNOVATE AND IMPROVE ACCESS AND CARE | |
|---|---|
| We aim for the best patient experience and care outcomes by assuring safe practice, leadership of safety an engaged and capable workforce, and continuing to improve and innovate care. | |
| **GOAL** | |
| Align with the Victorian Clinical Governance Framework to strengthen clinical governance systems, ensuring safe, high-quality care | |
| **Health Service Deliverables** | **Achievements/Outcome** |
| Demonstrate high quality care in which consumer engagement and input is actively sought, facilitated and used to drive system change to improve consumer experience and outcomes. | **Status: Achieved**<br><br>Alexandra District Health continued to strengthen its commitment to consumer-centred care by actively engaging consumers in organisational governance, service planning, quality improvement and clinical review processes. Consumer perspectives were sought and incorporated into decision-making to support the delivery of safe, responsive and person-centred healthcare services<br><br>Participation in safer care project Preventing Venous Thromboembolism and Supporting Anticoagulation Movement (PVT SAM).<br><br>During the year, ADH successfully recruited additional members to the Consumer Engagement Committee, strengthening community representation and ensuring a broader range of consumer perspectives informed organisational priorities and service improvement initiatives. Consumer participation in governance was further enhanced through the appointment of a consumer representative to the Quality and Clinical Risk Committee, providing direct input into discussions relating to patient safety, quality improvement and organisational risk<br><br>Consumer representatives also participated in clinical incident review processes, contributing valuable lived-experience perspectives and supporting a culture of transparency, accountability and continuous learning. This approach has strengthened organisational understanding of the patient experience and supported improvements focused on safer and more responsive care delivery<br><br>Two members of the ADH Consumer Engagement Committee were appointed to the East Metro Murrindindi Local Health Service Network (EMM LHSN) Consumer Group. These representatives actively contributed to the development of Part A of the Clinical Services Plan, helping to ensure that |

| | |
|---|---|
| | future service planning reflects the needs and expectations of local communities. Consumer representatives also participated in the Access, Equity and Flow Committee and the Quality and Safety Committee, providing input into discussions relating to service accessibility, patient experience, quality improvement and healthcare delivery across the network. |
| Ensure that health service reporting, reviews and decision-making are underpinned by a safety culture and systems that are transparent, accurate and fair for staff and consumers. | **Status: Achieved**<br><br>During 2025/26, Alexandra District Health continued to strengthen its clinical governance systems to ensure organisational reporting, review processes and decision-making were supported by a culture of safety, transparency and continuous improvement. Executive and leadership staff completed Clinical Governance training through the Australian Institute of Clinical Governance, enhancing capability in clinical oversight, accountability and quality improvement.<br><br>Consumer partnership remained a key component of ADH's governance framework. Consumer representatives participated in clinical incident reviews and governance activities, providing valuable lived-experience perspectives and helping ensure review processes remained fair, transparent and focused on improving patient outcomes and experiences. Successful recruitment to the Consumer Engagement Committee and increased consumer participation across governance committees further strengthened consumer input into organisational decision-making<br><br>Utilising the Safer Care Victoria clinical governance self-assessment tool, ADH completed self-assessments across all five domains of the Clinical Governance Maturity Matrix. This work provided valuable insight into organisational strengths and opportunities for improvement and informed future quality and safety priorities<br><br>Clinical review and organisational learning processes were also enhanced through adoption of Safer Care Victoria's In-Depth Case Review methodology for the review of clinical incidents and adverse events. Improvements to safety reporting systems and review processes have supported stronger organisational learning, enhanced risk identification and management, and reinforced a culture of openness, accountability and continuous improvement across the health service |
| Health services are able to show evidence of a comprehensive training program approach that includes performance management, accountability, and continuous improvement. | **Status: Achieved**<br><br>During 2025/26, Alexandra District Health continued to strengthen workforce capability through a structured approach to education, professional development, performance management and leadership support. Workforce development activities were aligned with organisational priorities, ensuring staff had access to training and |

| | |
|---|---|
| | development opportunities that supported both individual growth and service delivery requirements.<br><br>Leadership capability was strengthened through participation in targeted education programs, including Clinical Governance training delivered by the Australian Institute of Clinical Governance and regular leadership development sessions designed to build knowledge, accountability and decision-making capability across the organisation. Clinical leaders were supported through ongoing education and discussion forums, encouraging the sharing of knowledge and continuous improvement in practice.<br><br>ADH continued to invest in workforce development through partnerships with local education providers and health services. Through the Menzies Support Services Workforce Development Program, staff accessed training opportunities across a range of disciplines including Leadership Development, Rural and Isolated Practice Registered Nurse training, Community Services, Health and Safety Representative training, Nutrition and Commercial Cookery. These programs supported career development, workforce retention and succession planning within a rural health setting<br><br>The organisation also supported professional development in key clinical priority areas. Staff were provided opportunities to participate in advanced clinical education, including Paediatric Advanced Life Support (PALS) training, Advanced Life Support Instructor accreditation, paediatric capability development and oncology-focused education programs. These initiatives have enhanced clinical capability and strengthened ADH's ability to deliver safe, high-quality care locally<br><br>Performance development processes continued to provide a framework for accountability, professional growth and workforce planning. Professional development activities, mentoring opportunities and career pathway discussions were incorporated into workforce planning and succession planning initiatives, ensuring employees were supported to develop the skills required for current and future roles |
| **GOAL** | |
| Maintain a commitment to delivering equitable and timely access to planned care and drive reform in alignment with the Planned Surgery Reform Blueprint. | |
| **Health Service Deliverables** | **Achievements/Outcome** |
| Implement and scale theatre optimisation initiatives in planned surgery, for example sameday surgery and same-day surgery by default models of care, criteria-led discharge, monitoring of theatre measures, and high-throughput approaches such as high-intensity theatre lists. | **Status: Ongoing**<br><br>ADH has an established same-day surgery model in place, consistent with the ADH Perioperative Capability Framework, enabling appropriate patients to be discharged on the day of surgery. Theatre utilisation, cancellations and efficiency measures are regularly monitored to support continuous improvement and maximise access to planned |

| | |
|---|---|
| | surgery. Criteria-led discharge principles are applied where appropriate, and theatre scheduling is reviewed to optimise throughput, improve patient flow and support timely access to care. |
| Proactively manage planned surgery and specialist clinics (or outpatients) waitlists, for example validating and supporting patients into optimal care pathways such as evidence-based alternatives to surgery and optimisation pathways. A particular focus should be applied to long-waiting patients and priority population groups (for example, Aboriginal and Torres Strait Islander patients and under-18 patients). | **Status: - Ongoing**<br><br>ADH commenced preparatory work for the implementation of the iPM Elective Surgery Waiting List and Specialist Clinic modules. This work focused on establishing the foundations required to strengthen future waitlist management, patient tracking and oversight of planned surgery and specialist outpatient services. These system enhancements will support improved monitoring of patient access and service demand as implementation progresses.<br><br>A multidisciplinary Amber Meeting process was introduced to support clinical decision-making for patients with complex health needs or elevated perioperative risk. The committee provides oversight of patient suitability, optimisation requirements and service capability considerations, ensuring patients receive care in the most appropriate setting and that clinical risks are identified and addressed prior to surgery. This approach supports evidence-based decision-making and helps minimise avoidable harm while maintaining access to care closer to home.<br><br>ADH's established same-day surgery model continued to support efficient patient flow and timely access to surgical services. Clinical pathways were aligned with the Perioperative Capability Framework to ensure surgical services were delivered safely and within the capability of the organisation. Patients requiring more complex care were reviewed and referred through appropriate specialist pathways, ensuring access to the right care, in the right place, at the right time<br><br>Through participation in Local Health Service Network planning ADH also strengthened access to specialist services closer to home, including the introduction of the Day Oncology Service and Cardiology Discharge Clinic. These initiatives have improved access to specialist assessment and treatment for local residents while reducing the need for travel to metropolitan services. |

## PRUDENT, SUSTAINABLE AND EFFECTIVE USE OF RESOURCES

*We are innovative and resourceful in balancing improved patient care, operational performance, and system management to ensure a financially secure health system. We invest in a skilled and future-ready workforce, maintaining a modern, safe, and resilient healthcare system for all Victorians.*

## GOAL

Develop and implement initiatives to strengthen financial sustainability. By delivering sustainable, responsible budgets, we can ensure a well-managed, viable, and sustainable health system for the future.

| Health Service Deliverables | Achievements/Outcome |
|---|---|
| Deliver on the key initiatives outlined in the Budget Action Plan with Government parameters. | **Status: Achieved**<br>Budget Action Plan (BAP) target for the 2025/26 financial year was met and delivered in full; and<br>ADH achieved its Statement of Priorities (SoP) Operating result target and have reported a small operating result surplus for the 2025/26 financial year. |
| Utilise data analytics and performance metrics to identify areas of inefficiency and waste and make evidence-based decisions to improve financial sustainability and operational performance. | **Status: Achieved**<br>ADH continues to identify and realise efficiency improvements through the implementation and ongoing monitoring of initiatives outlined in its 2025/26 Budget Action Plan (BAP);<br>Financial performance is closely monitored through a monthly Finance and Activity Scorecard, enabling timely review of key financial and operational indicators thereby supporting informed decision-making; and<br>Workforce and FTE performance are also reviewed monthly, with targeted strategies implemented to ensure staffing levels remain aligned with budget while also maintaining safe and effective service delivery. |
| Use funding efficiently and effectively to optimise patient facing services. Undertake programs to reduce the cost of service delivery, improve safety, capacity and reduce unnecessary waiting. | **Status: Achieved**<br>Successfully secured an exemption under the Medicare COAG 19.2A initiative and implemented billing processes for eligible Urgent Care Centre and Medical Review Clinic presentations, generating additional revenue to support the delivery of patient-facing services.<br>Introduced an Oncology Clinic in partnership with Eastern Health, providing local access to specialist oncology consultations and infusion services, providing Murrindindi residents care closer to home. |
| **A STRONGER WORKFORCE** | |
| We strive to foster an equitable, skilled and supported workforce that builds professional capabilities to meet current and future roles. | |
| **GOAL** | |
| Position Victoria as a leader in employee experience, capability, and capacity by focusing on future roles and professional development in line with the Victorian Health Workforce Strategy to ensure a regenerative and sustainable workforce. | |
| **Health Service Deliverables** | **Achievements/Outcome** |
| Implement processes to sustain workforce supply and fulfill obligations, including those under the Gender Equality Act 2020 by improving employee experience in leadership, health and safety, flexibility, career development, and agility to ensure safe, high-quality care. | **Status: Achieved**<br>ADH continues to implement initiatives that support workforce sustainability, employee experience and capability development to ensure the delivery of safe, high-quality care. Through collaboration with the EMM Local Health Service Network (LHSN), workforce pathways are being developed for hard-to-fill positions, including targeted learning and development opportunities in priority workforce |

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|---|---|
| | areas. The EMM LHSN has also secured funding for a 12-month Allied Health Reliever Pool Pilot (January 2026 to February 2027), supporting workforce flexibility and service continuity. Recruitment processes have been strengthened through the embedding of inclusion and diversity statements in all advertising and recruitment activities, reinforcing ADH's commitment to equitable employment practices. Professional development pathways are being established for key workforce groups, including progression of the Nursing Uplift Program, with an initial focus on paediatric and oncology capability development. In partnership with Eastern Health, opportunities to enhance paediatric nursing capability are also being explored.<br>ADH remains committed to meeting its obligations under the Gender Equality Act 2020, with the Gender Equality Progress Report submitted to the Commissioner. The report highlighted improvements in gender equality outcomes and the application of gender impact assessments to support more inclusive and equitable workplace practices. |
| Collaborate with the department to improve workforce data analytics, generate actionable insights, and enhance strategic planning. | **Status: Ongoing**<br>ADH continues to utilise workforce data and reporting to support workforce planning, recruitment and retention activities. Key workforce indicators including vacancies, turnover and workforce demographics are regularly monitored to inform operational and strategic decision-making. ADH remains engaged with the Department and regional partners to support ongoing improvements in workforce data analytics and reporting. |
| **IMPROVING ABORIGINAL HEALTH AND WELLBEING** | |
| Strengthen cultural safety in Victoria's health service system by fostering strong connections to Aboriginal culture, creating a holistic, accessible, and empowering health system. | |
| **GOAL** | |
| Enhance Delivery and Access to Culturally Safe Services, fostering strong connections to culture. Address racism and provide Aboriginal people with culturally safe healthcare and referral pathways between mainstream and community-controlled health services. | |
| **Health Service Deliverables** | **Achievements/Outcome** |
| Deliver high-quality cultural safety training to all executives and staff using independent, expert, community-controlled organisations or a registered Aboriginal business. | **Status: Ongoing**<br>Alexandra District Health continued to strengthen cultural safety across the organisation by providing cultural awareness and cultural safety education to Board Directors, Executive members and leaders through engagement with an Elder from the Taungurung Land and Waters Council. This training provided participants with a deeper understanding of Aboriginal culture, history, connection to Country and the ongoing impacts of colonisation on health and wellbeing, supporting greater cultural awareness and responsiveness in leadership and decision-making. |

| | |
|---|---|
| | The training formed part of ADH's broader commitment to creating a culturally safe environment for Aboriginal and Torres Strait Islander people accessing services, as well as strengthening cultural capability across the workforce. Learnings from the program have informed ongoing discussions regarding service design, consumer engagement, workforce development and partnerships with Aboriginal communities.<br>In addition, the organisation continued reviewing systems, documentation and data collection processes to better recognise diversity and support culturally safe and inclusive care. These initiatives reflect ADH's ongoing commitment to embedding cultural safety principles into everyday practice and ensuring services are welcoming, respectful and responsive to the needs of Aboriginal and Torres Strait Islander communities. |
| Health service executives and senior leaders Establish and maintain strong, ongoing partnerships with Aboriginal community-controlled organisations and/or recognised Aboriginal leaders within their local catchments. these partnerships must be based on regular, proactive engagement that prioritises the voices, self-determined priorities, and cultural knowledge of Aboriginal communities in the design, delivery, and evaluation of health and wellbeing services. | **Status: Ongoing**<br>Health service executives and senior leaders continue to maintain regular engagement with Aboriginal community-controlled organisations and Aboriginal leaders across the local catchment.<br><br>Partnerships remain focused on incorporating Aboriginal voices, cultural knowledge, and community priorities into the design, delivery, and evaluation of health and wellbeing services. Ongoing relationship-building activities are supporting culturally responsive services and strengthening collaboration with Aboriginal communities. |
| Ensure culturally appropriate systems for identifying Aboriginal and Torres Strait Islander patients and implement responsive discharge plans and referral pathways. | **Status: Ongoing**<br>Culturally appropriate processes for identifying Aboriginal and Torres Strait Islander patients continue to be maintained and strengthened. Responsive discharge planning and referral pathways are being embedded into service delivery to support culturally safe care, improve continuity of care, and facilitate access to appropriate community and support services. |
| **MOVING FROM COMPETITION TO COLLABORATION** | |
| We are committed to transforming Victoria's health system by partnering with care providers and health services to share knowledge, information, and resources. | |
| **GOAL** | |
| Collaborate within the Local Health Service Network to build a more integrated health system, with better access and experience for patients, strengthened workforce, consistently high-quality care, and more sustainable healthcare delivery. | |
| **Health Service Deliverables** | **Achievements/Outcome** |
| Meet all objectives agreed to in the Local Health Service Network *Statement of Expectations* across priority areas (access, equity and flow, workforce, safety and quality, and shared services). | **Status: Achieved**<br>ADH continues to work with Local Health Service Network partners to support a more integrated and collaborative health system. Planning and partnership activity progressed across access, |

| | |
|---|---|
| | equity and flow, workforce, safety and quality, and shared service priorities. This work supported improved coordination between health services and contributed to shared planning for more sustainable, high-quality and accessible care across the network. All common initiatives have either been completed or are on track, with the majority of local initiatives (11 of 14) progressing to plan, with three experiencing delays against initial timelines |

# PERFORMANCE PRIORITIES

## High quality and safe care

| Key performance indicator | Target | Actual |
|---|---|---|
| **Infection prevention and control** | | |
| Percentage of healthcare workers immunised for influenza | 94% | 98% |
| **Adverse Events** | | |
| Percentage of reported sentinel events for which a root cause analysis (RCA) report was submitted within 30 business days from notification of the event | All RCA reports submitted within 30 business days | N/A |
| **Patient Experience** | | |
| Percentage of patients who reported positive experiences of their hospital stay | 95% | N/A# |
| **Aboriginal Health** | | |
| Difference between the percentage of Aboriginal patients and non-aboriginal patients who left against medical advice | 0% | N/A* |

** No Aboriginal patients during the reporting period, or the numerator was less than two or denominator less than ten.*
*# No data had been submitted during 2025/26 due to a reporting issue, this has now been rectified with data reported monthly as required.*

## Strong governance, leadership and culture

| Key performance Measure | Target | Actual |
|---|---|---|
| **Organisational culture** | | |
| People Matter Survey – Percentage of staff with an overall positive response to safety culture survey questions | 80% | 87% |

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

## Effective financial management

| Key performance Measure | Target | Actual |
|---|---|---|
| Operating Result ($M) | 0.00 | 0.04 |
| Adjusted current asset ratio | 0.7 or 3% improvement from Health Service base target | 1.31 |
| Variance between forecast and actual Net result from transactions (NRFT) for the current financial year ending 30 June. | 5% movement in forecast revenue and expenditure forecasts | Achieved |

## PART C: ACTIVITY AND FUNDING

| Funding Type | Activity Target | Activity Achievement 2025/26 | Unit |
|---|---|---|---|
| Small Rural Acute | 11 | 865 | NWAU |
| Small Rural Primary Health & HACC | 3,710 | 4,781 | Service Hours |
| Small Rural Health Workforce | 2 | 2 | Positions |

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

# Financial Statements
## Financial Year ended 30 June 2026

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

The attached financial statements for Alexandra District Health have been prepared in accordance with Direction 5.2 of the Standing Directions of the Minister for Finance 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 2026 and the financial position of Alexandra District Health at 30 June 2026.

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 17 September, 2026.

| **Board member** | **Accountable Officer** | **Chief Finance & Accounting Officer** |
|---|---|---|
|  |  |  |
| Mr Kim Flanagan | Ms Claire Palmer | Tracey Spiers |
| Chair | Chief Executive Officer | Finance Manager |
| Alexandra<br>17th September, 2026 | Alexandra<br>17th September, 2026 | Alexandra<br>17th September, 2026 |

# Independent Auditor's Report

Victorian Auditor-General's Office

***To the Board of Alexandra District Health***

| | |
|---|---|
| **Opinion** | I have audited the financial report of Alexandra District Health (the health service) which comprises the:<br>• balance sheet as at 30 June 2026<br>• comprehensive operating statement for the year then ended<br>• statement of changes in equity for the year then ended<br>• cash flow statement for the year then ended<br>• notes to the financial statements, including material accounting policy information<br>• board member's, accountable officer's and chief finance & accounting officer's declaration.<br>In my opinion the financial report presents fairly, in all material respects, the financial position of the health service as at 30 June 2026 and their financial performance and cash flows for the year then ended in accordance with the reporting requirements of Part 7 of the *Financial Management Act 1994* and Australian Accounting Standards – Simplified Disclosures. |
| **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.<br>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 (including Independence Standards)* (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.<br>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 – Simplified Disclosures 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 the financial report that is free from material misstatement, whether due to fraud or error.<br>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
21 September 2026

Simone Bohan
*as delegate for the Auditor-General of Victoria*

# Comprehensive Operating Statement
## Alexandra District Health
## For the Financial Year Ended 30 June 2026

| | Note | 2026 $'000 | 2025 $'000 |
|---|---|---|---|
| **Revenue and income from transactions** | | | |
| Revenue from contracts with customers | 2.1 (a) | 485 | 354 |
| Government Grants | 2.1 (b) | 11,374 | 10,914 |
| Other sources of income | 2.1 (c) | 1,506 | 1,137 |
| **Total revenue and income from transactions** | | **13,365** | **12,405** |
| | | | |
| **Expenses from transactions** | | | |
| | 3.1 (a) | (9,464) | (9,048) |
| Supplies and consumables | 3.1 (c) | (820) | (660) |
| Depreciation | 4.1(a) | (2,010) | (2,014) |
| Other operating expenses | 3.1 (d) | (3,015) | (2,526) |
| **Total expenses from transactions** | | **(15,309)** | **(14,248)** |
| | | | |
| **Net result from transactions - net operating balance** | | **(1,944)** | **(1,843)** |
| | | | |
| **Other economic flows included in net result** | | | |
| Net gain/(loss) on sale of non-financial assets | | 23 | 5 |
| Net gain/(loss) on financial instruments | | - | (2) |
| Other gain/(loss) from other economic flows | | (6) | (5) |
| **Total other economic flows included in net result** | | **17** | **(2)** |
| | | | |
| **Net result** | | **(1,927)** | **(1,845)** |
| | | | |
| **Comprehensive result** | | **(1,927)** | **(1,845)** |

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

# Balance Sheet
## Alexandra District Health
## As at 30 June 2026

| | Note | 2026 $'000 | 2025 $'000 |
|---|---|---|---|
| **Financial assets** | | | |
| Cash and cash equivalents | 6.1 | 3,986 | 3,796 |
| Receivables | 5.1 | 997 | 734 |
| **Total financial assets** | | **4,983** | **4,530** |
| | | | |
| **Non-financial assets** | | | |
| | | 68 | 82 |
| Inventories | | 14 | 14 |
| Property, plant and equipment | 4.1 | 30,445 | 32,322 |
| **Total non-financial assets** | | **30,527** | **32,418** |
| | | | |
| **Total assets** | | **35,510** | **36,948** |
| | | | |
| **Liabilities** | | | |
| Payables | 5.2 | 1,778 | 1,491 |
| Contract liabilities | 5.3 | 308 | 243 |
| Borrowings | | 162 | 186 |
| Employee benefits | 3.1(b) | 2,435 | 2,274 |
| **Total liabilities** | | **4,683** | **4,194** |
| | | | |
| **Net assets** | | **30,827** | **32,754** |
| | | | |
| **Equity** | | | |
| Reserves | | 23,680 | 23,680 |
| Contributed capital | | 3,592 | 3,592 |
| Accumulated surplus/(deficit) | | 3,555 | 5,482 |
| **Total equity** | | **30,827** | **32,754** |

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

# Cash Flow Statement
## Alexandra District Health
## For the Financial Year Ended 30 June 2026

| | Note | 2026 $'000 | 2025 $'000 |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Receipts from Government | | 11,433 | 10,916 |
| Other receipts | | 1,683 | 1,319 |
| **Total receipts** | | **13,116** | **12,235** |
| | | | |
| Payments to employees | | (9,380) | (8,843) |
| | | (1,231) | (923) |
| GST paid to ATO | | (16) | 15 |
| Other payments | | (2,296) | (1,673) |
| **Total payments** | | **(12,923)** | **(11,424)** |
| | | | |
| **Net cash flows from/(used in) operating activities** | | **193** | **811** |
| | | | |
| **Cash flows from investing activities** | | | |
| Proceeds from sale of non-financial assets | | 67 | 5 |
| Purchase of non-financial assets | | (136) | (381) |
| Other capital receipts | | 109 | 124 |
| Capital donations and bequests received | | 22 | 32 |
| **Net cash flows from/(used in) investing activities** | | **62** | **(220)** |
| | | | |
| **Cash flows from financing activities** | | | |
| Repayment of borrowings and principal portion of lease liabilities | | (65) | (35) |
| **Net cash flows from/(used in) financing activities** | | **(65)** | **(35)** |
| | | | |
| **Net increase/(decrease) in cash and cash equivalents held** | | **190** | **556** |
| Cash and cash equivalents at beginning of year | | 3,796 | 3,240 |
| **Cash and cash equivalents at end of year** | 6.1 | **3,986** | **3,796** |

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

# Statement of Changes in Equity
## Alexandra District Health
## For the Financial Year Ended 30 June 2026

| | Property, Plant and Equipment Revaluation Surplus | Restricted Specific Purpose Reserve | Contributed Capital | Accumulated Surplus/(Deficit) | Total |
|---|---|---|---|---|---|
| | $'000 | $'000 | $'000 | $'000 | $'000 |
| **Balance at 1 July 2024** | **23,656** | **24** | **3,592** | **7,327** | **34,599** |
| Net result for the year | - | - | - | (1,845) | (1,845) |
| **Balance at 30 June 2025** | **23,656** | **24** | **3,592** | **5,482** | **32,754** |
| Net result for the year | - | - | - | (1,927) | (1,927) |
| **Balance at 30 June 2026** | **23,656** | **24** | **3,592** | **3,555** | **30,827** |

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

# Structure

***1.1 Basis of preparation***
***1.2 Material accounting estimates and judgements***
***1.3 Reporting entity***
***1.4 Economic dependency***

## Note 1 About this Report

These financial statements represent the financial statements of Alexandra District Health for the year ended 30 June 2026.

Alexandra District Health is a not-for-profit entity established as a public agency on 11th December, 1871 under the *Health Services Act 1988* (Vic). A description of the nature of its operations and its principal activities is included in the Report of Operations, which does not form part of these financial statements.

This section explains the basis of preparing the financial statements.

### Note 1.1 Basis of preparation

These financial statements are Tier 2 general purpose financial statements which have been prepared in accordance with AASB 1060 *General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* (AASB 1060) and Financial Reporting Direction 101 *Application of Tiers of Australian Accounting Standards* (FRD 101).

These general purpose financial statements have been prepared in accordance with the *Financial Management Act 1994* and applicable Australian Accounting Standards (AASs), which include interpretations, issued by the Australian Accounting Standards Board (AASB).

Where appropriate, those AASs paragraphs applicable to not-for-profit entities have been applied. Accounting policies selected and applied in these financial statements ensure the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

The accrual basis of accounting has been applied in preparing these financial statements, whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

Consistent with the requirements of AASB 1004 *Contributions*, 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 Alexandra District Health.

The financial statements have been prepared on a going concern basis (refer to Note 1.4 Economic Dependency).

The financial statements are presented in Australian dollars.

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

The annual financial statements were authorised for issue by the Board of Alexandra District Health on 17th September 2026.

### Note 1.2 Material accounting estimates and judgements

Management makes estimates and judgements when preparing the financial statements.

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

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

The material accounting judgements and estimates used, and any changes thereto, are disclosed within the relevant accounting policy.

### Note 1.3 Reporting Entity

The financial statements include all the controlled activities of Alexandra District Health.

Alexandra District Health's principal address is:

12 Cooper Street
Alexandra, Victoria 3714

### Note 1.4 Economic dependency

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

# Note 2 Funding delivery of our services

Alexandra District Health's overall objective is to provide quality health service that support and enhance the wellbeing of all Victorians. Alexandra District Health predominantly receives income (grants) for the provision of health service outputs. Alexandra District Health also receives income from the supply of services.

### Significant judgement - Grant revenue

Alexandra District Health has made the judgement that amounts received in relation to activity based funding should be recognised under AASB 15 on the basis where the Health Service does not achieve the relevant target or occupancy levels, funding will be recallable.

## Structure

### 2.1 Revenue and income from transactions

| | Note | 2026 $'000 | 2025 $'000 |
|---|---|---|---|
| Revenue from contracts with customers | 2.1(a) | 485 | 354 |
| Government Grants | 2.1(b) | 11,374 | 10,914 |
| Other sources of income | 2.1(c) | 1,506 | 1,137 |
| **Total revenue and income from transactions** | | **13,365** | **12,405** |

### Note 2.1(a) Revenue from contracts with customers

| | 2026 $'000 | 2025 $'000 |
|---|---|---|
| Government grants (State) - Operating | 41 | 38 |
| Patient and resident fees | 364 | 209 |
| Private practice fees | 18 | 18 |
| Commercial activities | 62 | 89 |
| **Total revenue from contracts with customers** | **485** | **354** |

## How we recognise revenue from contracts with customers

### Government grants

Revenue from government operating grants that are enforceable and contain sufficiently specific performance obligations are accounted for as revenue from contracts with customers under AASB 15.

In contracts with customers, the 'customer' is the funding body, who is the party that promises funding in exchange for Alexandra District Health's goods or services. Alexandra District Health 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.

This policy applies to each of Alexandra District Health's revenue streams, with information detailed below relating to Alexandra District Health's material revenue streams:

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

### Patient and resident fees

Patient and resident fees are charges incurred by patients for services they receive. Patient and resident fees are recognised under AASB 15 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.

## Note 2.1(b) Government Grants

| | Note | 2026 $'000 | 2025 $'000 |
|---|---|---|---|
| Government grants (State) - Operating | | 11,109 | 10,576 |
| Government grants (Commonwealth) - Operating | | 216 | 236 |
| Government grants (State) - Capital | | 49 | 102 |
| **Total Government grants** | | **11,374** | **10,914** |

**Government grants**
Alexandra District Health recognises income of not-for-profit entities under AASB 1058 where it has been earned under arrangements that are either not enforceable or linked to sufficiently specific performance obligations.

Income from grants without any sufficiently specific performance obligations or that are not enforceable, is recognised when Alexandra District Health has an unconditional right to receive cash which usually coincides with receipt of cash. On initial recognition of the asset, Alexandra District Health recognises any related contributions by owners, increases in liabilities, decreases in assets or revenue (related amounts) in accordance with other Australian Accounting Standards. Related amounts may take the form of:

- revenue or contract liability arising from a contract with a customer, in accordance with AASB 15
- a lease liability in accordance with AASB 16 *Leases*
- a financial instrument, in accordance with AASB 9 *Financial Instruments*
- a provision, in accordance with AASB 137 *Provisions, Contingent Liabilities and Contingent Assets.*

**Capital grants**
Where Alexandra District Health receives a capital grant it recognises a liability, equal to the financial asset received less amounts recognised under other Australian Accounting Standards.

Income is recognised in accordance with AASB 1058 progressively as the asset is constructed which aligns with Alexandra District Health's obligation to construct the asset. The progressive percentage of costs incurred is used to recognise income, as this most accurately reflects the stage of completion.

### Non-cash contributions from the Department of Health

The DH makes some payments on behalf of Alexandra District Health as follows:

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

## Note 2.1(c) Other sources of income

| | Note | 2026 $'000 | 2025 $'000 |
|---|---|---|---|
| Other capital purpose income | | 109 | 124 |
| Capital donations | | 22 | 32 |
| Assets received free of charge or for nominal consideration | | - | 1 |
| Other income from operating activities | | 1,216 | 801 |
| Income from non-operating activities | | 159 | 179 |
| **Total other sources of income** | | **1,506** | **1,137** |

# 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 costs associated with the provision of services are disclosed.

## Structure

### 3.1 Expenses incurred in the delivery of services

### Note 3.1 Expenses incurred in the delivery of services

| | Note | 2026 $'000 | 2025 $'000 |
|---|---|---|---|
| | 3.1(a) | 9,464 | 9,048 |
| Supplies & Consumables | 3.1(c) | 820 | 660 |
| Other operating expenses | 3.1(d) | 3,015 | 2,526 |
| **Total expenses incurred in the delivery of services** | | **13,299** | **12,234** |

### Note 3.1(a) Employee expenses

| | 2026 $'000 | 2025 $'000 |
|---|---|---|
| Salaries and wages | 8,015 | 7,627 |
| Superannuation expense [1] | 865 | 813 |
| Agency expenses | 152 | 200 |
| Fee for service medical officer expenses | 432 | 408 |
| **Total employee expenses** | **9,464** | **9,048** |

[1] Defined contribution superannuation expense and defined benefit superannuation expense have been combined.

#### How we recognise employee expenses

Employee expenses include salaries and wages, fringe benefits tax, leave entitlements, termination payments, WorkCover payments and agency expenses.

The amount recognised in relation to superannuation is employer contributions for members of both defined benefit and defined contribution superannuation plans that are paid or payable during the reporting period.

## Note 3.1(b) Employee related provisions

| | 2026 $'000 | 2025 $'000 |
|---|---|---|
| **Current provisions for employee benefits** | | |
| Accrued days off | 10 | 6 |
| Annual leave | 804 | 745 |
| Long service leave | 1,033 | 973 |
| Provision for on-costs | 256 | 240 |
| **Total current provisions for employee benefits** | **2,103** | **1,964** |
| | | |
| **Non-current provisions for employee benefits** | | |
| Long service leave | 291 | 272 |
| Provision for on-costs | 41 | 38 |
| **Total non-current provisions for employee benefits** | **332** | **310** |
| | | |
| **Total provisions for employee benefits** | **2,435** | **2,274** |

### How we recognise employee-related provisions

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

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

**Annual leave and accrued days off**

Liabilities for annual leave and accrued days off are recognised in the provision for employee benefits as current liabilities because Alexandra District Health does not have an unconditional right to defer settlement 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 Alexandra District Health expects to wholly settle within 12 months or
- present value – if Alexandra District Health does not expect to wholly settle within 12 months.

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

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

The components of this current LSL liability are measured at:

- nominal value – if Alexandra District Health expects to wholly settle within 12 months or
- present value – if Alexandra District Health does not expect to wholly settle within 12 months.

Conditional LSL is measured at present value and is disclosed as a non-current liability. There is a conditional right to defer the settlement of the entitlement until the employee has completed the requisite years of service.

**Provisions**
Employment on-costs such as payroll tax, workers compensation and superannuation are not employee benefits. They are disclosed separately as a component of the provision for employee benefits when the employment to which they relate has occurred. The on-costs provision is immaterial in 2026.

## Note 3.1(c) Supplies and consumables

| | 2026 $'000 | 2025 $'000 |
|---|---|---|
| Drug supplies | 49 | 40 |
| Medical and surgical supplies (including Prostheses) | 355 | 347 |
| Diagnostic and radiology supplies | 209 | 56 |
| Other supplies and consumables | 207 | 217 |
| **Total supplies and consumables** | **820** | **660** |

### How we recognise 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.

## Note 3.1(d) Other operating expenses

| | 2026 $'000 | 2025 $'000 |
|---|---|---|
| Fuel, light, power and water | 163 | 165 |
| Repairs and maintenance | 220 | 207 |
| Maintenance contracts | 250 | 332 |
| Medical indemnity insurance | 72 | 59 |
| Other administration expenses | 2,310 | 1,761 |
| Finance costs | - | 2 |
| **Total other operating expenses** | **3,015** | **2,526** |

### How we recognise other operating expenses

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

**Other operating expenses**
Other operating expenses generally represent the day-to-day running costs incurred in normal operations.

The DH also makes certain payments on behalf of Alexandra District Health. These amounts have been brought to account in determining the operating result for the year, by recording them as revenue (Refer to Note 2.1(b)) and recording a corresponding expense.

# Note 4 Key assets to support service delivery

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

### Significant judgement - Fair value measurement

Where the assets included in this section are carried at fair value, additional information is disclosed in Note 7.3 in connection with how those fair values were determined.

## Structure

***4.1 Property, plant and equipment***

### Note 4.1 Property, plant and equipment

| | Gross carrying amount | | Accumulated depreciation | | Net carrying amount | |
|---|---|---|---|---|---|---|
| | 2026 $'000 | 2025 $'000 | 2026 $'000 | 2025 $'000 | 2026 $'000 | 2025 $'000 |
| Land at fair value - Freehold | 1,189 | 1,189 | (152) | (130) | 1,037 | 1,059 |
| Buildings at fair value | 30,837 | 30,837 | (3,195) | (1,622) | 27,642 | 29,215 |
| Plant, equipment and vehicles at fair value | 5,731 | 5,799 | (3,965) | (3,751) | 1,766 | 2,048 |
| **Total property, plant and equipment** | **37,757** | **37,825** | **(7,312)** | **(5,503)** | **30,445** | **32,322** |

### How we recognise property, plant and equipment

Items of property, plant and equipment are initially measured at cost, and are subsequently measured at fair value less accumulated depreciation and impairment. 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.

## Note 4.1(a) Reconciliation of the carrying amounts of each class of asset

| | Land $'000 | Buildings $'000 | equipment and vehicles $'000 | Total $'000 |
|---|---|---|---|---|
| **Balance at 1 July 2025** | **1,059** | **29,215** | **2,048** | **32,322** |
| Additions | - | - | 176 | 176 |
| Disposals | - | - | (44) | (44) |
| Depreciation | (22) | (1,573) | (414) | (2,009) |
| | **1,037** | **27,642** | **1,766** | **30,445** |

Fair value assessments have been performed for all classes of assets in this purpose group and the decision was made that the movements were not material (less than or equal to 10%). As such, an independent revaluation was not required per FRD 103. In accordance with FRD 103, Alexandra District Health has elected to apply the practical expedient in FRD 103 *Non-Financial Physical Assets* and has therefore not applied the amendments to AASB 13 *Fair Value Measurement*. The amendments to AASB 13 will be applied at the earlier of the interim revaluation or next scheduled independent revaluation in 2029, in accordance with Alexandra District Health's revaluation cycle.

## Note 4.1(b) Right-of-use assets included in property, plant and equipment

The following tables are right-of-use assets included in the property, plant and equipment balance, presented by subsets of buildings and plant and equipment.

| | Gross carrying amount | | Accumulated depreciation | | Net carrying amount | |
|---|---|---|---|---|---|---|
| | 2026 $'000 | 2025 $'000 | 2026 $'000 | 2025 $'000 | 2026 $'000 | 2025 $'000 |
| Right-of-use concessionary land[1] | 870 | 870 | (152) | (130) | 718 | 740 |
| Buildings [1] | 761 | 761 | (95) | (72) | 666 | 689 |
| Plant, equipment and vehicles [1] | 235 | 261 | (73) | (104) | 162 | 157 |
| | **1,866** | **1,892** | **(320)** | **(306)** | **1,546** | **1,586** |

| | ROU Concessionary Land $'000 | Buildings $'000 | Plant, equipment and vehicles $'000 | Total $'000 |
|---|---|---|---|---|
| **Balance at 1 July 2025[1]** | **740** | **689** | **157** | **1,586** |
| Additions | - | - | 47 | 47 |
| Disposals | - | - | (44) | (44) |
| Net transfers between classes | - | - | 31 | 31 |
| Depreciation | (22) | (23) | (29) | (74) |
| **Balance at 30 June 2026** | **718** | **666** | **162** | **1,546** |

[1] As a result of changes in FRD 104 Leases effective for reporting periods from 30 June 2026, right-of-use assets are measured at cost for reporting period 2026. The comparative information for reporting period 2025 is not restated and is reported at the previously determined fair value. For further information, refer to Note 7.3.

### How we recognise right-of-use assets

#### Initial recognition

When Alexandra District Health enters a contract, which provides the health services 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 the contract gives rise to a right-of-use asset and corresponding lease liability.

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

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

**Subsequent measurement**

Right-of-use assets are subsequently measured at cost less accumulated depreciation, impairment and any adjustments for remeasurement of the lease liability.

Further information regarding fair value measurement is disclosed in Note 7.3.

### 4.1(c) Impairment of property, plant and equipment

The recoverable amount of the primarily non-financial physical assets of Alexandra District Health, which are typically specialised in nature and held for continuing use of their service capacity, is expected to be materially the same as fair value determined under AASB 13 *Fair Value Measurement*, with the consequence that AASB 136 *Impairment of Assets* does not apply to such assets that are regularly revalued.

Alexandra District Health Service has assessed all right-of-use assets for impairment, and no indicators of impairment are identified as at 30 June 2026.

## *Note 4.2 Depreciation*

### How we recognise depreciation

All buildings, plant and equipment and other non-financial physical assets 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 exercising 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 are based.

| | 2026 | 2025 |
|---|---|---|
| Buildings | | |
| -Structure shell building fabric | 20 - 37 years | 20 - 37 years |
| -Site engineering services and central plant | 27 years | 27 years |
| Central Plant | | |
| -Fit out | 12 years | 12 years |
| -Truck reticulated building system | 17 years | 17 years |
| Plant, equipment and vehicles (including leased assets) | 2 - 25 years | 2 - 25 years |
| Medical equipment | 3 - 20 years | 3 - 20 years |
| Computer and communication | 2 - 20 years | 2 - 20 years |
| Furniture and fittings | 4 - 25 years | 4 - 25 years |
| Leasehold improvements | 2 - 5 years | 2 - 5 years |

# Note 5 Other assets and liabilities

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

## Structure

***5.1 Receivables***

***5.3 Contract liabilities***

## Note 5.1 Receivables

| | Note | 2026 $'000 | 2025 $'000 |
|---|---|---|---|
| **Current receivables** | | | |
| **Contractual** | | | |
| Inter hospital debtors | | 15 | 14 |
| Trade receivables | | 274 | 142 |
| Patient fees | | 52 | 49 |
| Allowance for impairment losses | | (5) | (5) |
| **Total contractual receivables** | | **336** | **200** |
| **Statutory** | | | |
| GST receivable | | 39 | 23 |
| **Total statutory receivables** | | **39** | **23** |
| **Total current receivables** | | **375** | **223** |
| **Non-current receivables** | | | |
| **Contractual** | | | |
| Long service leave - Department of Health | | 622 | 511 |
| **Total contractual receivables** | | **622** | **511** |
| **Total non-current receivables** | | **622** | **511** |
| **Total receivables** | | **997** | **734** |
| *(i) Financial assets classified as receivables* | | | |
| Total receivables | | 997 | 734 |
| GST receivable | | (39) | (23) |
| **Total financial assets classified as receivables** | 7.1 | **958** | **711** |

### How we recognise receivables

Receivables consist of:

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

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

## Note 5.2 Payables

| | Note | 2026 $'000 | 2025 $'000 |
|---|---|---|---|
| **Current payables** | | | |
| **Contractual** | | | |
| Trade creditors | | 787 | 681 |
| Accrued salaries and wages | | 294 | 365 |
| Accrued expenses | | 617 | 435 |
| Deferred capital grant income | | 64 | - |
| Other | | 16 | 10 |
| | | **1,778** | **1,491** |
| **Total current payables** | | **1,778** | **1,491** |
| **Total payables** | | **1,778** | **1,491** |
| *(i) Financial liabilities classified as payables* | | | |
| Total payables | | 1,778 | 1,491 |
| Deferred capital grant income | | (64) | - |
| **Total financial liabilties classified as payables** | 7.1 | **1,714** | **1,491** |

### How we recognise payables

Payables consist of:

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

- **Statutory payables,** including Goods and Services Tax (GST) payable 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 5.3 Contract liabilities

| | 2026 $'000 | 2025 $'000 |
|---|---|---|
| **Current** | | |
| Contract liabilities | 308 | 243 |
| **Total current contract liabilities** | **308** | **243** |
| **Total contract liabilities** | **308** | **243** |

### How we recognise contract liabilities

Contract liabilities include consideration received in advance from customers in respect of activity based funding provided by State and Commonwealth Governments. The balance of contract liabilities was higher than the previous reporting period due to reduced levels of activity in specific funding streams, which will require funding to be returned.

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

# Note 6 How we finance our operations

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

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

## Structure

***6.1 Cash and cash equivalents***
***6.2 Commitments for expenditure***

## Note 6.1 Cash and Cash Equivalents

| | Note | 2026 $'000 | 2025 $'000 |
|---|---|---|---|
| Cash at bank (excluding monies held in trust) | | 3,986 | 3,796 |
| **Total cash held for operations** | | **3,986** | **3,796** |
| **Total cash and cash equivalents** | 7.1 | **3,986** | **3,796** |

## Note 6.2 Commitments for expenditure

| **30 June 2026** | **year** | **Years** | **Over 5 years** | **Total** |
|---|---|---|---|---|
| | **$'000** | **$'000** | **$'000** | **$'000** |
| Operating expenditure commitments | 653 | - | - | 653 |
| **Total commitments (inclusive of GST)** | **653** | **-** | **-** | **653** |
| Less GST recoverable | | | | (59) |
| **Total commitments (exclusive of GST)** | | | | **594** |

| **30 June 2025** | **year** | **Years** | **Over 5 years** | **Total** |
|---|---|---|---|---|
| | **$'000** | **$'000** | **$'000** | **$'000** |
| Operating expenditure commitments | 567 | - | - | 567 |
| **Total commitments (inclusive of GST)** | **567** | **-** | **-** | **567** |
| Less GST recoverable | | | | (52) |
| **Total commitments (exclusive of GST)** | | | | **515** |

### How we disclose our commitments

Our commitments relate to expenditure for information technology services.

**Expenditure commitments**

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

# Note 7 Financial instruments, contingencies and valuation judgements

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

## Structure

***7.1 Financial instruments***
***7.2 Contingent assets and contingent liabilities***
***7.3 Fair value determination***

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

| 30 June 2026 | Note | Carrying amount $'000 | interest income/ (expense) $'000 | Impairment loss $'000 |
|---|---|---|---|---|
| **Financial assets at amortised cost** | | | | |
| Cash and cash equivalents | 6.1 | 3,986 | 159 | - |
| Receivables | 5.1 | 958 | - | - |
| **Financial assets at fair value through net result** | | | | |
| **Total financial assets** [i] | | **4,944** | **159** | **-** |
| | | | | |
| **Financial liabilities at amortised cost** | | | | |
| Payables | 5.2 | 1,714 | - | - |
| Borrowings | | 162 | - | - |
| **Total financial liabilities** [i] | | **1,876** | **-** | **-** |

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

| 30 June 2025 | Note | Carrying amount $'000 | Total interest income/ $'000 | Impairment loss $'000 |
|---|---|---|---|---|
| **Financial assets at amortised cost** | | | | |
| Cash and cash equivalents | 6.1 | 3,796 | 179 | - |
| Receivables | 5.1 | 711 | - | 2 |
| **Financial assets at fair value through net result** | | | | |
| **Total financial assets** [i] | | **4,507** | **179** | **2** |
| | | | | |
| **Financial liabilities at amortised cost** | | | | |
| Payables | 5.2 | 1,491 | - | - |
| Borrowings | | 186 | 2 | - |
| **Total financial liabilities** [i] | | **1,677** | **2** | **-** |

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

## How we categorise financial instruments

Financial assets at amortised cost

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

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

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

Alexandra District Health recognises the following assets in this category:

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

**Categories of financial liabilities**

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.

Alexandra District Health recognises the following liabilities in this category:

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

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

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

**Derecognition of financial liabilities**
A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

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

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

A financial liability reclassification is not permitted.

## Note 7.2 Contingent assets and contingent liabilities

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

## Note 7.3 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, with the exception of right-of-use assets arising under AASB 16, which are measured using the cost model

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.

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

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

### Fair value determination: non-financial physical assets

AASB 2022-10 *Amendments to Australian Accounting Standards – Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities* amended AASB 13 *Fair Value Measurement* by adding Appendix F *Australian Implementation Guidance for Not-for-Profit Public Sector Entities.* Appendix F explains and illustrates the application of the principals in AASB 13 on developing unobservable inputs and the application of the cost approach. These clarifications are mandatorily applicable annual reporting periods beginning on or after 1 January 2024. FRD 103 permits Victorian public sector entities to apply Appendix F of AASB 13 in their next scheduled formal asset revaluation or interim revaluation process (whichever is earlier).

The last scheduled full independent valuation of all of Alexandra District Health's non-financial physical assets was performed by VGV on 30 June 2024. The annual fair value assessment for 30 June 2026 using VGV indices does not identify material changes in value. In accordance with FRD 103, Alexandra District Health will reflect Appendix F in its next scheduled formal revaluation on 30 June 2029 or interim revaluation process (whichever is earlier). All annual fair value assessments thereafter will continue compliance with Appendix F.

For all assets measured at fair value, Alexandra District Health considers the current use as its highest and best use.

Non-specialised land and non-specialised buildings

Non-specialised land, non-specialised buildings are valued using the market approach. Under this valuation method, the assets are compared to recent comparable sales or sales of comparable assets which are considered to have nominal or no added improvement value. From this analysis, an appropriate rate per square metre has been applied to the asset.

Specialised land and specialised buildings

Specialised land includes Crown Land which is measured at fair value with regard to the property's highest and best use after due consideration is made for any legal or physical restrictions imposed on the asset, public announcements or commitments made in relation to the intended use of the asset.

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.

The CSO adjustment reflects the valuer's assessment of the impact of restrictions associated with an asset to the extent that is also equally applicable to market participants. This approach is in light of the highest and best use consideration required for fair value measurement and considers the use of the asset that is physically possible, legally permissible and financially feasible.

For Alexandra District Health, the current replacement cost method is used for the majority of specialised buildings, adjusting for the associated depreciation.

Vehicles

Vehicles are valued using the current replacement cost method. Alexandra District Health acquires new vehicles and at times disposes of them before completion of their economic life. The process of acquisition, use and disposal in the market is managed by experienced fleet managers in Alexandra District Health who set relevant depreciation rates during use to reflect the utilisation of the vehicles.

Plant and equipment, furniture, fittings

Plant and equipment, furniture, fittings, (including medical equipment, computers and communication equipment) are held at fair value. When plant and equipment is specialised in use, such that it is rarely sold, fair value is determined using the current replacement cost method.

## Significant assumptions

| Asset class | Valuation technique | Significant assumption | Range (weighted average)[(i)] |
|---|---|---|---|
| Specialised land | Market approach | Community Service Obligations adjustment | (20%)[(ii)] |
| Specialised buildings | Current replacement cost approach | Cost per square metre | $3,500/m$^2$ |
| | | Useful life | 17 - 37 years (26 years) |
| Vehicles | Current replacement cost approach | Cost per unit | $37,200 - $41,650 ($40,160 per unit) |
| | | Useful life | 3 - 5 years (3 years) |
| Plant, equipment, furniture and fittings | Current replacement cost approach | Cost per unit | $1,000 - $5,000 ($4,300 per unit) |
| | | Useful life | 5 - 10 years (8 years) |

[(i)] Illustrations on the valuation techniques and significant assumptions and unobservable inputs are and indicator and should not be directly used without consultation with the health services independent valuer.

[(ii)] CSO adjustments ranging from 0% to 20% were applied to reduce the market approach value for Alexandra District Health's specialised land, with the weighted average 20% reduction applied.

# 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 Ex-gratia expenses***
***8.2 Responsible persons disclosures***
***8.3 Remuneration of executives***
***8.4 Related parties***
***8.5 Remuneration of auditors***
***8.6 Events occurring after the balance date***
***8.7 Joint arrangements***

### Note 8.1 Ex gratia payments

At balance date, there have been no ex-gratia payments (2025: $Nil)

## Note 8.2 Responsible persons disclosures

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

| | Period |
|---|---|
| The Honourable Mary-Anne Thomas MP: | |
| Minister for Health | 1 Jul 2025 - 14 April 2026 |
| Minister for Ambulance Services | 1 Jul 2025 - 14 April 2026 |
| The Honourable Harriet Shing MP: | |
| Minister for Health | 15 April 2026 - 30 June 2026 |
| | 15 April 2026 - 30 June 2026 |
| The Honourable Melissa Horne MP: | |
| Minister for Health Infrastructure | 1 Jul 2025 - 30 June 2026 |
| Minister for Prevention of Family Violence | 15 April 2026 - 30 June 2026 |
| The Honourable Ingrid Stitt MP: | |
| Minister for Mental Health | 1 Jul 2025 - 30 June 2026 |
| Minister for Ageing | 1 Jul 2025 - 30 June 2026 |
| Minister for Multicultural Affairs | 15 April 2026 - 30 June 2026 |
| The Honourable Lizzie Blandthorn MP: | |
| Minister for Children | 1 Jul 2025 - 30 June 2026 |
| Minister for Disability | 1 Jul 2025 - 30 June 2026 |
| **Governing Boards** | |
| Mr Kim Flanagan (Board Chair) | 1 Jul 2025 - 30 Jun 2026 |
| Ms Cindy Neenan | 1 Jul 2025 - 30 Jun 2026 |
| Ms Michelle Fleming | 1 Jul 2025 - 30 Jun 2026 |
| Mr Alan Studley | 1 Jul 2025 - 30 Jun 2026 |
| Ms Melanie Telford | 1 Jul 2025 - 30 Jun 2026 |
| Ms Natalie Sheridan-Smith | 1 Jul 2025 - 30 Jun 2026 |
| Ms Soulla Nicodimou | 1 Jul 2025 - 30 Jun 2026 |
| Mr Ashley Shea | 1 Jul 2025 - 30 Jun 2026 |
| Ms Roslyn Pruden | 1 Jul 2025 - 30 Jun 2026 |
| Ms Kellie Vivekanantham | 1 Jul 2025 - 30 Jun 2026 |
| **Accountable Officers** | |
| Ms Jane Poxon (Chief Executive Officer) | 1 Jul 2025 - 19 Apr 2026 |
| Ms Claire Palmer (Interim Chief Executive Officer) | 20 Apr 2026 - 30 Jun 2026 |

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

| Income Band | 2026 No | 2025 No |
|---|---|---|
| $0 - $9,999 | 9 | 10 |
| $10,000 - $19,999 | 1 | - |
| $40,000 - $49,999 | 1 | - |
| $60,000 - $69,999 | - | - |
| $210,000 - $219,999 | 1 | - |
| $230,000 - $239,999 | - | 1 |
| **Total Numbers** | **12** | **11** |

| | 2026 $'000 | 2025 $'000 |
|---|---|---|
| **Total remuneration received or due and receivable by Responsible Persons from the reporting entity amounted to:** | **309** | **265** |

Amounts relating to the Governing Board Members and Accountable Officer of Alexandra District Health's controlled entities are disclosed in their own financial statements. 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 comprises employee benefits in all forms of consideration paid, payable or provided in exchange for services rendered. Accordingly, remuneration is determined on an accrual basis.

Several factors affected total remuneration payable to executives over the year. A number of employment contracts were completed and renegotiated, and a number of executive officers retired, resigned or were retrenched in the past year. This has had a significant impact on remuneration figures for the termination benefits category.

### Remuneration of executive officers
### (including Key Management Personnel disclosed in Note 8.4)

| | Total Remuneration | |
|---|---|---|
| | 2026 $'000 | 2025 $'000 |
| Total remuneration [i] | 711 | 536 |
| Total number of executives | 4 | 4 |
| Total annualised employee equivalent [ii] | 3.1 | 2.4 |

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

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

## Note 8.4 Related parties

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

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

Alexandra District Health received funding from government related entities of $10.97 m (2025: $10.53 m) and indirect contributions of $0.224 m (2025: $0.18 m). Balances outstanding as at 30 June 2026 are $0.002 m (2025: $0.19 m).

Expenses incurred by Alexandra District Health in delivering services 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 Minister for Finance require Alexandra District Health to hold cash (in excess of working capital) in accordance with the State of Victoria's centralised banking arrangements. All borrowings are required to be sourced from Treasury Corporation Victoria unless an exemption has been approved by the Minister for Health and the Treasurer.

### Key management personnel

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

The Board of Directors and the Executive Directors of Alexandra District Health and its controlled entities are deemed to be KMPs. This includes the following:

| KMPs | Position Title |
|---|---|
| Mr Kim Flanagan | Board Chair |
| Ms Cindy Neenan | Board Member |
| Ms Michelle Fleming | Board Member |
| Mr Alan Studley | Board Member |
| Ms Melanie Telford | Board Member |
| Ms Natalie Sheridan-Smith | Board Member |
| Ms Soulla Nicodimou | Board Member |
| Mr Ashley Shea | Board Member |
| Ms Roslyn Pruden | Board Member |
| Ms Kellie Vivekanantham | Board Member |
| Ms Jane Poxon | Chief Executive Officer (to 19-04-2026) |
| Ms Claire Palmer | Interim Chief Executive Officer (from 20-04-2026) |
| Ms Claire Palmer | Executive Project Manager (to 19-04-2026) |
| Mr Nathan Willoughby | Director of Clinical Services |
| Ms Natasha Bowater | Director of Quality and Risk |
| Ms Poranee Buttery | Director of Medical Services |

## Remuneration of key management personnel

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 Report.

| | 2026 $'000 | 2025 $'000 |
|---|---|---|
| Total compensation - KMPs [i] | 1,020 | 801 |

[i] KMPs are also reported in Note 8.2 Responsible Persons or Note 8.3 Remuneration of Executives.

## Transactions with KMPs and other related parties

Outside of normal citizen type transactions with Alexandra District Health, there were no related party transactions that involved key management personnel, their close family members or their personal business interests. No provision has been required, nor any expense recognised, for impairment of receivables from related parties. There were no related party transactions with Cabinet Ministers required to be disclosed in 2026 (2025: none).

There were no related party transactions required to be disclosed for Alexandra District Health Board of Directors, Chief Executive Officer and Executive Directors in 2026 (2025: none).

## Note 8.5 Remuneration of Auditors

| | 2026 $'000 | 2025 $'000 |
|---|---|---|
| **Victorian Auditor-General's Office** | | |
| Audit of the financial statements | 26 | 25 |
| **Total remuneration of auditors** | **26** | **25** |

## Note 8.6 Events occurring after the balance sheet date

In February 2026, the Boards of Alexandra District Health and Eastern Health formally recommended a voluntary amalgamation to strengthen access to care closer to home for the Alexandra and district community. This recommendation has been approved and was part of an official gazettal by the Governor of Victoria on the 28th of August 2026. An effective date of implementation of the amalgamation is planned for 1 November 2026.

As at 30 June 2026, there are no financial impacts in the Alexandra District Health accounts as a result of the future amalgamation.

## Note 8.7 Joint arrangements

| | Principal Activity | Ownership Interest 2026 % | Ownership Interest 2025 % |
|---|---|---|---|
| Hume Rural Health Alliance | Provision of Information Technology Services | 4.37 | 4.06 |

| | 2026 $'000 | 2025 $'000 |
|---|---|---|
| Total revenue and income | 1,065 | 644 |
| Total expenses | (1,134) | (729) |
| Total net result | (69) | (85) |
| Total other economic flows | - | - |
| Comprehensive result for the year | (69) | (85) |
| Total assets | 631 | 699 |
| Total liabilities | 533 | 532 |
| Total equity | 98 | 167 |

**Contingent liabilities and capital commitments**

There are no known contingent liabilities or capital commitments held by the jointly controlled operations at balance date. Alexandra District Health is involved in joint arrangements where control and decision-making are shared with other parties. Alexandra District Health has determined the entities detailed in the above table are joint operations and therefore recognises its share of assets, liabilities, revenues and expenses in accordance with its rights and obligations under the arrangement.


ALEXANDRA
DISTRICT HEALTH
Main Entrance
Public Parking
Patient Services
Ambulance