ANNUAL REPORT

2026

BEECHWORTH HEALTH SERVICE



Beechworth Health Service acknowledges the Traditional Owners and Custodians of the land on which we work and live and pays respects to their Elders past and present.

We acknowledge their significant cultural heritage, their fundamental spiritual connection to Country and value their unique contribution to our diverse community.

We are proud to embrace the spirit of reconciliation and learn from the local Aboriginal and Torres Strait Islander communities about how to best work with them to advance their health, social and economic outcomes.

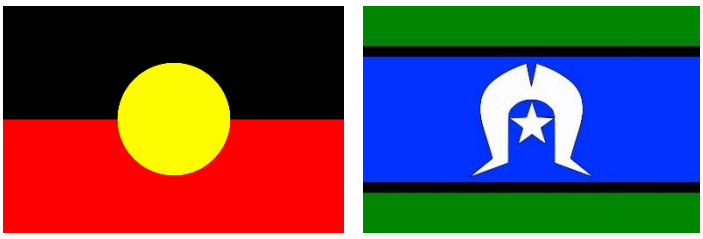


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The annual report of Beechworth Health Service is prepared in accordance with all relevant Victorian legislation. This index has been prepared to facilitate identification of the Department's compliance with statutory disclosure requirements.

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Attestations and Declarations

Responsible Bodies Declaration

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



Michael Neilson - Board Chair

Beechworth Health Service

24 September 2026

Attestation for Financial Management Compliance

I, Michael Neilson, on behalf of the Responsible Body, certify that the Beechworth Health Service has no Material Compliance Deficiency with respect to the applicable Standing Directions under the *Financial Management Act 1994* and Instructions.



Michael Neilson - Board Chair

Beechworth Health Service

24 September 2026

Attestation on Data Integrity

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



Sharon Walsh - Chief Executive Officer

Beechworth Health Service

24 September 2026

Attestation of Managing Conflict of Interest

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



Sharon Walsh - Chief Executive Officer

Beechworth Health Service

24 September 2026

Attestation on Integrity, Fraud and Corruption

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



Sharon Walsh - Chief Executive Officer

Beechworth Health Service

24 September 2026

Health Share Victoria (HSV) Purchasing Policies

I, Sharon Walsh, on behalf of Beechworth Health Service, certify that Beechworth Health Service is fully compliant with respect to the HSV Purchasing Policies as required by the *Health Services Act 1988 (Vic)*. Beechworth Health Service has implemented appropriate internal controls, which have been critically reviewed throughout the year.



Sharon Walsh - Chief Executive Officer

Beechworth Health Service

24 September 2026

Responsible Ministers

The responsible Ministers for the reporting period were:

Minister for Health **Minister for Ambulance Services**	The Hon Mary-Anne Thomas MP (1 July 2025 to 15 April 2026)
Minister for Health **Minister for Ambulance Services** **Minister for Water**	Hon Harriet Shing MP (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 (1 July 2025 to 30 June 2026)

Our Vision and Values

Our Vision

Working together we are a healthy, connected community.

Our values

Respect for Everybody: We foster an inclusive environment built on dignity, fairness and equality. We recognise and celebrate individual differences and the unique contributions of all people. Our workplace is safe, welcoming and supportive for everyone.

Commitment to Excellence: We hold ourselves to the highest standards of quality in all that we do. We actively embrace innovation and continuous learning to ensure our care and services are always improving.

Integrity in Practice: We take seriously our responsibility as a trusted community partner and health care provider. Our decisions are made thoughtfully and in partnership with patients, our workforce and the community.

Trust in Each Other: Trust underpins everything we do. It allows us to communicate honestly, listen openly, collaborate effectively, and work together to achieve shared goals and better outcomes.

The purpose, functions, powers and duties

Beechworth Health Service is a public hospital established under the *Health Services Act 1988* (Vic). The organisation operates within the legislative, policy and funding frameworks set by the Victorian Government, and is governed by an appointed Board of Directors accountable to the Minister for Health.

Purpose and Functions

The primary objectives of Beechworth Health Service are to:

- Provide public hospital and residential aged care services, delivering high-quality, person-centred care that meets the needs of the community;
- Offer health and community services that promote wellness, independence, and social connection, working in partnership with the people of Beechworth and surrounding areas, health professionals, and funding bodies;
- Pursue activities and innovations that enhance the efficiency, sustainability and responsiveness of the health service.

Beechworth Health Service also contributes to broader system goals by supporting regional collaboration, participating in public health initiatives, and aligning with the priorities set out in the Victorian Government's Statement of Priorities.

Our Strategic Plan 2023 - 2026

At Beechworth Health Service, our Strategic Plan 2023-2026 reflects our deep commitment to the people we serve. It's more than just a roadmap — it's a promise to listen with intention, act with compassion, and work side-by-side with our community and partners to build a stronger, healthier future.

Guided by our shared values, this plan sets out our vision for delivering better access, better care and better outcomes. It's grounded in the belief that when we collaborate, respect each voice, and lead with heart, we can make a genuine and lasting difference in the lives of those who rely on us.



Chair and Chief Executive Officer Report

'The Year in Review', incorporating key initiatives and projects

The 2025-2026 year has been one of significant achievement, transformation and preparation for the future. Across every part of Beechworth Health Service, we have remained committed to delivering safe, high-quality care while strengthening the foundations that will support our organisation and community for years to come.

Strong leadership and good governance have remained central to our success. During the year, we undertook a comprehensive review of our governance framework, including a refresh of our by-Laws to ensure they remain contemporary, compliant and reflective of the evolving requirements of a Victorian public health service. We also completed extensive work to review and strengthen our policy and risk management frameworks, ensuring they support effective decision-making and organisational resilience.

We welcomed four new Board Directors whose diverse skills and experience have strengthened the Board's collective capability and positioned us well for the future. At the same time, we acknowledge the remarkable contribution of Dr Isabel Paton, who concluded her nine years of service on the Board, including the past two years as Board Chair. Dr Paton's leadership, commitment and passion for Beechworth Health Service have left a lasting legacy, and we sincerely thank her for her outstanding service. We are pleased to welcome Mr Michael Neilson as our new Board Chair and look forward to his leadership as we embark on the next chapter of our organisation's journey.

This year also marked the practical completion of our Aged Care Capital Development project, including the creation of Community Street and the conversion of three shared ensuites into six individual resident ensuites. Achieving practical completion and occupancy certification represents a significant milestone that will enhance the living environment and wellbeing of our residents. During the coming year, our focus will turn to furnishing the auditorium, café and reflective space before celebrating the completion of this important investment with our community.

Organisational improvement has continued to be a strong focus throughout the year. We completed a comprehensive redevelopment of our Business Continuity Plan, ensuring it reflects current risks and contemporary emergency management practices. Importantly, the plan is now subject to regular testing to build organisational confidence and preparedness. A comprehensive program of internal audits has also been undertaken, with valuable improvements implemented in response to audit findings, reinforcing our commitment to continuous improvement and high-quality governance.

As the operating environment continues to evolve, we have proactively responded to significant sector reforms. We successfully developed and submitted our new Gender Equality Action Plan (GEAP) and have commenced implementing the actions that will continue to strengthen equity, inclusion and workplace culture. In preparation for the commencement of the *Aged Care Act 2024*, we also restructured our Residential Aged Care workforce to better align with the new legislative requirements. This important work has been well received by staff and will further enhance the quality and consistency of care provided to our residents.

Collaboration remains fundamental to our success. The establishment of the Hume Local Health Service Network represents one of the most significant developments for rural health services this year. While Beechworth Health Service has always valued strong partnerships with neighbouring health services, the Network provides a more structured and coordinated approach to collaboration that will enable us to share expertise, strengthen service delivery and improve outcomes for the communities we collectively serve. We also remain committed to supporting students and learners, recognising that developing the future health workforce is an essential investment in the sustainability of rural healthcare.

Throughout the year, we have continued to carefully manage our financial position while balancing increasing demand, sector reform and ongoing cost pressures. Maintaining financial sustainability requires disciplined

stewardship of public resources, thoughtful planning and a continued focus on delivering value while ensuring our community receives safe, high-quality care.

As we look ahead, we are excited by the opportunities before us. During the coming year, we will refresh our organisational Values and develop a new Strategic Plan to guide the future direction and priorities of Beechworth Health Service. Central to this work will be meaningful consultation with our community, consumers, residents, families and carers, staff, volunteers, visiting medical officers, partner organisations and other key stakeholders. We want to hear what matters most to the people we serve and ensure that our future priorities reflect the health and wellbeing needs, aspirations and expectations of our community. Together with the completion and activation of our new aged care facilities, the continued implementation of our GEAP, stronger regional partnerships through the Hume Local Health Service Network, and our ongoing commitment to governance excellence and continuous improvement, this work will position us well to respond to emerging challenges and opportunities and to meet the changing needs of our community.

We thank our staff, volunteers, visiting medical officers, students, community partners, Board Directors and the Beechworth community for their ongoing support, dedication and trust. Together, we continue to build a strong, resilient and sustainable health service that is committed to providing exceptional care, now and into the future.

Nature and Range of Services

Beechworth Health Service is a publicly funded health service located in Beechworth, in north-east Victoria. The service supports a catchment population of approximately 10,134 people, primarily within the eastern region of Indigo Shire. This includes the communities of Beechworth, Stanley, Wooragee, Yackandandah, Tangambalanga, and the Kiewa Valley.

Beechworth Health Service is deeply embedded within its community, with enduring relationships across local education providers, community service organisations and neighbouring health services. These connections are vital in supporting integrated, person-centred care that meets the evolving needs of the region.

Beechworth Health Service delivers a comprehensive range of health and wellbeing services, outlined as follows:

Acute Care Services	Beechworth Health Service operates an acute care unit, which includes a 24-hour Urgent Care Centre. In-hours medical care is provided by local General Practitioners, while after-hours care is supported through telehealth-enabled access to the Virtual Emergency Department (VED), Telecare and My Emergency Doctor platforms, ensuring timely and safe responses to urgent health needs.
Aged Care Services	The health service provides residential aged care across 60 beds, offering high-quality, person-centred care. Residents receive support that promotes dignity, independence, and quality of life within a safe and nurturing environment.
Community Health Services	A broad and integrated range of community health services is available through Beechworth Health Service. These include Physiotherapy, Occupational Therapy, Dietetics, Diabetes Education, Podiatry, Speech Pathology, Health Promotion, Initial Needs Assessment and Complex Care Coordination. Services are extended to include District Nursing, Community Connections programs across multiple locations, community-based palliative care, and support for Commonwealth Home Support Program and Home Care Package recipients. Beechworth Health Service also provides tailored services to clients supported by the National Disability Insurance Scheme (NDIS) and the Department of Veterans' Affairs (DVA). Many of these services are delivered in close partnership with other health and community agencies.
Home and Community Care	Beechworth Health Service delivers services under the Home and Community Care Program for Younger People (HACC PYP, for those under 65) and the Commonwealth Home Support Program (CHSP, for those aged 65 and over). This includes the provision of District Nursing, Planned Activity Groups, and Podiatry services across Indigo Shire. The service is a committed partner in the Indigo@Home model of care - a collaborative initiative responsible for coordinating and delivering CHSP services across the region. Partner organisations within this model include Beechworth Health Service, Yackandandah Health, Indigo North Health, and Alpine Health (lead agency).

Corporate Governance

Beechworth Health Service is governed by a dedicated and highly skilled Board of Directors, appointed by the Governor-in-Council on the recommendation of the Minister for Health. As a public hospital, the organisation is accountable for delivering safe, high-quality, person-centred care while meeting its legislative, regulatory and community obligations.

The Board provides strategic leadership and oversight, ensuring the organisation operates in line with government policy and community expectations. Key responsibilities include setting strategic direction, monitoring organisational performance, maintaining financial and clinical accountability, and supporting meaningful engagement with consumers, carers and the broader community.

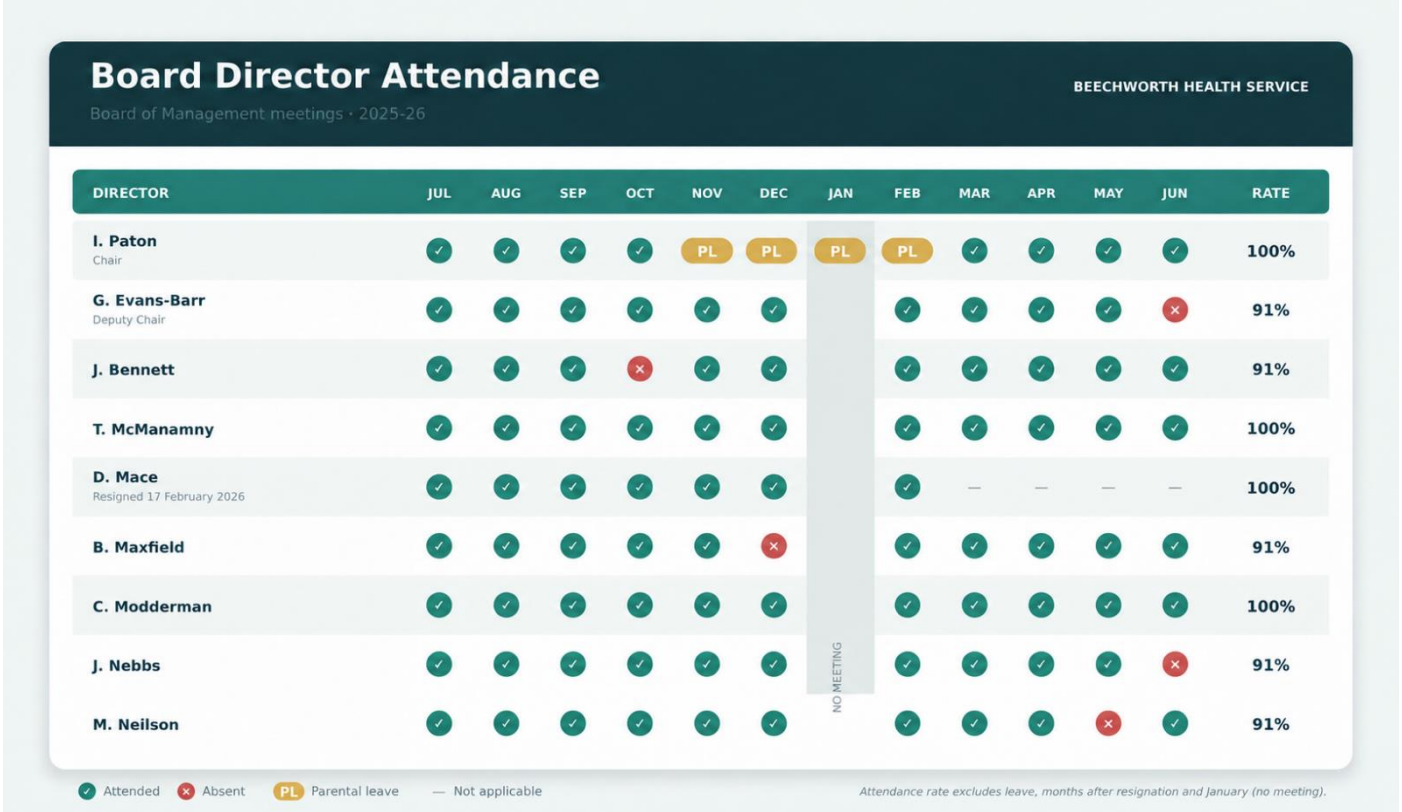
Board of Directors

The Board comprises members with diverse expertise across health, finance, governance, education and community development. Together, they guide the strategic direction of Beechworth Health Service, establish expectations for executive leadership, and support the delivery of safe, effective and responsive healthcare services.

Dr. Isabel Paton (Board Chair)
Ms. Gael Evans-Barr (Deputy Chair)
Ms. Jennifer Bennett
A/Prof. Tegwyn McMamamny
Dr. Jason Nebbs
Dr. Corina Modderman
Mr. Michael Neilson
Mr. Benjamin Maxfield
Mr. Donald Mace (01/07/2025 - 17/02/2026)

Finance and Audit Committee
Mr. Donald Mace (Chair from 1 July - 31 December)
Mr. Michael Neilson (Chair from 1 Jan - 30 June)
A/Prof. Tegwyn McMamamny
Mr. Benjamin Maxfield

Clinical Governance Committee
A/Prof. Tegwyn McManamny (Chair)
Ms. Gael Evans-Barr
Dr. Corina Modderman
Dr. Jason Nebbs
Ms. Jan Lang - Consumer Representative
Ms. Carolyn Tozer - Consumer Representative



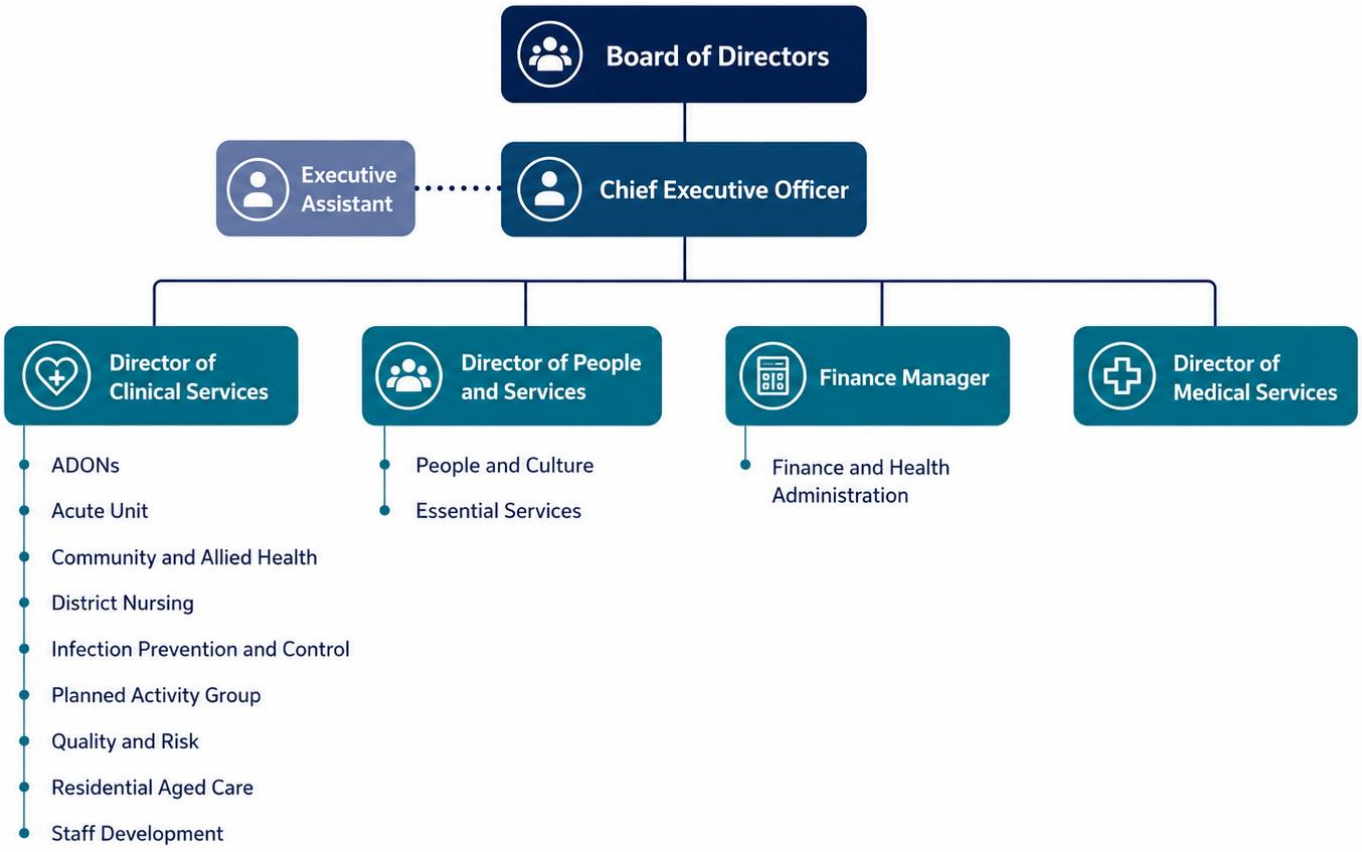
In accordance with the Beechworth Health Service Governance Policy, Directors may be granted leave of absence at the discretion of the Board. Approved leave is formally recorded in the Board of Management Committee Membership and Attendance Register.

Executive and Leadership Team

Executive Team
Ms. Sharon Walsh - Chief Executive Officer
Ms. Elizabeth Ibrom - Director of Clinical Services
Ms. Dyan Hill - Director of People and Service

Leadership Team
Ms. Louine Robinson - Primary Health Team Leader
Ms. Melissa Davies - DNS/PAG Team Leader
Ms. Rhonda Lea - Staff Development Officer
Ms. Sharon Knowles - Residential Aged Care Nurse Unit Manager
Mr. Scott Windsor - Acute Nurse Unit Manager
Ms. Julia Brinsdon-Farr - Quality and Risk Manager
Ms. Crystal Price - Essential Services Manager
Ms. Sarah Bartsh - Essential Services Supervisor
Ms. Belinda Achammer - Head Chef/Food Services Supervisor (July 2025 - November 2025)
Ms. David Moss - Head Chef/Food Services Supervisor (February 2026 - June 2026)
Mr. Mervyn Elliot - Maintenance Supervisor
Mr. Tony Cooper - Finance Manager
Ms. Jenny Keogh - IPC Coordinator

Organisational Structure



Workforce Data

Workforce Full-Time Equivalent

BEECHWORTH HEALTH SERVICE

June current month and average monthly comparison · 2025–26

LABOUR CATEGORY	JUNE CURRENT MONTH FTE		AVERAGE MONTHLY FTE	
	2025	2026	2025	2026
Nursing	56.39	52.62	56.84	52.50
Administration & Clerical	10.45	10.74	12.08	9.79
Medical Support	0.00	0.00	0.00	0.00
Hotel & Allied Services	35.06	40.96	36.51	44.66
Medical Officers	0.00	0.00	0.00	0.00
Hospital Medical Officers	0.00	0.00	0.00	0.00
Sessional Clinicians	0.00	0.00	0.00	0.00
Ancillary Support (Allied Health)	12.08	9.12	12.96	11.68
TOTAL FTE	113.98	113.44	118.39	118.63

FTE = full-time equivalent. Figures are presented to two decimal places.

Reporting period: June 2026

Diversity, Equity and Inclusion

Beechworth Health Service is committed to fostering a safe, inclusive and equitable workplace for all staff.

As a rural health service, we recognise both the opportunities and challenges involved in advancing gender equality and inclusion. Achieving meaningful and sustainable change requires strong leadership, shared accountability and a commitment to continuous improvement.

In line with our obligations under the *Gender Equality Act 2020 (Vic)* and led by our Diversity and Inclusion Officer and Director of People and Workforce, we submitted the final progress report for our first Gender Equality Action Plan (GEAP) in May 2026, alongside our new GEAP for 2026-2030. Through this new plan, the Executive has reaffirmed its commitment to gender and intersectional equality, with a focus on strengthening and sustaining progress across the organisation.

BHS takes an intersectional approach to equality, recognising that experiences of disadvantage and discrimination are interconnected. We acknowledge that gender equality cannot be fully achieved without also addressing barriers related to race, sexual orientation, gender identity, age and other forms of discrimination.

Progress and Outcomes

Gender Equality Action Plan

Over the reporting period, measurable progress was achieved across several Gender Equality Indicators, particularly in relation to workforce gender composition and occupational gender segregation. As part of the development of our new GEAP, we have identified several priority areas for continued focus during the next reporting period. These

initiatives will support ongoing progress in advancing equality, inclusion and cultural safety throughout the organisation.

We recognise that gender equality is not only a workforce issue, but also an essential component of delivering safe, high-quality healthcare for our community

Gender composition

Between 2023 and 2025, the representation of men within the organisation increased slightly, with the workforce comprising 81.9% women and 18.1% men in 2025, compared with 82.4% women and 17.6% men in 2023.

There was also a significant increase in the representation of women in senior leadership positions, rising from 61.1% to 75.0%, largely reflecting changes in leadership appointments. The composition of the Board of Management continues to broadly reflect our workforce, with women representing 55.6% of board members and men 44.4%.

Gender segregation

Progress was also evident in reducing occupational gender segregation. Representation of women increased in traditionally male-dominated roles, including Technicians and Trades Workers (33.0% to 50.0%) and Labourers (72.0% to 76.7%). At the same time, the representation of men increased in Community and Personal Service Worker roles, from 14.1% to 22.4%, supporting greater gender diversity in traditionally female-dominated occupations.

Gender Impact Assessments

BHS continues to embed Gender Impact Assessments (GIAs) across the organisation to ensure that policies, programs and services are developed and delivered in ways that meet the diverse needs of our workforce and community.

First Nations Cultural Safety

Beechworth Health Service is committed to providing culturally safe, respectful and responsive services and workplaces for Aboriginal and Torres Strait Islander people. We recognise that cultural safety is determined by Aboriginal and Torres Strait Islander people who access, work within and engage with our health service.

During the reporting period, we established a Cultural Safety Action Plan to guide sustained organisational improvement across five domains.
The Cultural Safety Working Group has focused on establishing the foundations needed to embed cultural safety across the organisation. This included developing a shared understanding of cultural safety, strengthening governance arrangements and commencing the development of community relationships.



Work is continuing to establish meaningful and respectful relationships with Aboriginal and Torres Strait Islander people and organisations within the local community. These relationships will be important in guiding the implementation of the Cultural Safety Action Plan, strengthening workforce capability and ensuring that improvements to our services are informed by the experiences, priorities and perspectives of Aboriginal and Torres Strait Islander people.

Occupational Health and Safety

Beechworth Health Service is committed to protecting the health, safety and wellbeing of all employees, residents, patients, volunteers, visitors, contractors, students, and others who engage with our services. In alignment with our strategic priorities—Safe, Effective Care and A Capable and Sustainable Workforce—we foster a strong and proactive safety culture, with a particular emphasis on injury prevention and the management of occupational violence and aggression.

Governance and Compliance

Workplace safety at Beechworth Health Service is governed through a structured and legislatively compliant Occupational Health and Safety (OHS) framework. The OHS Committee provides governance oversight and promotes a safety-first culture across the organisation. This includes ensuring compliance with the *Occupational Health and Safety Act 2004*, associated regulations, compliance codes, and relevant Australian standards.

Our safety governance model includes:

- Designated Work Groups (DWGs) and Health and Safety Representatives (HSRs) who provide localised support and staff representation.
- Regular safety audits, risk assessments, and incident reviews, which inform continuous improvement and hazard prevention.
- Embedded systems for hazard identification, risk management, and incident reporting, using the Victorian Health Incident Management System (VHIMS).

We promote a reporting culture in which all staff are encouraged and supported to report safety concerns, incidents, and near misses. Early intervention, transparent reporting, and accountability are critical to maintaining a safe work environment and ensuring compliance with the National Safety and Quality Health Service (NSQHS) Standards and Aged Care Quality Standards.

Occupational Health and Safety (OHS) Data 2025-26

Occupational Health and Safety Data

Three-year performance overview · 2025–26

BEECHWORTH HEALTH SERVICE

INDICATOR	2023-24	2024-25	2025-26
Reported hazards/incidents per 100 FTE	50.11	89.60	51.99
WorkCover claims standard, lost time · per 100 FTE	5.1	5.1	3
Average cost per WorkCover claim	$2,422	$2,632	$6,550

FTE = full-time equivalent. WorkCover claim cost is shown in Australian dollars.

Reporting period: 2025–26

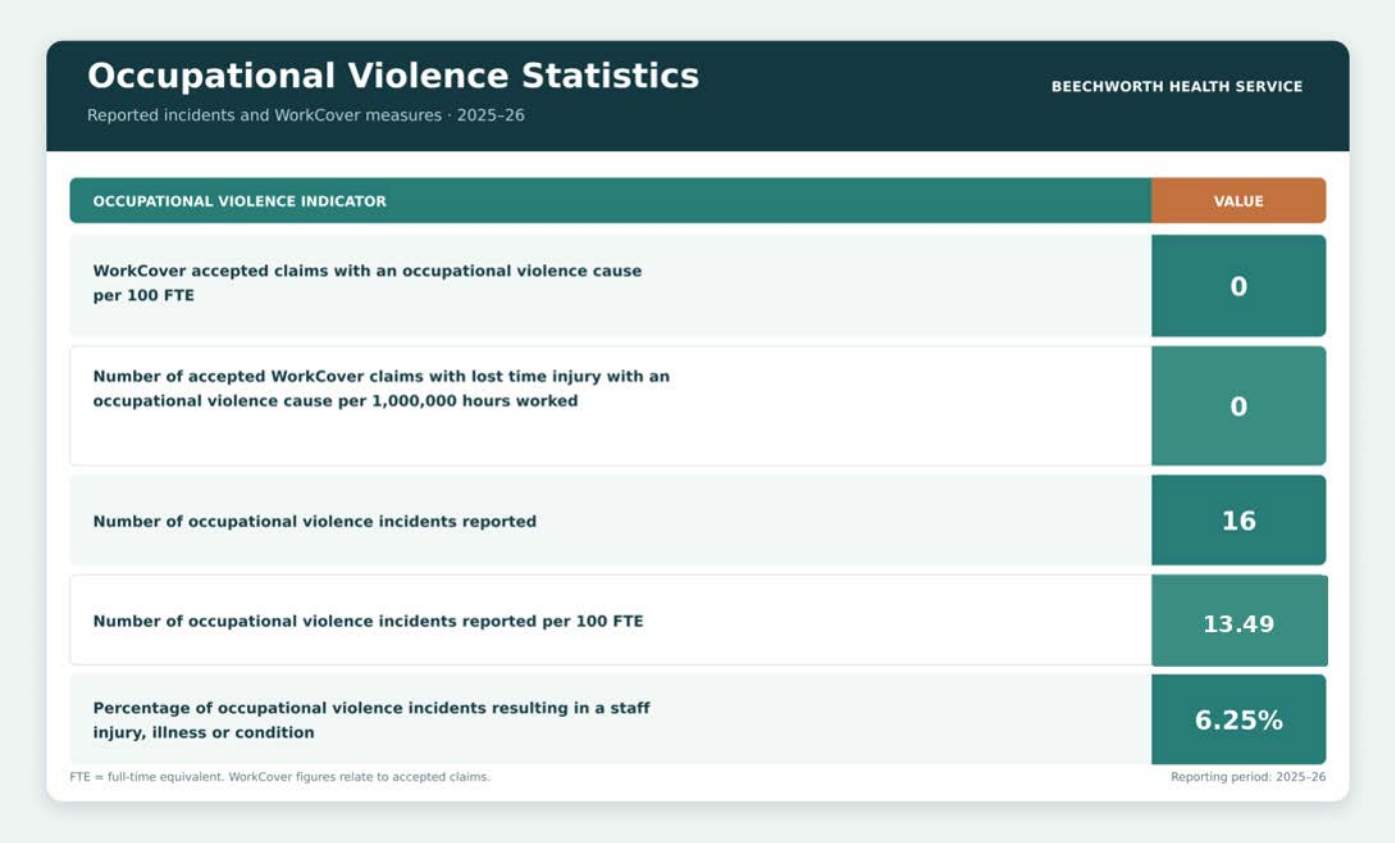
Occupational Violence Prevention and Response

In line with the *Occupational Health and Safety Act 2004* and Department of Health directives, Beechworth Health Service monitors and publicly reports occupational violence incidents. This reflects our ongoing commitment to Workforce Wellbeing and Safety and supports sector-wide efforts to reduce harm and improve psychological safety in healthcare settings.

Preventing and managing occupational violence remains a key focus. Our approach includes:

- Staff training on de-escalation, personal safety and respectful communication.
- Implementation of procedures to reduce exposure to high-risk scenarios.
- A clear reporting system with post-incident debriefing and support.

Occupational Violence Statistics (2025-26)



Summary of Financial Results

	2026 $000	2025 $000	2024 $000	2023 $000	2022 $000
OPERATING RESULT*	**(120)**	84	1,038	264	98
Total Revenue	22,991	22,147	21,777	19,166	17,158
Total Expenses	(24,873)	(23,238)	(21,327)	(20,040)	(18,564)
Net results from transactions	**(1,882)**	**(1,091)**	**450**	**(874)**	**(1,406)**
Total other economic flows	23	(93)	55	(20)	51
Net Result	**(1,859)**	**(1,184)**	**505**	**(894)**	**(1,355)**
Total Assets	57,661	53,277	53,756	40,282	38,305
Total Liabilities	21,400	15,157	14,452	(14,838)	(11,967)
Net assets/ Total equity	**36,261**	**38,120**	**39,304**	**25,444**	**26,338**

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

Beechworth Health Service reported an operating deficit of $120,000 for the year, compared with the Statement of Priorities target of breakeven. Continued efforts to strengthen the organisation's financial sustainability remain a key focus.

Reconciliation between the Net Result from Transactions and Operating Result

	2025-2026 ($000)
Operating result	**(120)**
Capital purpose income	870
Assets received free of charge	309
Expenditure for capital purpose	(183)
Depreciation and amortisation	(2,758)
Net result from transactions	**(1.882)**

Consultancies

Details of Consultancies

Consultancies under $10,000

In 2025-26 there were nine consultancies where the total fees payable to the consultant were less than $10,000 (excl. GST). The total expenditure incurred during 2025-26 in relation to these consultancies was $35,000 (excl. GST).

Consultancies valued at $10,000 or greater

In 2025-26 there were three consultancies where the total fees payable to the consultant were over $10,000 (excl. GST). The total expenditure incurred during 2025-2026 in relation to these consultancies is $43,100 (excl. GST). Details of these consultancies can be viewed below:

Consultant	Purpose of Consultancy	Start Date	End Date	Total approved project fee (excluding GST)	Expenditure 2025-26 (excluding GST)	Future Expenditure (excluding GST)
Regional HRP	Culture Review	15/05/2026	30/06/2026	$15,700	$15,700	$0
Crowe Horvath	Asset Management Review	20/05/2026	19/06/2026	$10,400	$10,400	$0
National Ageing Research Institute Ltd	Falls review	1/08/2025	31/11/2025	$17,000	$17,000	$0

Information and Communication Technology (ICT) Expenditure

For the 2025-2026 reporting period, Beechworth Health Service had a total ICT expenditure of $735,680, with the details shown below.

All operational ICT expenditure		*ICT expenditure related to projects to create or enhance ICT capabilities*	
Business as Usual (BAU) ICT expenditure	Non-Business as Usual (non-BAU) ICT expenditure	Operational expenditure	Capital expenditure
(Total)	(Total = Operational expenditure and capital expenditure)		
$735,680	$0	$0	$0

Social Procurement Framework

All suppliers	
Number of suppliers engaged	289
Total expenditure (excl. GST)	$6,164,075.05
Social benefit suppliers	
Number of social benefit suppliers engaged	2
Total expenditure with social benefit suppliers (excl. GST)	$17,364.00
Objective: Opportunities for Victorian Aboriginal people	
Outcome: Purchasing from Victorian Aboriginal businesses	
Number of Victorian Aboriginal businesses engaged	1
Total expenditure with Victorian Aboriginal businesses (excl. GST)	$17,064.00
Objective: Opportunities for Victorians with disability	
Outcome: Purchasing from Victorian Social Enterprises led by a mission for people with disability and Australian	
Number of Victorian social enterprises led by a mission for people with disability and Australian Disability Enterprises engaged	0
Total expenditure with Victorian social enterprises led by a mission for people with disability and Australian Disability Enterprises (excl. GST)	$0.00
Objective: Opportunities for Victorian priority jobseekers	
SPF Outcome: Purchasing from Victorian social enterprises led by a mission for job readiness and employment of Victorian priority jobseekers	
Number of Victorian social enterprises led by a mission for job readiness and employment of Victorian priority jobseekers engaged	0
Total expenditure with Victorian social enterprises led by a mission for job readiness and employment of Victorian priority jobseekers (excl. GST)	$0.00
Objective: Sustainable Victorian social enterprises and Aboriginal businesses	
Outcome: Purchasing from Victorian social enterprises and Aboriginal businesses	
Number of Victorian social enterprises engaged	1
Total expenditure with Victorian social enterprises (excl. GST)	$300.00
Number of Victorian Aboriginal businesses engaged	1
Total expenditure with Victorian Aboriginal businesses (excl. GST)	$17,064.00

Disclosure of Emergency Procurement and Emergency Complaints

In 2025-26 there were nil reports under this disclosure.

Statement of Priorities

Strategic Priorities

In 2025-2026, Beechworth Health Service will contribute to the achievement of the Victorian Government's commitments by:

Innovating and Improving Access to 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	**Achievement/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: Ongoing Commentary: Progressed a contemporary approach to consumer partnership through establishment of a Consumer Engagement and Inclusion Advisor position and development of a Consumer Engagement Framework. This work is strengthening consumer participation in organisational governance, service planning and quality improvement, while enhancing consumer feedback mechanisms, representation and opportunities to co-design services that improve safety, experience and health outcomes.
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: Ongoing Commentary: Continued to strengthen organisational governance through enhanced Board and Committee reporting, comprehensive review of governance, policy and risk management frameworks, and a structured internal audit program. The organisation maintained 100% compliance with Sentinel Event Root Cause Analysis reporting requirements, supporting a culture of transparency, accountability and continuous improvement.
Health services are able to show evidence of a comprehensive training program approach that includes performance management, accountability, and continuous improvement.	Status: Ongoing Commentary: Maintained a comprehensive education, training and workforce capability program that supported clinical excellence, leadership development and continuous improvement. Staff participated in mandatory education, emergency management exercises, Root Cause Analysis training, occupational violence prevention, clinical education and leadership programs, while structured performance development and People Matter Survey action planning strengthened accountability

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	**Achievement/Outcome**
Deliver the key initiatives outlined in the Budget Action Plan within Government parameters	Status: Achieved Commentary: Implemented the key initiatives of the Budget Action Plan through enhanced financial governance, improved budget monitoring, strengthened revenue capture and targeted efficiency measures. These initiatives supported responsible financial stewardship, enabling the organisation to remain on track to achieve a near-balanced operating result while exceeding the Statement of Priorities Current Asset Ratio target.
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: Ongoing Commentary: Enhanced organisational decision-making through improved performance reporting, data analytics and forecasting across financial, workforce and clinical operations. Strengthened revenue capture, activity reporting, asset management planning, implementation of KESTO (still in progress) and enhanced governance reporting enabled the identification of improvement opportunities, supported operational efficiency and contributed to long-term financial sustainability.
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: Ongoing Commentary: Continued to optimise patient-facing services through efficient use of available funding and implementation of initiatives that improved service delivery, operational efficiency and patient flow. Key achievements included implementation of the Northeast Health Wangaratta supplies model, Telecare-supported admissions, enhanced regional bed management through MIYA, improved Allied Health activity reporting via iPM, strengthened revenue capture and procurement processes, and ongoing collaboration to identify shared service opportunities. These initiatives supported improved access, capacity, safety and financial sustainability.

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	**Achievement/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 Commentary: Implemented a range of workforce initiatives to strengthen employee experience, capability and sustainability, including commencement of the Gender Equality Action Plan, redesign of the Residential Aged Care workforce in response to legislative reform, leadership development programs, People Matter Survey action planning and enhanced workforce planning. Continued investment in staff wellbeing, professional development and performance development supported a capable, adaptable and engaged workforce delivering safe, high-quality care.
Collaborate with the department to improve workforce data analytics, generate actionable insights, and enhance strategic planning.	Status: Achieved Commentary: Strengthened workforce planning through enhanced workforce reporting and analysis, including People Matter Survey outcomes, workforce metrics, appraisal completion, excess leave monitoring and workforce sustainability indicators. These insights informed strategic workforce planning, organisational redesign, leadership development, targeted improvement initiatives and evidence-based decision-making to support a capable, engaged and sustainable workforce.

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	**Achievement/Outcome**
Deliver high-quality cultural safety training to all executives and staff using independent, expert, community-controlled organisations or a registered Aboriginal business.	Status: Achieved Commentary: Delivered face-to-face cultural safety training by Aboriginal and Torres Strait Islander educators. This was complemented by regular cultural awareness articles in the staff newsletter, written by a proud Aboriginal woman and focusing on the history, culture and stories of Aboriginal people within our local community, helping to build understanding and embed cultural awareness across the organisation.
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 Commentary: Maintained strong partnerships with Aboriginal Community Controlled Organisations, recognised Aboriginal leaders and the Aboriginal Liaison Officer at Northeast Health Wangaratta through ongoing engagement that informed culturally safe service delivery, referral pathways and implementation of the Cultural Safety Action Plan. A multidisciplinary Cultural Safety Working Group was established to oversee organisational cultural safety initiatives, monitor progress and support continuous improvement across governance, workforce and service delivery.
Ensure culturally appropriate systems for identifying Aboriginal and Torres Strait Islander patients and implement responsive discharge plans and referral pathways.	Status: Ongoing Commentary: Strengthened systems for the identification of Aboriginal and Torres Strait Islander patients and continued to embed culturally safe referral, discharge planning and care coordination practices across the organisation. This included close collaboration with the Aboriginal Liaison Officer at Northeast Health Wangaratta to support culturally appropriate care, continuity of care and referral pathways for Aboriginal patients. Together with implementation of the Cultural Safety Action Plan, strengthened partnerships and staff education, these initiatives contributed to improved access to culturally safe care and achievement of the Statement of Priorities target, with no Aboriginal patients leaving against medical advice during the reporting period.

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	**Achievement/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: Ongoing Commentary: Continued to actively participate in the Hume Local Health Service Network, working with partner health services to progress the Statement of Expectations across access, equity and patient flow, workforce, safety and quality, and shared services. Collaborative achievements included improved regional patient flow and bed visibility, expanded shared procurement and Communities of Practice, regional audit and consumer engagement initiatives, strengthened executive partnerships and continued exploration of shared service opportunities, contributing to a more connected, sustainable and integrated health system across the Hume region.

Performance Priorities

High Quality and Safe Care

Key performance indicator	Target	2025-26 Result
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	Achieved
Aged Care		
Public sector residential aged care services overall star rating	Minimum rating of 3 stars	Achieved
Patient Experience		
Percentage of patients who reported positive experiences of their hospital stay	95%	N/A*
Aboriginal Health		
The gap between the number of Aboriginal patients who discharges against medical advice compared to non-Aboriginal patients	0%	N/A**

*Not applicable – due to response rate and relative size of the Health Service

**No discharges against medical advice occurred during the reporting period

Strong Governance, leadership and culture

Key performance indicator	Target	2025-26 Result
Organisational Culture		
People matters survey - percentage of staff with an overall positive response to safety culture survey questions	80%	72%*

**Changes to the 2025-26 Health Sector People Matter Survey has affected the 'Percentage of staff with an overall positive response to safety culture survey questions' measure. Historical results are not directly comparable and should be interpreted with consideration of a break in the time series*

Effective financial management

Key performance indicator	Target	2025-26 Result
Operating result ($m)	0.00	-0.12
Adjusted current asset ratio	0.70 or 3% improvement from health service base target	Achieved
Variance between the forecast and actual operating result (OR) as a percentage of the forecast OR for the current financial year ending 30 Jun	5% movement in forecast revenue and expenditure forecasts	Achieved

Activity and Funding

Funding Type	2025-2026 Activity Achievement
Aged Care	
Residential aged care	20,409
HACC	905
Primary Health	
Community Health / Primary Care Programs	2,742
Small Rural	
Small Rural Acute	11.33

Note: All 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

Statements of Compliance

Freedom of Information

During 2025-26, Beechworth Health Service received one valid Freedom of Information request. The request was finalised within the legislated timeframe and managed in accordance with the requirements of the *Freedom of Information Act 1982*. There were no outstanding Freedom of Information requests as of 30 June 2026.

Building Act 1993

Beechworth Health Service complies with the provisions of the *Building Act 1993* and associated regulations, in accordance with the Department of Health's Capital Development Guidelines. This includes adherence to the *Standards for Publicly Owned Buildings 1994*, Building (Interim) Regulations 2005, and the *Building Code of Australia 2004*.

During 2025-26, Beechworth Health Service completed the Residential Aged Care Capital Development project. The project achieved practical completion and the required occupancy approval. Works included the development of Community Street, incorporating an auditorium, café area, activity space, reflective space and upgraded hairdressing facility, as well as the conversion of the remaining three shared ensuites into six individual resident ensuites. These works have improved resident privacy, accessibility, amenity and opportunities for social connection.

Furnishing and activation of the auditorium, café area and reflective space will continue during 2026-27, with a formal launch planned later in the year.

Beechworth Health Service continued its preventative maintenance and compliance program, including scheduled building inspections, essential safety measures, statutory servicing and routine maintenance. No building notices, emergency orders or building orders were issued during the reporting period, and no material issues of non-compliance were identified.

Public Interest Disclosure Act 2012

Beechworth Health Service complies with the *Public Interest Disclosure Act 2012* and has established procedures in accordance with the Act for the making, handling, and notification of disclosures. These procedures ensure that individuals are able to report improper conduct and detrimental action by public officers or bodies without fear of reprisal.

During the 2025-26 reporting period, Beechworth Health Service did not receive any disclosures under the Act

Competitive Neutrality Policy Victoria

In accordance with the Competitive Neutrality Policy Victoria and relevant government reforms, Beechworth Health Service has ensured compliance with competitive neutrality requirements throughout the 2025-26 reporting period. The organisation continues to implement pricing and operational practices that do not advantage public entities over private sector competitors in the provision of comparable services.

No competitive neutrality complaints were received during 2025-26, and there were no applications for alteration to arrangements carried over from the previous year

Carers Recognition Act 2012

Beechworth Health Service recognises the vital role of carers and has taken all practical measures to comply with its obligations under the *Carers Recognition Act 2012*. The organisation is committed to promoting awareness and understanding of the care relationship principles outlined in the Act across its workforce and service delivery.

Staff awareness strategies have been developed and implemented to ensure employees understand the principles of the Act and their practical implications. These include the incorporation of carer recognition content into staff induction and training programs, along with regular reinforcement through internal communications and professional development activities.

In line with the Act, Beechworth Health Service considers care relationship principles when developing organisational policies and delivering services. Employment policies—such as those related to flexible working arrangements and leave provisions—have been reviewed to ensure alignment with the principles of the Act. Additionally, a satisfaction survey has been developed for use during assessment and review meetings involving workers, carers and individuals receiving care. This helps to ensure the voices of carers are heard and respected in service planning and decision-making.

Beechworth Health Service remains committed to fostering a supportive environment that recognises, values and includes carers as key partners in care.

Local Jobs First Policy Act 2003

During 2025-26, Beechworth Health Service did not undertake any projects that met the threshold for application of the Local Jobs First Policy. Accordingly, no Local Industry Development Plans were required or submitted.

Safe Patient Care Act 2015

Beechworth Health Service complies with the requirements of the *Safe Patient Care Act 2015*, in line with its obligations under the Nurses and Midwives (Victorian Public Sector) (Single Interest Employers) Enterprise Agreement 2024-2028. The organisation monitors and maintains nurse and midwife staffing levels in accordance with legislated ratios and safe care standards.

Beechworth Health Service confirms that there were no reportable instances under Section 40 of the Act during the 2025-26 reporting period.

Environmental Reporting

PUBLIC ENVIRONMENT REPORT - BEECHWORTH HEALTH SERVICE ORGANISATION HIERARCHY - 2025/2026			
GREENHOUSE GAS EMISSIONS			
Total greenhouse gas emissions (tonnes CO2e)	**2023/2024**	**2024/2025**	**2025/2026**
Scope 1 (direct) Carbon Dioxide, Methane & Nitrous Oxide	140	140	159
Scope 2 (indirect electricity)	503	540	637
Scope 3 (other indirect) associated with commercial air travel and waste	-	-	-
Total	**858**	**680**	**796**
Normalised greenhouse gas emissions	**2023/2024**	**2024/2025**	**2025/26**
Emissions per unit of floor space (kgCO2e/m2)	111.0283	114.23	133.76
Emissions per unit of Separations (kgCO2e/Separations)	4,464.3918	4624.35	4326.13
Emissions per unit of bed-day (LOS+Aged Care OBD) (kgCO2e/OBD)	40.9183	27.60	29.44
STATIONARY ENERGY			
Total stationary energy purchased by energy type (G2,J)	**2023/2024**	**2024/2025**	**2025/26**
Electricity	2,453	2,341	2,293
Liquefied Petroleum Gas	2,317	2,244	2,354
Total	**4770**	**4,585**	**4,648**
Normalised stationary energy consumption	**2023/2024**	**2024/2025**	**2025/26**
Energy per unit of floor space (GJ/m2)	0.80	0.77	0.78
Energy per unit of Separations (GJ/Separations)	32.233	31.19	31.40
Energy per unit of bed-day (LOS+Aged Care OBD) (GJ/OBD)	0.1764	0.20	0.17
WATER			
Total water consumption by type (kL)	**2023/2024**	**2024/2025**	**2025/26**
Potable Water	11,006	13,893	14,155
Total	**11,006**	**13,893**	**14,155**

Normalised water consumption (Potable + Class A)	**2023/2024**	**2024/2025**	**2025/26**
Water per unit of floor space (kL/m2)	1.85	2.3	2.4
Water per unit of Separations (kL/Separations)	74.36	94.51	76.93
Water per unit of bed-day (LOS+Aged Care OBD) (kL/OBD)	0.41	0.611649203	0.61
WASTE AND RECYCLING			
Waste	**2023/2024**	**2024/2025**	**2025/26**
Total waste generated (kg clinical waste+kg general waste+kg recycling waste)	52,966	53,760	61,830
Total waste to landfill generated (kg clinical waste+kg general waste)	41,249	42,520	57,822
Total waste to landfill per patient treated ((kg clinical waste+kg general waste)/PPT)	1.47	1.86	2.48
Recycling rate % (kg recycling / (kg general waste+kg recycling))	22.7%	20.9%	6.5%
EXPENDITURE			
Expenditure Rates ($ thousand)	**2023/2024**	**2024/2025**	**2025/26**
Electricity	155.905	157.27	154.74
Potable Water	36.250	42.65	45.04
Total	**192**	**199.92**	**188.62**
Normalised expenditure rates (Electricity, Natural Gas, Potable Water, Steam, Diesel Oil in Buildings)	**2023/2024**	**2024/2025**	**2025/26**
Expenditure per unit of floor space ($ thousand/m2)	0.042	0.044	0.034
Expenditure per unit of Separations ($ thousand/separation)	1.709	1.360	1.086
Expenditure per unit of bed-day ($ thousand/(LOS+Aged Care OBD))	0.009	0.011	0.009
Expenditure per unit of Aged Care Bed Day ($ thousand/Aged Care OBD)	0.010	0.013	0.010
Total	**1.77**	**1.428**	**1.138**

NOTES AND CONTEXTUAL INFORMATION			
Normalisers (for information only)	**2023/2024**	**2024/2025**	**2025/26**
Area M2	5,951	5,951	5,951
Aged Care OBD	25,096	20,799	20,409
FTE	117	115	113.48
LOS	1,940	1,915	2,791
OBD	27,036	22,714	23,200
PPT	27,184	22,861	23,348
Separations	148	147	148

Additional Information Available on Request

In compliance with the requirements of the Standing Direction 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 *Freedom of Information Act 1982*.

The following information must be retained and made available on request:

a) A statement that declarations of pecuniary interests have been duly completed by all relevant officers;
b) Details of shares held by senior officers as nominee or held beneficially in a statutory authority or subsidiary;
c) Details of publications produced by Beechworth Health Service about itself, and how these can be obtained;
d) Details of changes in prices, fees, charges, rates and levies charged by Beechworth Health Service;
e) Details of any major external reviews carried out for Beechworth Health Service;
f) Details of major research and development activities undertaken by Beechworth Health Service that are not otherwise covered either in the Report of Operations or in a document that contains the financial statements and Report of Operations;
g) Details of overseas visits undertaken including a summary of the objectives and outcomes of each visit;
h) Details of major promotional, public relations and marketing activities undertaken by Beechworth Health Service to develop community awareness of its services;
i) Details of assessments and measures undertaken to improve the occupational health and safety of employees;
j) A general statement on industrial relations within Beechworth Health Service and details of time lost through industrial accidents and disputes, which is not otherwise detailed in the Report of Operations;
k) A list of major committees sponsored by Beechworth Health Service, the purposes of each committee and the extent to which those purposes have been achieved; and
l) Details of all consultancies and contractors including:
    - consultants/contractors engaged;
    - services provided, and
    - expenditure committed for each engagement

This information is available on request from:

Contact Title: Executive Assistant

Division: Executive Office

Phone: 03 5728 0200

Email: ExecutiveAssistant@beechworthhealth.org.au

Financial Statements
Financial Year ended 30 June 2026

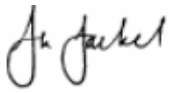
Board member's, accountable officer's, and chief finance & accounting officer's declaration

The attached financial statements for Beechworth Health Service have been prepared in accordance with Direction 5.2 of the Standing Directions of the Minister for Finance under the *Financial Management Act 199* 4, 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 Beechworth Health Service 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 27th August, 2026.

Board member	**Accountable Officer**	**Chief Finance & Accounting Officer**
		
Mr Michael Neilson	Ms Sharon Walsh	Mr Steven Jackel
Chair	Chief Executive Officer	Chief Finance and Accounting Officer
Beechworth 27th August, 2026	Beechworth 27th August, 2026	Beechworth 27th August, 2026

Independent Auditor's Report

Victorian Auditor-General's Office

To the Board of Beechworth Health Service

Opinion	I have audited the financial report of Beechworth Health Service (the health service) which comprises the: • balance sheet as at 30 June 2026 • comprehensive operating statement for the year then ended • statement of changes in equity for the year then ended • cash flow statement for the year then ended • notes to the financial statements, including material accounting policy information • board member's, accountable officer's and chief finance & accounting officer's declaration. In my opinion the financial report presents fairly, in all material respects, the financial position of the health service as at 30 June 2026 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the *Financial Management Act 1994* and applicable Australian Accounting Standards – 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. 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 (and 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. 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. 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.



Simone Bohan
as delegate for the Auditor-General of Victoria

MELBOURNE
31 August 2026

Comprehensive Operating Statement
Beechworth Health Service
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)	12,350	11,565
Government Grants	2.1 (b)	8,515	8,618
Other sources of income	2.1 (c)	2,126	1,964
Total revenue and income from transactions		**22,991**	**22,147**
Expenses from transactions			
Employee expenses	3.1 (a)	(16,284)	(15,647)
Supplies and consumables	3.1 (c)	(1,790)	(1,889)
Depreciation and amortisation	4.1(a), 4.2	(2,758)	(2,747)
Other operating expenses	3.1 (d)	(4,041)	(2,955)
Total expenses from transactions		**(24,873)**	**(23,238)**
Net result from transactions - net operating balance		**(1,882)**	**(1,091)**
Other economic flows included in net result			
Net gain/(loss) on sale of non-financial assets		24	(1)
Net gain/(loss) on financial instruments		(47)	(96)
Other gain/(loss) from other economic flows		46	4
Total other economic flows included in net result		**23**	**(93)**
Net result		**(1,859)**	**(1,184)**
Comprehensive result		**(1,859)**	**(1,184)**

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

Balance Sheet
Beechworth Health Service
As at 30 June 2026

	Note	2026 $'000	2025 $'000
Financial assets			
Cash and cash equivalents	6.1	17,077	12,316
Receivables	5.1	2,254	1,965
Total financial assets		**19,331**	**14,281**
Non-financial assets			
Prepayments		120	184
Inventories		248	178
Property, plant and equipment	4.1	37,962	38,634
Total non-financial assets		**38,330**	**38,996**
Total assets		**57,661**	**53,277**
Liabilities			
Payables	5.2	1,627	1,937
Contract liabilities		-	75
Borrowings		123	87
Employee benefits	3.1(b)	3,584	3,591
Monies held in trust	5.3	16,066	9,467
Total liabilities		**21,400**	**15,157**
Net assets		**36,261**	**38,120**
Equity			
Reserves		36,061	36,061
Contributed capital		8,311	8,311
Accumulated surplus/(deficit)		(8,111)	(6,252)
Total equity		**36,261**	**38,120**

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

Cash Flow Statement
Beechworth Health Service
For the Financial Year Ended 30 June 2026

	Note	2026 $'000	2025 $'000
Cash flows from operating activities			
Receipts from Government		16,610	15,973
Commercial activity revenue received		1,541	1,334
Other receipts		4,454	3,791
Total receipts		**22,605**	**21,098**
Payments to employees		(16,598)	(15,431)
Payments to suppliers and consumables		(2,634)	(2,255)
GST received from ATO		33	18
Other payments		(3,207)	(2,100)
Total payments		**(22,406)**	**(19,768)**
Net cash flows from/(used in) operating activities		**199**	**1,330**
Cash flows from investing activities			
Proceeds from sale of non-financial assets		35	-
Purchase of non-financial assets		(2,021)	(2,430)
Net cash flows from/(used in) investing activities		**(1,986)**	**(2,430)**
Cash flows from financing activities			
Repayment of borrowings and principal portion of lease liabilities		(17)	(24)
Repayment of borrowings		(23)	-
Repayment of accommodation deposits		(3,465)	(3,777)
Receipt of accommodation deposits		10,053	4,392
Net cash flows from/(used in) financing activities		**6,548**	**591**
Net increase/(decrease) in cash and cash equivalents held		**4,761**	**(509)**
Cash and cash equivalents at beginning of year		12,316	12,825
Cash and cash equivalents at end of year	6.1	**17,077**	**12,316**

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

Statement of Changes in Equity
Beechworth Health Service
For the Financial Year Ended 30 June 2026

	Property, Plant and Equipment Revaluation Surplus	Contributed Capital	Accumulated Surplus/(Deficit)	Total
	$'000	$'000	$'000	$'000
Balance at 1 July 2024	**36,061**	**8,311**	**(5,068)**	**39,304**
Net result for the year	-	-	(1,184)	(1,184)
Balance at 30 June 2025	**36,061**	**8,311**	**(6,252)**	**38,120**
Net result for the year	-	-	(1,859)	(1,859)
Balance at 30 June 2026	**36,061**	**8,311**	**(8,111)**	**36,261**

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

Notes to the Financial Statements
Beechworth Health Service
For the Financial Year Ended 30 June 2026

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 Beechworth Health Service for the year ended 30 June 2026.

Beechworth Health Service is a not-for-profit entity established as a public agency on 17th August, 1992 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 Beechworth Health Service.

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 Beechworth Health Service on 27th August, 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 Beechworth Health Service.

Beechworth Health Service's principal address is:

52 Sydney Road
Beechworth, Victoria, 3747

Note 1.4 Economic dependency

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

Note 2 Funding delivery of our services

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

Significant judgement - Grant revenue

Beechworth Health Service 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 2.1 Revenue and income from transactions

	Note	2026 $'000	2025 $'000
Revenue from contracts with customers	2.1(a)	12,350	11,565
Government Grants	2.1(b)	8,515	8,618
Other sources of income	2.1(c)	2,126	1,964
Total revenue and income from transactions		**22,991**	**22,147**

Note 2.1(a) Revenue from contracts with customers

	2026 $'000	2025 $'000
Government grants (State) - Operating	115	19
Government grants (Commonwealth) - Operating	8,179	7,866
Patient and resident fees	2,515	2,346
Commercial activities	1,541	1,334
Total revenue from contracts with customers	**12,350**	**11,565**

Notes to the Financial Statements
Beechworth Health Service
For the Financial Year Ended 30 June 2026

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 Beechworth Health Service's goods or services. Beechworth Health Service 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 Beechworth Health Service's revenue streams, with information detailed below relating to Beechworth Health Service'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. The performance obligations for NWAU are the number and mix of admissions, emergency department presentations and outpatient episodes, and is weighted for clinical complexity. Revenue is recognised at point in time, which is when a patient is discharged.
Commonwealth Residential Aged Care Grants	Funding is provided for the provision of care for aged care residents within facilities at Beechworth Health Service. The performance obligations include provision of residential accommodation and care from nursing staff and personal care workers. Revenue is recognised over time when the service is provided within the residential aged care facility.

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.

Notes to the Financial Statements
Beechworth Health Service
For the Financial Year Ended 30 June 2026

Note 2.1(b) Government Grants

	Note	2026 $'000	2025 $'000
Government grants (State) - Operating		8,055	7,552
Government grants (Commonwealth) - Operating		17	13
Government grants (State) - Capital		443	1,053
Total Government grants		**8,515**	**8,618**

How we recognise Government grants

Government grants

Beechworth Health Service 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 Beechworth Health Service has an unconditional right to receive cash which usually coincides with receipt of cash. On initial recognition of the asset, Beechworth Health Service 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:

- contributions by owners, in accordance with AASB 1004 *Contributions*
- 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 Beechworth Health Service 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 Beechworth Health Service's obligation to construct the asset. The progressive percentage of costs incurred is used to recognise income, as this most accurately reflects the stage of completion.

Non-cash contributions from the Department of Health

The DH makes some payments on behalf of Beechworth Health Service as follows:

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

Notes to the Financial Statements
Beechworth Health Service
For the Financial Year Ended 30 June 2026

Note 2.1(c) Other sources of income

	Note	2026 $'000	2025 $'000
Other capital purpose income		128	205
Assets received free of charge or for nominal consideration	2.1(d)	9	34
Other income from operating activities		1,301	929
Income from non-operating activities		688	796
Total other sources of income		**2,126**	**1,964**

Note 2.1(d) Fair value of assets and services received free of charge or for nominal consideration

	2026 $'000	2025 $'000
Cash donations and gifts	9	18
Other Services	-	16
Total fair value of assets and services received free of charge or for nominal	**9**	**34**

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

Contributions of assets received free of charge or for nominal consideration are recognised at their fair value when Beechworth Health Service obtains control over the resources, irrespective of whether restrictions or conditions are imposed over the use of the contributions.

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

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
Employee expenses	3.1(a)	16,284	15,647
Supplies & Consumables	3.1(c)	1,790	1,889
Other operating expenses	3.1(d)	4,041	2,955
Total expenses incurred in the delivery of services		**22,115**	**20,491**

Note 3.1(a) Employee expenses

	2026 $'000	2025 $'000
Salaries and wages	13,938	13,658
Superannuation expense [(1)]	1,533	1,432
Agency expenses	474	276
Fee for service medical officer expenses	339	281
Total employee expenses	**16,284**	**15,647**

[(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	24	33
Annual leave	1,479	1,542
Long service leave	1,242	1,223
Provision for on-costs	437	427
Total current provisions for employee benefits	**3,182**	**3,225**
Non-current provisions for employee benefits		
Long service leave	346	319
Provision for on-costs	56	47
Total non-current provisions for employee benefits	**402**	**366**
Total provisions for employee benefits	**3,584**	**3,591**

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 Beechworth Health Service 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 Beechworth Health Service expects to wholly settle within 12 months or
- present value – if Beechworth Health Service does not expect to wholly settle within 12 months.

Long service leave

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

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

The components of this current LSL liability are measured at:

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

Conditional LSL is measured at present value and is disclosed as a non-current liability. 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.

Notes to the Financial Statements
Beechworth Health Service
For the Financial Year Ended 30 June 2026

Note 3.1(c) Supplies and consumables

	2026 $'000	2025 $'000
Drug supplies	115	88
Medical and surgical supplies (including Prostheses)	176	349
Diagnostic and radiology supplies	220	199
Other supplies and consumables	1,279	1,253
Total supplies and consumables	**1,790**	**1,889**

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	299	278
Repairs and maintenance	319	364
Maintenance contracts	123	120
Medical indemnity insurance	146	161
Other administration expenses	3,154	2,032
Total other operating expenses	**4,041**	**2,955**

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 Beechworth Health Service. 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

Beechworth Health Service controls infrastructure and other investments that are utilised in fulfilling its objectives and conducting its activities. They represent the key resources that have been entrusted to Beechworth Health Service 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
4.2 Depreciation and amortisation

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	2,575	2,575	-	-	2,575	2,575
Buildings at fair value	34,882	34,412	(4,968)	(2,477)	29,914	31,935
Works in progress at cost	4,135	2,671	-	-	4,135	2,671
Plant, equipment and vehicles at fair value	4,561	4,438	(3,223)	(2,985)	1,338	1,453
Total property, plant and equipment	**46,153**	**44,096**	**(8,191)**	**(5,462)**	**37,962**	**38,634**

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.

Notes to the Financial Statements
Beechworth Health Service
For the Financial Year Ended 30 June 2026

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

	Land $'000	Buildings $'000	Works in progress $'000	Plant, equipment and vehicles $'000	Total $'000
Balance at 1 July 2025	**2,575**	**31,935**	**2,671**	**1,453**	**38,634**
Additions	-	-	1,933	164	2,097
Disposals	-	-	-	(11)	(11)
Net transfers between classes	-	469	(469)	-	-
Depreciation	-	(2,490)	-	(268)	(2,758)
Balance at 30 June 2026	**2,575**	**29,914**	**4,135**	**1,338**	**37,962**

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, Beechworth Health Service 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 Beechworth Health Service'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 the subset of plant and equipment.

	Gross carrying amount		Accumulated depreciation		Net carrying amount	
	2026 $'000	2025 $'000	2026 $'000	2025 $'000	2026 $'000	2025 $'000
Plant, equipment and vehicles [1]	157	79	(36)	(17)	121	62
Total right-of-use assets	**157**	**79**	**(36)**	**(17)**	**121**	**62**

	Plant, equipment and vehicles $'000	Total $'000
Balance at 1 July 2025[1]	**62**	**62**
Additions	76	76
Depreciation	(17)	(17)
Balance at 30 June 2026	**121**	**121**

[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 futher information, refer to Note 7.3.

How we recognise right-of-use assets

Initial recognition

When Beechworth Health Service 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 Beechworth Health Service, 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.

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

Notes to the Financial Statements
Beechworth Health Service
For the Financial Year Ended 30 June 2026

Note 4.2 Depreciation and amortisation

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.

How we recognise amortisation

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

Useful lives of non-current assets

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

	2026	2025
Buildings	7 - 31 years	7 - 31 years
Plant, equipment and vehicles (including leased assets)	3 - 20 years	3 - 20 years

Note 5 Other assets and liabilities

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

Structure

5.1 Receivables
5.2 Payables
5.3 Monies held in trust

Note 5.1 Receivables

	Note	2026 $'000	2025 $'000
Current receivables			
Contractual			
Inter hospital debtors		708	522
Trade receivables		283	273
Patient fees		493	477
Allowance for impairment losses		(51)	(126)
Other receivable		80	127
Total contractual receivables		**1,513**	**1,273**
Statutory			
GST receivable		139	172
Total statutory receivables		**139**	**172**
Total current receivables		**1,652**	**1,445**
Non-current receivables			
Contractual			
Long service leave - Department of Health		602	520
Total contractual receivables		**602**	**520**
Total non-current receivables		**602**	**520**
Total receivables		**2,254**	**1,965**
(i) Financial assets classified as receivables			
Total receivables		2,254	1,965
GST receivable		(139)	(172)
Total financial assets classified as receivables	7.1	**2,115**	**1,793**

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		920	1,122
Accrued salaries and wages		235	569
Accrued expenses		395	107
Other		46	89
Total contractual payables		**1,596**	**1,887**
Statutory			
GST Payable		31	50
Total statutory payables		**31**	**50**
Total current payables		**1,627**	**1,937**
Total payables		**1,627**	**1,937**
(i) Financial liabilities classified as payables			
Total payables		1,627	1,937
GST payable		(31)	(50)
Total financial liabilties classified as payables	7.1	**1,596**	**1,887**

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 Beechworth Health Service 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.

Notes to the Financial Statements
Beechworth Health Service
For the Financial Year Ended 30 June 2026

Note 5.3 Monies held in trust

	Note	2026 $'000	2025 $'000
Current monies held in trust			
Patient monies		176	165
Refundable accommodation deposits		15,890	9,302
Total current monies held in trust		**16,066**	**9,467**
Total other liabilities		**16,066**	**9,467**
*** Represented by:**			
- Cash assets	6.1	16,206	9,467
		16,206	**9,467**

How we recognise monies held in trust

Refundable Accommodation Deposit (RAD)/Accommodation Bond liabilities

RADs/accommodation bonds are non-interest-bearing deposits made by some aged care residents to Beechworth Health Service upon admission. These deposits are liabilities which fall due and payable when the resident leaves the home.

RAD/accommodation bond liabilities are recorded at an amount equal to the proceeds received, net of retention and any other amounts deducted from the RAD/accommodation bond in accordance with the *Aged Care Act 1997* .

Note 6 How we finance our operations

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

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

Structure

6.1 Cash and cash equivalents

6.2 Commitments for expenditure

Note 6.1 Cash and Cash Equivalents

	Note	2026 $'000	2025 $'000
Cash on hand (excluding monies held in trust)		1	1
Cash at bank (excluding monies held in trust)		870	2,848
Total cash held for operations		**871**	**2,849**
Cash on hand (monies held in trust)		1	1
Cash at bank (monies held in trust)		16,205	9,466
Total cash held as monies in trust	5.3	**16,206**	**9,467**
Total cash and cash equivalents	7.1	**17,077**	**12,316**

Notes to the Financial Statements
Beechworth Health Service
For the Financial Year Ended 30 June 2026

Note 6.2 Commitments for expenditure

30 June 2026	Less than 1 year $'000	1-5 Years $'000	Over 5 years $'000	Total $'000
Operating expenditure commitments	776	-	-	776
Total commitments (inclusive of GST)	**776**	**-**	**-**	**776**
Less GST recoverable				(71)
Total commitments (exclusive of GST)				**705**

30 June 2025	Less than 1 year $'000	1-5 Years $'000	Over 5 years $'000	Total $'000
Capital expenditure commitments	1,414	-	-	1,414
Operating expenditure commitments	638	-	-	638
Total commitments (inclusive of GST)	**2,052**	**-**	**-**	**2,052**
Less GST recoverable				(186)
Total commitments (exclusive of GST)				**1,866**

How we disclose our commitments

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

Expenditure commitments

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

Note 7 Financial instruments, contingencies and valuation judgements

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

Structure

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

Notes to the Financial Statements
Beechworth Health Service
For the Financial Year Ended 30 June 2026

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

30 June 2026	Note	Carrying amount $'000	Net gain/(loss) $'000	Total interest income/ (expense) $'000	Fee income/ (expense) $'000	Impairment loss $'000
Financial assets at amortised cost						
Cash and cash equivalents	6.1	17,077	-	688	-	-
Receivables	5.1	2,115	-	-	-	-
Total financial assets [i]		**19,192**	**-**	**688**	**-**	**-**
Financial liabilities at amortised cost						
Payables	5.2	1,596	-	-	-	-
Borrowings		123	-	(7)	-	-
Other financial liabilities - Refundable Accommodation Deposits	5.3	15,890	-	-	-	-
Other financial liabilities - patient monies held in trust	5.3	176	-	-	-	-
Total financial liabilities [i]		**17,785**	**-**	**(7)**	**-**	**-**

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

Notes to the Financial Statements
Beechworth Health Service
For the Financial Year Ended 30 June 2026

30 June 2025	Note	Carrying amount $'000	Net gain/(loss) $'000	Total interest income/ (expense) $'000	Fee income/ (expense) $'000	Impairment loss $'000
Financial assets at amortised cost						
Cash and cash equivalents	6.1	12,316	-	796	-	-
Receivables	5.1	1,793	-	-	-	-
Total financial assets [i]		**14,109**	**-**	**796**	**-**	**-**
Financial liabilities at amortised cost						
Payables	5.2	1,887	-	-	-	-
Borrowings		87	-	(2)	-	-
Other financial liabilities - Refundable Accommodation Deposits	5.3	9,302	-	-	-	-
Other financial liabilities - patient monies held in trust	5.3	165	-	-	-	-
Total financial liabilities [i]		**11,441**	**-**	**(2)**	**-**	**-**

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

Notes to the Financial Statements
Beechworth Health Service
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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 Beechworth Health Service solely to collect the contractual cash flows, and
- the assets' contractual terms give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specific dates.

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

Beechworth Health Service 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.

Beechworth Health Service recognises the following liabilities in this category:

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

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

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

Derecognition of financial liabilities

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

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

Reclassification of financial instruments

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

A financial liability reclassification is not permitted.

Notes to the Financial Statements
Beechworth Health Service
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Note 7.2 Contingent assets and contingent liabilities

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

How we measure and disclose contingent assets and contingent liabilities

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

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

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

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

Contingent liabilities
Contingent liabilities are:

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

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

Notes to the Financial Statements
Beechworth Health Service
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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.

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

Beechworth Health Service monitors changes in the fair value of each asset and liability through relevant data sources to determine whether revaluation is required. The Valuer-General Victoria (VGV) is Beechworth Health Service'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 Beechworth Health Service'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, Beechworth Health Service 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, Beechworth Health Service 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 buildings

For Beechworth Health Service, 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. Beechworth Health Service acquires new vehicles and at times disposes of them before completion of their economic life. The process of acquisition, use and disposal in the market is managed by experienced fleet managers in Beechworth Health Service 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 buildings	Current replacement cost approach	Cost per square metre Useful life	$300 - $4,740/m^2 7 - 31 years
Vehicles	Current replacement cost approach	Cost per unit Useful life	$10,000 - $89,000 8 years
Plant, equipment, furniture and fittings	Current replacement cost approach	Cost per unit Useful life	$1,000 - $178,000 3 - 20 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.

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)

Notes to the Financial Statements
Beechworth Health Service
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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	27 Jun 2022 - 14 April 2026
Minister for Ambulance Services	2 Oct 2023 - 14 April 2026
The Honourable Harriet Shing MP:	
Minister for Health	15 April 2026 - 30 June 2026
Minister for Ambulance Services	15 April 2026 - 30 June 2026
The Honourable Melissa Horne MP:	
Minister for Health Infrastructure	19 Dec 2024 - 30 June 2026
Minister for Prevention of Family Violence	15 April 2026 - 30 June 2026
The Honourable Ingrid Stitt MP:	
Minister for Mental Health	2 Oct 2023 - 30 June 2026
Minister for Ageing	2 Oct 2023 - 30 June 2026
Minister for Multicultural Affairs	15 April 2026 - 30 June 2026
The Honourable Lizzie Blandthorn MP:	
Minister for Children	2 Oct 2023 - 30 June 2026
Minister for Disability	2 Oct 2023 - 30 June 2026
Governing Boards	
Dr Isabel Paton	1 Jul 2025 - 30 Jun 2026
Ms Gael Evans-Barr	1 Jul 2025 - 30 Jun 2026
Mr Donald Mace	1 Jul 2025 - 17 Feb 2026
Ms Jennifer Bennett	1 Jul 2025 - 30 Jun 2026
A/Prof Tegwyn McManamny	1 Jul 2025 - 30 Jun 2026
Mr Benjamin Maxfield	1 Jul 2025 - 30 Jun 2026
Dr Corina Modderman	1 Jul 2025 - 30 Jun 2026
Dr Jason Nebbs	1 Jul 2025 - 30 Jun 2026
Mr Michael Neilson	1 Jul 2025 - 30 Jun 2026
Accountable Officers	
Ms Sharon Walsh (Chief Executive Officer)	1 Jul 2025 - 30 Jun 2026

Notes to the Financial Statements
Beechworth Health Service
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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
$90,000 - $99,999	-	1
$120,000 - $129,999	-	1
$240,000 - $249,999	1	-
Total Numbers	**10**	**12**

	2026 $'000	2025 $'000
Total remuneration received or due and receivable by Responsible Persons from the reporting entity amounted to:	**287**	**272**

Amounts relating to the Governing Board Members and Accountable Officer of Beechworth Health Service's controlled entities are disclosed in their own financial statements. Amounts relating to Responsible Ministers are reported within the State's Annual Financial Report.

Notes to the Financial Statements
Beechworth Health Service
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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 executives officers
(including Key Management Personnel disclosed in Note 8.4)

	Total Remuneration	
	2026 $'000	**2025 $'000**
Total remuneration [i]	384	386
Total number of executives	3	4
Total annualised employee equivalent [ii]	2.2	2.9

[i] The total number of executive officers includes persons who meet the definition of Key Management Personnel (KMP) of Beechworth Health Service under AASB 124 Related Party Disclosures and are also reported within Note 8.4 Related Parties.
[ii] Annualised employee equivalent is based on working 38 ordinary hours per week over the reporting period.

Notes to the Financial Statements
Beechworth Health Service
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Note 8.4 Related parties

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

- all key management personnel (KMP) and their close family members and personal business interests
- cabinet ministers (where applicable) and their close family members
- jointly controlled operations –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.

Significant transactions with government related entities

Beechworth Health Service received funding from government related entities of $8.14 m (2025: $8.59 m) and indirect contributions of $0.478 m (2025: $0.028 m). Balances owing as at 30 June 2026 are $0.04 (2025: Nil).

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

Key management personnel

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

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

Entity	KMPs	Position Title
Beechworth Health Service	Dr Isabel Paton	Chair of the Board (to 30 Jun 26)
Beechworth Health Service	Ms Gael Evans-Barr	Board Member
Beechworth Health Service	Mr Donald Mace	Board Member (to 26 Feb 26)
Beechworth Health Service	Ms Jennifer Bennett	Board Member
Beechworth Health Service	A/Prof Tegwyn McManamny	Board Member
Beechworth Health Service	Mr Benjamin Maxfield	Board Member
Beechworth Health Service	Dr Corina Modderman	Board Member
Beechworth Health Service	Dr Jason Nebbs	Board Member
Beechworth Health Service	Mr Michael Neilson	Board Member
Beechworth Health Service	Ms Sharon Walsh	Chief Executive Officer
Beechworth Health Service	Ms Elizabeth Ibrom	Director of Clinical Services
Beechworth Health Service	Ms Dyan Hill	Director of People and Culture
Beechworth Health Service	Ms Frances Andrews	Director of Corporate Services (to 21 Sep 25)

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]	671	658

[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

Given the breadth and depth of State government activities, related parties transact with the Victorian public sector in a manner consistent with other members of the public e.g. stamp duty and other government fees and charges. Further employment of processes within the Victorian public sector occurs on terms and conditions consistent with the *Public Administration Act 2004* and Codes of Conduct and Standards issued by the Victorian Public Sector Commission. Procurement processes occur on terms and conditions consistent with the HealthShare Victoria and Victorian Government Procurement Board requirements.

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

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

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Beechworth Health Service
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Note 8.5 Remuneration of Auditors

	2026 $'000	2025 $'000
Victorian Auditor-General's Office		
Audit of the financial statements	27	26
Total remuneration of auditors	**27**	**26**

Note 8.6 Events occurring after the balance sheet date

There are no events occurring after the Balance Sheet date.

Notes to the Financial Statements
Beechworth Health Service
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Note 8.7 Joint arrangements

	Principal Activity	Ownership Interest 2026 %	Ownership Interest 2025 %
Hume Rural Health Alliance	Information Technology Services	5.13	4.70

For the year ended 30 June 2026, Beechworth Health Service's share of the joint operations financials was:

	2026 $'000	2025 $'000
Total revenue and income	1,255	741
Total expenses	(1,332)	(845)
Total net result	(77)	(104)
Total other economic flows	-	-
Comprehensive result for the year	(77)	(104)
Total assets	742	810
Total liabilities	626	617
Total equity	116	193

Contingent liabilities and capital commitments

There are no known contingent liabilities or capital commitments held by the jointly controlled operations at balance date. Beechworth Health Service is involved in joint arrangements where control and decision-making are shared with other parties. Beechworth Health Service 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.