BRHS Bairnsdale Regional Health Service

Best care experience for every person, every time

ANNUAL REPORT 2026





ACKNOWLEDGEMENT OF COUNTRY

Bairnsdale Regional Health Service acknowledges the Gunaikurnai people as the traditional owners of the land on which the health service is located. We recognise and respect their cultural heritage, beliefs and relationship with the land and water. We pay our respects to Elders past and present and thank them for their contribution to the health service.

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1 Chair and CEO Report

The past 12 months have been a period of significant transformation and progress at Bairnsdale Regional Health Service (BRHS). Through our re-invigorated Purpose Statement to achieve the *"Best Care Experience for Every Person, Every Time"*, BRHS has strengthened the focus on providing safe, equitable and high-quality care across the breadth of services.

Through strong regional collaboration across East Gippsland and within the Gippsland Local Health Services Network, BRHS has been working closely with our partners to increase local and regional access to elective surgery and to deliver more acute health care and social support services in the home rather than in hospital.

We acknowledge the outstanding contribution our people make to the provision of the best care experience, and their ability to continually rise to the challenges of increasing demand for our services and, at times, diminished local workforce availability.

We have made significant inroads into addressing some of our key gaps, and our loyal and highly skilled local workforce continues to step up to meet the needs of both our health service and our community. For this commitment and care, we could not be prouder of our team.

This year, we were pleased to complete a comprehensive review of the safety and quality of the Maternity Care model available to the community, to ensure that this service continues to provide safe, high-quality care.

BRHS also took an important step towards further addressing cultural safety concerns within our community with the introduction of the Culturally Inclusive Services Policy, specifically designed to address instances of racism and discrimination across the organisation.

The introduction of the Speaking Up for Safety program through the Medical Protection Society further supports all staff to speak up with conviction and address matters before they escalate. We also strengthened our quality systems at Maddocks Gardens Residential Aged Care to support ongoing compliance with the evolving aged care quality standards introduced in response to the Royal Commission into Aged Care.

The many highlights from this year focused on innovation and new ways of addressing the care access and demand challenges of a growing and ageing catchment community. Some of these include the introduction of the Transit Lounge and Effective Discharge Coordinator program, which have improved timely bed availability whilst ensuring safe and effective discharge home for our patients.

We have improved access to diagnostic services for our community with a replacement MRI unit, regarded as among the best available in Australia, enabling high-quality scanning.

We are thankful for the support of Rural Development Victoria and a generous bequest. The BRHS Workforce Accommodation development will be completed in October 2026 and will provide 32 accommodation units for our workforce. BRHS continues to advocate for an expanded emergency department and further development of our facilities to accommodate the increasing demand.

The wellbeing of our people remains a priority and we will continue to invest in strategies that better support worker wellbeing and prevent burnout. Our contracted medical workforce continues to provide best care within BRHS and in the care of our community and we are grateful for their dedication.



We acknowledge and respect the important contribution that consumers, carers and community groups play in the planning, delivery and evaluation of our care and we thank each and every one of them for their contribution, often during difficult times.

We are highly appreciative of our many volunteers who contribute their valuable time to support health service provision and sincerely thank them for their patience and ongoing commitment to improving our services.

The donations we receive throughout the year assist in ensuring best care, as we are able to invest in equipment and facility upgrades. We understand the financial strains currently facing many in our community and graciously acknowledge our generous donors and our auxiliary members who encourage this support.

There was a leadership transition over the year. On the Board, we welcomed Kieran Donovan who brings expertise in advising and governing organisations in complex and heavily regulated industries, including aviation and local GP and previous Shire Councillor, Dr Jane Greacen who clearly understands community needs. At the end of the year, we farewelled local accountant Chad Burrell and Paediatrician Dr Simon Fraser following their completion of full terms. The Board is grateful for the substantial contributions Chad and Simon made in financial management and clinical governance over their 9 years on the Board.

There were a few new appointments to augment the already strong Management Team. Our Board and Executive are looking forward to working together over the coming year to support the Best Care Experience for Every Person, Every Time.

Sandra Leggat

Board Chair
Bairnsdale Regional Health Service
25 September 2026

Peter Abraham

Chief Executive Officer
Bairnsdale Regional Health Service
25 September 2026

2 Who We Are

Organisational Values

RESPECT

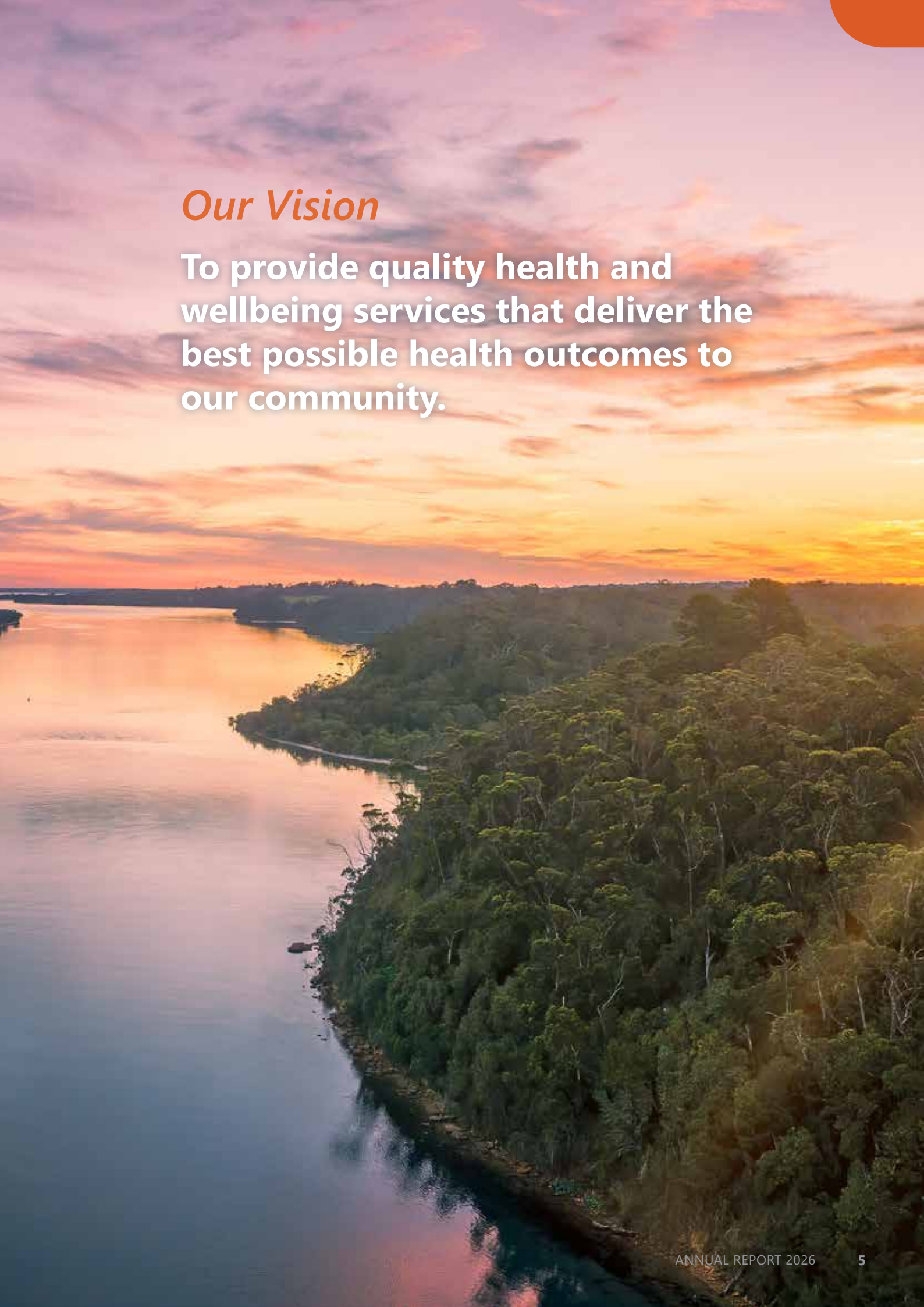
We lead with respect, treating every person with dignity and fairness.

COMPASSION

We act with compassion, placing patients at the centre of everything we do while supporting and developing our teams.

INTEGRITY

We act with integrity, holding ourselves and each other to high standards.



Our Vision

To provide quality health and wellbeing services that deliver the best possible health outcomes to our community.

3 Report of Operations

Responsible Bodies Declaration

In accordance with the *Financial Management Act 1994*, I am pleased to present the report of operations for Bairnsdale Regional Health Service for the year ending 30 June 2026.



Sandra Leggat

Board Chair

Bairnsdale Regional Health Service

25 September 2026

Establishment

Bairnsdale Regional Health Service (BRHS) is a public health service established under the *Health Services Act 1988* (Vic). For the reporting period, the responsible Ministers were:

- The Hon Mary-Anne Thomas MP, Minister for Health and Minister for Ambulance Services from 1 July 2025 to 15 April 2026.
- Hon Harriet Shing MP, Minister for Health, Minister for Ambulance Services and Minister for Water from 15 April 2026 to 30 June 2026.

Purpose, Functions, Powers and Duties

BRHS operates under a guiding Strategic Plan which outlines a clear Mission, Purpose and a set of Strategic Priorities, Goals and Values that define our organisation. BRHS is a sub-regional Health Service within the Victorian Health system with a responsibility to improve the health and wellbeing of the East Gippsland community by providing accessible, high quality and sustainable healthcare.

Our Purpose

Best Care Experience for Every Person, Every Time.



Nature and Range of Services Provided

BRHS is a comprehensive health service that provides a range of services to a growing population over the East Gippsland Shire which is located in eastern Victoria, between 280 and 550 kilometres from Melbourne.

The East Gippsland Shire estimated resident population 2025 is 49,669 with a population density of 2.37 persons per square kilometre*.

Situated in Bairnsdale the service provides bed-based care, appointment-based care in the community and care in people's homes. We work in partnership with a range of sector partners and agencies to ensure sustainability, efficiency and access.

BRHS is the largest employer in the region with over 1,000 individual staff and an operating revenue of approximately $174 million. Staff work in a variety of roles and have a variety of skills, expertise and experience. Our staff are committed and work hard every day to ensure that every person gets the best care experience every time. BRHS has a well-defined system that enables good governance. It is governed by a skill-based Board of Directors of 9 members.

** East Gippsland Shire Community Profile https://profile.id.com.au/east-gippsland/about*



BRHS @Home

- Allied Health Services (see full details in Community)
- Residential Aged Care
  - Dementia Care
  - Respite Care
- Residential in Reach Service
- Better@Home
- Falls Prevention Group
- Post-Acute Care (PAC)
- Home Based Nursing Services
- Community Palliative Care
- Complex Care



BRHS @Community

- Specialist consulting services
- Community Health Nursing
  - Women's Health
  - Adolescent Health
  - Breast Care Services
  - Home Based Nursing
- Cardiac Rehabilitation
- Chronic Pain Services
- Continence Service
- Dental Services
- Diabetes Education
- Social Support Group
- Pulmonary Rehabilitation
- Allied Health Services
  - Physiotherapy
  - Occupational Therapy
  - Speech Pathology
  - Social Work
  - Dietetics
  - Podiatry
- Lymphoedema Clinic
- Hand Therapy
- Needle Exchange Program
- Complex Care
- Stomal Therapy
- Wound Care Clinic

Our services range from those supporting chronic illness, rehabilitation, acute disease management, maternity care, aged care and palliative care.

BRHS strives to provide care to our community that is culturally sensitive and responsive to the needs of the local First Nations communities, culturally, linguistically and gender diverse populations, including those with a disability or special needs. Care for First Nations peoples within the health service is underpinned by a dedicated team within the Aboriginal Health Unit.

Our clinical services are supported by a variety of corporate support services such as, but not limited to, Environmental Services, Health Information, Finance, Information Communication and Technology, Procurement, Workforce, Quality and Education. Without these, our service would be unable to provide the Best Care Experience for Every Person Every Time.



BRHS @Hospital

- Aboriginal Health Unit
- Allied Health Services
- Dialysis
- Emergency Services
- General Medicine
- Geriatric Evaluation and Management (GEM)
- Inpatient Palliative Care
- Inpatient Rehabilitation
- Maternity Services
- Medical Admitted Day Unit (MADU)
- Medical Imaging
- Obstetrics & Gynaecology
- Oncology
- Pathology
- Pharmacy
- Surgical Care
- Short Stay Unit (SSU)
- Visiting Medical Specialists



BRHS@InSupport

- Administration
- Communications
- Environmental Services
- Finance
- Executive Team and Support
- Food Services
- Health Information Services
- Procurement
- Health Library
- Information Communications Technology (ICT)
- Quality
- Education
- Volunteer Programs
- Medical Workforce Unit
- Workforce
- Service Improvement and Partnerships
- Risk Management

4 Our Board



Sandra Leggat
Board Chair

BHSC (Phys Therapy), MHSC (Health Admin) BA, PHD, GAICD, FCHSM

Emeritus Prof Sandra (Sandy) Leggat was appointed to the Board in July 2021 and was the Chair for the reportable period.

Sandy has had a fulfilling career as a physiotherapist, health services manager and public sector management consultant in Canada and Australia. After retiring from her position as Professor, Health Services Management at La Trobe University, she was appointed Emeritus Professor and maintains Visiting Professor status at a number of universities throughout the world.

Her teaching focused on equipping health professionals to become successful managers. Her research encompasses people and performance, and she has published extensively on human resource management and quality and safety in healthcare organisations.

Sandy has previously been a board member of community health and disability service, a metropolitan health service, the Victorian Healthcare Association and a primary health network (PHN).



Chad Burrell
Deputy Chair

BA, BCom, Grad Dip Fin Plan, CA, GAICD

Chad Burrell has served on the BRHS Board of Directors since 2017.

Chad has over 25 years' experience working as a Chartered Accountant and Auditor with a focus on not-for-profit organisations.

He is a director of a local accounting firm and is actively involved in a number of community organisations.



Amanda Cameron

RN, BAppSc, Grad Dip Critical Care, MHA

Amanda Cameron joined the BRHS Board of Directors in July 2024. Amanda is a healthcare professional with more than 30 years of health experience, including 15 years in executive management and senior operational roles.

Amanda is currently the Chief Operating Officer at Barwon Health. She has been in this position since 2018.

Amanda has an extensive executive career in health, holding a number of senior positions in the Gippsland region. She is an Adjunct Professor with Deakin University and holds a Masters in Health Administration from La Trobe University.



Simon Fraser

MBBS FRACP MPPM FRACMA FACSHM CHE GAICD

Dr Simon Fraser was appointed to the BRHS Board of Directors in 2017 and chairs the Board Credentialing and Scope of Practice Committee.

Simon has qualifications and specialises in paediatrics and medical administration. He has worked in the Australian health system for over 35 years and in Victoria since 1993. He is currently working part time at Latrobe Regional Health as a Senior Paediatrician.

Simon has worked in medical administration since the year 2000 and has held senior medical executive positions in a number of Gippsland health services since 2005. He is particularly interested and experienced in clinical governance, medical workforce and human resource management in regional and rural settings.



John Papatheohari

BBus, CA, CHCIO, MAICD

John Papatheohari was appointed to the Board in 2021.

John has 20 years combined experience as a non-executive director, primarily focused on health and aged care, disability and community services. Within this period, he has 9 years combined experience as a Board and Committee Chair.

John's executive roles spanned 12 years across health and aged care sectors and were preceded by a management consulting career spanning 26 years that included national and regional practice leadership responsibilities.

John is a non-executive director of Distinctive Options, MADEC Australia and Data Capture Experts. He is also a Mildura Health Fund and Chisholm Institute Board Committee member advising on digital, cyber security, risk, AI and IT. John was previously Board Chair of Benalla Health and Mallee Track Health & Community Service.



Sue Smethurst

GAICD

Sue Smethurst was appointed to the BRHS Board of Directors in July 2021.

Gippsland born and raised, Sue is an award-winning journalist and author with more than 2 decades experience in senior executive roles within Australian media including as Editor

of New Idea, Senior Journalist with The Australian Women's Weekly and Senior Media and Communications Adviser at Monash University and La Trobe Universities. She is the author of 12 books.

She has extensive experience in strategic communications, stakeholder engagement and crisis communications.

Sue currently serves on the Regional Development Australia Gippsland Committee and has previously served on the Boards of Ad Standards Australia, Eye & Ear Hospital and Destination Gippsland.



Karly McCaskill

BBus MBA GAICD

Karly was appointed to the Board in November 2019 and chairs our Consumer Advisory Committee.

A strategic marketing professional, Karly worked for 8 years as the Executive Officer of East Gippsland Marketing, a regional marketing body created by local government and the community to promote the region to investors, new residents and visitors.

Karly is the Acting Chief Executive Officer Workways Australia, a not-for-profit employment and community services provider; and previously served on the Board of the Committee for Gippsland.

Karly is passionate about access to quality healthcare in regional and rural communities and sees it as a driving force of economic development in East Gippsland.



Kieran Donovan

BSC, BEng, MBA, GAICD

Kieran Donovan joined the board of BRHS as a Non-Executive Director in July 2025 and brings over 20 years of executive leadership, strategic oversight and risk expertise to the role. He is a specialist in economic development and public infrastructure delivery in regional and remote communities, and currently serves as a Non-Executive Director of Gladstone Airport Corporation. Kieran holds an MBA, Bachelor degrees in Engineering and Science from the University of Melbourne and is a Graduate of the Australian Institute of Company Directors.



Dr Jane Greacen OAM

MBBS, FAFOEM, FACRRM, MPH

Dr Jane Greacen was appointed to the Board in January 2026 and is a rural GP and retired Occupational Physician. She has a long-term involvement with occupational health, Aboriginal health, rural health workforce and conservation issues, and believes that healthy people need a healthy country. Jane is involved with several community organisations and recently was a Councillor for the East Gippsland Shire Council. She has been senior lecturer with Monash University, Director Medical Services for rural hospitals, CEO of the Rural Workforce Agency Victoria and other senior management roles in state government.

Board Committees

Finance Committee

The Finance Committee assists the Board in fulfilling the accounting and financial reporting process, including the external audit functions. The committee meets a minimum of 10 times per year.

Committee members during 2025-2026: Amanda Cameron (Chair), Kieran Donovan, John Papatheohari.

Audit and Risk Committee

The Audit and Risk Committee assists the Board in fulfilling its governance responsibilities relating to and including external and internal audit functions, the risk management system and legal and regulatory requirements. The committee meets quarterly.

Committee members during 2025-2026: John Papatheohari (Chair), Kieran Donovan, Sandy Leggat, Shannon Buckley (external independent member).

Clinical Credentialing Committee

The Clinical Credentialing Committee is responsible for assessing the professional expertise, competence, reputation and authenticity of the qualifications of medical, dental and extended practice staff seeking appointment or re-appointment to the medical staff of BRHS. The committee meets as required. The committee also supports the credentialing of medical staff at Omeo District Health Service and Orbost Regional Health.

Committee members during 2025-2026: Simon Fraser (Chair), Sandy Leggat, Jane Greacen.

Quality Committee

The Quality Committee works closely with the operational executive and management group to ensure clinical performance and quality achieve the strategic goals of the organisation and meet consumer needs.

The committee sets the foundations for an organisational culture that provides safe clinical practice and improved health outcomes for consumers. The committee monitors the organisation's Quality Plan, consumer feedback and clinical outcomes and risk. The committee also oversees the clinical requirements of a number of expected Standards including the National Safety and Quality Health Service Standards and the Aged Care Quality Standards to achieve Australian Council of Healthcare Standards Accreditation and accreditation by other relevant bodies. The committee meets bi-monthly.

Committee members during 2025-2026: Sandy Leggat (Chair), Simon Fraser, Chad Burrell, Amanda Cameron, Jane Greacen.

People, Performance & Remuneration Committee

The People, Performance and Remuneration Committee assists the Board in fulfilling its responsibilities in relation to the CEO, the management of the Board and its members. The committee monitors the culture, health and wellbeing of BRHS. The Committee has oversight for Board and Board Directors' recruitment, evaluation and development, CEO recruitment, performance and remuneration, people, culture, performance (Board oversight).

Committee members during 2025-2026: Sandy Leggat (Chair), Sue Smethurst, John Papatheohari.



Community Advisory Committee

The Community Advisory Committee provides a structured partnership between consumer, community and the health service. The committee aims to ensure the system reflects consumer need and expectation wherever possible. The committee oversees the delivery of the Partnering with Consumers Framework. The committee meets bi-monthly.

Board Members during 2025-2026: Karly McCaskill (Chair), Sandy Leggat, Sue Smethurst.

Community Members during 2025-2026: Garry Ball, Rachel Howlett, Kylie Miller (resigned December 2025) Wally Smyth, Aasta Holmes, Melanie Fenby, Karen Routledge, Julie Small.

Board of Director Attendance

For the 2025-2026 period there were 11 meetings held. No meeting was held in December, due to the annual Board break.

BOARD MEMBER	NO OF MEETINGS ATTENDED
Amanda Cameron	9
Chad Burrell	11
Sandy Leggat	11
John Papatheohari	11
Kieran Donovan	11
Simon Fraser	11
Karly McCaskill	11
Sue Smethurst	9
Jane Greacen	5

BRHS Organisational Structure

BOARD OF DIRECTORS

BOARD COMMITTEES

CEO OFFICE

CHIEF EXECUTIVE OFFICER

STRATEGIC PROGRAMS & PARTNERSHIPS

MARKETING, COMMUNICATIONS & FUNDRAISING

EXECUTIVE DIRECTOR CLINICAL CARE

CLINICAL CARE
Acute Services
Surgical
Ambulatory Care
Maternity Care
Nurse Practitioners

ALLIED HEALTH
Physiotherapy
Dietetics
Occupational Therapy
Speech Pathology
Planned Activity Group (PAG)
Pain Clinic
Podiatry

CARE @ HOME
Aged Care
Community Care
Aboriginal Health

QUALITY EXPERIENCE & SAFETY
Infection Prevention & AOD
Clinical Document Systems
EMR
Care System Improvement

EXECUTIVE DIRECTOR MEDICAL SERVICES

CLINICAL SUPPORT SERVICES
Pharmacy
Medical Imaging
Pathology Services

MEDICAL WORKFORCE & DENTAL
Medical Workforce Unit
Medical Education
Specialists Clinics
Oral Health Clinic

CLINICAL DIRECTORS

Research Governance
Medico-Legal

Sub-Regional DMS Support

EXECUTIVE DIRECTOR CORPORATE SERVICES

FINANCE

ICT

CORPORATE GOVERNANCE
Risk and Compliance
Procurement
Health Information
Emergency Management

CORPORATE OPERATIONS
Food Services
Environmental Services
Facilities
Capital Projects

EXECUTIVE DIRECTOR WORKFORCE

WORKFORCE OPERATIONS
Safety
Emergency Preparation
Security
Industrial Relations
Payroll
Volunteers

WORKFORCE CAPABILITY & DEVELOPMENT
Clinical Education
Organisational Development
Library
Recruitment
Engagement

ADMINISTRATION
Administration Support
Accommodation



5 Our Executive

Chief Executive Officer (CEO)



Peter Abraham

The CEO is responsible for the effective operation, leadership and general direction of all BRHS business. The CEO enables systems that support the delivery of safe, integrated care.

The CEO role advises and makes recommendations to the Board supporting the delivery of the strategic objectives and future planning. The CEO allocates resources as required to ensure business can be delivered as per funded initiatives. By translating strategy into daily operational business, the BRHS CEO plays a pivotal role in leadership. As a community leader, the role works to enhance regional and sub-regional partnerships across various sectors of community.

A Registered Nurse by training, Peter offers extensive clinical, operational, and executive experience. His expertise includes Aboriginal health, remote and rural healthcare, quality systems, capital development, and service system design.

Peter previously served as CEO at Swan Hill District Health for over 6 years, Kyabram District Health, Boort District Health, Omeo District Health and Heathcote Health. He also chaired the Loddon Mallee Health Network reinforcing his commitment to regional health innovation.

At BRHS, Peter actively promotes equity, inclusion and respect, fostering a workplace and healthcare service that reflects and embraces the diversity of the community.

Executive Officers



Executive Director Corporate Services & Chief Financial Officer

Shireen Jahan

Shireen Jahan is BRHS' Executive Corporate Services and Chief Financial Officer.

Shireen is a results-driven finance executive with a passion for breaking down complexities with proven commercial experience working with Iconic Retail Businesses, Government and Not for Profit organisations across 16 years in Executive Financial Management, Technological and Operational Leadership roles.

A Transformation and Change Leader who has successfully managed end to end finance shared services and IT functions and led diverse multi-cultural teams, with demonstrated results in adapting to the business challenges with the capacity to influence and deliver sustainable solutions across all levels.

Shireen is Fellow of the Chartered Practicing Accountant (CPA) and holds an Executive MBA at Melbourne Business School.

She is also a Graduate member of the Australian Institute of Company Directors.



Executive Director Medical Services & Chief Medical Officer

Dr Delia Wong

From August 2025

As Executive of Medical Services/Chief Medical Officer, Dr Delia Wong provides strategic leadership and oversight across medical workforce planning and management, medical education and training, and clinical support services including pharmacy, pathology, and medical imaging. Delia also serves as Director of Medical Services at Omeo District Health and Orbost Regional Health. She is dedicated to delivering safe, high-quality, patient-centred care through robust governance and meaningful clinician engagement.

Previously, Delia served as Deputy Executive Medical Services at BRHS for two years and has held a range of senior leadership positions across both public and private healthcare settings. Her prior roles include Director of Medical Services at Cabrini Health and Interim Director of Medical Services at Barwon Health, where she led key quality and safety initiatives and drove continuous improvement in service delivery.

Delia has completed specialist training in medical administration through the Royal Australasian College of Medical Administrators. She completed her undergraduate degrees in Medicine and Medical Sciences at the University of Southampton (UK), and holds Master's degrees in Health Management and Public Health from the University of New South Wales. She has a strong interest in digital health solutions and is a Certified Health Informatician Australasia (CHIA) through the Australasian Institute of Digital Health. She is also a Graduate of the Australian Institute of Company Directors (GAICD).



Executive Director Workforce

Jennifer Tiffin

From October 2025

Jennifer Tiffin was appointed Executive Director Workforce at Bairnsdale Regional Health Service in October 2025. She provides strategic leadership across workforce planning, people and culture, organisational development, education and training, industrial relations, employee wellbeing, volunteer services, workforce safety and security.

Jennifer brings more than 30 years of senior leadership experience across healthcare, manufacturing and other complex, highly regulated industries throughout Australia and the Asia Pacific region. Her career has encompassed executive responsibility for workforce strategy, organisational transformation, leadership development, cultural change and governance, supporting organisations to build capable and sustainable workforces aligned to strategic priorities.

Since joining BRHS, Jennifer has led the advancement of key workforce initiatives focused on strengthening workforce sustainability, leadership capability and organisational culture. This has included progressing the organisation's Workforce Plan, Aboriginal Employment Plan and Gender Equality Action Plan, enhancing leadership development opportunities, implementing programs that support psychological safety and respectful workplace behaviours, and strengthening workforce systems and capability to meet future service needs.

Jennifer is passionate about strengthening workforce sustainability in regional healthcare and is recognised for her collaborative leadership style, strategic thinking and commitment to fostering inclusive, values-based cultures that support both organisational performance and exceptional outcomes for the communities BRHS serves.



Executive Director Clinical Care

Jo Marshall

From 4 July 2025

With more than 16 years of senior leadership experience in rural healthcare, Jo brings deep expertise and a strong commitment to clinical excellence. She has been part of the BRHS team for the past four and a half years, following 20 years at Orbost Regional Health where she held the roles of Director of Clinical Services and Manager of Maternity Services.

Jo provides professional leadership for the nursing and midwifery workforce and oversees a wide range of acute clinical services at BRHS. Her role ensures the delivery of safe, high-quality care and supports the organisation's goals around access, discharge, and patient flow. The services under Jo's direction include emergency and short stay care, maternity services, medical and surgical inpatient units (including the high dependency unit), operating theatres and sterilising services, palliative and end-of-life care, rehabilitation and sub-acute services, as well as dialysis, chemotherapy and alcohol and other drug programs.

With a strong background in midwifery, nursing education and operational management, Jo is known for her collaborative leadership style, strong interpersonal skills, and commitment to building a capable and compassionate workforce. She holds a Master's degree in Health Administration and Management from the University of New England (Australia) and plays a key role in shaping responsive, person-centred care for the East Gippsland community.

Dr Katherine Willis-Sullivan	*Executive Medical Services*	*Up to August 2025*
Maree Fellows	*Executive Acute Services/Chief Nurse & Midwife*	*Up to 4 July 2025*
Deborah Eveleigh	*Acting Executive Community, Wellbeing & Aged Care*	*Up to March 2026*
Liz Barlow	*Acting Executive Quality & Education*	*Up to March 2026*
Danielle McToldridge	*Acting Executive People and Culture*	*Up to September 2025*

Fast Facts

260
Babies born

19,688
People were admitted to our hospital

15,169
Outpatient Allied Health Appointments

24,098
People came to our Emergency Department for Treatment

5,341
Ambulance Arrivals handled by our Emergency Department

1,341
Residential In-reach consults

4,282
Surgical Operations Performed

5,030
Renal Dialysis Treatments

2,811
Oncology / Day Services Treatments

3,787
Hospital in the Home Consults

4,438
Hospital Admission Risk program (HARP) Consults

2,070
Diabetes Consults

987 through Transit Lounge since it opened on 13 August 2025

Saved **1,900** bed hours for other patients to come through from ED earlier.

6 People and Culture



Workforce

Employment Principles

BRHS remains committed to the application of merit-based and equitable employment practices that support a diverse, capable and inclusive workforce. Employment decisions are made in accordance with relevant industrial instruments, legislative requirements and organisational policies, ensuring recruitment, selection and employment processes are fair, transparent and free from discrimination.

During 2025–2026, BRHS continued to strengthen workforce diversity and inclusion through implementation of the Aboriginal Employment Plan, ongoing delivery of the Gender Equality Action Plan and the introduction of a Gender Impact Assessment framework to support equitable decision-making. The organisation also invested in workforce capability through leadership development programs, including Crucial Conversations training for leaders and employees, supporting respectful communication, constructive feedback and a positive workplace culture. These initiatives reflect BRHS's commitment to creating employment opportunities that are accessible and inclusive, while fostering a workforce that reflects the diverse communities it serves.

Appointments, employment conditions and remuneration continue to be applied in accordance with the relevant Enterprise Agreements and applicable Victorian Government employment frameworks.

Code of Conduct

BRHS is committed to fostering a workplace culture that reflects the Victorian Public Sector Values and promotes integrity, accountability, respect and inclusion. All employees are required to comply with the Victorian Public Sector Code of Conduct, relevant professional codes of conduct and BRHS policies and procedures.

Throughout 2025–2026, BRHS strengthened its focus on workplace culture, psychological safety and respectful behaviours through leadership development programs, employee education and targeted workforce initiatives. Cultural inclusion activities, including the launch of the Culturally Inclusive Services Policy, support for NAIDOC Week celebrations and co-design of Aboriginal employment initiatives, reinforced the organisation's commitment to diversity, equity and human rights. The delivery of Crucial Conversations training across the organisation further supported employees and leaders to engage in open, respectful and constructive dialogue, helping to build trust, accountability and collaboration across teams.

The BRHS Values remain central to expected employee behaviours and continue to guide the delivery of compassionate, person-centred care while promoting professionalism, collaboration and ethical conduct.



Occupational Health and Safety (OH&S)

The health, safety and wellbeing of employees remains a priority for BRHS. The organisation is committed to maintaining a safe workplace that complies with the *Occupational Health and Safety Act 2004* and associated legislation, regulations and standards.

During 2025–2026, BRHS continued to strengthen its safety culture through proactive risk management, workforce consultation and targeted safety improvement initiatives. Key areas of focus included occupational violence prevention and response, security enhancements, psychosocial risk management and employee wellbeing. The organisation also progressed implementation of the Speak Up for Safety Program, designed to encourage employees to identify hazards, report concerns and actively contribute to a culture of safety and continuous improvement. Together with ongoing occupational violence prevention initiatives and staff education, these programs support a workplace where safety is viewed as a shared responsibility across all levels of the organisation.

BRHS maintains an active Occupational Health and Safety Committee, supported by trained Health and Safety Representatives and dedicated safety resources. Workplace safety performance, incident trends and risk indicators continue to be monitored through the RiskMan incident management system and are regularly reported to Executive and the Board to support effective governance and continuous improvement.

The following table sets out the number of reported hazards or incidents registered over the past three financial years.

BRHS OH&S STATISTICS	2025-2026	2024-2025	2023-2024
Number of reported hazards/incidents for the year per 100 FTE	65	36	100
Number of "lost time" standard WorkCover 100 FTE staff members	1.0	2.7	1.0
The average cost per WorkCover claim for the year ('000)	$55	$43	$37

There was a decrease in standard claims in the 2025-2026 budget year. However, average costs were higher due to the types of treatment incurred by the employee and length of time to receive treatment. All staff with capacity are supported via return-to-work plans. BRHS continues to perform well against comparator organisations with 76% of staff who commence a return-to-work program maintaining their return to work more than a year post injury and return.

Workforce Statistics

HOSPITALS LABOUR CATEGORY	JUNE CURRENT MONTH FTE		AVERAGE MONTHLY FTE	
	2026	**2025**	**2026**	**2025**
Nursing	285.6	277.3	270	264.5
Administration and Clerical	140.9	128.5	129.5	131.2
Medical Support	20.8	21.0	20.8	18.4
Hotel and Allied Services	149.1	140.1	147.5	142.5
Medical Officers	49.6	40.9	43	35.3
Sessional Clinicians	7.1	3.3	6.8	3.7
Ancillary Staff (Allied Health)	58.7	52.8	60.7	49
Total	**712**	**664**	**678.6**	**644.5**

Occupational Violence

Health services are required to monitor and publicly report incidents of occupational violence which follows the Victorian Government's commitment to address occupational violence in healthcare.

BRHS OCCUPATIONAL VIOLENCE STATISTICS	2025-2026
WorkCover accepted claims with an occupational violence cause per 100 FTE	0.3
Number of accepted WorkCover claims with lost time injury with an occupational violence cause per 1,000,000 hours worked	1.4
Number of occupational violence incidents reported	315
Number of occupational violence incidents reported per 100 FTE	52.5
Percentage of occupational violence incidents resulting in a staff injury, illness or condition	29.2%

Definitions

For the purposes of the above statistics the following definitions apply:

- **Occupational violence:** any incident where an employee is abused, threatened or assaulted in circumstances arising out of, or in the course of, their employment.
- **Incident:** an event or circumstance that could have resulted in, or did result in, harm to an employee. Incidents of all severity rating must be included. Code Grey reporting is not included, however, if an incident occurs during the course of a planned or unplanned Code Grey, the incident must be included.
- **Accepted WorkCover claims:** accepted WorkCover claims that were lodged in 2025-2026.
- **Lost time:** is defined as greater than one day.
- **Injury, illness or condition:** this includes all reported harm as a result of the incident, regardless of whether the employee required time off work or submitted a claim.
- **FTE figures:** required in the above table are calculated consistent with the Workforce information FTE calculation.

Gender Equality Act 2020

BRHS has continued to fulfil our organisational obligations under the *Gender Equality Act 2020* to progress gender equality in Victoria.

Implementation of the BRHS Gender Equality Action Plan (GEAP) has continued through 2025-2026 with our GEAP providing a framework to ensure BRHS strives to be an inclusive, welcoming and equitable workplace. Substantial achievements during this period include:

- Implementation of a new case management and reporting system, purpose-built to help BRHS prevent and respond to psychosocial injuries, sexual harassment, bullying, and discrimination.
- Implementation of a region-wide human resource information system which will support improved tracking of workforce data, embedding diversity into recruitment and supporting compliance.
- Embedding the conduct of gender impact assessments into business-as-usual processes to ensure the organisation is applying a gender lens when applicable policies, programs and services are being developed or reviewed.
- Education and awareness activities focused on intersectionality and LGBTIQA+ inclusion, helping to build understanding and support across the workforce.
- Broadening of the BRHS uniform policy to support choice, equality and allow for greater individual expression.
- A summary of recommendations following a gender assessment of the organisations' buildings and grounds.
- A revitalised gender equality working group with a broader workforce representation.

The following key reporting occurred in the 2025-2026 period:

- The GEAP audit report for period 1/07/2023 - 30/06/2025 was submitted in December to the Commissioner for Gender Equality in the Public Sector and was deemed compliant.
- The 2023-2025 GEAP Progress Report was completed and submitted to the Commission for Gender Equality in the Public Sector on 1st May 2026.
- The new GEAP 2026-2030 was submitted to the Commission for Gender Equality in the Public Sector on 1st May 2026.

Audit data as at 30 June 2025 demonstrated meaningful progress against the Gender Equality Indicators has been achieved. Audit data showed:

- Gender composition of the overall workforce became slightly more balanced with records showing an increase in the male workforce by 1.2% and 0.1% of individuals of a self-described gender.
- The BRHS Board of Directors experienced an increase of 10% female representation from 2023 to 2025. The number of females in this group is now greater than the number of males.
- The mean total remuneration gender pay gap reduced by 2.9% from the 2023 reporting period.
- From 2023 to 2025, the gender composition of new employees saw an increase of men by 4.7%, demonstrating a positive drive towards overall gender balance of the workforce.
- An increase in males accessing parental leave occurred from 2023 to 2025.
- An increase in women in leadership positions occurred from 2023 to 2025 and gender composition of promoted employees was favourable towards women indicating that the goal of removing barriers for women to obtain leadership opportunities is being achieved.

7 Financial Results

	2026 $000	2025 $000	2024 $000	2023 $000	2022 $000
Total Revenue	173,889	167,715	147,582	148,148	131,910
Total Expenses	173,723	167,577	160,602	148,148	131,910
Operating Result*	**166**	**138**	**(13,020)**	**0**	**0**
Capital Revenue (includes donations and grants)	4,946	1,242	4,097	1,495	1,755
Less Depreciation and Finance Costs	8,755	9,553	7,219	7,045	6,023
Net Result after Depreciation and Finance costs	**(3,644)**	**(8,173)**	**(16,142)**	**(5,550)**	**(4,268)**
Total Assets	117,123	127,229	129,687	95,737	84,575
Less Total Liabilities	55,695	62,157	56,442	54,325	37,288
Net Assets/Total Equity	**61,428**	**65,072**	**73,245**	**41,412**	**47,287**

** The Operating result is the result for which the Health Service is monitored in its Statement of Priorities and excludes Depreciation costs*

Reconciliations of the Net Result from Transactions and Operating Result

	2025-2026
	$000
Operating Result*	166
Capital purpose income	84
Specific income	4,862
Depreciation and amortisation	(9,156)
Impairment of non-financial assets	418
Finance costs (other)	(18)
Net Result from transactions (NRFT)	**(3,644)**

** The Operating result is the result for which the Health Service is monitored in its Statement of Priorities*

Significant changes in financial position

BRHS delivered a surplus of $166k, meeting the expectations set out in our Statement of Priorities. This compares to a surplus of $138k in the prior year and reflects continued and significant improvement in financial performance. The surplus result excludes capital related grants and donations which are for specific capital projects, depreciation, interest on borrowings, and asset revaluations.

Revenue:

Activity performance reached 112% of target, reflecting both growing clinical demand and the commitment of staff to deliver timely, high-quality care. Increased government grant funding, particularly through the National Weighted Activity Unit price (NWAU), supported the result. Growth in our own-sourced revenue was also achieved through improved cash management, optimising in other sourced revenues, and stronger investment returns.

Expenditure:

Expenditure reflected the higher workforce effort required to meet increased demand, with salaries and wages rising in line with activity. This was partially offset by a reduced reliance on locum staff, supporting improved efficiency and cost management. Other cost pressures included patient-related expenses and ongoing inflationary impacts on supplies and materials.

Balance Sheet Movements

- **Assets:** Year-on-year changes were primarily due to changes in cash holdings, higher accumulated depreciation, and movements in property, plant, and equipment.
- **Liabilities:** A reduction in trade creditors and staff leave provisions contributed to lower liabilities.

Highlights of 2025-2026

- Regional Workforce Accommodation Fund (RWAF): Achieved Milestone 2 and 3 and is on schedule for completion in October 2026.
- Upgrading and adding our owned Best Care café within the existing dining room area provides additional own sourced revenue and a well-needed space for patient families for coffee and dining options within the health service.
- Infrastructure upgrades to the McKean Street carpark, Yerrung building courtyard and improved departmental office work areas.
- Upgrades and improvements to the Flanagan Ward including a newly refurbished discharge lounge, HITH Treatment room and improved staff amenities.
- Installation of additional electric vehicle charging stations under Tambo Ward.
- Upgrading our ageing fleet with 10 new Hybrid vehicles.
- HVAC systems and medical gas installations as needed across the health service.

Operational Influences and Risks

Performance continued to be shaped by rising demand, demographic changes in East Gippsland, workforce pressures, aging infrastructure, and increasing community expectations. Mitigation strategies remain a priority, with regular monitoring to ensure sustainability and optimise patient care outcomes.

Future Outlook

In 2026-2027, BRHS will remain focused on delivering the objectives of the Statement of Priorities and Business Plan, with an emphasis on workforce sustainability, health equity, patient access and flow, system integration, and financial accountability to meet the needs of our growing community.

Events Subsequent to Balance Date

No matters or circumstances have arisen since year-end which significantly affect, or may affect, BRHS operations.

Consultancies

In 2025-2026 there were 13 consultancies where the total fees payable to the consultants were less than $10,000. The total expenditure incurred during 2025-2026 in relation to these consultancies is $54,136 (excl GST).

In 2025-2026 there was one consultancy where the total fees payable to the consultants were $10,000 or greater. The total expenditure incurred during 2025-2026 in relation to these consultancies is $47,516.

Consultancies over $10,000 are reflected below.

CONSULTANT	PURPOSE OF CONSULTANCY	START DATE	END DATE	TOTAL APPROVED PROJECT FEE (EXCLUDING GST)	EXPENDITURE 2025-2026 (EXCLUDING GST)	FUTURE EXPENDITURE (EXCLUDING GST)
Aspex Consulting Pty Ltd	BRHS Strategic Plan	March 2026	Jun 2026	$47,516	$47,516	$0

Information and Communications Technology (ICT) expenditure

BRHS is supported via Gippsland Health Alliance partnership agency that work together based on a Joint Venture Agreement.

ICT expenditure represents an entity's costs in providing business-enabling ICT services and consists of the following cost elements:

- Operating and capital expenditure (including depreciation);
- ICT services - internally and externally sourced;
- Cost in providing ICT services (including personnel and facilities) across the agency, whether funded through a central ICT budget or through other budgets; and
- Cost in providing ICT services to other organisations.

Non-Business as Usual (Non-BAU) expenditure are a subset of ICT expenditures that relate to extending or enhancing current ICT capabilities and are usually run as projects.

Business As Usual (BAU) expenditure includes all remaining ICT expenditure other than non BAU ICT expenditure and typically relates to ongoing activities to operate and maintain the current ICT capability.

For the 2025-2026 reporting period, Bairnsdale Regional Health Service had a total (ICT) expenditure of $5.49 million, with the details shown below.

ALL OPERATIONAL ICT EXPENDITURE	ICT EXPENDITURE RELATED TO PROJECTS OR TO CREATE OR ENHANCE ICT CAPABILITIES		
Business as usual (BAU) (Total)	Non-Business as usual (non BAU) ICT expenditure (Total operational expenditure and Capital Expenditure (a) + (b)	Operational expenditure (a)	Capital expenditure (b)
$4.60 million	$0.9 million	$0 million	$0.9 million

Freedom of Information (FOI) Act 1982

During 2025-2026 Bairnsdale Regional Health Service received 382 applications for information. Of these requests, none were from a Member of Parliament, 77 from the general public and none from the media. Bairnsdale Regional Health Service made 350 FOI decisions during the 12 months to 30 June 2026.

There were 243 decisions made within the statutory time periods. Of the decisions made outside the time, 107 were made within a further 45 days and zero decisions were made in greater than 45 days. A total of 350 FOI access decisions were made where access to documents was granted in full, granted in part or denied in full. Zero decisions were made after mandatory extensions had been applied or extensions were agreed upon by the applicant. Of the requests finalised, the average number of days over/ under the statutory time (including extended timeframes) to decide the request was 10 days.

During 2025-2026, no requests were subject to a complaint/internal review by the Office of the Victorian Information Commissioner.

No requests were progressed to the Victorian Civil and Administrative Tribunal (VCAT).

Building Act 1993

In Victoria, the *Building Act 1993* provides the legal framework for the construction industry, while the National Construction Code outlines the technical requirements for design and construction. The Act gives legal effect to the NCC, requiring all building work to comply with NCC safety and health standards.

BRHS currently adheres to all legislation regulating construction and building standards which forms part of the National Construction Code.

BRHS ensures all contractors acting on behalf of BRHS adhere to all benchmarks for safety, health, and amenity in the design, construction and maintenance of all building works as dictated by the *Building Act 1993*.

Public Interest Disclosures Act 2012

BRHS was not required to disclose any issues under the *Public Interest Disclosures Act 2012* (formerly known as Protected Disclosure) in the financial year 2025-2026.

Information on how to access any disclosure under Part 9 of the Act can be found via the Independent Broad-based Anti-Corruption Commission (IBAC) website (https://www.ibac.vic.gov.au/)

National Competition Policy

BRHS complied with relevant policies with respect to the National Competition Policy, including:

i. the requirements of the Government Policy statement, Competitive Neutrality Policy Victoria; and
ii. subsequent reforms.

By ensuring compliance with our contract management policies including commissioning legislative compliance and local procurement plan, BRHS contracts and agreements meet probity requirements that align with HealthShare Victoria (HSV) policies and are compliant with relevant legislation. Stakeholder engagement, performance management and evaluation including robust tender policies and procedures are in place.



Carers Recognition Act 2012

BRHS has taken all practical measures to comply with its obligations under the Act.

These include:

- promoting the principles of the Act to people in care relationships who receive our services and to the wider community (e.g. distributing printed material about the Act at community events or service points; providing links to state government resource materials on our website; providing digital and/or printed information about the Act to our partner organisations)
- ensuring our staff have an awareness and understanding of the care relationship principles set out in the Act (e.g. developing and implementing a staff awareness strategy about the principles in the Act and what they mean for staff; induction and training programs offered by the organisation include discussion of the Act and the statement of principles therein)
- considering the care relationships principles set out in the Act when setting policies and providing services (e.g., reviewing our employment policies such as flexible working arrangements and leave provisions to ensure that these comply with the statement of principles in the Act; developing a satisfaction survey for distribution at assessment and review meetings between workers, carers and those receiving care)
- implementing priority actions in Victorian Carer Strategy 2025-2035.

Safe Patient Care Act 2015

BRHS has no matters to report in relation to its obligations under Section 40 of the *Safe Patient Care Act 2015*.

Environmental Sustainability and Energy Management

BRHS operates 3 campuses, Residential Aged Care and Acute health services are provided from the main campus located at Day Street, Bairnsdale. Community Health Services are provided from the Ross Street, Bairnsdale site and Imaging, Maternity outpatients and intake services are located in the Main Street Bairnsdale.

BRHS has continued our ongoing commitment to Environmental Sustainability throughout 2025-2026. The Environmental Sustainability Committee regularly meets to review the FRD24 report, which mandates Victorian Government entities to disclose their environmental data to enhance transparency and support emissions reduction efforts. The Board and Executive have set in place a three-year continuous improvement KPIs benchmarked on the FRD24 reporting data.

This report is part of BRHS' broader strategic plan, which is outlined in the BRHS' Environmental Management Framework' and includes commitments to sustainability and continuous improvement in environmental performance.

BRHS's initiatives in reducing greenhouse gas emissions, managing waste, and improving energy efficiency. Achievements will focus on reductions in energy consumption through the implementation of energy-efficient lighting and heating systems. Additionally, BRHS has expanded its recycling programs, resulting in a notable decrease in landfill waste. The investment in Solar Panel upgrades will continue to provide energy benefits significantly reducing the overheads and environmental impact of what is a growing consumption trend.

Key achievements realised in 2025-2026 are:

- **2.7% reduction in Total Electricity consumption;**
- **40% increase in on site-electricity generated via solar, this has achieved through improved maintenance of existing panels;**
- **13% reduction of greenhouse gas emissions;**
- **The Sterilwave converts biomedical waste into dry waste which is inert and completely disinfected, reducing its weight by more than 25% and its volume by 85%. It impacts the eventual elimination of Manual Handling by treating biohazardous waste directly on-site, BRHS removes the need for manual interventions. Sorting agents are no longer exposed to these wastes which have already been safely treated on-site;**
- **31% of Fleet vehicles are either Hybrid or fully Electric.**

These measures not only contribute to environmental sustainability but align with the Victorian Government's broader goals of minimising the environmental footprint of public sector operations.

The following highlights should also be noted for 2025-2026:

BRHS Energy Production and Consumption

ELECTRICITY USE	JUL-25 TO JUN-26	JUL-24 TO JUN-25	JUL-23 TO JUN-24
EL1 Total electricity consumption segmented by source [MWh]			
Purchased	2,558.75	2,832.61	2,706.06
Self-generated	680.47	497.90	587.38
EL1 Total electricity consumption [MWh]	**3,239.22**	**3,330.51**	**3,293.44**
EL2 On site-electricity generated [MWh] segmented by:			
Consumption behind-the-meter			
Solar Electricity	680.47	500.17	587.38
Total Consumption behind-the-meter [MWh]	**680.47**	**500.17**	**587.38**
Exports			
Solar Electricity	7.31		
Total electricity exported (MWh)	**7.31**		
EL2 Total On site-electricity generated [MWh]	**687.78**	**500.17**	**587.38**
EL3 On-site installed generation capacity [kW converted to MW] segmented by:			
Solar System	0.78	0.78	0.78
EL3 Total On-site installed generation capacity [MW]	**0.78**	**0.78**	**0.78**
EL4 Total electricity offsets segmented by offset type [MWh]			
RPP (Renewable Power Percentage in the grid)	441.98	518.45	508.74
EL4 Total electricity offsets [MWh]	**441.98**	**518.45**	**508.74**

BRHS Stationary Fuel Use

STATIONARY ENERGY	JUL-25 TO JUN-26	JUL-24 TO JUN-25	JUL-23 TO JUN-24
F1 Total fuels used in buildings and machinery segmented by fuel type (MJ)			
Natural Gas	11,259,946	11,352,473	11,794,912
F1 Total fuels used in buildings [MJ]	11,259,946	11,352,473	11,794,912
F2 Greenhouse gas emissions from stationary fuel consumption segmented by fuel type (CO2-e(t))			
Natural Gas	580	585	608
F2 Greenhouse gas emissions from stationary fuel consumption (CO2-e(t))	**580**	**585**	**608**

BRHS Total Energy Use

TOTAL ENERGY USE	JUL-25 TO JUN-26	JUL-24 TO JUN-25	JUL-23 TO JUN-24
E1 Total energy usage from fuels, including stationary fuels (F1) and transport fuels (T1) (MJ)			
Total energy usage from stationary fuels (F1) (MJ)	11,259,946	11,319,744.40	11,794,912.10
Total energy usage from transport (T1) (MJ)	1,109,520	1,860,141.10	1,865,238.40
Total energy usage from fuels, including stationary fuels (F1) and transport fuels (T1) (MJ)	**12,369,466**	**13,179,885.50**	**13,660,150.50**
E2 Total energy usage from electricity (MJ)			
Total energy usage from electricity (MJ)	11,661,191.73	11,997,991.94	11,856,141.78
E3 Total energy usage segmented by renewable and non-renewable sources (MJ)			
Renewable	11,661,191.90	3,667,031.05	3,941,926.68
Non-renewable (E1 + E2 - E3 Renewable)	11,259,946	21,510,846.39	21,574,365.60
E4 Units of Stationary Energy used normalised: (F1+E2)/normaliser			
Energy per unit of Aged Care OBD (MJ/Aged Care OBD)	750.26	735.76	737.14
Energy per unit of LOS (MJ/LOS)	539.14	563.88	587.94
Energy per unit of bed-day (LOS+Aged Care OBD) (MJ/OBD)	313.71	319.23	327.07
Energy per unit of Separations (MJ/ Separations)	1,161.63	1,228.35	1,279.27
Energy per unit of floor space (MJ/m2)	1,204.98	1,225.83	1,243.35

BRHS Transportation

TRANSPORTATION ENERGY	JUL-25 TO JUN-26	JUL-24 TO JUN-25	JUL-23 TO JUN-24
T1 Total energy used in transportation (vehicle fleet) within the Entity, segmented by fuel type [MJ]			
Non-executive fleet - Gasoline	1,027,881	1,592,219	1,596,582
Petrol	**1,027,881**	**1,592,219**	**1,596,582**
Non-executive fleet - Diesel	81,369	267,923	268,656
Diesel	**81,369**	**267,923**	**268,656**
Total energy used in transportation (vehicle fleet) [MJ]	**1,109,520**	**1,860,141**	**1,865,238**

T2 Number and proportion of vehicles in the organisational boundary segmented by engine/fuel type and vehicle category			
Petrol	23	32	
Diesel	6	7	
Hybrid	8	2	
Electric	5	1	
Total vehicles	**42**	**42**	

T3 Greenhouse gas emissions from transportation (vehicle fleet) segmented by fuel type [tonnes CO2-e]			
Non-executive fleet - Gasoline	70	108	108
Petrol	**70**	**108**	**108**
Non-executive fleet - Diesel	5	19	19
Diesel	**5**	**19**	**19**
Total Greenhouse gas emissions from transportation (vehicle fleet) [tonnes CO2-e]	**75**	**127**	**127**

T4 Total distance travelled by commercial air travel (passenger km travelled for business purposes by entity staff on commercial or charter aircraft			
Total distance travelled by commercial air travel	252,731	260,920	

Sustainable Buildings and Infrastructure

BRHS adopts Environmentally Sustainable Design (ESD) through project planning which minimises the environmental impact of buildings and infrastructure while improving occupant comfort. It involves holistic, whole-of-life-cycle planning—covering energy and water conservation, passive solar design, indoor air quality, waste reduction, and climate resilience.

BRHS Key focus areas include:

- **Energy & Emissions:** Transitioning all-electric, utilizing high-efficiency appliances, and integrating renewable energy sources currently underway through the VicFleet portal.
- **Integrated Water Management (IWM):** Conserving water through efficient fixtures, rainwater harvesting, and wastewater reuse.



- **Urban Heat Mitigation:** Utilizing green infrastructure, cool roofs with high solar reflectance, and extensive landscaping to reduce the urban heat island effect.
- **Circular Economy:** Reducing construction waste and prioritizing recycled or sustainably sourced materials.
- **Sustainable Transport:** Designing infrastructure to prioritize active transport, such as walking paths, bicycle lanes, and electric vehicle (EV) charging capabilities.

Water Consumption

WATER USE	JUL-25 TO JUN-26	JUL-24 TO JUN-25	JUL-23 TO JUN-24
W1 Total units of metered water consumed by water source (kL)			
Potable water (kL)	25,988.99	25,748.77	24,177.53
Total units of water consumed (kL)	**25,988.99**	**25,748.77**	**24,177.53**

W2 Units of metered water consumed normalised by FTE, headcount, floor area, or other entity or sector specific quantity			
Water per unit of Aged Care OBD (kL/ Aged Care OBD)	0.85	0.81	0.75
Water per unit of LOS (kL/LOS)	0.61	0.62	0.60
Water per unit of bed-day (LOS+Aged Care OBD) (kL/ OBD)	0.36	0.35	0.33
Water per unit of Separations (kL/ Separations)	1.32	1.36	1.31
Water per unit of floor space (kL/m2)	1.37	1.35	1.27

Waste and Recycling

WASTE AND RECYCLING	JUL-25 TO JUN-26	JUL-24 TO JUN-25	JUL-23 TO JUN-24
WR1 Total units of waste disposed of by waste stream and disposal method (kg)			
Landfill (total)			
General waste - bins	23,288.20	18,098.70	24,079.68
General waste - compactors	199,081.76	121,730.20	125,060.00
General waste - skips	25,035.12	29,738.78	28,442.15
Offsite treatment			
Clinical waste - incinerated*	5,367.93	5,367.93	5,383.65
Clinical waste - sharps*	3,160.30	3,160.30	3,168.65
Clinical waste - treated*	27,431.86	27,431.86	27,506.67
Recycling/recovery (disposal)			
Batteries	960.00	7.00	11.00
Cardboard	4,965.94	135.00	105.00
Commingled	33,496.32	23,361.97	22,004.89
E-waste	1,239.96	56.83	63.00
Polystyrene foam	375.44	4.00	4.00
PVC	325.00	418.00	927.00
Toner & Print Cartridges	164.16	165.16	
Total units of waste disposed (kg)	**325,486.71**	**230,036.77**	**236,755.69**

WR2 Total units of waste disposed of by waste stream and disposal method (%)			
Landfill (total)			
General waste	76.01%	73.71%	2.27%
Offsite treatment			
Clinical waste - incinerated	1.65%	2.33%	2.27%
Clinical waste - sharps	0.97%	1.37%	1.34%
Clinical waste - treated	8.43%	11.92%	11.62%
Recycling/recovery (disposal)			
Batteries	0.29%	0.13%	0.00%
Cardboard	1.53%	0.06%	0.04%
Commingled	10.29%	10.16%	9.29%
E-waste	0.38%	0.02%	0.03%
Polystyrene foam	0.12%	0.03%	0.00%
PVC	0.27%	0.18%	0.39%
Toner & Print Cartridges	0.07%	0.07%	

** 2025/26 data is not yet validated by external provider.*

WASTE AND RECYCLING	JUL-25 TO JUN-26	JUL-24 TO JUN-25	JUL-23 TO JUN-24
WR3 Total units of waste disposed normalised by FTE, headcount, floor area, or other entity or sector specific quantity, by disposal method			
Total waste to landfill per patient treated (kg general waste/PPT)	2.12	1.48	1.57
Total waste to offsite treatment per patient treated (kg general waste/PPT)	0.31	0.31	0.32
Total waste recycled and reused per patient treated (kg general waste/PPT)	0.36	0.21	0.20
WR4 Recycling rate (%)			
Weight of recyclable and organic materials (kg)	42,121.54	24,509.00	23,114.89
Weight of total waste (kg)	325,486.71	230,036.77	236,755.69
Recycling rate (%)	**12.94%**	**10.65%**	**9.76%**
WR5 Greenhouse gas emissions associated with waste disposal (CO2-e(t))			
tonnes CO2-e	366.12	264.93	275.47



Greenhouse Gas Emissions

GREENHOUSE GAS EMISSIONS	JUL-25 TO JUN-26	JUL-24 TO JUN-25	JUL-23 TO JUN-24
G1 Total Scope 1 (direct) greenhouse gas emissions (CO2-e(t))			
Carbon Dioxide	578.76	707.88	732.65
Methane	1.13	1.17	1.21
Nitrous Oxide	0.34	0.79	0.81
Total	**580.22**	**709.84**	**734.67**
Scope 1 GHG emissions from stationary fuel (F2 Scope 1) [tonnes CO2-e]	580.22	583.31	607.79
Scope 1 GHG emissions from vehicle fleet (T3 Scope 1) [tonnes CO2-e]	75.0	126.53	126.88
Medical/Refrigerant gases			
Nitrous oxide	39.31	13.06	
Sevoflurane	2.37	0.79	
Total scope one (direct) greenhouse gas emissions [tonnes CO2-e]	**621.90**	**723.68**	**734.67**
G2 Total Scope two (indirect electricity) greenhouse gas emissions [tonnes CO-e]			
Electricity	1,714.59	1,868.11	1,779.79
Total Scope two (indirect electricity) greenhouse gas emissions [tonnes CO2-e]	**1,714.59**	**1,868.11**	**1,779.79**
G3 Total Scope three (other indirect) greenhouse gas emissions associated with commercial air travel and waste disposal [tonnes CO2-e]			
Commercial air travel	38.41	39.66	
Waste emissions (WR5)	366.12	264.93	275.47
Indirect emissions from Stationary Energy	277.89	298.97	266.91
Indirect emissions from Transport Energy		32.02	32.11
Water emissions	36.46	42.12	40.57
Any other Scope three emissions	0.00	0.00	0.00
Total Scope 3 greenhouse gas emissions [tonnes CO2-e]	**680.46**	**638.04**	**615.06**

GREENHOUSE GAS EMISSIONS	JUL-25 TO JUN-26	JUL-24 TO JUN-25	JUL-23 TO JUN-24
G(Opt) Net greenhouse gas emissions [tonnes CO2-e]			
Gross greenhouse gas emissions (G1 + G2 + G3) (t CO2-e)	3,016.95	3,229.83	3,129.51
Total gross reported greenhouse gas emissions per bed-day (t CO2-e/OBD)	0.04	0.04	0.04
Carbon Neutral Electricity	0.00	0.00	0.00
Green Power Electricity	0.00	0.00	0.00
Purchased LGCs	-2,029.36	0.00	0.00
Any Reduction Measures Offsets purchased (EL4-related)	**-1,947.43**		
Any Offsets purchased	**-1,947.43**		
Net greenhouse gas emissions (t CO2-e)	**1,069.52**	**3,229.83**	**3,129.51**

Disclosure of review and study expenses

During 2025-2026 there were 2 reviews and studies undertaken.

NAME OF THE REVIEW (PORTFOLIO(S) AND OUTPUT(S)/ AGENCY RESPONSIBLE)	REASONS FOR REVIEW/ STUDY	TIMELINE	TERMS OF REFERENCE/ SCOPE	ANTICIPATED OUTCOMES	ESTIMATED COST FOR THE YEAR (EXCL. GST)	FINAL COST IF COMPLETED (EXCL. GST)	PUBLICLY AVAILABLE (Y/N) AND URL
Infection Prevention Review (HICMR)	To review compliance with Infection Prevention Control Standards	Dec 2025 – Dec 2025	Audit and evaluate Infection Preventions policies and procedures across Standard 3	Compliance with Standard 3 Preventing and Controlling Infection Standard 3	19	19	N
Dr Paul Howat	Maternity Services Review	Feb 2026 – Feb 2026	Clinical governance review of Maternity services	To strengthen compliance and best practice	12	12	N

Social Procurement Framework

BRHS continued to implement its Social Procurement Strategy, with a focus on embedding social and sustainable outcomes into procurement activities.

Key objectives included:

- Supporting local and regional businesses to strengthen the Gippsland economy for example uniforms and equipment hire.
- Engaging with Aboriginal businesses and social enterprises where available.
- Ensuring compliance with ethical sourcing and modern slavery obligations.
- Promoting environmentally sustainable procurement practices, including equipment, and consumables.

Key achievements included:

- Direct Social Procurement Spend $94,719.29
- All new and existing suppliers vetted for modern slavery compliance through a standard questionnaire.

On behalf of BRHS, Health Share Victoria (HSV) approaches the market, negotiates with preferred suppliers, enters into a contract agreement that governs the provision of goods and services.

BRHS, is mandated to procure through these arrangements HSV embeds SPF requirements into these agreements. This enables BRHS to access contracts that deliver value for money while supporting social, environmental, and ethical objectives.

Social Procurement Metrics

SOCIAL PROCUREMENT METRICS	2025-2026
Total amount spent with social benefit suppliers during the reporting period	**$94,719.29**
Number of social benefit suppliers engaged during the reporting period	**4**

SPF Objective Metric	**Unit of measure**	**Actual (2025-2026)**
Opportunities for Victorian Aboriginal people		
Number of Victorian Aboriginal businesses engaged	Number	4
Total expenditure with Victorian Aboriginal businesses	**$ GST exclusive**	**94,719.29**
Sustainable Victorian social enterprises and Aboriginal business sectors		
Number of Victorian social enterprises engaged	Number	
Total expenditure with Victorian social enterprises	$ GST exclusive	
Number of Victorian Aboriginal businesses engaged	Number	4
Total expenditure with Victorian Aboriginal businesses	**$ GST exclusive**	**94,719.29**

Emergency Procurement

Nil to report.

Procurement Complaints

Nil to report: There were no procurement complaints received by Bairnsdale Regional Health Service during 2025-2026. No procurement complaints were referred to the Victorian Government Purchasing Board (VGPB) or HealthShare Victoria (HSV) for review.

Local Jobs First Act 2003

Local Jobs First Policy applies to all projects undertaken by BRHS during 2025-2026 that met the threshold for Local Jobs First Policy application.

Statement of availability of additional information

In compliance with the requirements of the Standing Directions 2018 under the *Financial Management Act 1994*, details in respect of the items listed below have been retained by the health service and are available to the relevant Ministers, Members of Parliament, and the public subject to the provision of the *Freedom of Information Act 1982*.

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

This information is available on request from:

Attention: Freedom of Information Officer
Bairnsdale Regional Health Service
PO Box 474
BAIRNSDALE Vic 3875
Or via email: foi@brhs.com.au

Attestations

BAIRNSDALE REGIONAL HEALTH SERVICE FINANCIAL MANAGEMENT COMPLIANCE ATTESTATION STATEMENT

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



Sandra Leggat
Board Chair

Bairnsdale Regional Health Service
25 September 2026

DATA INTEGRITY

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

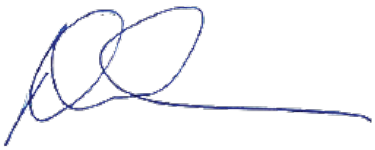


Peter Abraham
Chief Executive Officer

Bairnsdale Regional Health Service
25 September 2026

CONFLICT OF INTEREST

I, Peter Abraham, certify that Bairnsdale Regional 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 Bairnsdale Regional 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 and board meeting.



Peter Abraham
Chief Executive Officer

Bairnsdale Regional Health Service
25 September 2026

INTEGRITY, FRAUD AND CORRUPTION

I, Peter Abraham certify that Bairnsdale Regional 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 Bairnsdale Regional Health Service during the year.



Peter Abraham

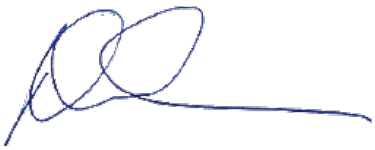
Chief Executive Officer

Bairnsdale Regional Health Service

25 September 2026

COMPLIANCE WITH HEALTH SHARE VICTORIA (HSV) PURCHASING POLICIES

I, Peter Abraham, on behalf of Bairnsdale Regional Health Service certify that Bairnsdale Regional Health Service has no material compliance deficiency with respect to the HSV Purchasing Policies as required by the *Health Services Act 1988* (Vic). While instances of non-material non-compliance have been identified during the reporting period, Bairnsdale Regional Health Service has an agreement in place with HealthShare Victoria to address and rectify these issues. These instances do not constitute material non-compliance and have not had a significant impact on procurement governance or operational integrity. Bairnsdale Regional Health Service has implemented appropriate internal controls, which have been critically reviewed throughout the year.



Peter Abraham

Chief Executive Officer

Bairnsdale Regional Health Service

25 September 2026

Statement of Priorities

Part A: Strategic priorities for 2025-2026

The *Health Services Act 1988* allows that post 1 October of each financial year, the Minister for Health makes a Statement of Priorities which is provided to health services. The Statement of Priorities Part A deliverables are aligned with the Department of Health Strategic Plan 2023-27.

Health services are expected to contribute to the Strategic Plan 2023-2027 by working towards the priorities identified in the Statement of Priorities Part A as outlined below:

Innovate and Improve Access and Care

We aim for the best patient experience and care outcomes by assuring safe practice, leadership of safety, an engaged and capable workforce, and continuing to improve and innovate care.

Goal: Align with the Victorian Clinical Governance Framework to strengthen clinical governance systems, ensuring safe, high-quality care.

HEALTH SERVICE DELIVERABLES:	STATUS/ MEASURES AND OUTCOMES
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.	**Achieved** - The Feedback and Complaints Management System was reviewed, resulting in the identification of improvement opportunities and implementation of a new feedback system. A patient story resource has also been introduced, with patient experience presentations provided to Board Quality Committee and Community Advisory Committee and are available to all staff. Care Opinion was launched in June 2026 to strengthen consumer engagement and provide an accessible option for consumers to share feedback and experiences. The platform enables consumers to share personal accounts of their care experiences providing valuable insight into what matters most to them. Staff can respond directly to acknowledge feedback, address concerns, and demonstrate actions taken in response. Consumer uptake has been positive, with consumers actively engaging through the platform.
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.	**Achieved** - A Quality Dashboard was developed to support monitoring and identification of areas of concern across the organisation. The dashboard has improved visibility of quality and safety indicators, enabling timely investigation, data triangulation and informed decision-making in identified priority areas. A consumer-facing visibility board has been implemented at the BRHS main campus site, increasing transparency of key quality and safety information. Electronic versions are planned for trial in 2026-27 to further enhance accessibility and consumer engagement.

HEALTH SERVICE DELIVERABLES:	STATUS/ MEASURES AND OUTCOMES
Health services are able to show evidence of a comprehensive training program approach that includes performance management, accountability, and continuous improvement.	**Achieved** - A formal Training Needs Analysis (TNA) process has been established and will underpin all workforce training and development activities from 2026-27. Leadership capability is supported through monthly Leadership Forums, with topics aligned to organisational priorities, emerging trends and identified development needs. Leaders are also provided with access to Growth Faculty online learning resources to support ongoing professional development. The Speaking Up for Safety program has been delivered to leaders and is being rolled out as mandatory training across the organisation to support a culture of safety, accountability and open communication. Crucial Conversations training has been completed by senior leaders, with rollout to all people leaders planned in the first half of 2026-27.

Goal: Improve access to timely emergency care by implementing system-wide patient flow strategies that reduce emergency department wait times and improve ambulance-to-hospital transfer times.

HEALTH SERVICE DELIVERABLES:	STATUS/ MEASURES AND OUTCOMES
Implement initiatives that support early discharge of patients to appropriate settings to improve timely patient access to care.	**Achieved** - The Transit Lounge model of care is well established, with relocation to a permanent location planned for 1 July 2026. Implementation of Criteria-Led Discharge has been delayed due to staffing changes and will remain a focus for 2026-27, with associated KPIs incorporated into the annual plan.

Goal: Maintain a commitment to delivering equitable and timely access to planned care and drive reform in alignment with the Planned Surgery Reform Blueprint.

HEALTH SERVICE DELIVERABLES:	STATUS/ MEASURES AND OUTCOMES
Implement and scale theatre optimisation initiatives in planned surgery, for example same-day surgery and same-day surgery by default models of care, criteria-led discharge, monitoring of theatre measures, and high-throughput approaches such as high-intensity theatre lists.	**Achieved** - BRHS actively participates in the Planned Recovery and Reform Community of Practice, with learnings informing local practice. Length of stay for targeted surgical cohorts, including laparoscopic cholecystectomy and hernia repair patients, is monitored through the Regional Surgical Dashboard. Theatre performance measures are being refined to support consistent monitoring and oversight, with operational and roster changes identified to improve theatre start-time compliance and overall efficiency. A consultant has been engaged to undertake a review of perioperative services, focusing on efficiency, clinical acuity, service sustainability and future models of care.
Proactively manage planned surgery and specialist clinics (or outpatients) waitlists, for example validating and supporting patients into optimal care pathways such as evidence-based alternatives to surgery and optimisation pathways. A particular focus should be applied to long-waiting patients and priority population groups (for example, Aboriginal and Torres Strait Islander patients and under-18 patients).	**Achieved** - Proactive surgery waiting list management is supported through early risk assessment, optimisation and prehabilitation pathways, including the High-Risk Assessment Clinic (HiRAC), which provides early anaesthetic review and facilitates appropriate referral and management of higher-risk patients. Surgeons promote evidence-based alternatives to non-urgent elective surgery in line with Safer Care Victoria Best Care Guidance. Patients on long waiting lists are regularly reviewed by the Surgical Access Nurse to ensure ongoing clinical appropriateness and engagement. A business case was developed for the implementation of Personify Care to support communication and administration for patients on surgical waiting lists. Allocation for Personify Care has been included in the 2026-27 budget, and a broader review of surgical services is also underway.

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:	STATUS/ MEASURES AND OUTCOMES
Deliver the key initiatives outlined in the Budget Action Plan within Government parameters.	**Achieved** - FY25/26 performance targets achieved and operating in break-even position.
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.	**Achieved** - Monthly HeART and forecasting submissions were completed and provided to the Department of Health in accordance with reporting requirements. Monthly business meetings are held across all departments, with financial performance monitored through Concerto to support adherence to budget parameters.
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.	**Achieved** - Team structures are continually reviewed to optimise workforce resourcing and identify opportunities to reduce the cost-of-service delivery within non-patient-facing services.

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:	STATUS/ MEASURES AND OUTCOMES
Implement processes to sustain workforce supply and fulfil 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.	**Achieved** - The Positive Health, Engagement and Wellbeing (PHEW) Committee has been established to support implementation of the Health and Wellbeing Strategy and provide oversight of workforce wellbeing initiatives. The Gender Equality Action Plan (GEAP) four-year implementation report was completed with the majority of actions achieved. A new GEAP has been finalised and will guide the next phase of work. Psychological safety has been a key focus, supported through the Speaking Up for Safety and Crucial Conversations Programs. The introduction of the RespectX has provided an additional mechanism for employees to safely raise concerns and report inappropriate behaviour. The Fitness for Work Policy, Equal Employment Opportunity (EEO) Policy and Code of Conduct continue to reinforce organisational expectations and support a respectful and inclusive workplace culture.
Collaborate with the Department to improve workforce data analytics, generate actionable insights, and enhance strategic planning.	**Achieved** - Workforce analytics are reported and reviewed monthly by the Executive and Board Governance Committee to support workforce planning, monitoring and informed decision-making. The Gippsland Local Health Services Network also reviews workforce data consistency as part of the Statement of Expectations (SoE), supporting a more standardised approach to workforce reporting across the region.

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:	STATUS/ MEASURES AND OUTCOMES
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).	**Ongoing** - The Gippsland Local Health Service Network has made substantial progress in delivering against its four priority areas, with the majority of key milestones achieved and remaining initiatives progressing as planned. Performance against the Outcomes Framework indicates that all Year 1 measures have been achieved or remain on track within agreed timeframes. Significant achievements include the successful establishment of the Network and the development of the Gippsland Local Health Service Network Strategic Plan and Workforce Plan 2026-2028, which will guide coordinated regional action in the years ahead.

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:	STATUS/ MEASURES AND OUTCOMES
Deliver high-quality cultural safety training to all executives and staff using independent, expert, community-controlled organisations or a registered Aboriginal business.	**Achieved** - 99 employees completed face-to-face Cultural Insights Training, complemented by 204 employees completing the online Cultural Safety Program. All Operational and Executive Directors also attended "The Keeping Place" to further develop cultural understanding and awareness, supporting culturally safe and responsive care.

HEALTH SERVICE DELIVERABLES:	STATUS/ MEASURES AND OUTCOMES
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.	**Achieved** - Partnerships with East Gippsland Health Services and Gippsland and East Gippsland Aboriginal Co-operative (GEGAC) have supported efforts to improve culturally safe cancer care for local Aboriginal and Torres Strait Islander communities. BRHS Executive representatives also participated in a GEGAC Elders Lunch to support engagement and discussions regarding culturally safe care. Partnerships with Moogji Aboriginal Council and GEGAC have supported the implementation of the Culture at the Heart cardiac rehabilitation program, led by the BRHS Allied Health Unit. Partnerships have also been established with Ngwala Willumbong Aboriginal Corporation (Ngwala) to strengthen referral pathways to alcohol and other drug services, homelessness support, family violence programs, and social and emotional wellbeing services. An East Gippsland Health Collaborative Partnership Memorandum of Understanding (MOU) has been developed and distributed to local Aboriginal Community Controlled Health Organisations for endorsement.
Ensure culturally appropriate systems for identifying Aboriginal and Torres Strait Islander patients and implement responsive discharge plans and referral pathways.	**Achieved** - A Culturally Inclusive Services Policy was developed following consultation with community members to address cultural stereotyping, discrimination and racist behaviour and has been finalised and published. Cultural Awareness Training is delivered bi-monthly for staff and includes a focus on culturally safe practice and building staff confidence and capability to appropriately ask the Aboriginal and Torres Strait Islander origin question, supporting access to culturally responsive care and services. An Aboriginal Health Unit Manager has been appointed to strengthen leadership and oversight of Aboriginal health initiatives. Resources are also being developed to support clinical staff in providing culturally safe care when the Aboriginal Health Unit is unavailable for consultation. These initiatives are further supported by the East Gippsland Public Health Services Reflect Reconciliation Action Plan and ongoing engagement with Aboriginal Community Controlled Organisations and Aboriginal Leaders, helping ensure Aboriginal voices, priorities and cultural knowledge inform service planning, delivery and improvement activities.

Part B: Performance Priorities

The Victorian Health Services Performance Monitoring Framework outlines the Government's approach to overseeing the performance of Victorian health services.

The Performance Monitoring Framework 2025-2026 places greater emphasis on core government priorities: balanced budgets, safe (including culturally safe) services, workforce sustainability and timely access to emergency care and planned surgery. Further information is available at Performance monitoring framework | health.vic.gov.au

High Quality and Safe Care

KEY PERFORMANCE MEASURE	TARGET	RESULTS
Infection Prevention and Control		
Percentage of healthcare workers immunised for influenza	94%	95%
Continuing Care		
Average change in the functional independence measure (FIM) score per day of care for rehabilitation separations	≥ 0.645	1.1
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	100%
Aged Care		
Public sector residential aged care services overall star rating	Minimum rating of 3 stars	100%
Patient Experience		
Percentage of patients who reported positive experiences of their hospital stay	95%	93.7%
Aboriginal Health		
Difference between the percentage of Aboriginal patients and non-Aboriginal patients who left against medical advice	0%	3%
Difference between the percentage of Aboriginal patients and non-Aboriginal patients presenting to ED who did not wait to be treated	0%	2%

Strong Governance, Leadership and Culture

KEY PERFORMANCE MEASURE	TARGET	RESULTS
Organisational Culture		
People matter survey – Percentage of staff with an overall positive response to safety culture survey questions	80%	*72%

**Changes to the 2025-2026 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.*

Timely Access to Care

KEY PERFORMANCE MEASURE	TARGET	RESULTS
Emergency Care		
Percentage of patients transferred from ambulance to emergency department within 40 minutes	55%	44%
Number of patients with a length of stay (LOS) in the emergency department greater than 24 hours	Zero	252
Average ED length of stay (LOS) for admitted patients, in minutes	541	720
Average ED length of stay (LOS) for non-admitted patients, in minutes	240	199
Specialist Clinics		
Percentage of patients referred by GP or external specialist who attended a first appointment within the recommended timeframe*	95%	91.2%
Home Based Care		
Percentage of admitted bed days delivered at home	9.8%	9.0%

**30 days for urgent patients, 365 days for routine patients.*

Effective Financial Management

KEY PERFORMANCE MEASURE	TARGET	RESULTS
Operating result ($m)	**0.00**	**$0.17m**
Adjusted current asset ratio	0.7 or 3% improvement from health service base target	0.566
Variance between forecast and actual Net result from transactions (NRFT) for the current financial year ending 30 June	5% movement in forecast revenue and expenditure forecasts	Achieved

All data published in annual reports is accurate at the time of publishing. Data may change following audit and data verification, which may not be finalised at the time of publishing.

Part C: Activity and Funding

The performance and financial framework within which state government funded organisation operate is described in The Policy and Funding Guidelines – Funding Rules.

The Funding Rules detail funding and pricing arrangements and provide modelled budgets and targets for a range of programs. Further information is available at www.health.vic.gov.au/policy-and-funding-guidelines-for-health-services

FUNDING TYPE	2025-2026 ACTIVITY ACHIEVEMENT
Consolidated Activity Funding	
Acute admitted, subacute admitted, emergency services, non-admitted NWAU	18,292
Acute Admitted	
Acute admitted DVA	296
Acute admitted TAC	3
Subacute/Non-Acute, Admitted & Non-Admitted	
Subacute - DVA	17
Aged Care	
Residential Aged Care	30,546
HACC	4,956
Mental Health and Drug Services	
Drug Services	04
Primary Health	
Community Health / Primary Care Programs	996

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

8 Financial Statements



Bairnsdale Regional Health Service

Board Member's, Accountable Officer's and Chief Finance & Accounting Officer's declaration

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

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2026 and the financial position of *Bairnsdale Regional 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 25 September 2026.

Board member

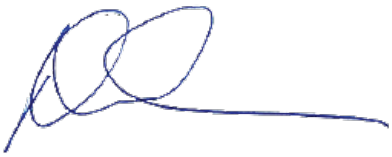


Sandra Leggat
Board Chair

Bairnsdale Regional Health Service

25 September 2026

Accountable Officer



Peter Abraham
Accountable Officer

Bairnsdale Regional Health Service

25 September 2026

Chief Finance & Accounting Officer



Shireen Jahan
Chief Finance Officer

Bairnsdale Regional Health Service

25 September 2026

Independent Auditor's Report

Victorian Auditor-General's Office

To the Board of Bairnsdale Regional Health Service

Opinion	I have audited the financial report of Bairnsdale Regional 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 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 (including Independence Standards)* (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code. 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.

Level 31 / 35 Collins Street, Melbourne Vic 3000
T 03 8601 7000 enquiries@audit.vic.gov.au www.audit.vic.gov.au

Auditor's responsibilities for the audit of the financial report

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

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

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

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



MELBOURNE
28 September 2026

Simone Bohan
as delegate for the Auditor-General of Victoria

Comprehensive Operating Statement

Bairnsdale Regional 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)	114,379	110,551
Government Grants	2.1 (b)	56,681	50,057
Other sources of income	2.1 (c)	7,777	7,107
Total revenue and income from transactions		**178,837**	**167,715**
Expenses from transactions			
Employee expenses	3.1 (a)	(119,230)	(111,670)
Supplies and consumables	3.1 (c)	(34,948)	(33,656)
Depreciation and amortisation	4.1(a), 4.2	(9,156)	(9,521)
Other operating expenses	3.1 (d)	(19,561)	(21,023)
Total expenses from transactions		**(182,895)**	**(175,870)**
Net result from transactions - net operating balance		**(4,058)**	**(8,155)**
Other economic flows included in net result			
Net gain/(loss) on sale of non-financial assets		36	(23)
Net gain/(loss) on financial instruments		(2)	(17)
Other gain/(loss) from other economic flows		380	22
Total other economic flows included in net result		**414**	**(18)**
Net result		**(3,644)**	**(8,173)**
Comprehensive result		**(3,644)**	**(8,173)**

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

Balance Sheet

Bairnsdale Regional Health Service
As at 30 June 2026

	Note	2026 $'000	2025 $'000
Financial assets			
Cash and cash equivalents	6.1	23,093	33,654
Receivables	5.1	5,810	4,138
Total financial assets		**28,903**	**37,792**
Non-financial assets			
Prepayments		1,096	1,483
Inventories		645	650
Property, plant and equipment	4.1	86,479	87,304
Total non-financial assets		**88,220**	**89,437**
Total assets		**117,123**	**127,229**
Liabilities			
Payables	5.2	14,356	21,708
Contract liabilities	5.3	3,824	1,782
Borrowings		561	178
Employee benefits	3.1(b)	22,946	21,350
Monies held in trust	5.4	14,008	17,139
Total liabilities		**55,695**	**62,157**
Net assets		**61,428**	**65,072**
Equity			
Reserves		93,197	92,894
Contributed capital		21,394	21,394
Accumulated surplus/(deficit)		(53,163)	(49,216)
Total equity		**61,428**	**65,072**

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

Cash Flow Statement

Bairnsdale Regional Health Service
For the Financial Year Ended 30 June 2026

	Note	2026 $'000	2025 $'000
Cash flows from operating activities			
Receipts from Government		159,240	146,146
Commercial activity revenue received		6,697	6,294
GST received from ATO		4,814	5,872
Donations and bequests received		77	141
Other receipts		11,600	13,332
Total receipts		**182,428**	**171,785**
Payments to employees		(120,088)	(109,454)
Payments to suppliers and consumables		(43,035)	(34,794)
Other payments		(19,248)	(21,171)
Total payments		**(182,370)**	**(165,419)**
Net cash flows from/(used in) operating activities		**58**	**6,366**
Cash flows from investing activities			
Proceeds from sale of non-financial assets		187	255
Purchase of non-financial assets		(7,920)	(482)
Capital donations and bequests received		419	192
Net cash flows from/(used in) investing activities		**(7,314)**	**(35)**
Cash flows from financing activities			
Repayment of borrowings and principal portion of lease liabilities		(153)	(333)
Repayment of accommodation deposits		(8,137)	(8,346)
Receipt of accommodation deposits		4,985	9,140
Net cash flows from/(used in) financing activities		**(3,305)**	**461**
Net increase/(decrease) in cash and cash equivalents held		**(10,561)**	**6,792**
Cash and cash equivalents at beginning of year		33,654	26,862
Cash and cash equivalents at end of year	6.1	**23,093**	**33,654**

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

Statement of Changes in Equity

Bairnsdale Regional Health Service
For the Financial Year Ended 30 June 2026

	Property, Plant and Equipment Revaluation Surplus	Restricted Specific Purpose Reserve	Contributed Capital	Accumulated Surplus/(Deficit)	Total
	$'000	$'000	$'000	$'000	$'000
Balance at 1 July 2024	**88,888**	**4,006**	**21,394**	**(41,043)**	**73,245**
Net result for the year	-	-	-	(8,173)	(8,173)
Balance at 30 June 2025	**88,888**	**4,006**	**21,394**	**(49,216)**	**65,072**
Net result for the year	-	-	-	(3,644)	(3,644)
Transfer from/(to) accumulated surplus/(deficit)	-	303	-	(303)	-
Balance at 30 June 2026	**88,888**	**4,309**	**21,394**	**(53,163)**	**61,428**

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

Notes to the Financial Statements

Bairnsdale Regional 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 Bairnsdale Regional Health Service for the year ended 30 June 2026.

Bairnsdale Regional Health Service is a not-for-profit entity established as a public agency on 1st July 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 Bairnsdale Regional 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 Bairnsdale Regional Health Service on 25th September, 2026.

Note 1.2 Material accounting estimates and judgements

Management makes estimates and judgements when preparing the financial statements.

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

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

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

Note 1.3 Reporting Entity

The financial statements include all the controlled activities of Bairnsdale Regional Health Service.

Bairnsdale Regional Health Service's principal address is:

122 Day Street
Bairnsdale, Victoria 3875.

Note 1.4 Economic dependency

Bairnsdale Regional 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. Bairnsdale Regional 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 Bairnsdale Regional 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

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

Significant judgement - Grant revenue

Bairnsdale Regional 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)	114,379	110,551
Government Grants	2.1(b)	56,681	50,057
Other sources of income	2.1(c)	7,777	7,107
Total revenue and income from transactions		**178,837**	**167,715**

Note 2.1(a) Revenue from contracts with customers

	2026 $'000	2025 $'000
Government grants (State) - Operating	102,273	97,222
Patient and resident fees	5,409	7,035
Commercial activities	6,697	6,294
Total revenue from contracts with customers	**114,379**	**110,551**

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. Where government operating grants are not enforceable and/or do not contain sufficiently specific performance obligations, the grants are accounted for in accordance with AASB 1058.

In contracts with customers, the 'customer' is the funding body, who is the party that promises funding in exchange for Bairnsdale Regional Health Service's goods or services. Bairnsdale Regional 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 Bairnsdale Regional Health Service's revenue streams, with information detailed below relating to Bairnsdale Regional 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 Victorian efficient price (VEP) 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.
Other material grant revenue	Bairnsdale Regional Health Service exercises judgement over whether the performance obligations have been met, on a grant by grant basis. Community and Home Support Packages (CHSP) supports Allied Health and Therapy Services, Nursing, Social Support Individual and Group, Specialised Support Services and Transport. Revenue is recognised over time as the services are delivered. Commonwealth grant revenue is recognised in accordance with AASB 1058 as the related funding arrangements do not contain sufficiently specific performance obligations.

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
Bairnsdale Regional Health Service
For the Financial Year Ended 30 June 2026

Note 2.1(b) Government grants

	2026 $'000	2025 $'000
Government grants (State) - Operating	26,160	25,064
Government grants (Commonwealth) - Operating	25,981	24,076
Government grants (State) - Capital	4,540	917
Total Government grants	**56,681**	**50,057**

How we recognise other sources of income

Government grants

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

- 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 Bairnsdale Regional 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 Bairnsdale Regional 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 Bairnsdale Regional Health Service as follows:

Supplier	Description
Victorian Managed Insurance Authority	The Department of Health purchases non-medical indemnity insurance for Bairnsdale Regional 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.
Victorian Infrastructure Delivery Authority	The Department of Health made payments to the Victorian Infrastructure Delivery Authority to fund capital works projects during the year ended 30 June 2026, on behalf of Bairnsdale Regional Health Service.
Department of Health	Long Service Leave (LSL) revenue is recognised upon finalisation of movements in LSL liability in line with the long service leave funding arrangements with the DH.

Note 2.1(c) Other sources of income

	Note	2026 $'000	2025 $'000
Other capital purpose income		84	88
Capital donations		335	104
Assets received free of charge or for nominal consideration	2.1(d)	103	291
Income from non-operating activities		7,255	6,624
Total other sources of income		**7,777**	**7,107**

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	77	141
Plant and equipment	26	133
Other Services	-	17
Total fair value of assets and services received free of charge or for nominal consideration	**103**	**291**

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 Bairnsdale Regional 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 Bairnsdale Regional 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)	119,230	111,670
Supplies and consumables	3.1(c)	34,948	33,656
Other operating expenses	3.1(d)	19,561	21,023
Total expenses incurred in the delivery of services		**173,739**	**166,349**

Note 3.1(a) Employee expenses

	2026 $'000	2025 $'000
Salaries and wages	88,626	79,377
Superannuation expense [(1)]	9,382	8,145
Agency expenses	15,652	18,313
Fee for service medical officer expenses	5,570	5,835
Total employee expenses	**119,230**	**111,670**

[(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	277	213
Annual leave	9,443	8,208
Long service leave	9,333	9,111
Provision for on-costs	2,700	2,441
Total current provisions for employee benefits	**21,753**	**19,973**
Non-current provisions for employee benefits		
Long service leave	1,040	1,206
Provision for on-costs	153	171
Total non-current provisions for employee benefits	**1,193**	**1,377**
Total provisions for employee benefits	**22,946**	**21,350**

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 Bairnsdale Regional 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 Bairnsdale Regional Health Service expects to wholly settle within 12 months or
- present value – if Bairnsdale Regional 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 the Bairnsdale Regional 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 Bairnsdale Regional Health Service expects to wholly settle within 12 months or
- present value – if Bairnsdale Regional 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 workers compensation and superannuation are not employee benefits. They are disclosed separately as a component of the provision for employee benefits when the employment to which they relate has occurred. The on-costs provision is immaterial in 2026.

Note 3.1(c) Supplies and consumables

	2026 $'000	2025 $'000
Drug supplies	13,972	12,680
Medical and surgical supplies (including Prostheses)	4,452	3,878
Diagnostic and radiology supplies	6,333	7,545
Other supplies and consumables	10,191	9,553
Total supplies and consumables	**34,948**	**33,656**

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 expenses

	2026 $'000	2025 $'000
Fuel, light, power and water	980	1,034
Repairs and maintenance	4,309	3,195
Maintenance contracts	1,180	1,108
Medical indemnity insurance	2,510	1,992
Other administration expenses	10,565	13,682
Financial costs	17	12
Total other operating expenses	**19,561**	**21,023**

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 Bairnsdale Regional 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.

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

Note 4 Key assets to support service delivery

Bairnsdale Regional 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 Bairnsdale Regional 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

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 - Crown	655	655	-	-	655	655
Land at fair value - Freehold	4,509	4,509	-	-	4,509	4,509
Buildings at fair value	81,998	77,328	(12,523)	(6,312)	69,475	71,016
Buildings at cost	209	1,032	(26)	(961)	183	71
Works in progress at cost	-	775	-	-	-	775
Plant, equipment and vehicles at fair value	31,646	28,560	(20,364)	(18,381)	11,282	10,179
Plant, equipment and vehicles at cost	434	107	(59)	(8)	375	99
Total property, plant and equipment	**119,451**	**112,966**	**(32,972)**	**(25,662)**	**86,479**	**87,304**

How we recognise property, plant and equipment

Items of property, plant and equipment are initially measured at cost, and are subsequently measured at fair value less accumulated depreciation and impairment. Where an asset is acquired for no or nominal cost, being far below the fair value of the asset, the deemed cost is its fair value at the date of acquisition. Assets transferred as part of an amalgamation/machinery of government change are transferred at their carrying amounts.

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

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

	Land $'000	Buildings $'000	Works in progress $'000	Plant, equipment and vehicles $'000	Total $'000
Balance at 1 July 2025	**5,164**	**71,087**	**775**	**10,278**	**87,304**
Additions	-	-	4,105	4,377	8,482
Disposals	-	-	-	(151)	(151)
Net transfers between classes	-	4,880	(4,880)	-	-
Depreciation	-	(6,309)	-	(2,847)	(9,156)
Balance at 30 June 2026	**5,164**	**69,658**	**-**	**11,657**	**86,479**

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, Bairnsdale Regional 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 Bairnsdale Regional Health Service's revaluation cycle.

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

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

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

	Gross carrying amount		Accumulated depreciation		Net carrying amount	
	2026 $'000	2025 $'000	2026 $'000	2025 $'000	2026 $'000	2025 $'000
Buildings [1]	209	1,032	(26)	(961)	183	71
Plant, equipment and vehicles [1]	434	107	(59)	(8)	375	99
Total right-of-use assets	**643**	**1,139**	**(85)**	**(969)**	**558**	**170**

	Buildings $'000	Plant, equipment and vehicles $'000	Total $'000
Balance at 1 July 2025[1]	**71**	**99**	**170**
Additions	209	327	536
Depreciation	(97)	(51)	(148)
Balance at 30 June 2026	**183**	**375**	**558**

[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.

How we recognise right-of-use assets

Initial recognition

When Bairnsdale Regional 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.

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

The recoverable amount of the primarily non-financial physical assets of Bairnsdale Regional 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.

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

Note 4.2 Depreciation

How we recognise depreciation

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

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

Useful lives of non-current assets

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

	2026	2025
Buildings		
- Structure shell building fabric	38 - 50 years	38 - 50 years
- Site engineering services and central plant	23 - 45 years	23 - 45 years
Plant and equipment	3 - 15 years	3 - 15 years
Medical equipment	3 - 15 years	3 - 15 years
Computers and communication	3 - 10 years	3 - 10 years
Furniture and fitting	4 - 30 years	4 - 30 years
Motor Vehicles	8 - 15 years	8 - 15 years

Note 5 Other assets and liabilities

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

Structure

5.1 Receivables
5.2 Payables
5.3 Contract liabilities
5.4 Monies held in trust

Note 5.1 Receivables

	Note	2026 $'000	2025 $'000
Current receivables			
Contractual			
Inter hospital debtors		174	83
Trade receivables		1,388	394
Patient fees		1,172	1,125
Allowance for impairment losses		(27)	(27)
Other receivable		496	563
Total contractual receivables		**3,203**	**2,138**
Statutory			
GST receivable		685	301
Total statutory receivables		**685**	**301**
Total current receivables		**3,888**	**2,439**
Non-current receivables			
Contractual			
Long service leave - Department of Health		1,922	1,699
Total contractual receivables		**1,922**	**1,699**
Total non-current receivables		**1,922**	**1,699**
Total receivables		**5,810**	**4,138**
(i) Financial assets classified as receivables			
Total receivables		5,810	4,138
GST receivable		(685)	(301)
Total financial assets classified as receivables	7.1	**5,125**	**3,837**

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	2026 $'000	2025 $'000
Current payables			
Contractual			
Trade creditors		3,518	2,481
Accrued salaries and wages		530	3,365
Accrued expenses		8,795	12,518
Deferred capital grant income		149	1,702
Other		1,350	1,629
Total contractual payables		**14,342**	**21,695**
Statutory			
GST payable		14	13
Total statutory payables		**14**	**13**
Total current payables		**14,356**	**21,708**
Total payables		**14,356**	**21,708**
(i) Financial liabilities classified as payables			
Total payables		14,356	21,708
Deferred grant income		(149)	(1,702)
GST payable		(14)	(13)
Total financial liabilities classified as payables	7.1	**14,193**	**19,993**

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 the Bairnsdale Regional 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.

Note 5.2(a) Movement in deferred capital grant income

	2026 $'000	2025 $'000
Opening balance of deferred capital grant income	1,702	617
Grant consideration for capital works received during the year	-	1,500
Deferred capital grant income recognised as income due to completion of capital works	(1,553)	(415)
Closing balance of deferred capital grant income	**149**	**1,702**

How we recognise deferred capital grant income

Grant consideration was received from the Department of Jobs, Skills, Industry and Regions to support the construction of worker accommodation.

Capital grant income is recognised progressively as the asset is constructed, since this is the time when Bairnsdale Regional Health Service satisfies its obligations. The progressive percentage of costs incurred is used to recognise income because this most closely reflects the percentage of completion of the building works. As a result, Bairnsdale Regional Health Service has deferred recognition of a portion of the grant consideration received as a liability for the outstanding obligations.

Note 5.3 Contract liabilities

	2026 $'000	2025 $'000
Current		
Contract liabilities	3,824	1,782
Total current contract liabilities	**3,824**	**1,782**
Total contract liabilities	**3,824**	**1,782**

How we recognise contract liabilities

Contract liabilities include consideration received in advance from customers in respect of various services or projects before a related performance obligation is satisfied. The balance of contract liabilities was significantly higher than the previous reporting period due to DH requiring more unutilised grants to be used in 2025/26.

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

Note 5.4 Monies held in trust

	Note	2026 $'000	2025 $'000
Current monies held in trust			
Refundable accommodation deposits		13,788	16,940
Other monies		220	199
Total current monies held in trust		**14,008**	**17,139**
Total other liabilities		**14,008**	**17,139**
*** Represented by:**			
- Cash assets	6.1	13,788	16,940
		13,788	**16,940**

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 Bairnsdale Regional 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 2024* .

Note 6 How we finance our operations

This section provides information on the sources of finance utilised by Bairnsdale Regional Health Service during its operations, along with interest expenses (the cost of borrowings) and other information related to financing activities of Bairnsdale Regional 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)		5	5
Cash at bank (excluding monies held in trust)		9,300	16,709
Total cash held for operations		**9,305**	**16,714**
Cash at bank (monies held in trust)		13,788	16,940
Total cash held as monies in trust	5.4	**13,788**	**16,940**
Total cash and cash equivalents	7.1	**23,093**	**33,654**

Note 6.2 Commitments for expenditure

30 June 2026	Less than 1 year $'000	1-5 Years $'000	Over 5 years $'000	Total $'000
Capital expenditure commitments	4,562	-	-	4,562
Total commitments (inclusive of GST)	**4,562**	**-**	**-**	**4,562**
Less GST recoverable				(414)
Total commitments (exclusive of GST)				**4,148**

30 June 2025	Less than 1 year $'000	1-5 Years $'000	Over 5 years $'000	Total $'000
Capital expenditure commitments	1,812	-	-	1,812
Total commitments (inclusive of GST)	**1,812**	**-**	**-**	**1,812**
Less GST recoverable				(165)
Total commitments (exclusive of GST)				**1,647**

How we disclose our commitments

Our commitments relate to capital expenditure.

Expenditure commitments

Commitments for future expenditure include 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.

The commitment at 30 June 2026 is related to our Regional Workers Accommodation Project (RWAF), which is expected to be completed by October 2026.

Short term and low value leases

Bairnsdale Regional Health Service discloses short term and low value lease commitments which are excluded from the measurement of right-of-use assets and lease liabilities.

Note 7 Financial instruments, contingencies and valuation judgements

Bairnsdale Regional 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

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 Bairnsdale Regional 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	Total interest income/ (expense) $'000
Financial assets at amortised cost			
Cash and cash equivalents	6.1	23,093	1,418
Receivables	5.1	5,125	-
Total financial assets [i]		**28,218**	**1,418**
Financial liabilities at amortised cost			
Payables	5.2	14,193	-
Borrowings		561	(17)
Other financial liabilities - Refundable Accommodation Deposits	5.4	13,788	-
Total financial liabilities [i]		**28,542**	**(17)**

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

30 June 2025	Note	Carrying amount $'000	Total interest income/ (expense) $'000
Financial assets at amortised cost			
Cash and cash equivalents	6.1	33,654	1,756
Receivables	5.1	3,837	-
Total financial assets [i]		**37,491**	**1,756**
Financial liabilities at amortised cost			
Payables	5.2	19,993	-
Borrowings		178	(12)
Other financial liabilities - Refundable Accommodation Deposits	5.4	16,940	-
Total financial liabilities [i]		**37,111**	**(12)**

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

How we categorise financial instruments

Financial assets at amortised cost

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

- the assets are held by Bairnsdale Regional 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.

Bairnsdale Regional 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.

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

A financial liability reclassification is not permitted.

Note 7.2 Contingent assets and contingent liabilities

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

How we measure and disclose contingent assets and contingent liabilities

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

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

Contingent assets

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

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

Contingent liabilities

Contingent liabilities are:

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

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

Note 7.3 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.

Bairnsdale Regional 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.

Bairnsdale Regional 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 Bairnsdale Regional 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 principles 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 Bairnsdale Regional 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, Bairnsdale Regional 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, Bairnsdale Regional 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 land and specialised buildings

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

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

The market approach is also used for specialised land although it is adjusted for the community service obligation (CSO) to reflect the specialised nature of the assets being valued.

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

For Bairnsdale Regional 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. Bairnsdale Regional 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 Bairnsdale Regional Health Service who set relevant depreciation rates during use to reflect the utilisation of the vehicles.

Furniture, fittings, plant and equipment

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

Significant assumptions

Asset class	Valuation technique	Significant assumption	Range (weighted average)[(i)]
Specialised land	Market approach	Community Service Obligations adjustment	20%[(ii)]
Specialised buildings	Current replacement cost approach	Cost per square metre Useful life	$274 - $1,176/m^2 ($690) 23 - 50 years (40 years)
Vehicles	Current replacement cost approach	Cost per unit Useful life	$14,500 - $82,687 ($33,681 per unit) 8 - 15 years (10 years)
Plant, equipment, furniture and fittings	Current replacement cost approach	Cost per unit Useful life	$1,000 - $387,497 ($13,984 per unit) 3 - 30 years (10 years)

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

[(ii)] CSO adjustments of 20% were applied to reduce the market approach value for Bairnsdale Regional Health Service's specialised land.

Note 8 Other disclosures

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

Structure

8.1 Ex-gratia expenses
8.2 Responsible persons disclosures
8.3 Remuneration of executives
8.5 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
Bairnsdale Regional Health Service
For the Financial Year Ended 30 June 2026

Note 8.2 Responsible persons disclosures

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

	Period
The Honourable Mary-Anne Thomas MP:	
Minister for Health	1 Jul 2025 - 14 April 2026
Minister for Ambulance Services	1 Jul 2025 - 14 April 2026
The Honourable Harriet Shing MP:	
Minister for Health	15 April 2026 - 30 June 2026
Minister for Ambulance Services	15 April 2026 - 30 June 2026
The Honourable Melissa Horne MP:	
Minister for Health Infrastructure	1 Jul 2025 - 30 June 2026
The Honourable Ingrid Stitt MP:	
Minister for Mental Health	1 Jul 2025 - 30 June 2026
Minister for Ageing	1 Jul 2025 - 30 June 2026
The Honourable Lizzie Blandthorn MP:	
Minister for Children	1 Jul 2025 - 30 June 2026
Minister for Disability	1 Jul 2025 - 30 June 2026
Governing Boards	
S. Leggat (Chair of the Board)	1 Jul 2025 - 30 Jun 2026
C. Burrell	1 Jul 2025 - 30 Jun 2026
S. Fraser	1 Jul 2025 - 30 Jun 2026
K. McCaskill	1 Jul 2025 - 30 Jun 2026
J. Papatheohari	1 Jul 2025 - 30 Jun 2026
S. Smethurst	1 Jul 2025 - 30 Jun 2026
K. Donovan	1 Jul 2025 - 30 Jun 2026
A. Cameron	1 Jul 2025 - 30 Jun 2026
J. Greacen	2 Dec 2025 - 30 Jun 2026
Accountable Officers	
P. Abraham (Chief Executive Officer)	1 Jul 2025 - 30 Jun 2026

Remuneration of Responsible Persons

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

Income Band	2026 No	2025 No
$0 - $10,999	2	1
$10,000 - $19,999	6	7
$20,000 - $29,999	1	1
$130,000 - $139,999	-	1
$230,000 - $239,999	-	1
$390,000 - $399,999	1	-
Total Numbers	**10**	**11**

	2026 $'000	2025 $'000
Total remuneration received or due and receivable by Responsible Persons from the reporting entity amounted to*:	**516**	**495**

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

* Total remuneration increased from the previous financial year due to the current CEO being in place for all of 2025-26 whereas an acting CEO was in place for nine months of 2024-25 on a lower remuneration.

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.

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

	Total Remuneration	
	2026 $'000	2025 $'000
Total remuneration [i] *	1,496	1,313
Total number of executives	9	8
Total annualised employee equivalent [ii]	7.0	8.0

[i] The total number of executive officers includes persons who meet the definition of Key Management Personnel (KMP) of Bairnsdale Regional Health Service under AASB 124 *Related Party Disclosures* and are also reported within Note 8.3 Related Parties.

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

* 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.

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

Note 8.4 Related parties

The Bairnsdale Regional 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 Gippsland 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

Bairnsdale Regional Health Service received funding from government related entities of $132.75 m (2025: $123.00 m) and indirect contributions of $0.223 m (2025: $0.57 m). Balances outstanding as at 30 June 2026 are $2.36 m (2025: $1.124 m).

Expenses incurred by Bairnsdale Regional 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 the Bairnsdale Regional 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.

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

Key management personnel

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

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

KMPs	Position Title
S. Leggat (Chair of the Board)	Chair of the Board
C. Burrell	Board Member
S. Fraser	Board Member
K. McCaskill	Board Member
J. Papatheohari	Board Member
S. Smethurst	Board Member
K. Donovan	Board Member
A. Cameron	Board Member
J. Greacen	Board Member
P. Abraham	Chief Executive Officer
J. Marshall	Executive Director Clinical Care (from 05-Jul-25)
M. Fellows	Executive Director Clinical Care (to 04-Jul-25)
Dr D. Wong	Executive Director Medical Services
Dr K Willis-Sullivan	Executive Director Medical Services (to 08-Aug-25)
S. Jahan	Executive Director Corporate Services/Chief Financial Officer
D. Eveleigh	Acting Executive Director Wellbeing & Aged Care (to 22-Mar-26)
J. Tiffin	Executive Director Workforce (from 01-Oct-25)
D. McToldridge	Acting Executive Director Workforce (to 30-Sep-25)
L. Barlow	Acting Executive Quality & Education (to 08-Mar-26))

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]	2,012	1,808

[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 the Bairnsdale Regional 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 the Bairnsdale Regional Health Service Board of Directors, Chief Executive Officer and Executive Directors in 2026 (2025: none).

Note 8.5 Remuneration of Auditors

	2026 $'000	2025 $'000
Victorian Auditor-General's Office		
Audit of the financial statements	58	54
Total remuneration of auditors	**58**	**54**

Note 8.6 Events occurring after the balance sheet date

There are no events occurring after the Balance Sheet date.

Note 8.7 Joint arrangements

	Principal Activity	Ownership Interest 2026 %	Ownership Interest 2025 %
Gippsland Health Alliance	Provision of Information Technology	12.27	11.89

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

	2026 $'000	2025 $'000
Total revenue and income	3,062	2,958
Total expenses	(3,217)	(2,796)
Total net result	(155)	162
Total other economic flows	-	-
Comprehensive result for the year	(155)	162
Total assets	2,415	2,583
Total liabilities	452	465
Total equity	1,963	2,118

Contingent liabilities and capital commitments

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

9 Disclosure Index

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

LEGISLATION	REQUIREMENT	PAGE REFERENCE
Standing Directions and Financial Reporting Directions		
Report of Operations		
Charter and purpose		
FRD 22	Manner of establishment and the relevant Ministers	6
FRD 22	Purpose, functions, powers and duties	6
FRD 22	Nature and range of services provided	8
FRD 22	Activities, programs and achievements for the reporting period	24
FRD 22	Significant changes in key initiatives and expectations for the future	25
Management and structure		
FRD 22	Organisational structure	15
FRD 22	Workforce data / employment and conduct principles	23
FRD 22	Workforce Inclusion policy	23
FRD 22	Occupational Health and Safety	21
Financial and other information		
FRD 22	Summary of the financial results for the year	24
FRD 22	Significant changes in financial position during the year	24
FRD 22	Operational and budgetary objectives and performance against objectives	25
FRD 22	Subsequent events	25
FRD 22	Details of consultancies under $10,000	25
FRD 22	Details of consultancies over $10,000	26
FRD 22	Disclosure of ICT expenditure	26
FRD 22	Asset Management Accountability Framework	N/A
FRD 22	Disclosure of social procurement activities under the Social Procurement Framework	38
FRD 22	Disclosure of Emergency Procurement	39
FRD 22	Disclosure of Procurement Complaints	39
FRD 22	Disclosure of reviews and study expenses	37
FRD 22	Disclosure of grants and transfer payments	N/A
FRD 22	Application and operation of *Freedom of Information Act 1982*	27
FRD 22	Compliance with building and maintenance provisions of *Building Act 1993*	27
FRD 22	Application and operation of *Public Interest Disclosures Act 2012*	27
FRD 22	Statement on National Competition Policy	27
FRD 22	Application and operation of *Carers Recognition Act 2012*	28

LEGISLATION	REQUIREMENT	PAGE REFERENCE
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