HEATHCOTE HEALTH

Annual Report of Operations

2025-2026



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Acknowledgement of Country

Heathcote Health acknowledges the Taungurung People, the First People of the land on which Heathcote Health operates, and the Aboriginal and Torres Strait Islander peoples across Victoria. We respect and honour Aboriginal and Torres Strait Islander Elders past and present and thank them for their contributions to our health service.

HEATHCOTE
Health



Wumindjika

Welcome

Artwork is supplied by Aunty Joanne Honeysett | Taungurung Elder and means

"Coming Together"

People travelling from various locations, meeting and yarning, a happy place, a place of healing.

Our Strategic Priorities

Vision	Good health and wellbeing for our local community.
Mission	To deliver integrated health and wellness services that help each person be their best.
Values	Compassion, Accountability, Respect and Excellence: C.A.R.E.
Commitment to patient experience	The consumer is at the forefront of everything we do: Patient experience is the sum of all contact with our health service • **Everyone's Perceptions Matter**

Healthy Community

1. *We listen to and actively engage clients, our community and key stakeholders to help us better understand and meet their needs, and to ensure awareness of our services.*
2. *We provide our community with inclusive health services that are considerate of our diverse community and easy to access.*
3. *We are focused on continuous improvement by evaluating our services and acting on the evidence of what works.*

Engaged Workforce

4. *We provide a safe and inclusive environment which attracts, retains and progresses passionate and high performing staff who model our values.*
5. *We embrace learning by investing in training and professional development to support our people to meet our clients' and community needs.*
6. *We encourage our people to adopt an innovation mindset to help us achieve our mission*

Strong Business

7. *We work in partnership with others to foster sharing of resources, ideas, experiences and strengths.*
8. *We invest in technology and processes that make life easier and enhance our ability to serve our community.*
9. *We grow sustainably and meet demand through a commitment to efficiency measures, strategic partnerships and innovation.*

Who We Are

Heathcote Health is a public hospital funded predominantly by the Victorian Department of Health and the Commonwealth Department of Health and Aged Care.

The responsible Victorian Ministers for Health from The Hon Mary-Anne Thomas MP (1 July 2025 to 15 April 2026) and Hon Harriet Shing MP (15 April 2026 to 30 June 2026).

Who We Serve

Heathcote Health serves Heathcote and its surroundings.

What We Do

Heathcote Health operates, or facilitates, the provision of a number of services including:

- 24-hour Urgent Care Centre
- 9 bed acute/sub-acute care service
    - Dedicated palliative care beds
- 4 transitional care places (2 bed based and 2 community)
- 12 bed residential nursing home
- 30 bed residential ageing in-place hostel (including one respite bed)
- Commonwealth Home Support Program (CHSP) services
    - District Nursing services
    - Community palliative care support
    - Community Health Programs
    - Social Support Groups
    - Support At Home
    - Home Care Packages; and
        - Allied Health including; Physiotherapy and Podiatry, Hearing Tests (audiometry), Dietetics & Social Work.

In addition, Heathcote Health supports a co-located GP Clinic, known as Heathcote Primary Health, pathology service and radiology (X-Ray) expanded service.



Board Chair and Chief Executive Officer Report

It is my pleasure to present the Heathcote Health Annual Report for the period 1 July 2025 to 30 June 2026.

The 2025-26 financial year has been one of significant focus, challenge and progress as Heathcote Health strengthened its commitment to delivering safe, high-quality, person-centred care while responding to an increasingly complex healthcare environment. Throughout the year, our organisation remained focused on quality and safety, workforce capability, governance improvement, service sustainability, and the continuing needs of our local community.

Quality and Safety

A key priority for the year was strengthening our quality and safety systems and responding to accreditation requirements. Significant effort was directed towards implementing improvement actions associated with the National Safety and Quality Health Service (NSQHS) Standards and enhancing organisational accountability for quality outcomes. Dedicated working groups met regularly to monitor progress, ensure implementation of corrective actions, and support continuous improvement across the organisation.

Particular attention was given to strengthening clinical governance frameworks, audit systems and risk management processes. Work commenced to improve clinical audit capability, benchmark practices against contemporary standards, and enhance oversight mechanisms to support safer patient care. Medication safety systems were reviewed in partnership with pharmacy services, while compliance activities within residential aged care remained a significant area of organisational focus.

Residential Aged Care

The aged care sector continues to experience significant reform, and Heathcote Health has proactively responded to these changing requirements. Comprehensive reviews and audits of aged care services were undertaken during the year, with improvement plans developed to support compliance with strengthened standards and regulatory expectations. The establishment of additional advisory and oversight mechanisms has further enhanced our ability to monitor quality outcomes and deliver safe, person-centred care for residents and their families.

Infrastructure and Asset Management

Investment in essential infrastructure and asset management remained a strategic priority throughout the year. Critical infrastructure funding submissions were prepared to support future capital upgrades and ensure our facilities continue to meet community needs. Significant progress was achieved in maintenance and compliance activities, including compliance validation against relevant Australian Standards and completion of essential infrastructure testing programs. Planning also commenced to strengthen long-term asset management and capital replacement strategies.

Workforce and Culture

Attracting, retaining and developing a skilled workforce continues to be one of the most important challenges facing rural health services. During the year, Heathcote Health focused on increasing workforce capability through mandatory training compliance, professional development and leadership improvement initiatives. Priority areas included medication safety, communication, recognising and responding to clinical deterioration, and strengthening clinical capability across teams.

The organisation also undertook significant work to better understand workforce culture, employee engagement and accountability. Feedback from staff surveys and organisational reviews provided valuable insights that are informing future workforce planning and cultural improvement initiatives. While workforce pressures remain an ongoing challenge across the sector, we continue to work toward building a resilient, accountable and engaged workforce.

Service Sustainability and Growth

Ensuring the sustainability of healthcare services for our community remains a key strategic objective. Throughout the year, Heathcote Health reviewed service models and organisational structures to ensure services remain responsive, sustainable and aligned with future community needs. We also continued working collaboratively with regional partners to strengthen relationships, explore shared service opportunities and improve access to care for our community.

Governance and Organisational Performance

Strong governance underpins the delivery of safe and effective healthcare. During 2025-26, Heathcote Health continued to strengthen governance systems, reporting frameworks and organisational accountability. Improvements to audit processes, risk management systems and performance monitoring have established a stronger foundation for continual improvement and informed decision-making. These initiatives support our commitment to transparency, compliance and organisational excellence.

Looking Ahead

As we move into 2026-27, our focus will remain on embedding the improvements achieved during the year and addressing areas of continuing risk and opportunity. Key priorities include maintaining accreditation readiness, strengthening clinical governance systems, improving workforce stability, progressing infrastructure investment, and ensuring compliance across all service areas. These priorities will support our vision of delivering high-quality, sustainable healthcare services that meet the needs of our community now and into the future.

Acknowledgements

During the reporting period, Heathcote Health farewelled Directors Rebecca de Jager, Vimi Desai and Andrew Roma, who concluded their service on the Board, and Cam Haskett, whose term of appointment expired.

On behalf of the Board, Executive and staff, I extend our sincere appreciation to Rebecca, Vimi, Andrew and Cam for their valuable contributions, commitment and dedicated service to Heathcote Health. Their

collective expertise, leadership and support have assisted the organisation in progressing its strategic priorities and strengthening governance during a period of significant change and opportunity.

We thank them for their service and wish them every success in their future endeavours.

I would like to sincerely thank our Board of Directors, Executive Team, staff, volunteers, consumers, contractors and community partners for their dedication, professionalism and commitment throughout the year. The achievements outlined in this report reflect the collective efforts of many individuals who continue to work together to provide safe, compassionate and high-quality care for our community.

On behalf of our Board of Directors, we thank the Victorian Department of Health for the advice and support provided during the year. We thank all our Board Directors and independent sub-committee members for your involvement, input and guidance. We have been extremely fortunate over recent years in attracting high calibre people to these roles and Heathcote Health has benefitted greatly from their contributions.

Responsible Bodies Declaration

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

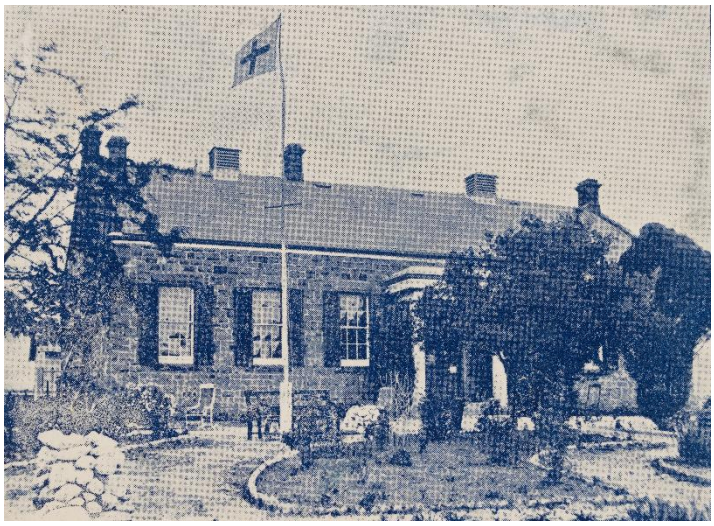


Ben Yuen
Acting Board Chair
Heathcote Health
30 June 2026

Manner of Establishment

Heathcote Health is a public hospital funded by the Victorian Department of Health and the Commonwealth Department of Health and Aged Care. The service operates under the provisions of the Health Services Act 1988 (Vic). The responsible Victorian Minister for Health: The Hon Mary-Anne Thomas MP (1 July 2025 to 15 April 2026) and Hon Harriet Shing MP (15 April 2026 to 30 June 2026).

Heathcote Hospital was established in 1859. In 1994 Heathcote Hospital, McIvor Shire Council's Home and Community Care and the McIvor Community House amalgamated to form McIvor Health & Community Services. The health service changed its name to Heathcote Health in March 2010.





Above: Historical Photos of Heathcote (Health) Hospital building which remains to this day and Nursing Staff

Responsible Ministers

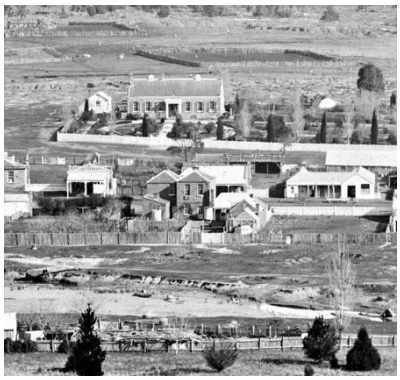
Responsible Ministers during the period 1 July 2025 to 30 June 2026

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

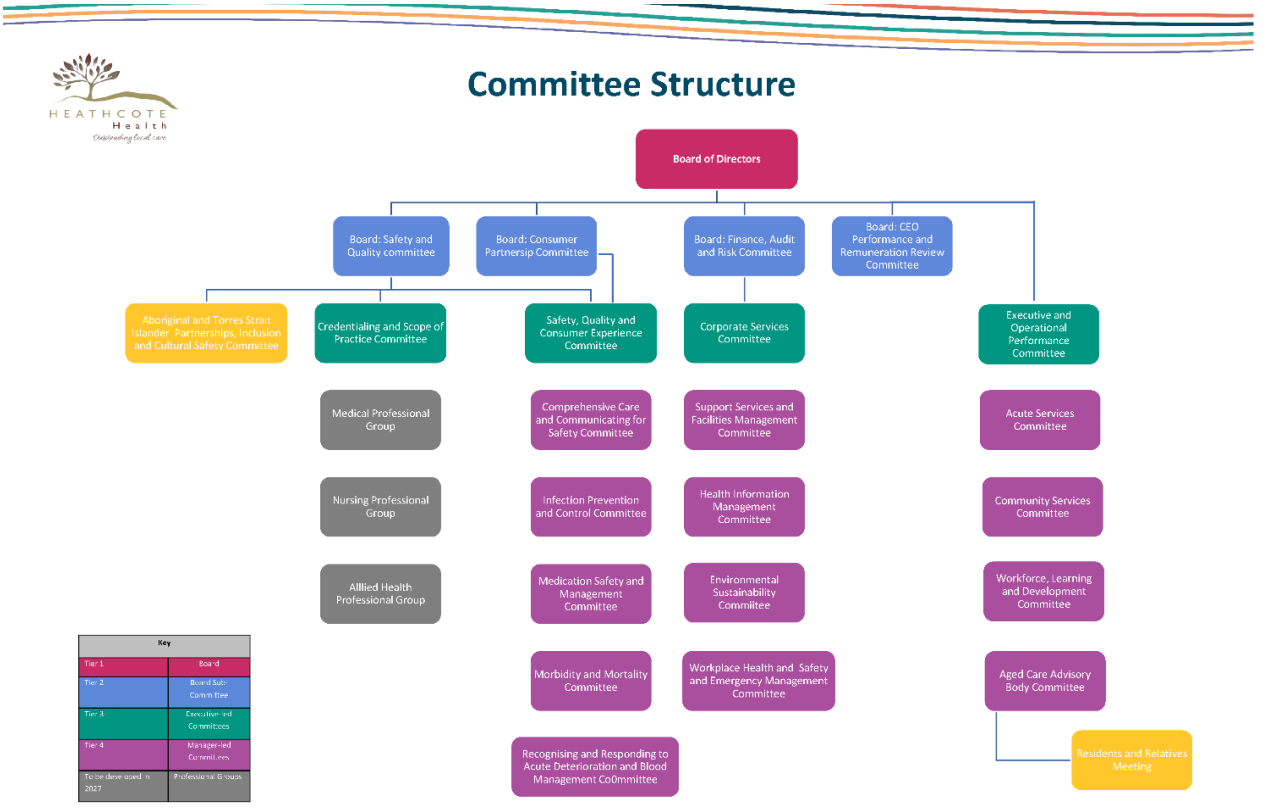


Left: Taungurung Country landscape, aspect towards Heathcote Township from Viewing Rock Lookout

Right: Historical view from High Street, Heathcote to Heathcote (Health) Hospital 'On The Hill'

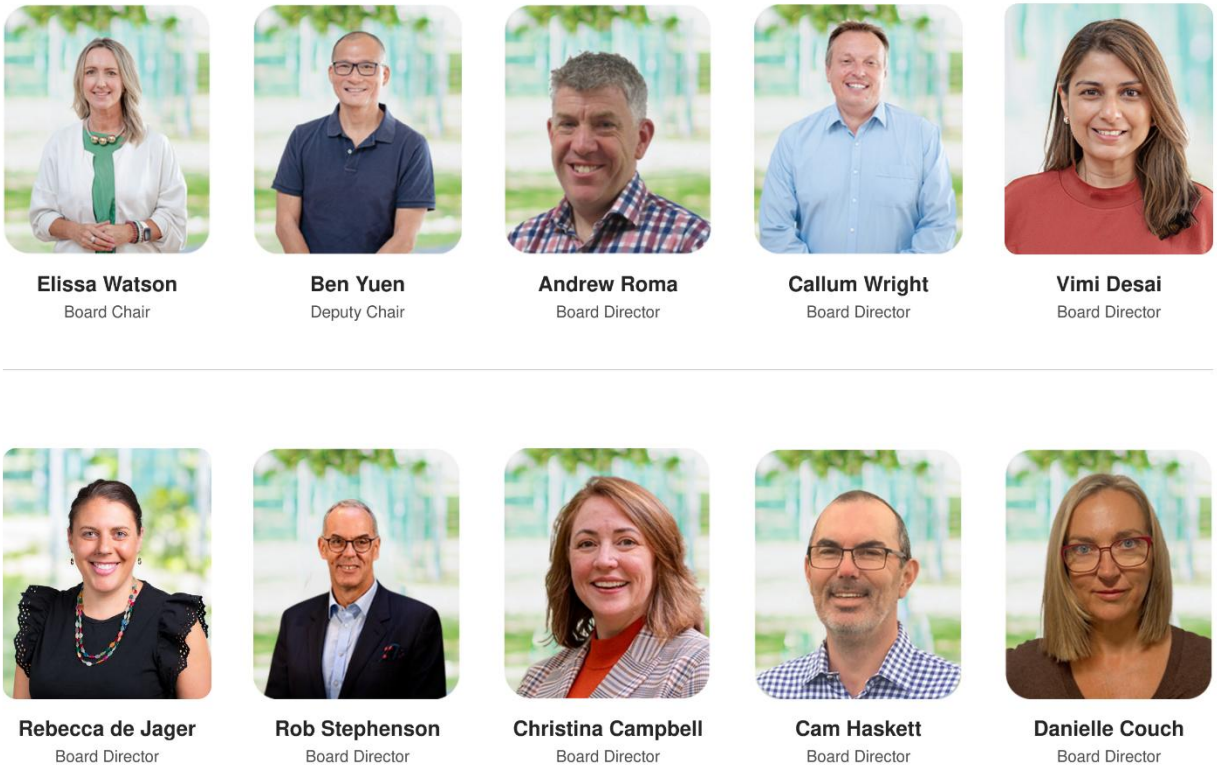



HEATHCOTE Health
ORGANISATIONAL STRUCTURE
Good health and wellbeing for our local community.
C.A.R.E. VALUES
Compassion
We care with kindness and understanding.
Accountability
We take responsibility and act with integrity.
Respect
We value every person and treat everyone with dignity.
Excellence
We strive for quality and continuous improvement.
C.A.R.E.
Heathcote Health
Board of Directors
Jackie Kelly
Chief Executive Officer
Michelle Chapman
Executive Assistant and Board Governance Officer
Corporate Services
Andrew Walker
Director Corporate Services
Human Resources
Customer & Consumer Relationship Team
Pam Wallace
Finance & Administration Team Leader
Judy Polson
Cleaning Supervisor / Finance Assistant
Jenny Casey
Catering Supervisor
Will Garnsey
Facilities Manager
Ella O'Bree
Health Promotion Officer
Clinical Services
Jade Runnalls
Acting Director Clinical Services
Samantha Harvey
Residential Aged Care Nurse Unit Manager
Locki Fraser
Acting Acute & Urgent Care Unit Manager
Gerry Canny
Community Services Nurse Unit Manager
Quality Services
Emma Millard
Quality & Risk Manager
Medical Services
Craig Winter
Director Medical Services
Finance
Andrew Arundell
Chief Financial Accounting Officer *
Contracted Services
Human Resources & Payroll
Information Communication & Technology
Accounting *
Audit Services
Heathcote Health Organisational Structure | Version 1.0 | Executive Review | July 2026


HEATHCOTE Health
Committee Structure
Board of Directors
Board: Safety and Quality committee
Board: Consumer Partnersip Committee
Board: Finance, Audit and Risk Committee
Board: CEO Performance and Remuneration Review Committee
Aboriginal and Torres Strait Islander Partnerships, Inclusion and Cultural Safety Committee
Credentialing and Scope of Practice Committee
Safety, Quality and Consumer Experience Committee
Corporate Services Committee
Executive and Operational Performance Committee
Medical Professional Group
Comprehensive Care and Communicating for Safety Committee
Support Services and Facilities Management Committee
Acute Services Committee
Nursing Professional Group
Infection Prevention and Control Committee
Health Information Management Committee
Community Services Committee
Alllied Health Professional Group
Medication Safety and Management Committee
Environmental Sustainability Committee
Workforce, Learning and Development Committee
Morbidity and Mortality Committee
Workplace Health and Safety and Emergency Management Committee
Aged Care Advisory Body Committee
Residents and Relatives Meeting
Recognising and Responding to Acute Deterioration and Blood Management CoOmmittee
Key
Tier 1
Board
Tier 2
Board Sub-Committee
Tier 3
Executive-led Committees
Tier 4
Manager-led Committees
To be developed in 2027
Professional Groups

Board of Directors

Heathcote Health Board of Directors 2025/26



The Board (Board of Directors) is responsible for implementing governance policy and developing and approving strategies to better manage the organisation.

The Board is appointed by the Governor in Council at the request of the State Minister for Health.

The Board is accountable to the community that it serves for ensuring the provision of agreed services within the resources with which they are provided. The Board must therefore be responsive to its staff and the community and have the capacity to address a wide range of policy and governance issues.

To fulfill its role, the Board has directors with a range of appropriate expertise and experience. The Board adheres to a code of conduct that outlines the role of governance and the conduct of its directors.

The functions of the Board as determined by the Health Services Act of 1988 are:

- To oversee and manage the health service and
- To ensure the services provided by the health service comply with the requirements of the Act and the aims of the organisation.

Governance is achieved by ensuring the health needs of our community are met through:

Strategic planning

The Board ensures the visionary direction of the health service is focused and is able to be implemented and aligned to the mission statement of the health service.

Effective management

The Board is responsible for the appointment and ongoing review of the Chief Executive Officer who, in turn, is responsible for the effective management and operation of Heathcote Health.

Local policy development

To reflect the current standards of services delivered through timely and appropriate policy setting.

Funding service agreements

The Board endorses plans, strategies and monitors the performance of Heathcote Health through appropriate budgetary processes. Board directors are appointed by the Governor in Council. In accordance with the By-Laws of Heathcote Health, there were 12 available positions on the Board in 2025/26. Directors may act in a voluntary capacity. The Directors have received fees or remuneration from the health service in the 2025/26 financial year.

Pecuniary interest

It is an obligation of all Board Directors to declare any pecuniary interest when Board discussions include matters in which a director may have direct, indirect or financial interest.

Board and Committee Attendance

Board Director	Board Meetings	Finance, Audit & Risk Committee	Safety & Quality Committee	Consumer Partnership Committee
Elissa Watson *Ex-officio for all Committee meetings*	10/10			
Ben Yuen	10/10	07/07		
Andrew Roma *01 July 2025 to 19 May 2026*	8/8		03/03	
Callum Wright	10/10	07/07	02/02	03/03
Vimi Desai *01 July 2025 to 17 February 2026*	04/05	03/04	02/02	
Rebecca de Jager *01 July 2025 to 9 December 2025*	02/03		01/02	
Cam Haskett	10/10	07/07		
Christina Campbell	10/10	07/07	04/04	
Rob Stephenson	10/10	06/07	02/02	02/03
Danielle Couch	09/10	02/02	02/03	

Biographies for current Board Directors are located on the Heathcote Health Website

Attestation / Declaration	Responsible Officer Declaration	Date Signed
Financial Management Compliance Attestation	I, Ben Yuen, on behalf of the Heathcote Health Board of Directors, certify that Heathcote Health has no Material Compliance Deficiency with respect to the applicable Standing Directions under the Financial Management Act 1994 and Instructions.	 14 September 2026 Ben Yuen **Acting Board Chair** **Heathcote Health**
Data Integrity Declaration	I, Jackie Kelly, certify that Heathcote Health has put in place appropriate internal controls and processes to ensure that reported data accurately reflects actual performance. Heathcote Health has critically reviewed these controls and processes during the year.	 30 June 2026 Jackie Kelly **Accountable Officer** **Heathcote Health**
Conflict of Interest Declaration	I, Jackie Kelly, certify that Heathcote Health has put in place appropriate internal controls and processes to ensure that it has complied with the requirements of hospital circular 07/2017 Compliance reporting in health portfolio entities (Revised) and has implemented a 'Conflict of Interest' policy consistent with the minimum accountabilities required by the VPSC. Declaration of private interest forms have been completed by all executive staff within Heathcote Health and members of the board, and all declared conflicts have been addressed and are being managed. Conflict of interest is a standard agenda item for declaration and documenting at each executive Board meeting.	 30 June 2026 Jackie Kelly **Accountable Officer** **Heathcote Health**
Integrity, Fraud & Corruption Declaration	I, Jackie Kelly, certify that Heathcote Health has put in place appropriate internal controls and processes to ensure that Integrity, Fraud and Corruption risks have been reviewed and addressed at Heathcote Health during the year.	 30 June 2026 Jackie Kelly **Accountable Officer** **Heathcote Health**
Compliance with HSV Purchasing Policies	I, Jackie Kelly, on behalf of Heathcote Health, certify that Heathcote Health is fully compliant with respect to the HSV Purchasing Policies as required by the *Health Services Act 1988* (Vic). Heathcote Health has implemented appropriate internal controls, which have been critically reviewed throughout the year.	 30 June 2026 Jackie Kelly **Accountable Officer** **Heathcote Health**

Chief Executive Officer Transition

The 2025–26 year marked a significant period of leadership transition for Heathcote Health. After 13 years as Chief Executive Officer, Dan Douglass retired on 15 September 2025, concluding a substantial period of organisational development, innovation and community-focused leadership.



Dan's legacy is reflected in the evolution of Heathcote Health as a progressive small rural health service, willing to explore new models of care and build partnerships to improve access for the Heathcote and district community. Throughout his tenure, he championed innovation in rural and aged care, including exploration of new approaches to dementia care through the Heathcote Dementia Village concept and feasibility work; initiatives to enhance residents' quality of life and dining experience, including participation in the Maggie Beer Foundation Trainer Mentor Program; and collaborative models that drew on the capabilities of health, community, education and other partner organisations. Strategic partnerships were strengthened across the region, including collaboration with the Royal Flying Doctor Service to support community transport and with Bendigo Health to maintain access to local imaging services.

His tenure also saw significant investment in Heathcote Health's infrastructure and future service capability. This included more than $6.5 million in Victorian Government funding secured in 2024 for the new Community Health Hub, designed to provide a contemporary home for Community Services and a one-stop location for a range of local services, together with earlier investment of more than $2.6 million to modernise the health service's kitchen and laundry facilities. These developments supported not only improved service delivery, but Heathcote Health's ability to attract, support and retain a skilled rural workforce.



Dan's leadership was particularly evident during the COVID-19 pandemic, when Heathcote Health was required to respond rapidly to unprecedented clinical, workforce and operational challenges while maintaining essential health and aged care services. The organisation implemented comprehensive pandemic and outbreak-management arrangements, scenario simulations in high-risk settings, drive-through testing, expanded telehealth, enhanced infection prevention and control measures and innovative Nurse Practitioner-led models of care. In December 2020, this work received international recognition when Heathcote Health was named a joint recipient of the International Hospital Federation 'Beyond the Call of Duty for COVID-19' Award, recognising the strength and comprehensiveness of its pandemic-management planning.

A defining feature of Dan's leadership was his focus on collaboration—recognising that a small rural health service can achieve greater outcomes by working closely with its community and regional partners. His final year as Chief Executive Officer saw this focus reflected in the development of the Heathcote Health Strategic Plan 2025–2029, approved by the Victorian Department of Health on 28 March 2025 following extensive consultation with staff, consumers, community members and partner organisations. With innovation, sustainable growth, integrated service delivery and community need embedded in its strategic direction, the Plan provides an enduring foundation for the organisation's next chapter. Collectively, these achievements represent a significant legacy of leadership and position Heathcote Health strongly for the future.



Following Dan's retirement, the Board of Directors appointed Angie Dredge as Interim Chief Executive Officer. Stepping into this role from Director of Clinical Care, Angie maintained continuity of executive oversight, organisational governance and service delivery while the Board completed the recruitment process for Heathcote Health's next Chief Executive Officer.

Jackie Kelly commenced as Chief Executive Officer on 1 December 2025, bringing extensive executive experience across small rural health services. From the outset, Jackie prioritised listening, engagement and connection—spending time with staff, residents and clients across the service and engaging with the broader Heathcote community. Jackie's approachable leadership style, focus on open communication and commitment to Values in Action have supported a continued emphasis on organisational culture, staff recognition and keeping people at the centre of care. Jackie's commencement also coincided with an important period of reform across the Victorian health and Commonwealth aged care sectors and the implementation of the Strategic Plan 2025–2029.

Above: Visit to Taungurung Land & Waters Council in January 2026.
L to R: Jackie Kelly, Angie Dredge, Bonnie Cavanagh-Welch, Kellie Hunter

During Jackie's first seven months, Heathcote Health continued to strengthen relationships with community and regional partners and actively participate in the Loddon Mallee Local Health Service Network, while maintaining its focus on quality and safety, consumer experience, workforce capability and accessible rural healthcare. This period established a strong foundation for the next phase of Heathcote Health's development under Jackie's leadership.

The Board acknowledges Dan for his significant contribution and enduring legacy of service to Heathcote Health and the broader community; Angie for providing continuity and stability through the interim period; and Jackie for the energy, experience and community-focused approach she has brought to Heathcote Health since her commencement. The transition has been managed with a strong focus on organisational stability and ensuring Heathcote Health remains well positioned to deliver high-quality, person-centred care for the community it serves.

Staff Years of Service & Recognition Awards

Years of Service Awards

We would like to acknowledge the following staff who had their 5, 10, 15, 20 and 25 year anniversaries of being employed at Heathcote Health during the 2025/26 financial year.



Employee of the Year 2025

Employee of the Year 2025

Cynthia Huston, Home Care Worker | Community Services, was the 2025 recipient of the Heathcote Health Staff Recognition Award Program's Employee of the Year.



Above: Elissa Watson | Board Chair (L), with Cynthia Huston (R)

Right: Cynthia with family and friends who made a surprise visit to see Cynthia receive the 2025 Employee of the Year Award.



Cynthia received the 2025 award, as chosen by the Heathcote Health Board of Directors for going "above and beyond"; for recognising unusual symptoms in a client she was assisting and realising it may be something more serious. Instead of taking the client home Cynthia took the client straight to the Emergency Department, where scans revealed a brain haemorrhage. Because of Cynthia's decision to go to the Emergency Department, the outcome was positive - leading the client and family to acknowledge that Cynthia 'saved the client's life'.



Staff Recognition Awards 2025/2026

Recognising Our People Through C.A.R.E.

Heathcote Health recognises that our people are central to the delivery of safe, high-quality and person-centred care.

Throughout 2025/26, staff recognition continued to provide an important opportunity to acknowledge individuals and teams whose everyday actions demonstrate our organisational values of **Compassion, Accountability, Respect and Excellence (C.A.R.E.)**.

Recognition occurs as part of our daily operations, with examples of staff demonstrating the C.A.R.E. Values acknowledged through the Daily Operational Stand-Up (DOS) meeting. This provides timely recognition of the behaviours, actions and contributions that strengthen teamwork, enhance the experience of patients, residents and clients, and support a positive workplace culture.

The **Monthly Staff Recognition Award** provides a further opportunity to formally celebrate outstanding contributions across Heathcote Health. Recipients are selected by the Executive and Senior Leaders who participate in the Daily Operational Stand-Up meeting, drawing on the examples of C.A.R.E. Values demonstrated throughout the month.

During 2025/26, recognition extended across a broad range of clinical, aged care, community, support, administration, quality and leadership roles, with both individual and team achievements acknowledged. Through this approach, Heathcote Health continues to reinforce the behaviours that reflect our values, recognise the contribution of our workforce and foster a culture in which excellence, teamwork and commitment to our community are valued and celebrated.

Quality & Risk Report

Quality & Risk Highlights this year

Heathcote Health's (HH) Quality and Risk team remained focused on strengthening the systems, processes and culture that support the delivery of safe, high-quality care and services across the health service. Throughout the year, the team worked collaboratively with leaders and staff to support continuous improvement and organizational readiness for accreditation compliance and sector reform.

Supporting Aged Care Reform

A key priority during the year was supporting HH's preparation for and implementation of aged care reforms across residential aged care and community services. This work included assisting service areas to understand emerging requirements, review existing practices and prepare for changes aimed at improving the quality, safety and experience of care for older people.

Building Quality Improvement Capability

The development of workforce capability in quality improvement remained a focus throughout the year. Representatives from the health service participated in Safer Care Victoria's Introduction to Quality Improvement and Quality Improvement in Action training programs, strengthening local knowledge and skills in improvement methodologies. Additional training opportunities continue to be made available across the Loddon Mallee region throughout 2026, supporting a culture of continuous learning and improvement.

Achieving Accreditation Success

The Quality and Risk team supported HH's successful accreditation against the National Safety and Quality Health Service (NSQHS) Standards, resulting in re-registration for a further three years. This achievement reflects the commitment of staff across HH to delivering safe, effective and person-centred care.

The team also supported organisational preparations for accreditation against the NDIS Practice Standards, ensuring systems and processes continue to align with regulatory requirements and best practice.

Strengthening Clinical Governance

During the year, HH completed Safer Care Victoria's Clinical Governance Maturity Matrix Self-Assessment. The assessment provided valuable insights into organisational strengths and opportunities for ongoing development, helping to inform future priorities for clinical governance and quality improvement.

Enhancing Consumer Engagement and Rights Awareness

Significant work was undertaken to strengthen consumer feedback and engagement processes. A new feedback form was developed in consultation with the Consumer Partnership Committee, providing patients, residents, clients and community members with improved opportunities to share their experiences and support HH in ensuring that the services and care provided meet the needs of our consumers and community.

The team also supported activities to strengthen workforce understanding of the Australian Charter of Healthcare Rights and the Aged Care Statement of Rights. These initiatives reinforced HH's commitment to person-centred care, consumer choice, dignity and respect across all service settings.

Improving Recognition and Response to Sepsis

HH participated in Safer Care Victoria's Adult Sepsis Improvement Project, demonstrating its commitment to delivering safe, high-quality care. The project focused on strengthening systems and workforce capability to support the early recognition and management of sepsis, a potentially life-threatening medical emergency. Through collaboration, education and quality improvement activities, HH continued to enhance clinical processes that support timely assessment, escalation and treatment, contributing to improved patient safety and clinical outcomes.

Advancing Risk Management Practices

To further strengthen organisational governance, a revised Risk Management Framework and supporting risk registers were implemented during the year. These enhancements support a contemporary and consistent approach to risk management across HH, improving the identification, assessment and management of risks while supporting informed decision-making and organisational resilience.

Looking Forward

Through these initiatives, the Quality and Risk team has continued to support a culture of safety, quality and continuous improvement. The team remains committed to working alongside staff, patients/residents/clients and community members to strengthen governance, enhance service quality and support positive outcomes for the community we serve.

By Emma Millard – Quality & Risk Manager

Donations and Bequests

Donations and bequests to Heathcote Health make a significant difference to the care and services we can provide through increasing our financial independence, especially for major one-off purchases.

This year we will be able to purchase items that will reduce isolation and provide patients with support in our Acute Ward, Aged Care Departments and Community Services areas.

Heathcote Health wishes to thank the numerous local community organisations, businesses and members who have contributed to Heathcote Health's donations, bequests and fundraising program this year.

Please contact our Administration staff to find out how you too can make a difference at Heathcote Health.

GOODS DONATED	ESTIMATED COST OF GOODS	DONATION AMOUNT	REASON FOR DONATION
20 x Hand made quilts	$ 2,000.00		Gift from Yarra Quilters Guild for Aged Care
N/A		$5,000.00	In Memory of Peter Turco
8x hand made crochet blankets	$160.00		Gift for Aged Care
N/A	N/A	$1,500.00	Bendigo Bank 20th Anniversary Celebrations
N/A	N/A	$150.00	In memory of Pam Hutchinson
N/A	N/A	$50.00	In memory of Pam Hutchinson
1 x Morphy Richards Ice Maker	$300.00	N/A	Donated in memory of loved one who passed away
1 x Jura E8 Coffee Machine	$2,250.00	N/A	" "

Acute Care

Heathcote Health Acute Ward is a 9 bed inpatient unit, 2 of these beds are used for Bed Based Transitional Care and two beds are dedicated to Palliative and End of Life care, these rooms have a sitting area attached where patients can enjoy the sunshine and families can stay the night as needed.

Our Urgent Care Centre is open 24 hours a day, 7 days per week and has two bed bays to provide all urgent care needs to our community.

A registered nurse with advanced life support accreditation is available at all times, with support from doctors at our co-located GP clinic, on weekdays, and the use of the Virtual ED (VED) on weekends.

Heathcote Health has a close working relationship with our VMOs, the local paramedics and Bendigo Health. These relationships have been fostered through various network groups and the development of policies based on coordinated care and combined training.

Heathcote Health has a long standing history of supporting clinical staff to achieve further education and advanced practice skills.

In our Urgent Care Centre we can also use our staff who are qualified as RIPRNs, which are registered nurses who have completed extra study which gives them a Scheduled Medicines certificate. This allows RIPRNS to provide a range of medicines where there is no, or limited, access to GPs, nurse practitioners, paramedics or pharmacists. The advanced skills and capabilities provided by RIPRNs allows our health service to provide a wider range of services and improve access to timely, safe and appropriate care.

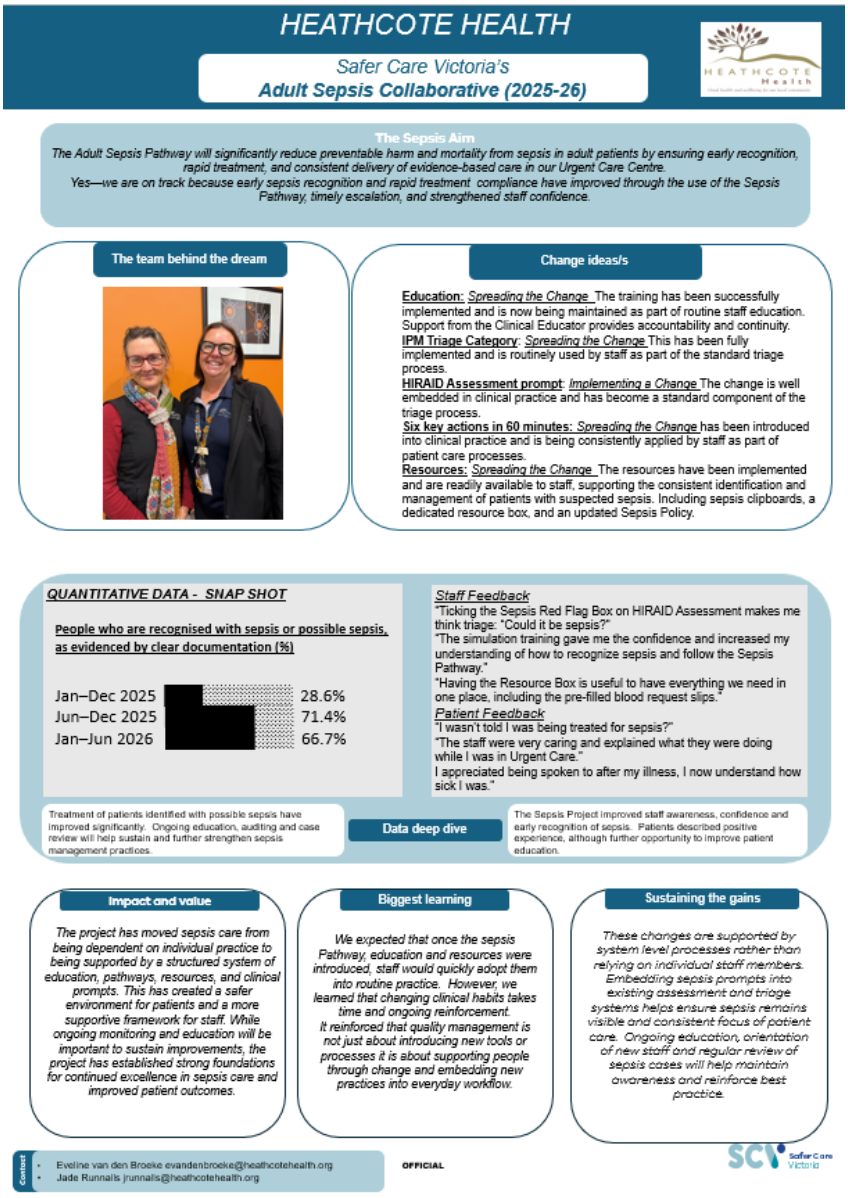


Highlights this year

Our Acute team has been involved in some projects over the last year that has increased their knowledge ensuring our community is receiving the best care at all times.

Projects were in conjunction with Safer Care Victoria and the Safer Together Program team, who assisted with data collection and education for our staff

ViCTOR chart – safer care for kids project, we were involved in the pilot of this project where all staff will ask parents or carers of children that attend urgent care if they have any concerns and allow them to escalate care at any time. This empowers families to voice anything they are worried about and prompts our nurses to facilitate reviews or referrals quickly.



Sepsis project – we were involved in a refresh of the sepsis pathway to assist our Drs and nurses to recognise the signs of Sepsis quickly and commence the right treatment as soon as possible. We worked on many quality improvement activities in this area and now have a process embedded to continue recognising and responding to signs and symptoms ensuring care is met in a timely manner and escalated as required.

By Jade Runnalls – Acute Nurse Unit Manager

Residential Aged Care

Comprising 30 hostel and 12 nursing home beds, Heathcote Health is proud of their Aged Care Facilities. Heathcote Health supports ageing in place that sets goals to maintain and improve residents' quality of life. Our aim for aged care is to provide a high standard of person-centered care in a familiar and home-like environment that considers and promotes residents' preferences and goals, promotes independence and continues to allow them to contribute to their community.

With a multidisciplinary team that includes Physiotherapists, Dietetics, Speech Therapy, Allied Health and Podiatry we strive to provide services that allow residents to maintain their independence and dignity. Being located on the same site as an acute hospital gives the residents an opportunity for excellent medical management and efficient after-hours service during the week. Knowledgeable and competent staff provide medical support on weekends with the use of the Victorian Virtual Emergency Department.

Heathcote Health maintains a home-like environment for the residents whilst still providing a high quality of clinical management. Health Care Workers (HCW's), Endorsed Enrolled Nurses and Registered Nurses work together as a highly skilled and passionate team caring for each resident. Experienced Associate Nursing Unit Managers oversee the clinical needs under a dedicated nursing model. We also have the assistance of highly skilled Nurse Practitioners who work within their specialist field to further support the residents and staff. Heathcote Health is committed to investing in the learning and development of every staff member by providing ongoing support and training to facilitate staff to continue their professional development.

Highlights this year



During 2025–26, Heathcote Health continued to strengthen the quality, safety and experience of care provided to older people, while navigating significant national aged care reform.

Strengthened Aged Care Quality Standards

The commencement of the new Aged Care Act on 1 November 2025 provided an important opportunity to further embed the rights, choices and preferences of older people within our services.

Heathcote Health continued its preparation for and implementation of the strengthened Aged Care Quality Standards, supported by ongoing quality-improvement activities and staff engagement.

Improving residents' everyday experience remained a priority. Work through the Maggie Beer Foundation Trainer Mentor Program supported continued improvements to food, nutrition and dining, with an increased focus on residents' individual preferences, nutritional needs and enjoyment of meals.


CERTIFICATE OF COMPLETION

This is to certify that

Heathcote Health High Care Service

has successfully completed the

Trainer Mentor Program

Year of participation
2024-2025

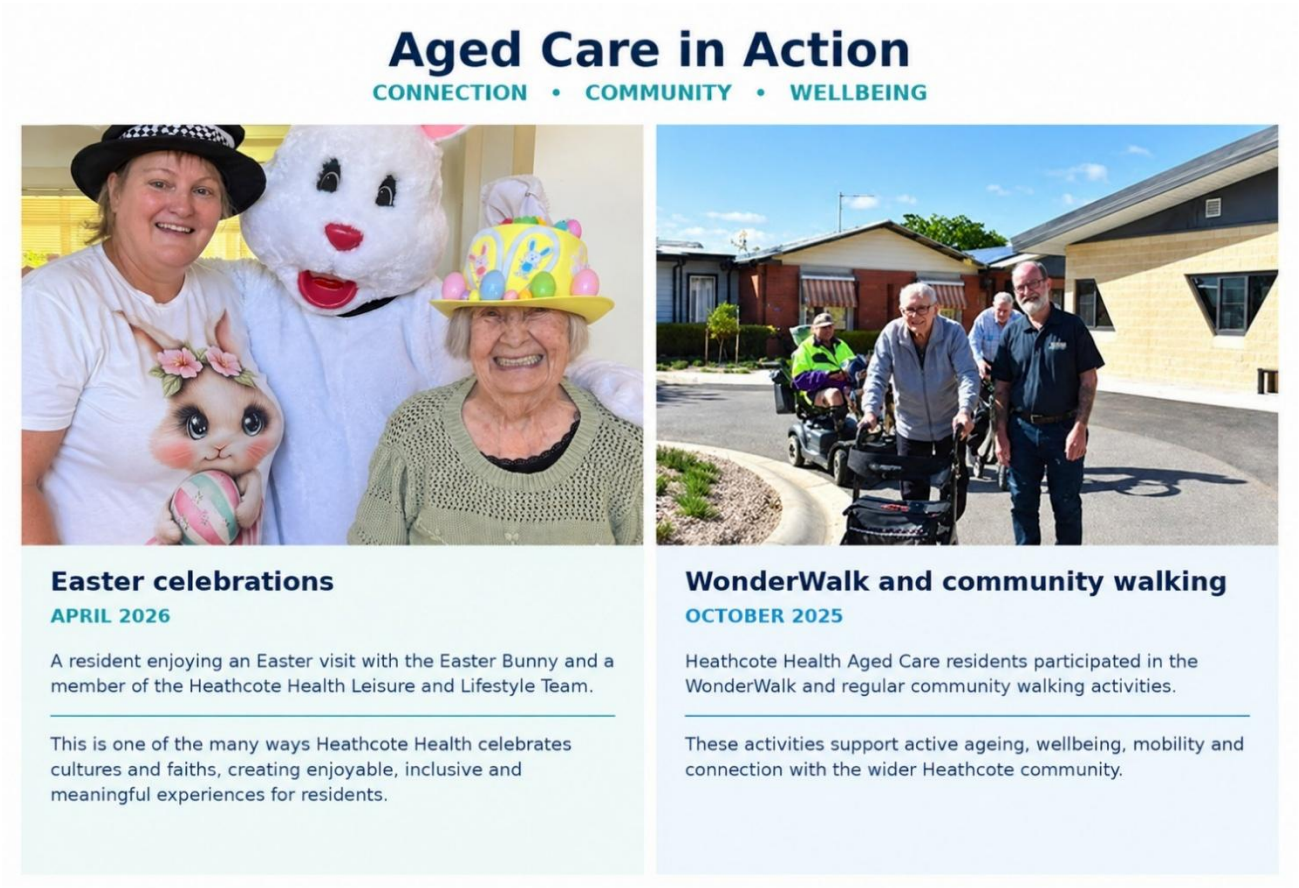
Maggie Beer

MAGGIE BEER FOUNDATION
CREATING AN APPETITE FOR LIFE

Connection with family, friends and the broader Heathcote community continued to be an important part of life for residents. Regular walking groups, community partnerships, celebrations, outings, entertainment, creative activities and engagement with volunteers provided opportunities for residents to remain active, connected and involved in community life.

Across the year, our aged care team remained focused on ensuring Heathcote Health is not simply a place where people receive care, but a place where older people are respected, heard, supported to make choices and able to continue participating in the community they call home.

By Sam Harvey – Residential Aged Care Nurse Unit Manager



Leisure & Lifestyle (Aged Care)

Highlights this year

The 2025-2026 Leisure and Lifestyle Program provided a diverse range of meaningful and person-centred activities designed to enrich residents' lives.

Through celebrations, recreational activities, community engagement, and individual support, residents were encouraged to remain active, connected, and engaged within the facility and on external outings.

The program continues to support positive social, emotional, physical, and psychological wellbeing.

The Leisure and Lifestyle program contributed to:

- Increased resident participation and engagement.
- Improved social connectedness.
- Reduced social isolation and loneliness.
- Enhanced emotional and psychological wellbeing.
- Opportunities for residents to maintain skills and independence.
- Stronger family and community relationships.
- Support for individual preferences, interests, and cultural needs.

Music Therapy Program

As part of our Lifestyle and Leisure program, residents are provided with regular opportunities to participate in therapeutic and meaningful activities that support their wellbeing and quality of life. Helen, our Music Therapist, attends the service on every second Friday of each month to facilitate music therapy sessions. These sessions encourage resident engagement, social interaction, emotional expression, cognitive stimulation, and enjoyment through music. Residents actively participate through singing, listening to familiar songs, rhythm activities, and reminiscing, which contributes positively to their overall wellbeing and enhances their sense of connection and belonging.



Residents consistently respond positively to the music therapy sessions, demonstrating increased engagement, improved mood, social participation, and enjoyment during and following the program.

By Rae Thallas Leisure, Lifestyle and Social Support Group Coordinator

Community Services

Highlights this year

The 2025–26 financial year has been one of significant change and continued achievement for the Community Services Team. Alongside a major transition in how services are funded and managed, the team has maintained a strong focus on quality care, community connection and client wellbeing, supporting around 350 clients across the Heathcote community throughout the year.

~350	**90+**	**93%**
Clients supported in the community	Clients on the Support at Home Program	Client satisfaction rating

Quality Improvements

The team delivered on several major quality and system improvements this year:

- Transitioned to the Support at Home program (from Home Care Packages).
- Transitioned to the Regional Community Platform (RCP) as our client management system.
- Enhanced our Goal Directed Care planning approach, supported by education and training for all staff.

Major Personnel Changes

We were pleased to welcome Kelly Tanner, who commenced in the newly created role of Home Care Coordinator during the year.

Events / Initiatives

- The HH Support for Carers program continued its partnership with Different Journeys, supporting Carers Cuppas events in Heathcote, and further strengthening our connection with the Heathcote Carers Group.

Other Highlights

- **Our Social Support Group enjoyed another very successful year.**
- **Our annual client survey indicated a 93% satisfaction rating from our clients.**
- **We maintained compliance with all Accreditation and practice standards.**
- **We provided care in the community to around 350 clients, including over 90 clients on the Support at Home Program.**

The Community Services Team thanks our clients, carers, staff and community partners for their continued support and collaboration throughout 2025–26, and looks forward to building on this progress in the year ahead.

By Gerry Canny – Community Services Nurse Unit Manager

Social Support Group

Highlights this year

The Social Support Group (SSG) continued to support community inclusion and active participation through regular outings and community engagement opportunities. So that the Hostel, Aged care and social support group can all come together as one community

Bunnings Community Visits

Residents and the SSG come together to enjoy Bunnings visits

- Enjoyed browsing plants and garden displays
- Participated in gardening discussions and projects
- Shared morning tea and refreshments
- Engaged with community members and Bunnings staff
- Gathered ideas for facility gardening activities

These outings encouraged independence, community connection, social interaction, and sensory engagement.

Community Outings

Additional Social Support Group activities included:

- Café visits
- Shopping trips
- Scenic drives
- Community markets
- Local events and festivals
- Library visits
- Picnics and park outings
- Visits to local attractions

These outings assisted residents to maintain community connections and remain actively engaged with their local environment.

By Rae Thallas Leisure, Lifestyle and Social Support Group Coordinator

Corporate Services

Highlights this year

The 2025/26 financial year was one of continued growth, consolidation and strategic advancement for Corporate Services. Throughout the year, the Directorate played a pivotal role in supporting organisational sustainability, strengthening governance frameworks, overseeing major capital and infrastructure initiatives, and ensuring the efficient delivery of financial, information technology, human resources and support services across Heathcote Health.

A key focus for the year was maintaining financial stewardship in an increasingly challenging operating environment. Through disciplined budget management, strategic resource allocation and ongoing monitoring of organisational performance, Heathcote Health remained committed to delivering quality services while ensuring long-term financial sustainability. The Corporate Services team worked collaboratively with managers and executives to support informed decision-making and effective utilisation of available resources.

During the year, significant effort was directed towards the delivery and oversight of strategic infrastructure projects. Corporate Services continued to support the completion and operational readiness of the community health hub, ensuring that new facilities and infrastructure investments aligned with community needs and supported the delivery of contemporary health services.

Digital capability and information management remained important priorities. Ongoing investment in information technology systems strengthened cyber security, enhanced system reliability and supported staff in delivering safe and efficient services. Improvements in business processes and digital workflows continued to contribute to organisational efficiency and service quality. Information technology and cyber security remained a major focus throughout the year. Heathcote Health undertook a comprehensive Data Breach Simulation Exercise to test organisational readiness and response capability under updated cyber security procedures. The exercise identified opportunities to strengthen access controls, staff awareness, data governance practices and system monitoring arrangements. These findings have informed a program of continuous improvement aimed at enhancing cyber resilience and mitigating organisational risk.

The year also saw an important leadership transition with the retirement of Chief Executive Officer Dan Douglass following his many years of dedicated service. Corporate Services provided governance and administrative support throughout the transition process, ensuring continuity of operations and organisational stability during this period of change.

Governance and compliance activities remained a priority, with a comprehensive legislative compliance baseline review commencing in partnership with Health Legal. This work will support the development of an enhanced compliance framework and provide greater assurance regarding the organisation’s obligations under relevant legislation, standards and regulatory requirements.

Together, we remain committed to building a sustainable, innovative and responsive organisation that delivers high-quality services to our community.



The organisation also received national recognition through its partnership with the Maggie Beer Foundation. Catering Supervisor Jenny Casey presented alongside Foundation representatives at the National Institute of Hospitality in HealthCare Conference, showcasing Heathcote Health's innovative approach to dining and nutrition in aged care. This work was further recognised through an invitation to attend the Maggie Beer Foundation Reception at Kirribilli House hosted by the Governor-General of Australia, highlighting the organisation's leadership in improving food experiences for older Australians.

Above: Jenny Casey, Catering Supervisor, (middle) with Maggie Beer (left) and the Governor-General on the garden at Kirribilli House.

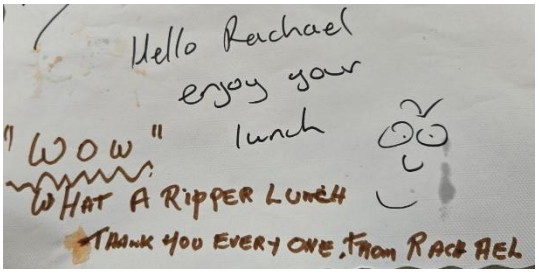
As always, I would like to acknowledge the commitment and professionalism of the Corporate Services team. Their dedication has supported significant organisational achievements across finance, information technology, catering, hotel services, facilities, human resources and health promotion. These collective efforts continue to strengthen Heathcote Health's capacity to deliver safe, high-quality and sustainable healthcare services for our community.

Below & below right: Resident Rachael gave 'Fake-away Friday Fare' the tick of approval





Left: Members of the Catering Team serve 'Fake-away Friday Fare'



By Andrew Walker – Director of Corporate Business

Facilities Report

1,027	85.6	20.3 hrs	74.4%
Completed work orders	Average per month	Median completion	Completed within 72 hrs

The Maintenance and Facilities team continued to play a vital role in supporting safe, responsive and reliable services across Heathcote Health during the 2025/2026 financial year. Over the year, the team completed 1,027 ad-hoc maintenance work orders, averaging approximately 86 completed jobs per month across the hospital, aged care, community, administration, kitchen, fleet and support service areas.

This high volume of completed work reflects the broad scope of the team's responsibilities, from urgent resident and patient safety requests through to plumbing, electrical, grounds, fleet, room setup, equipment support and general facility improvements. Despite the diverse and often reactive nature of the workload, the team maintained strong response performance and practical, solution-focused support to frontline services.

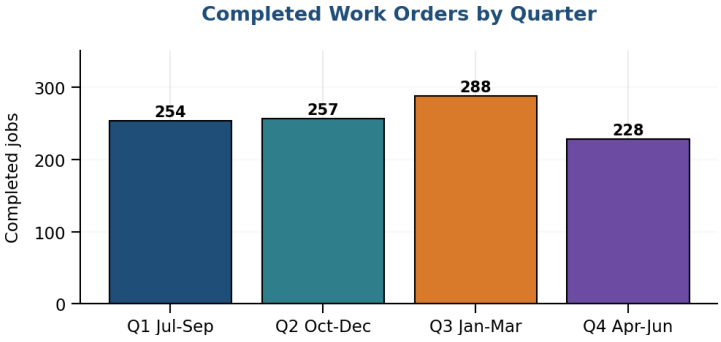
The team achieved a median completion time of 20.3 hours. More than half of all requests were completed within 24 hours, and almost three-quarters were completed within 72 hours. This is a strong result in a complex operating environment where some jobs require ordered parts, contractor attendance, clinical coordination, room access or work around occupied resident areas.

Annual highlight

The team delivered a consistently high level of service across the full financial year, responding to more than one thousand completed requests while supporting resident comfort, patient safety, staff workflow and reliable day-to-day operations.

Maintenance activity

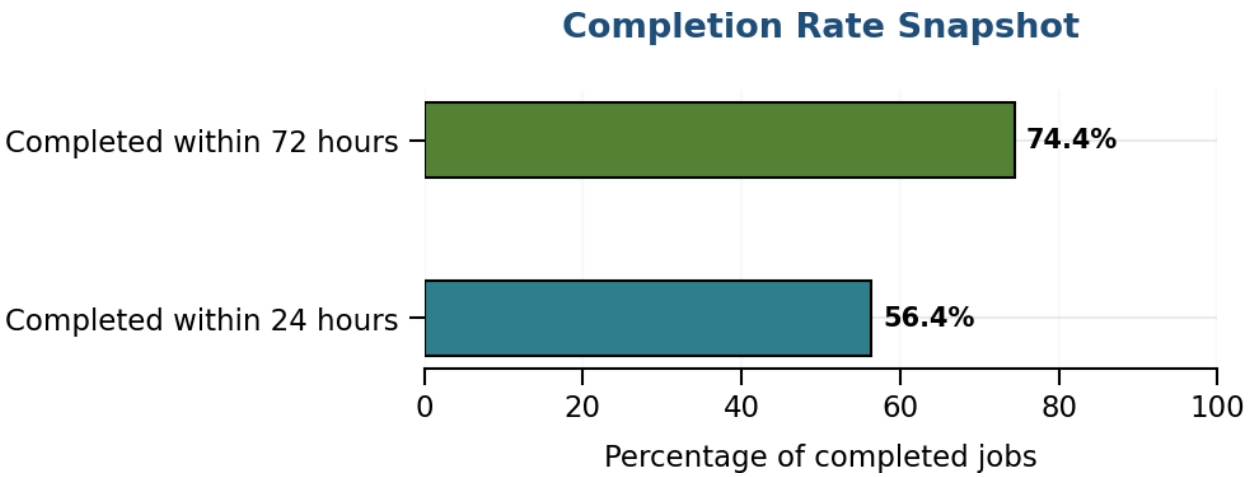
Activity levels were steady across the year, with the busiest quarter occurring from January to March. This consistency demonstrates the ongoing importance of facilities maintenance in supporting daily operations, service continuity and a safe environment for residents, patients, visitors and staff.



Completed work orders by quarter, FY2025/26.

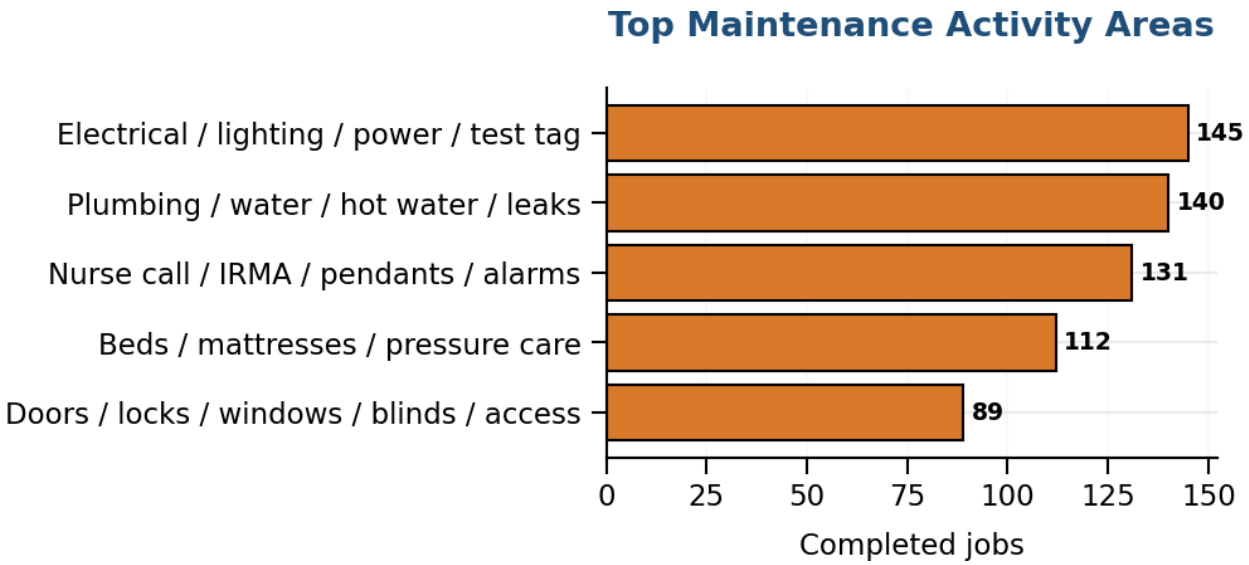
Responsive completion performance

The team's completion rates reflect a strong service culture and an ability to respond quickly to varied operational needs. Requests ranged from minor repairs to safety-sensitive issues involving nurse call systems, beds, pressure-care equipment, wet areas, power, lighting, access and mobility aids.



Key areas of work

The highest volume of maintenance activity occurred in Hostel/RACU and Nursing Home/RACU, which together accounted for 532 completed work orders, representing approximately 52% of total maintenance activity. This reflects the intensity of maintenance support required in residential care environments, particularly around resident rooms, safety systems, beds, mobility equipment and wet areas.



The most common maintenance categories were:

Category	Completed jobs	Contribution
Electrical / lighting / power / test tag	145	Maintaining safe power, lighting, cords, switches, power boards and electrical compliance.
Plumbing / water / hot water / leaks	140	Responding to toilets, taps, drains, showers, hot water, wet areas and leak risks.
Nurse call / IRMA / pendants / alarms	131	Supporting resident safety systems and timely staff response capability.
Beds / mattresses / pressure care	112	Supporting pressure-care needs, bed functionality, air mattresses and room readiness.
Doors / locks / windows / blinds / access	89	Supporting privacy, security, access, resident rooms and building functionality.

Supporting safe and reliable care

Throughout the year, the Maintenance and Facilities team responded to a wide range of urgent and routine requests, including equipment faults, room readiness, lighting and power issues, plumbing repairs, fleet support, access and security concerns, and general building upkeep.

This work helped minimise disruption, support staff, maintain safe environments and ensure facilities remained functional for residents, patients, visitors and employees. The team's contribution is often behind the scenes, but it is central to safe care delivery, resident dignity, staff efficiency and the smooth operation of Heathcote Health.

Insights from the year's maintenance activity will help guide future preventative maintenance priorities, including resident safety-system checks, wet-area inspections, pressure-care equipment planning, fleet checks, spare equipment management and improved tracking of repeat faults.

Looking ahead

The year's data shows a responsive team with a strong practical focus. Continued investment in preventative maintenance routines, spare equipment visibility and improved reporting fields will further strengthen reliability across Heathcote Health facilities.





Above: Facilities Manager, Will Garnsey, is instrumental in Project Management of capital works, such as the Community Health Hub build

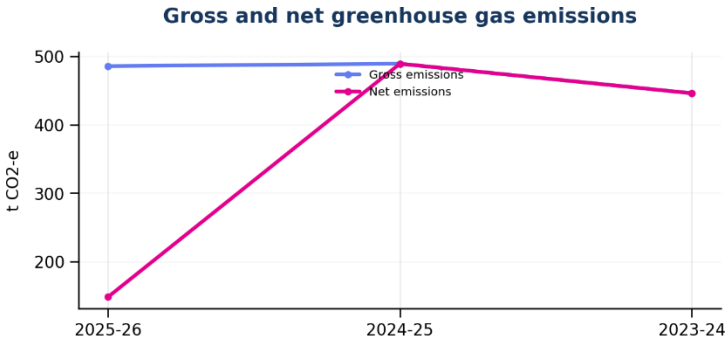
By Will Garnsey – Facilities Manager

Above: Heathcote Health Facilities & Maintenance Team members attend to the Electric Vehicle (EV) Fleet and charging system

Below: Ensuring the safety and quality standards of the Acute (hospital) and Aged Care rooms are part of scheduled maintenance activities.



Environmental Sustainability



Gross greenhouse gas emissions increased from 446.0 t CO2-e in 2023-24 to 489.2 t CO2-e in 2024-25, then eased to 485.7 t CO2-e in 2025-26.

The 2025-26 result reflects a strong 16.7% reduction in Scope 1 emissions, including a 51.3% fall in vehicle fleet emissions and a 12.2% decline in stationary-fuel emissions. These gains were partly offset by a 4.5% increase in Scope 2 electricity emissions. Renewable electricity measures and purchased instruments reduced reported net emissions to 148.4 t CO2-e in 2025-26. The reduction in fleet fuel use and associated emissions primarily reflects the transition of 17 of the Health Service's 27 vehicles from internal combustion engine vehicles to electric vehicles. This fleet transition reduced reliance on diesel in particular, while the reported petrol result remained broadly stable because the remaining internal combustion fleet continued to operate during the reporting period.

Electricity consumption rose to 554.2 MWh, 2.3% above 2024-25 and 10.6% above 2023-24. In contrast, stationary energy fell 12.2% year on year and transport energy fell 51.0%. Water use increased 7.7% from the prior year but remained 13.4% below 2023-24. Total waste fell 25.4% to 41.0 tonnes, the strongest material improvement among the reported resource indicators. Data gaps remain for several optional indicators, including 2025-26 recycling tonnage and rate; these are retained as blank fields in the detailed tables rather than estimated.

Transportation energy

Fleet transition commentary: During the reporting period, 17 of the Health Service's 27 vehicles transitioned from internal combustion engine (ICE) vehicles to electric vehicles (EVs). This change is the principal driver of the 51.0% reduction in total transport energy and the 51.3% reduction in fleet greenhouse gas emissions. Diesel energy use fell by 57.2%, from 120,477.9 MJ to 51,550.1 MJ. Petrol use remained comparatively stable, increasing by 2.6% to 14,220.5 MJ, reflecting continued use of the 10 vehicles that had not yet transitioned to EVs and normal variation in fleet utilisation.

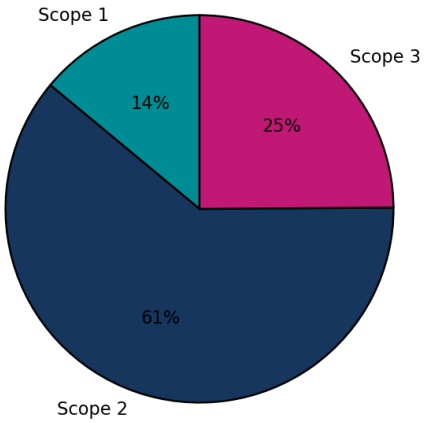
Future reporting

Indicators not reported in the source workbook have not been inferred or substituted. This approach preserves the integrity of the FRD24 dataset and makes data completeness transparent. No medical gases, clinical waste sent for incineration, or recycling activities were recorded in the 2025-26 source data. These entries should be interpreted as data-capture gaps unless operational evidence confirms a genuine zero result.

To improve future FRD24 reporting, the Health Service will establish a controlled environmental data register with a nominated owner for each indicator; introduce monthly capture of supplier, utility, fleet and waste-contractor data; require waste reports to distinguish landfill, treated clinical waste, incinerated waste, sharps, cardboard, commingled recycling and organics; reconcile medical-gas purchases, cylinder movements and supplier statements; record fleet composition, fuel type, odometer data and EV charging consumption; and complete quarterly completeness and reasonableness reviews before the annual submission. Where an indicator is genuinely not applicable or has a verified zero value, the basis for that conclusion will be documented and approved rather than left blank.

GROSS EMISSIONS	ELECTRICITY USE	WATER USE	TOTAL WASTE
485.7	**554.2**	**3,622.5**	**40,964.8**
t CO2-e	MWh	kL	kg
-0.7% year on year	+2.3% year on year	+7.7% year on year	-25.4% year on year

2025-26 emissions composition

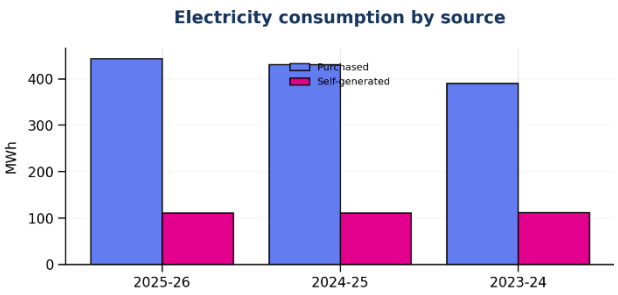


Reading this report

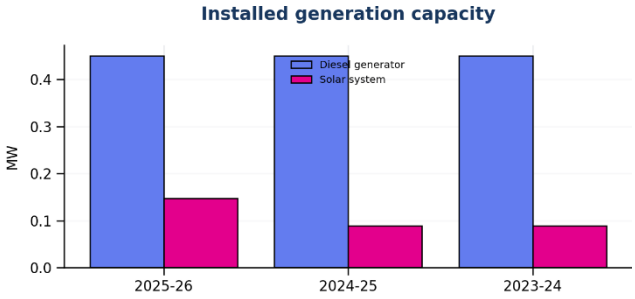
The report reproduces every populated indicator, blank indicator, note and year-on-year change supplied in the source workbook. Percent changes compare 2025-26 with 2024-25. Values are presented at practical precision; underlying source values are retained in the accompanying tables.

Environmental Sustainability - Performance dashboard

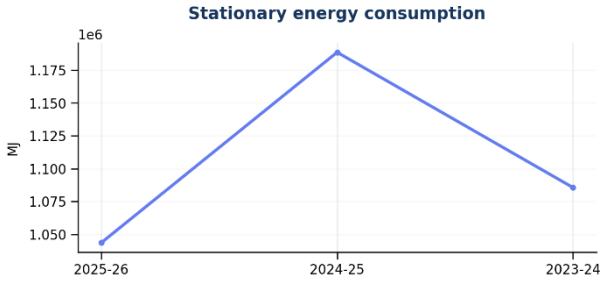
Electricity consumption



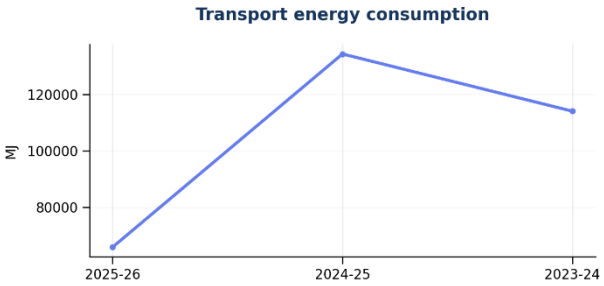
On-site generation capacity



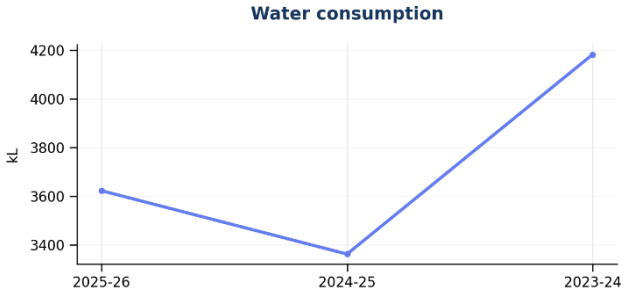
Stationary energy



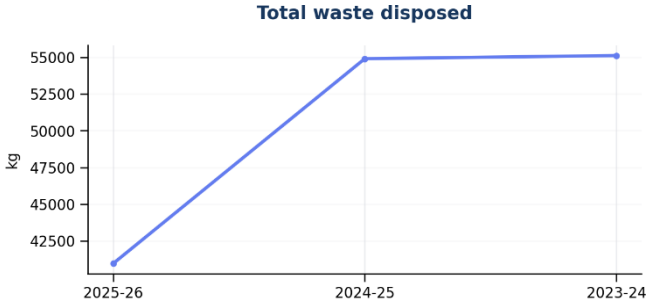
Transport energy



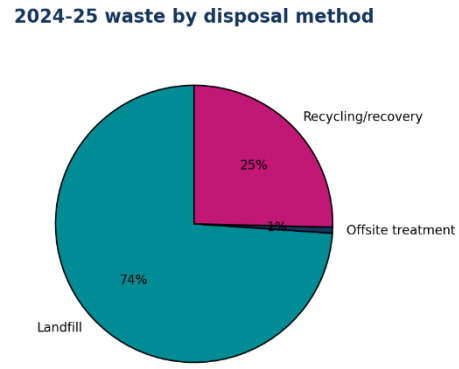
Water consumption



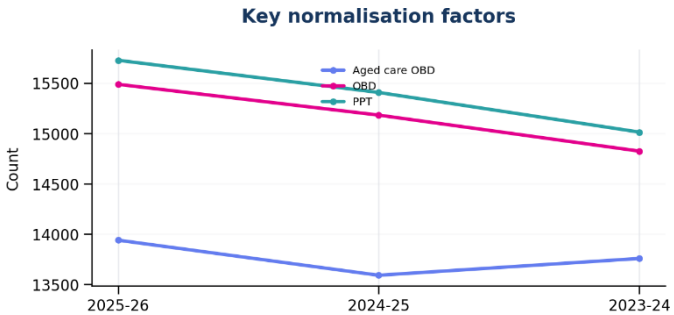
Waste generation



Waste streams 2025-26



Activity factors



Environmental Sustainability

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 (t CO2-e)	**Jul-25 to Jun-26**	**Jul-24 to Jun-25**	**Jul-23 to Jun-24**
Carbon Dioxide	67.39	80.91	73.29
Methane	0.21	0.24	0.22
Nitrous Oxide	0.24	0.30	0.27
Total	**67.83**	**81.45**	**73.78**
Scope 1 GHG emissions from stationary fuel (F2 Scope 1) (t CO2-e)	**63.24**	**72.03**	**65.79**
Scope 1 GHG emissions from vehicle fleet (T3 Scope 1) (t CO2-e)	**4.59**	**9.42**	**7.99**
Medical/Refrigerant gases			
Total Scope 1 (direct) greenhouse gas emissions (t CO2-e)	**67.83**	**81.45**	**73.78**
G2 Total Scope 2 (indirect electricity) greenhouse gas emissions (t CO2-e)	**Jul-25 to Jun-26**	**Jul-24 to Jun-25**	**Jul-23 to Jun-24**
Electricity	296.95	284.04	256.19
Total Scope 2 (indirect electricity) greenhouse gas emissions (t CO2-e)	**296.95**	**284.04**	**256.19**
G3 Total Scope 3 (other indirect) greenhouse gas emissions associated with commercial air travel and waste disposal (t CO2-e)	**Jul-25 to Jun-26**	**Jul-24 to Jun-25**	**Jul-23 to Jun-24**
Commercial air travel			
Waste emissions (WR5)	53.25	53.25	53.47
Indirect emissions from Stationary Energy	61.41	62.58	53.56
Indirect emissions from Transport Energy	1.14	2.32	1.97
Paper emissions			
Water emissions	5.08	5.50	7.02
Any other Scope 3 emissions		0.00	0.00
Total Scope 3 greenhouse gas emissions (t CO2-e)	**120.88**	**123.66**	**116.01**
G(Opt) Net greenhouse gas emissions (t CO2-e)	**Jul-25 to Jun-26**	**Jul-24 to Jun-25**	**Jul-23 to Jun-24**
Gross greenhouse gas emissions (G1 + G2 + G3) (t CO2-e)	**485.66**	**489.15**	**445.98**
Total gross reported greenhouse gas emissions per bed-day (t CO2-e/OBD)	0.03	0.03	0.03
Carbon Neutral Electricity	0.00	0.00	0.00
Green Power Electricity	0.00	0.00	0.00
Purchased LGCs	-364.49	0.00	0.00
Any Reduction Measures Offsets purchased (EL4-related)	**-337.28**		
Any Offsets purchased	**-337.28**		
Net greenhouse gas emissions (t CO2-e)	**148.38**	**489.15**	**445.98**

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)	**Jul-25 to Jun-26**	**Jul-24 to Jun-25**	**Jul-23 to Jun-24**
Purchased	443.59	430.44	389.52
Self-generated	110.56	111.27	111.74
EL1 Total electricity consumption (MWh)	**554.15**	**541.71**	**501.25**
EL2 On site-electricity generated (MWh) segmented by:	**Jul-25 to Jun-26**	**Jul-24 to Jun-25**	**Jul-23 to Jun-24**
Consumption behind-the-meter			
Solar Electricity	110.56	111.27	111.74
Total Consumption behind-the-meter (MWh)	**110.56**	**111.27**	**111.74**
Exports			
Solar Electricity	12.95		
Total Electricity exported (MWh)	**12.95**		
EL2 Total On site-electricity generated (MWh)	**123.51**	**111.27**	**111.74**
EL3 On-site installed generation capacity (kW converted to MW) segmented by:	**Jul-25 to Jun-26**	**Jul-24 to Jun-25**	**Jul-23 to Jun-24**
Diesel Generator	0.45	0.45	0.45
Solar System	0.15	0.09	0.09
EL3 Total On-site installed generation capacity (MW)	**0.60**	**0.54**	**0.54**
EL4 Total electricity offsets segmented by offset type (MWh)	**Jul-25 to Jun-26**	**Jul-24 to Jun-25**	**Jul-23 to Jun-24**
LGCs voluntarily retired on the entity's behalf	396.19		
RPP (Renewable Power Percentage in the grid)	76.99	78.83	73.06
EL4 Total electricity offsets (MWh)	**443.59**	**78.83**	**73.06**
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)	**Jul-25 to Jun-26**	**Jul-24 to Jun-25**	**Jul-23 to Jun-24**
LPG	1,043,569.00	1,188,565.80	1,085,619.50
F1 Total fuels used in buildings (MJ)	**1,043,569.00**	**1,188,565.80**	**1,085,619.50**
F2 Greenhouse gas emissions from stationary fuel consumption segmented by fuel type (t CO2-e)	**Jul-25 to Jun-26**	**Jul-24 to Jun-25**	**Jul-23 to Jun-24**
LPG	63.24	72.03	65.79
F2 Greenhouse gas emissions from stationary fuel consumption (t CO2-e)	**63.24**	**72.03**	**65.79**

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)	**Jul-25 to Jun-26**	**Jul-24 to Jun-25**	**Jul-23 to Jun-24**
Non-executive fleet - Gasoline	14,220.50	13,854.30	14,261.50
Petrol	**14,220.50**	**13,854.30**	**14,261.50**
Non-executive fleet - Diesel	51,550.10	120,477.90	99,769.00
Diesel	**51,550.10**	**120,477.90**	**99,769.00**
Total energy used in transportation (vehicle fleet) (MJ)	**65,770.60**	**134,332.20**	**114,030.50**

T2 Number and proportion of vehicles in the organisational boundary segmented by engine/fuel type and vehicle category	Jul-25 to Jun-26	Jul-24 to Jun-25	Jul-23 to Jun-24
Petrol - Unleaded	**2.00**	**4.00**	**4.00**
Diesel	**6.00**	**6.00**	**4.00**
Hybrid - Unleaded	**2.00**	**0.00**	**0.00**
Electric	**17.00**	**16.00**	**16.00**

T3 Greenhouse gas emissions from transportation (vehicle fleet) segmented by fuel type (t CO2-e)	Jul-25 to Jun-26	Jul-24 to Jun-25	Jul-23 to Jun-24
Non-executive fleet - Gasoline	0.96	0.94	0.96
Petrol	**0.96**	**0.94**	**0.96**
Non-executive fleet - Diesel	3.63	8.48	7.02
Diesel	**3.63**	**8.48**	**7.02**
Total Greenhouse gas emissions from transportation (vehicle fleet) (t CO2-e)	**4.59**	**9.42**	**7.99**

T4 Total distance travelled by commercial air travel (passenger km travelled for business purposes by entity staff on commercial or charter aircraft)	Jul-25 to Jun-26	Jul-24 to Jun-25	Jul-23 to Jun-24
Total distance travelled by commercial air travel	706.00		

~~T(opt1) Total vehicle travel associated with entity operations (1,000 km)~~	~~Jul-25 to Jun-26~~	~~Jul-24 to Jun-25~~	~~Jul-23 to Jun-24~~
~~Total vehicle travel associated with entity operations (1,000 km)~~			

~~T(opt2) Greenhouse gas emissions from vehicle fleet (t CO2-e per 1,000 km)~~	~~Jul-25 to Jun-26~~	~~Jul-24 to Jun-25~~	~~Jul-23 to Jun-24~~
~~t CO2-e per 1,000 km~~			

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)	**Jul-25 to Jun-26**	**Jul-24 to Jun-25**	**Jul-23 to Jun-24**
Total energy usage from stationary fuels (F1) (MJ)	1,043,569.00	1,188,565.80	1,085,619.50
Total energy usage from transport (T1) (MJ)	65,770.60	134,332.20	114,030.50

Total energy usage from fuels, including stationary fuels (F1) and transport fuels (T1) (MJ)	**1,109,339.60**	**1,322,898.00**	**1,199,650.00**

E2 Total energy usage from electricity (MJ)	**Jul-25 to Jun-26**	**Jul-24 to Jun-25**	**Jul-23 to Jun-24**
Total energy usage from electricity (MJ)	1,994,942.59	1,950,151.04	1,804,515.19

E3 Total energy usage segmented by renewable and non-renewable sources (MJ)	**Jul-25 to Jun-26**	**Jul-24 to Jun-25**	**Jul-23 to Jun-24**
Renewable	1,994,942.70	684,376.54	665,293.22
Non-renewable (E1 + E2 - E3 Renewable)	1,109,339.49	2,588,672.50	2,338,871.97

E4 Units of Stationary Energy used normalised: (F1+E2)/normaliser	**Jul-25 to Jun-26**	**Jul-24 to Jun-25**	**Jul-23 to Jun-24**
Energy per unit of bed-day (LOS+Aged Care OBD) (MJ/OBD)	196.16	206.71	194.94

SUSTAINABLE BUILDINGS AND INFRASTRUCTURE	**Jul-25 to Jun-26**	**Jul-24 to Jun-25**	**Jul-23 to Jun-24**
B1 Discuss how environmentally sustainable design (ESD) is incorporated into newly completed entity-owned buildings	**Jul-25 to Jun-26**	**Jul-24 to Jun-25**	**Jul-23 to Jun-24**
Environmentally sustainable design (ESD) principles will be incorporated into newly completed Heathcote Health-owned buildings through consideration of energy efficiency, water conservation, sustainable materials and design features that support long-term environmental performance and operational efficiency			
B2 Discuss how new entity leases meet the requirement to preference higher-rated office buildings and those with a Green Lease Schedule	**Jul-25 to Jun-26**	**Jul-24 to Jun-25**	**Jul-23 to Jun-24**
N/A			
B3 NABERS Energy (National Australian Built Environment Rating system) ratings of newly completed/occupied Entity-owned office buildings and substantial tenancy fit-outs (itemised)	**Jul-25 to Jun-26**	**Jul-24 to Jun-25**	**Jul-23 to Jun-24**
N/A			
B4 Environmental performance ratings (eg. NABERS, Green Star, or ISCAIS rating scheme) of newly completed Entity-owned non-office building or infrastructure projects or upgrades with a value over $1 million	**Jul-25 to Jun-26**	**Jul-24 to Jun-25**	**Jul-23 to Jun-24**
NABERS Energy			

B5 Environmental performance ratings achieved for Entity-owned assets portfolio segmented by rating scheme and building, facility, or infrastructure type, where these ratings have been conducted	Jul-25 to Jun-26	Jul-24 to Jun-25	Jul-23 to Jun-24
Rating scheme			

SUSTAINABLE PROCUREMENT	Jul-25 to Jun-26	Jul-24 to Jun-25	Jul-23 to Jun-24

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)	**Jul-25 to Jun-26**	**Jul-24 to Jun-25**	**Jul-23 to Jun-24**
Potable water (kL)	3,622.46	3,362.48	4,181.61
Total units of water consumed (kL)	**3,622.46**	**3,362.48**	**4,181.61**

W2 Units of metered water consumed normalised by FTE, headcount, floor area, or other entity or sector specific quantity	Jul-25 to Jun-26	Jul-24 to Jun-25	Jul-23 to Jun-24
Water per unit of bed-day (LOS+Aged Care OBD) (kL/OBD)	0.23	0.22	0.28

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)	**Jul-25 to Jun-26**	**Jul-24 to Jun-25**	**Jul-23 to Jun-24**
Landfill (total)			
General waste - skips	40,581.00	40,581.00	40,716.00
Offsite treatment			
Clinical waste - incinerated			39.90
Clinical waste - sharps	73.06	73.06	73.18
Clinical waste - treated	310.74	310.74	310.92
Recycling/recovery (disposal)			
Cardboard		4,272.93	4,290.00
Commingled		9,659.97	9,680.00
Total units of waste disposed (kg)	**40,964.80**	**54,897.70**	**55,110.00**

WR1 Total units of waste disposed of by waste stream and disposal method (%)	Jul-25 to Jun-26	Jul-24 to Jun-25	Jul-23 to Jun-24
Landfill (total)			
General waste	99.06%	73.92%	73.88%
Offsite treatment			
Clinical waste - incinerated			0.07%
Clinical waste - sharps	0.18%	0.13%	0.13%
Clinical waste - treated	0.76%	0.57%	0.56%
Recycling/recovery (disposal)			
Cardboard		7.78%	7.78%
Commingled		17.60%	17.56%

WR2 Percentage of office sites covered by dedicated collection services for each waste stream	Jul-25 to Jun-26	Jul-24 to Jun-25	Jul-23 to Jun-24
Printer cartridges			
Batteries			

e-waste
Soft plastics

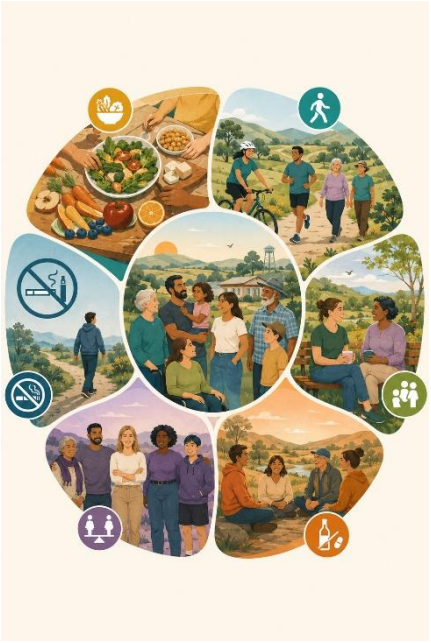
WR3 Total units of waste disposed normalised by FTE, headcount, floor area, or other entity or sector specific quantity, by disposal method	Jul-25 to Jun-26	Jul-24 to Jun-25	Jul-23 to Jun-24
Total waste to landfill per patient treated ((kg general waste)/PPT)	2.58	2.63	2.71
Total waste to offsite treatment per patient treated ((kg offsite treatment)/PPT)	0.02	0.02	0.03
Total waste recycled and reused per patient treated ((kg recycled and reused)/PPT)		0.90	0.93

WR4 Recycling rate (%)	Jul-25 to Jun-26	Jul-24 to Jun-25	Jul-23 to Jun-24
Weight of recyclable and organic materials (kg)		13,932.90	13,970.00
Weight of total waste (kg)	40,964.80	54,897.70	55,110.00
Recycling rate (%)		**25.38%**	**25.35%**

WR5 Greenhouse gas emissions associated with waste disposal (t CO2-e)	Jul-25 to Jun-26	Jul-24 to Jun-25	Jul-23 to Jun-24
t CO2-e	53.25	53.25	53.47

NORMALISATION FACTORS	Jul-25 to Jun-26	Jul-24 to Jun-25	Jul-23 to Jun-24
1000km (Corporate)			
1000km (Non-emergency)			
Aged Care OBD	13,941.00	13,592.00	13,759.00
ED Departures	0.00	0.00	0.00
FTE	114.00	106.00	93.00
LOS	1,549.00	1,592.00	1,067.00
OBD	15,490.00	15,184.00	14,826.00
PPT	15,729.00	15,409.00	15,015.00
Separations	239.00	225.00	189.00
TotalAreaM2	3,667.00	3,667.00	3,667.00

Prevention and Health Promotion



Integrated Health Promotion Approach

The 2025–2026 period has continued to build on Heathcote Health's momentum in health promotion and prevention, with several outcomes achieved and a range of initiatives taking shape that will be implemented over the following year.

Our efforts are directed toward achieving preventative health measures across the six priority areas outlined in the Heathcote Health Community Health Strategic Plan:

1. **Increase Healthy Eating**
2. **Increase Physical Activity**
3. **Improve Mental Wellbeing**
4. **Reduce Harm from Tobacco and E-Cigarettes**
5. **Promote Gender Equity**
6. **Reduce Harm from Alcohol and Other Drugs.**

Heathcote Health has continued to participate in networks and group collaboration that is so essential to health promotion work, with new partnerships developed and existing relationships deepened across the Heathcote and district community. As part of our commitment to community health and wellbeing, Heathcote Health actively engages in a wide range of meetings, networking events and forums, linking our work into broader regional and state-wide prevention strategies and helping us stay connected to best practice in health promotion.

Some of these include:

- Champions of Change network
- Healthy Loddon Campaspe Local Project Group
- Loddon Mallee Health Services Climate Change CoP
- LMPHU Mental A-Z network
- Reducing Harm from Tobacco reference group
- Women's Health Loddon Mallee CARE forum
- AHPA Vic/Tas, Rural and Regional HP CoP
- Heathcote Community Capacity Builders Meeting
- State-wide CH-HP Forum
- Department of Health PR Comms
- Greater Bendigo Health and Wellbeing Partnership



This year, Heathcote Health has been able to draw on new local data from the Active Living Census (ALC), a survey developed and administered by Healthy Loddon Campaspe (HLC), the regional partnership working to improve health and wellbeing outcomes across the Loddon Campaspe area, to understand community attitudes, behaviours and barriers around physical activity, nutrition and related health behaviours. 426 Heathcote residents completed the ALC, the highest participation rate of any

subregion in Greater Bendigo, giving Heathcote Health an unusually detailed picture of local needs and priorities to inform its health promotion planning.

Key findings specific to Heathcote include:

- 65.6% of respondents meet recommendations for aerobic physical activity, but only 42.9% meet recommendations for muscle-strengthening activity
- 61.3% of Heathcote respondents said they do not participate in their desired level of physical activity, suggesting barriers beyond motivation are limiting activity
- The top barriers to exercise reported by Heathcote residents – poor health or disability, cost, lack of social support, and safety – were all reported above the regional average
- Rates of low food security (15.1%) and very low food security (12%) in Heathcote are above the regional average (11.3% and 9.1% respectively)
- 61.7% of Heathcote residents do not meet recommended fruit consumption, and only 7.8% meet recommended vegetable consumption
- Heathcote and District residents were the most likely in the region to report cost as a barrier to both fruit consumption (32.2%) and vegetable consumption (24.6%)
- Heathcote has the second-highest rate of current smokers in the Greater Bendigo region, at 11.4%
- 71.7% of Heathcote residents do not meet recommended water consumption

This data is critical to Heathcote Health's health promotion planning. It confirms that the barriers Heathcote residents face to healthy eating and physical activity are structural as much as behavioural – cost, safety, access and social support – rather than a simple lack of motivation, and it will directly inform how initiatives such as the Heathcote parkrun, the monthly healthy recipe column, the Catering for Good Directory and Vic Kids Eat Well are targeted, promoted and evaluated going forward.

Healthy Eating

The Catering for Good Directory

A standout achievement this year was local café Fodder's addition to the Catering for Good Directory, a state-wide Healthy Eating Advisory Service and Department of Health initiative that connects Victorian workplaces and organisations with caterers who prioritise health, sustainability and community benefit. Heathcote Health approached several local cafés to gauge interest, and Fodder owner Mohan Pun was enthusiastic from the outset. Working closely with Heathcote Health's Health Promotion Officer and the Healthy Eating Advisory Service (HEAS), Fodder shared its menu and recipes for a FoodChecker assessment, with the application submitted and approved in quick succession following a thorough review of the café's social impact practices against the Directory's criteria.

The achievement was promoted community-wide through posters at the IGA, the café itself and the Visitor Information Centre, as well as a feature in the McIvor Times' Health Matters column.

The listing recognises the healthy options already on Fodder's menu and positions the café to cater for local events and functions with health-conscious menus.

Vic Kids Eat Well

Health continued its engagement with both local primary schools through Vic Kids Eat Well (VKEW), a Victorian program that supports schools and early childhood services to improve the food and drink available to children through a series of practical, achievable 'small bites'. This work sits alongside Heathcote Health's broader participation in the Achievement Program, the state-wide framework – aligned

with the World Health Organization's model for health-promoting workplaces and schools – that Heathcote Health is registered under across its five elements of healthy eating, physical activity, smoking reduction, alcohol and other drugs, and mental health and wellbeing. At Holy Rosary Primary School, a baseline canteen survey found five small bites already met, and an action plan is now guiding progress on two further changes, covering cakes and muffins and healthier pies and pastries. Engagement with Heathcote Primary School is also underway.

Monthly Healthy Recipe

Heathcote Health has begun a monthly healthy recipe column in the McIvor Times, pairing each recipe with nutrition information about its key ingredients. Recipes are deliberately kept healthy, accessible and inexpensive, so that eating well is presented as achievable rather than aspirational for households across Heathcote, a number of which face financial pressure. The column's regular place in a publication the community already reads keeps healthy eating visible between larger program launches.



Active Living

April Falls

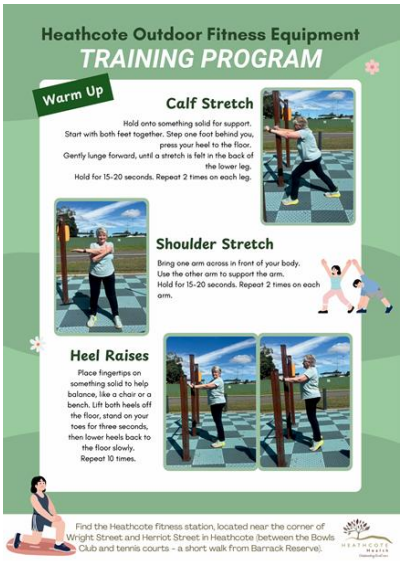
Falls are the leading cause of injury-related hospitalisation among older Australians, yet they are largely preventable. In a rural community like Heathcote, where 33.7% of the population is aged 65 and over, compounding risk factors such as geographic isolation and reduced access to allied health services make proactive falls prevention education a high public health priority.



April 2026's National Falls Prevention Month saw Heathcote Health deliver a two-stream falls prevention initiative: a staff education session for home support workers, designed to build their capacity to identify falls risks in client homes, followed two weeks later by a community education session open to the broader Heathcote community. Both sessions were facilitated by Heathcote Health's allied health team.

The sequencing paid off, with eight of the fifteen community attendees coming through direct referral from staff who had completed the training, creating an organic referral pathway between the two sessions.

Staff self-rated falls knowledge improved from 'good' or 'fair' to 'excellent', with several noting they had not previously appreciated how significantly physical activity contributes to reducing falls risk. Every community participant rated the session 5 out of 5, with average confidence in reducing falls risk rising from 3.6 to 4.8 out of 5, and all participants indicated specific changes they intended to make as a result.



All participants received a take-home resource booklet, developed in-house in consultation with Heathcote Health's Occupational Therapist and Physiotherapist, combining home safety guidance with a structured, multi-level exercise program so the learning continues well beyond the sessions themselves.



McIvor Creek Trail parkrun, Heathcote

2025-2026 saw huge progress toward the official Launch of the McIvor Creek Trail, Heathcote parkrun. After a lengthy process of course approval and sign-off from parkrun Australia as well as parkrun Global, two trial events were held on Sunday 14 June and Sunday 28 June as the final steps before launch. The trials gave the volunteer team the opportunity to practise their roles, test event processes, and refine the course setup, with a small group of local participants invited to take part. Both events ran smoothly and helped build confidence ahead of the official launch.



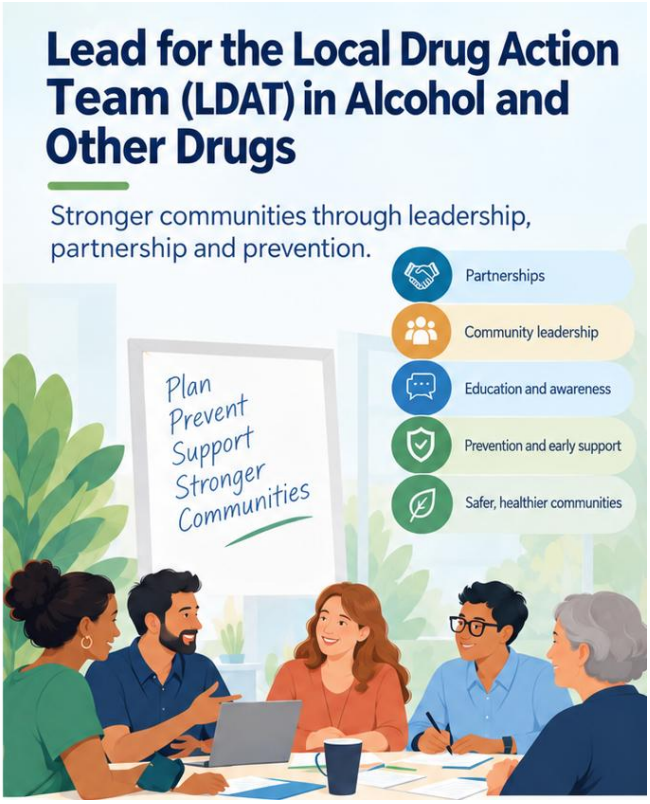
Once live, the free, weekly, timed 5km event – made possible through the collective effort of Heathcote Health, the City of Greater Bendigo, Healthy Loddon Campaspe and parkrun Australia – will give the Heathcote community a permanent, low-barrier option to run, jog, walk or volunteer together, regardless of age or fitness level.



Above: La Trobe University Bendigo 4th Year Occupational Therapy Students undertook scoping & feasibility of a Heathcote parkrun as their Final Year Project Based Learning Experience.

Left: Group photo of McIvor Creek Trail parkrun, Heathcote Volunteers during trial event





Reducing Harm from Smoking and E-cigarettes

Heathcote Health has reviewed its smoke-free workplace policy, updating smoking-area rules and enforcement provisions while balancing support for staff who smoke. Rather than implementing the reviewed policy unilaterally, Heathcote Health is having a staff feedback group review it first, on the basis that a policy shaped by the people it affects is more workable in practice. Implementation is planned for the 2026/27 financial year. Heathcote Health continued to offer support to staff, volunteers, aged care consumers, hospital patients and community clients to reduce smoking. Heathcote Health also participated in the City of Greater Bendigo Council's Smoking and Vaping Partnership to reduce harm from smoking and vaping.

Alcohol and Other Drugs

Heathcote Health has taken on the role of lead organisation for the Heathcote Local Drug Action Team (LDAT), partnering with the Alcohol and Drug Foundation (ADF) – the national body that funds and supports more than 270 Local Drug Action Teams across Australia to prevent and minimise alcohol and other drug-related harm at a local level. Community consultation is now underway to shape Heathcote's second Community Action Plan (CAP 2), focused on alcohol harm among socially isolated older adults. Consultation will run through a two-tier model: a reference group generating priorities and ideas through community workshops, and a smaller working group turning those priorities into decisions and action – a structure designed to sustain momentum in a small rural community, where the same residents are often stretched across multiple consultation processes at once. The resulting Community Action Plan is intended to be fully implemented by July 2027.

Mental Health and Wellbeing

Mental A-Z Network

Heathcote Health participates in the Loddon Mallee Public Health Unit's Mental A-Z network, a community of practice bringing together health promotion practitioners from across the region to support one another's initiatives, provide advice and feedback, act as a sounding board, and share the challenges and learnings that come with this work. This ongoing collaboration strengthens Heathcote Health's own mental health and wellbeing initiatives by connecting local work to regional expertise and shared experience.

Heathcote Community Health Directory

Heathcote Health, together with Heathcote Community House and Advance Heathcote Inc, has been developing a Heathcote Community Health Directory: a single, easy-to-navigate reference to the health services, community groups and supports available locally. The directory is organised into five sections – Health Services, Community Groups, Organised and Free Exercise Options, Food and Financial Relief Services, and Online Services – reflecting its intention that no resident should be unsure of where to turn, whether for medical care, a free exercise option, food relief, or simply a community group to connect with. Connection to services and to community is itself protective of health. Confirmation emails have been sent to all listed services ahead of publication, and a newspaper story has already built community awareness ahead of the directory's launch.





Left: Heathcote Community Capacity Builders luncheons are held monthly.

The Heathcote Community Capacity Builders (HCCB) program brings together representatives from different community groups to provide networking opportunities. HCCB is facilitated and organised by Heathcote Community House.

By Ella O'Bree – Health Promotion Officer

Volunteers and Supporters



Above: Heathcote Health celebrated National Volunteer Week with co-located volunteer involving organisations Heathcote Men's Shed and Royal Flying Doctor Service (RFDS) Community Transport (Heathcote)

Volunteers continued to make a significant contribution to the services, culture and community connections of Heathcote Health throughout 2025/26. Their generosity, compassion and commitment enhanced the experiences of patients, residents, clients, visitors and staff across the organisation.

Volunteer engagement remained strong throughout the year, with a Volunteer Information Session conducted in February attracting new community members interested in contributing to the organisation. The positive response demonstrated the ongoing commitment of the local community to supporting Heathcote Health and highlighted the important role volunteers play in service delivery and community wellbeing.

Volunteers provided valuable assistance across a range of activities and services, helping to create welcoming environments, support social connection and strengthen engagement between Heathcote Health and the broader community. Their contributions complemented the work of staff and helped enrich the experiences of those accessing our services.

A highlight of the year was the Volunteer Appreciation Day held during National Volunteer Week in May. The event, delivered in partnership with the Royal Flying Doctor Service and the Heathcote Men's Shed, provided an opportunity to formally recognise and celebrate the outstanding contribution of volunteers. The occasion brought together volunteers, community partners and supporters to acknowledge the important role volunteers play in enhancing patient and resident experiences, supporting staff and building stronger community connections.

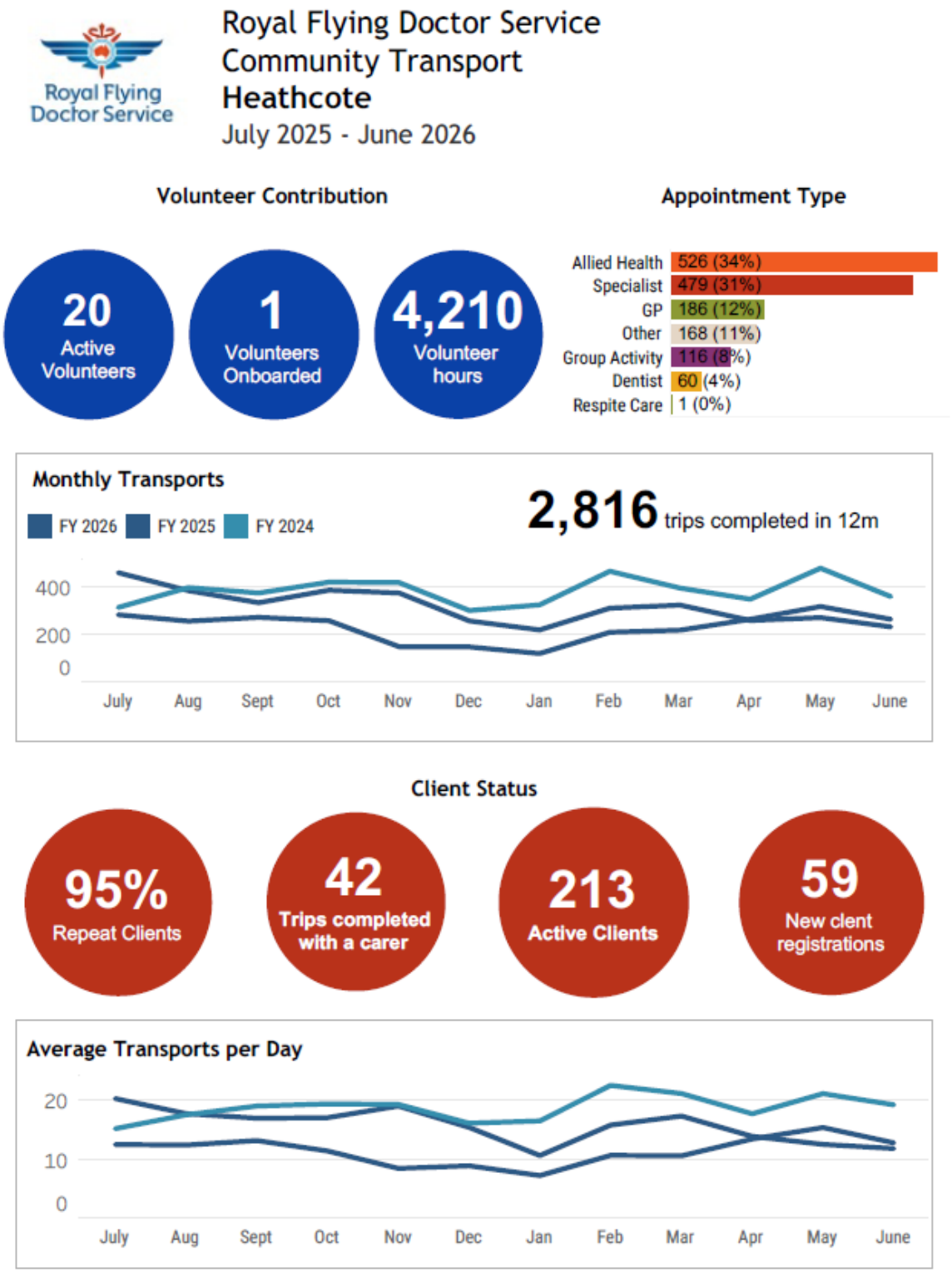
The event was further strengthened by the attendance of Annabelle Cleeland MP, whose participation highlighted the value of volunteering across rural and regional communities. The day provided an opportunity for volunteers to connect with one another, share experiences and reflect on the positive impact their efforts have on individuals and the wider community.

Heathcote Health remains committed to supporting volunteers through effective recruitment, orientation and ongoing engagement processes. Volunteers are valued members of the organisation, bringing skills, experience and community perspectives that contribute significantly to the delivery of person-centred care and services.

On behalf of the Board, Executive, staff, residents, clients and patients, I extend sincere thanks to all volunteers for their dedication and service throughout the year. Their contribution continues to strengthen Heathcote Health and enrich the lives of those we serve.

We look forward to continuing to work alongside our volunteers and community partners as we build a healthier, more connected community.

Royal Flying Doctor Service Community Transport



GreenConnect



GreenConnect is a Commonwealth funded program, operating across Bendigo and Mildura. It supports people living with early to mid-stage dementia and their carers, with regular social activities and education sessions held locally in Bendigo and Mildura.

GreenConnect are currently supporting more than 160 participants across the Loddon Mallee region.

A Commonwealth funded project established in 2023, GreenConnect was originally designed to examine if spending time in green environments was beneficial to the quality of life for people living with dementia and their carers.

As the project has evolved, it has expanded to include navigation of aged care and dementia support services, helping participants and families connect with others on a similar journey and access appropriate supports when needed.

In the Bendigo region, the program is facilitated by Heathcote Health.
GreenConnect have recently received further government funding and a 12 month extension.

GreenConnect currently have no waitlist and the program is free for participants.

Please contact Respite Care Coordinator Jade Field jafield@heathcotehealth.org for more information.





Gender Equality Action Plan



The Victorian Commission for Gender Equality in the Public Sector was launched in October 2020 and Dr Nikki Vincent was appointed as the first Commissioner. The Commission oversees the implementation of The Gender Equality Act 2020 and plays a key leadership role in promoting gender equality in the Victorian community and workplaces. The Act commenced on 31 March, 2021.

GENDER EQUALITY ACTION PLAN (GEAP) VISION STATEMENT

Heathcote Health (HH) continue working towards achieving our goals and actions within our GEAP by using new, novel and existing strategies to advance the principles of gender equality for every Victorian.

We want to change the perceptions, culture and ideals within our organisation to represent positive gender equal outcomes, particularly respect, dignity and diversity that will advance our workplace and our community.

We will need to be courageous, honest and value-aligned to achieve gender equality at HH and ensure we utilise the expertise, creativity and authenticity of our partner organisations to help us reach our goals.

We want each action item addressed comprehensively, and to build in flexibility to ensure the relevance of our goals.

We want our goals and actions recognised and ratified by our Board of Directors, our workforce, our community and the Gender Equality Commission.

We want to see both cultural and perceptual changes in advancing gender equality and to ensure our governance is strong, our workforce and community is well informed, and that we celebrate the change and progress as it happens.

Heathcote Health's Gender Equality Action Plan (GEAP) is a key document that informs and assists us to be champions of gender equality within our Health Service and our Community.

Heathcote Health services a catchment area larger than simply our population and it's imperative as the major public health service in our community that we promote and foster the development of diversity, inclusivity and education about gender equality.

We are committed to working through the Gender Equality Action Plan to identify, address and make change on gender issues as an employer and embrace our unique staff to achieve their goals and celebrate how each individual contributes to our organisation and therefore community.

Our Gender Equality Action Plan guides us in meaningful change that will uphold our values and our client, consumer, patient centred approach that recognises and acknowledges the unique and inclusive experience that all staff and people should experience.

We continue to work on the challenges within the health sector that impacts on gender equality in our community such as our leadership composition, education about gender equality within Heathcote Health and further workforce analysis to better understand how we evolve to position ourselves as leaders of gender equality.

It is our continued goal that we enable and equip ourselves into the future to remove the barriers that exist around gender equality, while we focus on a safe and inclusive environment that help us remove the intersecting marginalisation of people that occurs within our community.

It's our commitment as a public health service, with the strongest support of our executive and board of directors that we use the gender equality plan to make lasting change, providing visibility of where we've made progress with outcomes and demonstrate that to our wonderful community.

Infection Control and Prevention

The Infection Prevention and Control (IP&C) program has experienced a turbulent year amid a broader organisational climate of change.

This has been particularly evident in the transition of IP&C leadership from the long-standing manager to a new clinical consultant and program coordinator. The change was unexpected, following the passing of the previous staff member during Easter this year.

Vital work that has been undertaken this year is:

- Completion of a systematic gap analysis of the IP&C program
- A methodical review of all IP&C policy documents
- Rationalisation of the audit schedule that aligns with National and State frameworks
- Reinvigoration of a formal Aseptic Technique assessment program
- Creation of resource kits in each clinical area to provide resources and support for staff

Additionally, Heathcote participated in the Loddon Mallee Public Health Unit-supported Measles, Mumps and Rubella (MMR) booster vaccination program. The Annual Influenza vaccination program was also successfully implemented this year.

Clinical auditing continues to demonstrate a high level of IP&C knowledge and the consistent application of good infection prevention and control practices among staff. Governance audits indicate that further work is required to strengthen and formalise evidence of organisational processes. This will support staff in their clinical decision-making and the delivery of safe, high-quality care. While staff continue to provide safe and effective care, robust governance processes are essential to support and sustain these practices.

Heathcote recorded three infectious disease outbreaks during the year;

- a COVID-19 outbreak in August 2025 that affected 8 patients and residents, and 7 staff across the acute and aged care facilities
- a Rhinovirus outbreak in May 2026 that affected 6 residents and 1 staff member in the aged care facility
- a Rhinovirus outbreak in July 2026 that affected 3 residents and no staff in the aged care facility

It is noted that there was sufficient time between the two Rhinovirus outbreaks for them to be considered separate events, not a prolonged single event.

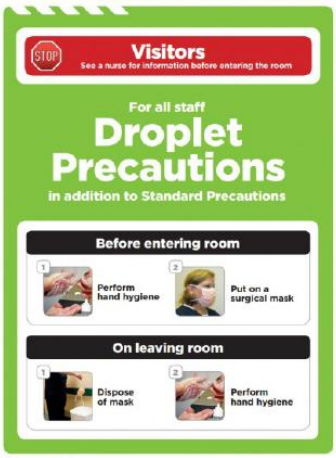
All outbreaks were of short duration and involved only small numbers of cases, providing clear evidence that staff are confident in outbreak management, identify cases early, and implement appropriate control measures in a timely manner. This results in efficient outbreak management, timely care, and protection of other patients, residents, and staff. The nursing teams are to be congratulated on their achievements.

Researching and implementing change is essential to ensure contemporary best practice, which is fundamental to an effective IP&C program. Further work is required to build upon the strong foundations established by the program's previous leadership. This is being pursued with passion and commitment through collaboration with multidisciplinary teams and organisational leaders, and positive change will continue to be realised.

Monica McHugh
Infection Prevention and Control Coordinator









People Matter Survey

2026 People Matter Survey



Heathcote Health participated in the 2026 People Matter Survey, achieving an outstanding staff response rate of 77 per cent (142 employees), significantly exceeding both the comparator group average of 52 per cent and the Victorian public sector average of 49 per cent. This represents a substantial increase from 51 per cent in 2025 and reflects strong staff engagement with organisational improvement initiatives.

The survey results highlight a highly engaged workforce and a positive organisational culture. Heathcote Health achieved an Employee Engagement Index of 76, exceeding the Victorian public sector average of 71 and performing slightly above comparable rural health services. Staff sentiment remained strong, with 81 per cent of respondents indicating they were proud to tell others where they work, 76 per cent willing to recommend Heathcote Health as a good place to work, and 72 per cent reporting a strong connection to the organisation.



Above & below: Staff gathered to celebrate this year's People Matter Survey with a BBQ.

Inclusion and cultural safety continue to be key organisational strengths. Positive responses relating to inclusion reached 85.9 per cent, exceeding both comparator organisations and the broader public sector. Eighty-eight per cent of staff reported being able to be themselves at work, while 84 per cent felt culturally safe in the workplace. Notably, the statement “I can be myself at work” recorded the organisation's greatest improvement, increasing by 10 percentage points from the previous year.

The survey also demonstrated positive workforce wellbeing outcomes. Only 9 per cent of staff reported high to severe work-related stress, compared with 18 per cent in similar organisations and 26 per cent across the Victorian public sector. Where stress was experienced, the most commonly reported contributors were time pressure, workload and interactions with patients, clients and stakeholders.

Workforce retention indicators remain strong, with 41 per cent of respondents intending to remain with Heathcote Health for more than five years and a further 45 per cent intending to stay between one and five years. Staff identified relationships with colleagues, meaningful work, and pay and benefits as the primary reasons for remaining with the organisation.

Compassion Accountability Respect Excellence

The survey highlighted several areas of excellence across the organisation. Staff demonstrated strong awareness of governance and accountability requirements, with 98 per cent understanding their Code of Conduct obligations and 95 per cent knowing how to declare a conflict of interest. High levels of collaboration were also evident, with 94 per cent indicating they could work effectively across teams and 93 per cent reporting they were able to utilise their skills and knowledge in their role.



The survey also identified opportunities for further improvement. These include strengthening communication regarding actions taken in response to staff feedback, improving perceptions of fairness in recruitment and promotion processes, enhancing communication around psychological safety, and continuing efforts to support innovation, learning and constructive performance feedback.

While overall workplace culture results were positive, the survey reinforced the importance of maintaining a safe and respectful workplace. Reports of bullying and workplace aggression remain areas of focus, together with increasing staff confidence in reporting mechanisms and ensuring concerns raised are effectively addressed.

Overall, the 2026 People Matter Survey confirms that Heathcote Health continues to perform strongly across key employee engagement, inclusion and wellbeing measures when compared with similar health services and the wider Victorian public sector. The results provide a strong foundation for continued organisational improvement and inform future priorities in workforce wellbeing, culture and employee experience.

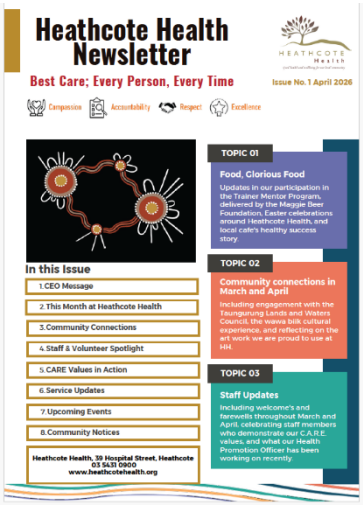
Visiting Medical Officers

Dr Maureen Siapno MBBS,FRACGP
Dr Tanya Howley MBBS,FRACGP
Dr David Anderson MBBS,FRACGP,MPH
Dr Breeanna Cumming MBBS,FRACGP
Dr Pradeep Pokharel MBBS
Dr Noel Siapno MD,FRACGP

Visiting Medical Officers (VMOs) play a crucial role in public hospitals by providing medical services in alongside the Health Service. They are not hospital employees but are contracted by the Health Service to offer specific medical services. VMOs are medical practitioners registered with the Medical Board of Australia, and they can be specialists or general practitioners. VMOs are credentialled annually within the Health Service through the Director of Medical Services. They offer services such as acute medicine, palliative care, mental health, drug and alcohol, residential care, community health, and state-wide services. VMOs are responsible for delivering high-quality healthcare to a diverse patient population and are expected to model excellent patient care and provide leadership in supervision and mentorship practices. They also support the implementation of innovative healthcare models and participate in research and clinical governance programs in their own practice environment as well as in conjunction with the Health Service.

Communications

Heathcote Health Newsletter


Heathcote Health Newsletter

Best Care; Every Person, Every Time

Issue No. 1 April 2026

Compassion Accountability Respect Excellence

In this Issue

1. CEO Message
2. This Month at Heathcote Health
3. Community Connections
4. Staff & Volunteer Spotlight
5. CARE Values in Action
6. Service Updates
7. Upcoming Events
8. Community Notices

TOPIC 01 Food, Glorious Food

Updates in our participation in the Trainer Mentor Program, delivered by the Maggie Beer Foundation, Easter celebrations around Heathcote Health, and local cafe's healthy success story.

TOPIC 02 Community connections in March and April

Including engagement with the Taungurung Lands and Waters Council, the wawa talk cultural experience, and reflecting on the art work we are proud to use at HH.

TOPIC 03 Staff Updates

Including welcome's and farewells throughout March and April, celebrating staff members who demonstrate our C.A.R.E. values, and what our Health Promotion Officer has been working on recently.

Heathcote Health, 39 Hospital Street, Heathcote
03 5433 0900
www.heathcotehealth.org

The first Issue of our monthly Heathcote Health Newsletter was published in April 2026.

The newsletter is printed and available in many outlets across Heathcote.

- **A3 versions are printed for Aged Care residents**
- **Tourism Centre, Library, Post Office, Heathcote Community House and Heathcote businesses**

Electronic versions are available on the Heathcote Health Website and Intranet.

Heathcote Health Information Hub

The Information Hub page is published monthly as a full-page editorial in the free weekly local Newspaper, The McIvor Times.

Topics range from relevant Weekly and Monthly Health Promotion items.

Working in conjunction with the Heathcote Health Consumer Partnership Committee (CPC), the look of the editorial has changed name to Community Connections and the look of the page now aligns to our website design palette so that the page is easily recognisable as a Heathcote Health supported communication. Earning a CPC 'Consumer Reviewed' tick of approval.


Heathcote Health Information Hub

CONSUMER REVIEWED


Heathcote Health Information Hub

A place for Healthy People

Daanboor Bagiin

National Heart Week

Energy Education Sessions

April Falls

APRIL FALLS

THURSDAY 30TH APRIL

10AM - NOON

BARRACK RESERVE OVAL ROOM

Heathcote Health, 39 Hospital St, Heathcote, 3523

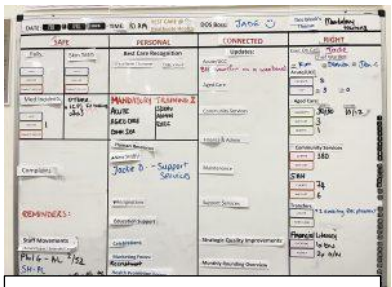
Telephone: (03) 5433 0900

www.heathcotehealth.org

Heathcote & District Community Bank® Branch

Bendigo Bank

Heathcote Health Daily Operational Stand-up (DOS)


SAFE PERSONAL CONNECTED RIGHT

REMINDERS:

Above: A photo is taken of the Daily Operational Stand-up board and made available to view for all staff on the HH Intranet.

Daily Operational Stand-up (DOS) meetings are held every weekday at 10:00am and take approximately 10-15 minutes.

The DOS attendees are made up from Executive, Managers, Senior Leaders and relevant staff members.

At the DOS we discuss:

- **Urgent / Important items**
- **Staff Recognition against our C.A.R.E values**
- **Consumer Stories**
- **Points to note from Departmental Huddles**
- **The 'Fearless Leadership' theme for the week**
- **Monkeys on peoples back, and how the group can help**
- **Clinical updates**
- **New starters, resignations or key staff offsite**

2025-26 Statement of Priorities

Part A Department of Health Strategic Plan

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.

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.

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

Heathcote Health Deliverables

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.

Heathcote Health Lead and Actions	Status	Progress
Lead: Quality & Risk Manager (QRM) • Prepare the HH Partnering in Healthcare Statement of Intent Self-Assessment for 2025-26 • Prepare and submit the HH Partnering in Healthcare Statement of Intent for 2025-26 to Safer Care Victoria (SCV).	Achieved	• Reviewed by Clinical Governance Committee (CGC) • Workshop held with Consumer Advisory Group. Feedback from Independent Members incorporated into Statement of Intent. • Submitted to October 2025 Board Meeting • Awaiting Board approval at November 2025 Board Meeting. • Submitted to SCV in November 2025

Heathcote Health Deliverables

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.

Heathcote Health Lead and Actions	Status	Progress
Lead: QRM / Occupational Health Safety & Emergency Practice (OHS&EP) • **Ensure compliance with the HH Quality and Safety Framework and HH OH&S Plan.** • **Prepare and implement the HH 2025-26 Quality and Safety Plan.**	Achieved	• **Quality and Safety Plan completed and implemented.** • **OH&S Plan completed**

Heathcote Health Deliverables

Health services are able to show evidence of a comprehensive training program approach that includes performance management, accountability, and continuous improvement.

Heathcote Health Lead and Actions	Status	Progress
Lead: Learning & Development Manager (LDM) • **Prepare and implement the HH 2025-26 Learning and Development Plan.**	On track	• **Regular updates provided at Learning & Development Committee meetings** • **Focus of Quarter 4** • **Learning and Development plan being completed**

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.

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.

Heathcote Health Deliverables

Deliver the key initiatives outlined in the Budget Action Plan (BAP) within Government parameters.

Heathcote Health Lead and Actions	Status	Progress
Lead: Chief Financial Accounting Officer (CFAO) / Executive (Exec) • **Develop and implement the 2025-26 HH BAP.**	On track	• **The HH BAP, now known as Efficiency Initiatives (EI), has been produced and implemented.** • **EI updated monthly by CFAO, BAP completed and implemented**

Heathcote Health Deliverables

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.

Heathcote Health Lead and Actions	Status	Progress
Lead: Chief Executive Officer (CEO) / CFAO, Exec, Cost Centre Managers (CCM) • **Represent Small Rural Hospitals (SRHS) on the Hospitals Victoria (HV) Benchmarking Advisory Group.** • **Continue the HH Cost Centre Managers meetings to ensure key HH managers and supervisors make evidence-based financial decisions.**	On track	• **Director of Corporate Business (DCB) and management accountant are attending HV Benchmarking Advisory Group** • **Cost Centre Managers meeting monthly with management accountant** • **Magiq being upgraded to provide better reporting for managers** • **Accountant recruited and financial literacy being implemented**

Heathcote Health Deliverables

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.

Heathcote Health Lead and Actions	Status	Progress
Lead: Director of Clinical Services (DCS) • **Optimise HH patient facing services.**	On track	• **Completed and on going** • **Working with the Region to increase patient flow**

A stronger workforce

We strive to foster an equitable, skilled and supported workforce that builds professional capabilities to meet current and future roles.

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.

Heathcote Health Deliverables

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.

Heathcote Health Lead and Actions	Status	Progress
Lead: DCS / LDM • **Finalise and implement the HH 2025-26 Workforce Plan and Workforce Policy.** • **Continue implementation of the HH Gender Equality Action Plan (GEAP).**	On track	• **A draft workforce plan has been received from Dhelkaya. Currently in progress for readiness for implementation.** • **Gender Equality Action Plan submitted and has been deemed compliant** • **Various workforce policies are being updated.** • **People Matter Survey Working Group established.**

Heathcote Health Deliverables

Collaborate with the Victorian Department of Health (DoH) to improve workforce data analytics, generate actionable insights, and enhance strategic planning.

Heathcote Health Lead and Actions	Status	Progress
Lead: DCS • **Collaborate with Department of Health (DoH) on improving workforce data analytics.**	On track	• **HH is part of a benchmarking group that is working on this initiative with the DoH.**

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.

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.

Heathcote Health Deliverables

Deliver high-quality cultural safety training to all executives and staff using independent, expert, community-controlled organisations or a registered Aboriginal business.

Heathcote Health Lead and Actions	Status	Progress
Lead: LDM • **Implement the HH Cultural Safety Training Plan.**	On track	• **Current on-line training for staff 100% compliant** • **Executive and Managers completed Victorian Aboriginal Community Controlled Health Organisation (VACCHO) Cultural Safety Training** • **Reconciliation Action Plan (RAP) developed and implementing** • **Individuals from Heathcote Health Board, Executive, Staff undertook an on-Country experience called 'Wawa Biik' through Taungurung Land & Waters Council**

Heathcote Health Deliverables

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.

Heathcote Health Lead and Actions	Status	Progress
Lead: DCS • **Establish a Memorandum of Understanding (MOU) between HH and Bendigo & District Aboriginal Co-operative (BDAC).**	On track	• **Partnering meetings held and MOU developed.** • **Aboriginal Advisory Committee recommenced**

Heathcote Health Deliverables

Ensure culturally appropriate systems for identifying Aboriginal and Torres Strait Islander patients and implement responsive discharge plans and referral pathways.

Heathcote Health Lead and Actions	Status	Progress
Lead: DCS • **Continue HH actions to improve the identification of Aboriginal and Torres Strait Islander patients, aged care residents and community clients accessing HH services.**	On track	• **Alignment to Quality Standards requirements across all HH Departments implemented**

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.

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.

Heathcote Health Deliverables

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).

Heathcote Health Lead and Actions	Status	Progress

Lead: CEO
• **Achieve objectives for HH under the 2025-26 Loddon Mallee Local Health Service Network (LMLHSN) Statement of Expectations, including:**
  ○ **Network clinical services plan.**
  ○ **Step closer care.**
  ○ **Sustaining Residential In-Reach activity.**
  ○ **Regional mental health and wellbeing collaboration plan.**
  ○ **Workforce plans and shared workforce data.**
  ○ **Safer Together Program (with SCV).**
  ○ **Pursuing clinical governance excellence.**
  ○ **Increased efficiency and back-office functions.**
	On track	• **Network clinical services plan part A finalised**
		• **Step closer care.**
		• **Sustaining Residential In-Reach (RIR) activity.**
		  ○ **HH is actively engaging with the RIR Program and the development of a hub-and-spoke model due for implementation 2026**
		• **Regional mental health and wellbeing collaboration plan.**
		  ○ **Not yet commenced.**
		• **Workforce plans and shared workforce data commenced .**
		• **Safer Together Program (with SCV).**
		  ○ **HH has completed or implemented a number of SCV initiatives, including their HIRAID, Sepsis and Victor Charing projects.**
		• **Pursuing clinical governance excellence.**

○ Enhance patient pathways through the Role Delineation Framework, capability frameworks and by advancing the pathways for 2 to 3 streams of care following clinical service planning. ○ Enhance regional maternity services. ○ Education resource to support ongoing training for workforce systems (Kronos, Success Factors). ○ Leadership development. ○ Flexible workforce enablers. ○ Regional Medical Credentialing. ○ Enhance First Nations Cultural Safety Through implementation of Blak Butterfly. ○ Loddon Mallee Shared Services (LMSS) Corporate Services Capability and Feasibility Review. ○ Shared regional procurement. ○ Regional Learning management system. ○ Success Factors Project.		• Completed review and implementing outcomes • Increased efficiency and back-office functions. • Working with region on implementation. Enhance patient pathways through the Role Delineation Framework, capability frameworks and by advancing the pathways for 2 to 3 streams of care following clinical service planning. • Education resource to support ongoing training for workforce systems (Kronos, Success Factors). ○ HH is participating in the LMSS Advanced Rostering Project. • Leadership development: Leadership Capability framework formulated with LMHSN project group. • Regional Medical Credentialing: This group led by Dhelkaya Health CEO and is examining 'CGov' credentialing system currently • Enhance First Nations Cultural Safety Through implementation of Blak Butterfly. ○ HH has implemented several recommendations from the Blak Butterfly Framework. However further work has been put on hold by LMLHSN • LMSS Corporate Services Capability and Feasibility Review. ○ HH has reviewed a consultancy proposal prepared by Bendigo Health. • Shared regional procurement. Commenced. • Regional Learning management system. ○ Commenced. • Success Factors Project. ○ HH has agreed to participate in the LMSS Success Factors Project commenced.

Legend

A/UCC-NUM	Acute & Urgent Care Nurse Unit Manager
RAC-NUM	Residential Aged Care Nurse Unit Manager
Board	HH Board of Directors
CAG	HH Consumer Advisory Group
CCM	Cost Centre Managers
CFAO	Chief Financial Accounting Officer
CGS	HH Clinical Governance Committee
CEO	Chief Executive Officer
CS	Catering Supervisor
CS-NUM	Community Services Nurse Unit Manager
DCS	Director of Clinical Services
DCB	Director of Corporate Business
DMS	Director of Medical Services
EA	Executive Assistant / Board Governance Officer
Exec	Executive (incl: CEO, DCC, DCS)
FM	Facilities Manager
HRM	Human Resources Manager
HSS	Hotel Services Supervisor
LDM	Learning and Development Manager
LM-LHSN	Loddon Mallee – Local Health Services Network
LMSS	Loddon Mallee Shared Services (formerly Loddon Mallee Rural Health Alliance)
OHS&EP	Occupational Health & Safety and Emergency Practice Committee
Q&RM	Quality and Risk Manager

	Delieverable Achieved	Strategy/actions completed as planned
	On Track	Strategy/actions on track for completion within agreed timelines
	Devlierable Delayed	Strategy/actions overdue but within tolerances for completion by year end
	Significant Issues	Significant issues encountered which may compromise targeted outcomes

Performance Priorities (Part B Statement of Priorities)

High Quality and Safe Care

***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.*

Key Performance Measure	Target	Result
Infection prevention and control		
Percentage of healthcare workers immunised for influenza	94%	99%
Adverse events		
Percentage of reported sentinel events for which a root cause analysis (RCA) report was submitted within 30 business days from notification of the event	All RCA reports submitted within 30 business days	Achieved
Aged care		
Public sector residential aged care services overall star rating	Minimum rating of 3 stars	Achieved
Patient experience		
Percentage of patients who reported positive experiences of their hospital stay	95%	N/A*
Aboriginal Health		
Difference between the percentage of Aboriginal patients and non-Aboriginal patients who left against medical advice	0%	N/A**

**The 'Percentage of patients who reported positive experiences of their hospital stay' measure is not presented in the above dashboard due to the unavailability of an aggregate result for SRHS. Results are reported at the individual health service level where sufficient sample sizes exist.*

*** No Aboriginal and/or Torres Strait Islander patients during the reported period, or the denominator of either percentage is less than 10. Small Rural Health Service data are currently unavailable prior to 2025–26 for this indicator.*

Organisational Culture

People Matter Survey

Changes to the 2025-26 Health Sector People Matter Survey have 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.

Key performance indicator	Target	Result
Organisational Culture		
People matter survey – Percentage of staff with an overall positive response to safety culture survey questions	80%	71%

Heathcote Health Reporting

Workforce Data

Hospitals labour category		JUNE Current Month FTE		Average monthly FTE	
		2025	**2026**	2025	**2026**
Nursing		41.58	**43.97**	39.64	**43.29**
Administration and clerical		15.72	**17.76**	13.91	**16.64**
Medical Support					
Hotel and allied services		48.73	**51.76**	47.57	**49.83**
Medical Officers					
Hospital Medical Officers					
Sessional Clinicians					
Ancillary staff (Allied Health)		3.90	**3.63**	2.02	**3.65**
		TOTAL	**117.12**	**TOTAL**	**113.41**

All employees have been classified correctly as described in labour categories above.
Heathcote Health Service is dedicated to creating an inclusive workplace that challenges assumptions and removes barriers to ensure equitable outcomes, regardless of gender, and that reflects the diversity of our local community.

Occupational Health and Safety Data

Occupational Health and Safety Statistics	2023-24	2024-25	2025-26
The number of reported hazards/incidents for the year per 100 FTE	22	34	**50**
The number of 'lost time' standard WorkCover claims for the year per 100 FTE	1	5.01	**4.46**
The average cost per WorkCover claim for the year ('000)	$28	$19,956.62	**$44,571.00**

Occupational Violence Statistics

Occupational violence statistics	2025-26
Workcover accepted claims with an occupational violence cause per 100 FTE	1
Number of accepted Workcover claims with lost time injury with an occupational violence cause per 1,000,000 hours worked.	0
Number of occupational violence incidents reported	18
Number of occupational violence incidents reported per 100 FTE	15.93
Percentage of occupational violence incidents resulting in a staff injury, illness, or condition	5.56

Definitions of occupational violence

- ***Occupational violence*** *- any incident where an employee is abused, threatened, or assaulted in circumstances arising out of, or in the course of their employment.*
- ***Incident*** *- an event or circumstance that could have resulted in, or did result in, harm to an employee. Incidents of all severity rating must be included. Code Grey reporting is not included, however, if an incident occurs during a planned or unplanned Code Grey, it must be included.*
- ***Accepted WorkCover claims*** *– claims accepted and lodged in 2025-26.*
- ***Lost time*** *- defined as greater than one day.*
- ***Injury, illness, or condition*** *- includes all reported harm as a result of the incident, regardless of whether the employee required time off work or submitted a claim.*

Activity and Funding (Part C Statement of Priorities)

Funding Type	2025-2026 Activity Achievement
Aged Care	
Residential aged care	13,894
HACC	677
Small Rural	
Small rural acute	0.3

Operating Result

	2026 $000	2025 $000	2024 $000	2023 $000	2022 $000
OPERATING RESULT*	**-68**	4	-113	0	93
Total revenue	20,460	23,169	19,444	15,412	15,293
Total expenses	22,075	19,778	16,947	16,073	15,068
Net result from transactions	**-1,615**	3,391	2,497	-661	225
Total other economic flows	-69	133	153	58	169
Net result	**-1,684**	3,524	2,650	-603	394
Total assets	38,041	39,713	38,869	22,356	19,873
Total liabilities	11,047	11,035	11,715	9,923	6,837
Net assets/Total equity	**26,994**	28,678	25,154	12,433	13,036

Reconciliation of Net Result from Transactions and Operating Result

	2025-2026 ($000)
OPERATING RESULT	-68
Capital purpose income	611
Specific income	0
COVID 19 State Supply Arrangements - Assets received free of charge or for nil consideration under the State Supply	0
State supply items consumed up to 30 June 2026	0
Assets provided free of charge	0
Assets received free of charge	0
Expenditure for capital purpose	-180
Depreciation and amortisation	-1,965
Impairment of non-financial assets	0
Finance costs (other)	-13
Net result from transactions	-1,615

Key performance indicator	Target	Result
Operating result ($m)	$0.00m	-$0.07m
Adjusted current asset ratio	0.70 or 3% improvement from health service base target	0.98
Variance between the forecast and actual operating result (OR) as a percentage of the forecast OR for the current financial year ending 30 June	5% movement in forecast revenue and expenditure forecasts	Achieved

Significant changes in financial position
Total revenue reduced in 2025-26 as the prior year included $4.9M of capital grants for the construction of the Community Health Hub (CHH).
Cash reduced by $459K with the finalisation of the CHH as that funding had been received in advance in the prior year.
The decrease in total assets is predominantly due to the depreciation charge of $1.9M.

Performance against operational and budgetary objectives
The operating result was a $68K deficit for the year which was largely due to an increased repairs and maintenance spend $500K ($384K prior year) as well as increased information technology costs $650K ($602K prior year) including contributions to regional ICT projects.

Significant events occurring after the balance sheet date
There are no significant events occurring after the balance sheet date.

Consultancies Information

Details of consultancies (under $10,000)
In 2025-2026, there was one (1) consultancy 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 $6,834 (excl. GST).

Details of consultancies (valued at $10,000 or greater)
In 2025-2026, there were no consultancies 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 $0.00 (excl. GST).

Information and communication (ICT) expenditure

All operational ICT expenditure ($000)	*ICT expenditure related to projects to create or enhance ICT capabilities*		*ICT expenditure ($ thousand)*
($000)	*($000)*	*($000)*	*($000)*
Business as Usual (BAU) ICT expenditure	Non-Business as Usual (non-BAU) ICT expenditure	Operational expenditure	Capital expenditure
(Total)	(Total = Operational expenditure and capital expenditure)		
650	**0**	**0**	**0**

For the 2025-2026 reporting period, Heathcote Health had a total ICT expenditure of $650,236.00 (ICT BAU + ICT Non BAU), with the details shown above.

Asset Management Accountability Framework

The Asset Management Maturity Assessment is mandatory every three years with the next disclosure required in 2026-27.

Social Procurement Framework

Heathcote Health considers procurement to be a core business and strategic function. Social procurement creates an opportunity for Heathcote Health to use our buying power to deliver social and sustainable outcomes that help build a fair, inclusive and sustainable Victoria.

Social procurement will also deliver benefits to the organisation which include:

- **Employee empowerment and satisfaction through staff to pursue social and/or sustainable outcomes that benefit the State of Victoria, the economy and/or the planet for every individual procurement activity;**
- **Understanding suppliers better and their commitment to corporate social responsibility**
- **Better support and improvements within the local community**

Heathcote Health is committee to advancing social and sustainable procurement objectives through procurement in accordance with the Social Procurement Framework.

This way Heathcote Health can be strategic about the social and sustainable outcomes pursued for the organisation and the State. This supports the strategic commitment of organisation management to identify and pursue opportunities to enhance Heathcote Health's role as a good corporate citizen and an employer of choice.

Reporting period	2025-2026
Total number of suppliers engaged	304
Total expenditure with suppliers (excl. GST)	$4,103,366.16
Social Benefit suppliers	2
Total expenditure with social benefit suppliers (excl. GST)	$12,006.36
Opportunities for Victorian Aboriginal people	1
Total expenditure with Victorian Aboriginal businesses (excl. GST)	$2,906.36
Opportunities for Victorians with disability	0
Total expenditure for Victorians with disability	$0.00
Opportunities for Victorian priority jobseekers	9
Total expenditure for Victorian priority jobseekers	$0.00
Number of Victorian social enterprises engaged	1
Total expenditure with Victorian social enterprises (exc. GST)	$9,100.00
Number of Victorian Aboriginal businesses engaged	1
Total expenditure with Victorian Aboriginal businesses (excl. GST)	$2,906.36

Building Equality Policy

Not required

Reviews and Study Expenses

During 2025-2026, there were no reviews and/or studies undertaken, other than those detailed in Consultancies information found on page 68.

Commercial-in-Confidence Grants

Not applicable. Heathcote Health did not administer any grants, transfer payments or Commercial-in-Confidence grants in 2025-2026.

Disclosures

Freedom of Information Act 1982

During 2025-2026, Heathcote Health received eight (8) applications. Of these requests, none were from Members of Parliament, none were from the media, and the remainder were from the general public.

Heathcote Health made eight (8) FOI decisions during the 12 months ended 30 June 2026 There were eight (8) decisions made within the statutory time periods. There were no decisions made outside the statutory time period.

Of the total decisions made, with all eight (8) applications granted access to documents in full.

During 2025-2026, no requests were subject to a complaint/internal review by Office of the Victorian Information Commissioner. No requests progressed to the Victorian Civil and Administrative Tribunal (VCAT).

Under the Freedom of Information Act 1982 (Vic) (FOI Act) Section 17, every person has the right to request access to documents held by Victorian public sector agencies and Ministers. This right of access is subject to exceptions and exemptions necessary to protect essential public and private interests.

Making a valid request

Under section 17 of the FOI Act, a request must meet three requirements to be valid:

1. Your request must be in writing;
2. You must provide sufficient information about the documents you are requesting so the agency (Heathcote Health) you send your request to can identify and locate relevant documents; and
3. You must pay the application fee, or if payment of the application fee would cause you hardship you can request the agency (Heathcote Health) to waive the fee in full or in part.

Freedom of Information applications can be made online via the Heathcote Health Website heathcotehealth.org/foi-form/ or by attending Heathcote Health Reception during business hours to receive a hard copy form for completion.

More information is available on request from:
ATT: Director of Clinical Services, Heathcote Health
Phone: (03) 5431-0900 Email: admin@heathcotehealth.org

More information on Freedom of Information, and how to make an application, is available from https://www.oaic.gov.au/freedom-of-information

Safe Patient Care (Nurse to Patient and Midwife to Patient Ratios) Act 2015.

The hospital has no matters to report in relation to its obligations under section 40 of the Safe Patient Care (Nurse to Patient and Midwife to Patient Ratios) Act 2015.

Building Act 1993

Heathcote Health has policies and procedures consistent with the requirements, and is in compliance, with the building and maintenance provisions of the Building Act 1993 as well as the relevant provisions of the National Construction Code.

These requirements and provisions may include;

- **Building standards and condition assessments**
- **Fire safety audits**
- **Essential safety measures maintenance**

More information is available on request from:
ATT: Director of Corporate Business, Heathcote Health
Phone: (03) 5431-0900 Email: admin@heathcotehealth.org

Public Interest Disclosures Act 2012

Heathcote Health has policies and procedures consistent with the requirements of the Public Interest Disclosure Act 2012, which supports staff to disclose improper or corrupt conduct within the Service. A copy of the procedures is available from our Privacy Officer to whom all enquiries on this matter should be directed.

More information is available on request from:
ATT: Director of Clinical Services, Heathcote Health
Phone: (03) 5431-0900 Email: admin@heathcotehealth.org

There were no public interest disclosures reported to Heathcote Health, or notified to the Independent Broad-based Anti-Corruption Committee (IBAC), under section 21(2) during the financial year 2025/26.

Emergency Procurement

In 2025- 2026 the Health Service activated no Emergency Procurements in accordance with the requirements of government policy and accompanying guidelines.

Procurement Complaints Disclosures

Heathcote Heath received no formal complaint through its procurement complaints management system in 2025-26.

Statement on National Competition Policy

National competition policy relates to competitive neutrality which is about ensuring that significant government business activities compete fairly in the market.
Heathcote Health supports and complies with the Victorian Government's Competitive Neutrality Policy in regard to all Service activities.
There were no changes to the application of competitive neutrality during 2025–26 and there were no complaints received
https://www.vic.gov.au/competitive-neutrality-policy

Carers Recognition Act 2012

Heathcote Health has taken all practical measures to comply with its obligations under the *Carers Recognition Act 2012* (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*.

Local Jobs First Act 2003

Heathcote Health adheres to the principles of the Local Jobs Act 2003. No projects undertaken by Heathcote Health during 2025/26 met the threshold for Local Jobs First Policy application.
As such, no Local Industry Development Plans were required or submitted.

Additional Information Available on request

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

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

(a) a statement that declarations of pecuniary interests have been duly completed by all relevant officers;

(b) details of shares held by a senior officer as nominee or held beneficially in a statutory authority or subsidiary;

(c) details of publications produced by the entity about itself, and how these can be obtained;

(d) details of changes in prices, fees, charges, rates, and levies charged by the entity;

(e) details of any major external reviews carried out on the entity;

(f) details of major research and development activities undertaken by the entity;

(g) details of overseas visits undertaken including a summary of the objectives and outcomes of each visit;

(h) details of major promotional, public relations and marketing activities undertaken by the entity to develop community awareness of the entity and its services;

(i) details of assessments and measures undertaken to improve the occupational health and safety of employees;

(j) a general statement on industrial relations within the entity and details of time lost through industrial accidents and disputes;

(k) 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

(l) details of all consultancies and contractors including:

  (i) consultants/contractors engaged;

  (ii) services provided; and

  (iii) expenditure committed to for each engagement

This additional information is available on request from:
ATT: Director of Corporate Business, Heathcote Health
Phone: (03) 5431-0900 Email: admin@heathcotehealth.org

Disclosure Index

The Annual Report of Operations of Heathcote Health has been prepared in accordance with all relevant Victorian legislation and Financial Reporting Directions.
This index has been prepared to facilitate identification of statutory disclosure requirements.

Legislation / Direction	Requirement	Page Reference
Standing Directions and Financial Reporting Directions		
Report of Operations		
Charter and purpose		
FRD 22	Manner of establishment and the relevant Ministers	9
FRD 22	Purpose, functions, powers and duties	5
FRD 22	Nature and range of services provided	5
FRD 22	Activities, programs and achievements for the reporting period	58-67
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Management and Structure		
FRD 22	Organisational structure	10
FRD 22	Workforce data/employment and conduct principles	64
FRD 22	Workforce inclusion policy	64
FRD 22	Occupational Health and Safety	64
Financial and other information		
FRD 22	Summary of the financial results for the year	66
FRD 22	Significant changes in financial position during the year	67
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FRD 22	Subsequent events	67
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FRD 22	Disclosure of grants and transfer payments	70
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FRD 22	Statement on National Competition Policy	72
FRD 22	Application and operation of *Carers Recognition Act 2012*	72
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FRD 24	Environmental data reporting	35-43
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Compliance attestation and declaration		
SD 5.1.4	Financial Management Compliance attestation	13
SD 5.2.3	Declaration in Report of Operations	8
SD 5.2.3	Attestation on Data Integrity	13
SD 5.2.3	Attestation on managing Conflict of Interest	13
SD 5.2.3	Attestation on Integrity, Fraud and Corruption	13
SD 5.2.3	Compliance with Health Share Victoria (HSV) Purchasing Policies	13
Other reporting requirements		
	Reporting of outcomes from Statement of Priorities 2025-2026	58-62
	Occupational Violence reporting	64-65
	Reporting obligations under the *Safe Patient Care Act 2015*	71

Legislation / Direction	Requirement	Page Reference

Financial statements

Declaration		
SD 5.2.2	Declaration in financial statements	79
Other requirements under Standing Directions 5.2		
SD 5.2.1(a)	Compliance with Australian accounting standards and other authoritative pronouncements	79
SD 5.2.1(a)	Compliance with Standing Directions	79
SD 5.2.1(b)	Compliance with Model Financial Report	79

Other disclosures as required by FRDs in notes to the financial statements *(a)(b)*

Notes:
(a) References to FRDs have been removed from the Disclosure index if the specific FRDs do not contain requirements that are in the nature of disclosure.
(b) Refer to the Model financial statements section (Part two) for further details.

FRD 11	Disclosure of Ex gratia Expenses	115
FRD 103	Non-Financial Physical Assets	94
FRD 110	Cash Flow Statements	82
FRD 112	Defined Benefit Superannuation Obligations	90
FRD 114	Financial Instruments – general governance entities and public non-financial corporations	100

Legislation		
	Freedom of Information Act 1982 (Vic) (FOI Act)	71
	Building Act 1993	71
	Public Interest Disclosures Act 2012	72
	Carers Recognition Act 2012	72
	Local Jobs Act 2003	73
	Financial Management Act 1994 (b)	8

Notes:
(a) References to FRDs have been removed from the Disclosure index if the specific FRDs do not contain requirements that are in the nature of disclosure.
(b) Refer to the Model financial statements section (Part two) for further details.

Financial Reports Cover Sheet

For the year ended 30 June 2026

Heathcote Health's Financial Statements are attached.

If Financial Statements are not attached please contact
Heathcote Health on 5431 0900 or admin@heathcotehealth.org

Index for declarations, requirements and disclosure pages in the *HHFR: Heathcote Health Financial Report

HHFR Page #	Legislation / Direction	Requirement
	Financial statements	
	Declaration	
4	SD 5.2.2	Declaration in financial statements
	Other requirements under Standing Directions 5.2	
4	SD 5.2.1(a)	Compliance with Australian accounting standards and other authoritative pronouncements
4	SD 5.2.1(a)	Compliance with Standing Directions
4	SD 5.2.1(b)	Compliance with Model Financial Report
	Other disclosures as required by FRDs in notes to the financial statements *(a)(b)*	
	Notes: *(a) References to FRDs have been removed from the Disclosure Index if the specific FRDs do not contain requirements that are in the nature of disclosure.* *(b) Refer to the Model financial statements section (Part two) for further details.*	
40	FRD 11	Disclosure of Ex gratia Expenses
6	FRD 103	Non-Financial Physical Assets
7	FRD 110	Cash Flow Statements
15	FRD 112	Defined Benefit Superannuation Obligations
29	FRD 114	Financial Instruments – general governance entities and public non-financial corporations

Independent Auditor's Report

Victorian Auditor-General's Office

To the Board of Heathcote Health

Opinion	I have audited the financial report of Heathcote Health (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.

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
4 September 2026

Simone Bohan
as delegate for the Auditor-General of Victoria

Financial Statements
Financial Year ended 30 June 2026

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

The attached financial statements for Heathcote Health have been prepared in accordance with Direction 5.2 of the Standing Directions of the Minister for Finance under the *Financial Management Act 1994* , applicable Financial Reporting Directions, Australian Accounting Standards including Interpretations, and other mandatory professional reporting requirements.

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

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

We authorise the attached financial statements for issue on 26 August, 2026.

Board member	**Accountable Officer**	**Chief Finance & Accounting Officer**
		
Ben Yuen	Jackie Kelly	Andrew Arundell
Acting Board Chair	Chief Executive Officer	Chief Financial and Accounting Officer (Contract)
Heathcote 26th August, 2026	Heathcote 26th August, 2026	Heathcote 26th August, 2026

Comprehensive Operating Statement
Heathcote Health
For the Financial Year Ended 30 June 2026

	Note	2026 $'000	2025 $'000
Revenue and income from transactions			
Revenue from contracts with customers	2.1 (a)	11,271	10,128
Government Grants	2.1 (b)	6,680	10,590
Other sources of income	2.1 (c)	2,509	2,451
Total revenue and income from transactions		**20,460**	**23,169**
Expenses from transactions			
Employee expenses	3.1 (a)	(14,464)	(12,634)
Supplies and consumables	3.1 (c)	(2,005)	(2,230)
Depreciation and amortisation	4.1(a), 4.2	(1,965)	(1,800)
Other operating expenses	3.1 (d)	(3,641)	(3,114)
Total expenses from transactions		**(22,075)**	**(19,778)**
Net result from transactions - net operating balance		**(1,615)**	**3,391**
Other economic flows included in net result			
Net gain/(loss) on sale of non-financial assets		55	88
Net gain/(loss) on financial instruments		(200)	40
Other gain/(loss) from other economic flows		76	5
Total other economic flows included in net result		**(69)**	**133**
Net result		**(1,684)**	**3,524**
Other economic flows - other comprehensive income			
Items that will not be reclassified to net result			
Changes in property, plant and equipment revaluation surplus		-	-
Total other comprehensive income		**-**	**-**
Comprehensive result		**(1,684)**	**3,524**

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

Balance Sheet
Heathcote Health
As at 30 June 2026

	Note	2026 $'000	2025 $'000
Financial assets			
Cash and cash equivalents	6.2	7,571	8,030
Receivables	5.1	2,263	2,131
Total financial assets		**9,834**	**10,161**
Non-financial assets			
Prepayments		117	110
Inventories		58	72
Property, plant and equipment	4.1	27,572	28,920
Other assets		460	450
Total non-financial assets		**28,207**	**29,552**
Total assets		**38,041**	**39,713**
Liabilities			
Payables	5.2	1,600	1,074
Contract liabilities	5.3	348	644
Borrowings	6.1	892	1,029
Employee benefits	3.1(b)	3,236	3,254
Monies held in trust	5.4	4,971	5,034
Total liabilities		**11,047**	**11,035**
Net assets		**26,994**	**28,678**
Equity			
Reserves		21,432	21,432
Contributed capital		7,621	7,621
Accumulated surplus/(deficit)		(2,059)	(375)
Total equity		**26,994**	**28,678**

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

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

	Note	2026 $'000	2025 $'000
Cash flows from operating activities			
Receipts from Government		15,605	15,982
Commercial activity revenue received		50	55
Donations and bequests received		5	4
Other receipts		3,402	3,563
Total receipts		**19,062**	**19,604**
Payments to employees		(14,329)	(12,275)
Payments to suppliers and consumables		(2,038)	(2,562)
GST received / (paid) to ATO		190	(201)
Other payments		(2,957)	(2,450)
Total payments		**(19,134)**	**(17,488)**
Net cash flows from/(used in) operating activities		**(72)**	**2,116**
Cash flows from investing activities			
Proceeds from sale of non-financial assets		92	141
Purchase of non-financial assets		(664)	(5,209)
Other capital receipts		110	156
Net cash flows from/(used in) investing activities		**(462)**	**(4,912)**
Cash flows from financing activities			
Receipt / (repayment) of borrowings		137	(28)
Repayment of accommodation deposits		(1,213)	(1,441)
Receipt of accommodation deposits		1,151	3,387
Net cash flows from/(used in) financing activities		**75**	**1,918**
Net increase/(decrease) in cash and cash equivalents held		**(459)**	**(878)**
Cash and cash equivalents at beginning of year		8,030	8,908
Cash and cash equivalents at end of year	6.2	**7,571**	**8,030**

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

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

	Property, Plant and Equipment Revaluation Surplus	Contributed Capital	Accumulated Surplus/(Deficit)	Total
	$'000	$'000	$'000	$'000
Balance at 1 July 2024	**21,432**	**7,621**	**(3,899)**	**25,154**
Net result for the year	-	-	3,524	3,524
Balance at 30 June 2025	**21,432**	**7,621**	**(375)**	**28,678**
Net result for the year	-	-	(1,684)	(1,684)
Balance at 30 June 2026	**21,432**	**7,621**	**(2,059)**	**26,994**

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

Notes to the Financial Statements
Heathcote Health
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 Heathcote Health for the year ended 30 June 2026.

Heathcote Health is a not-for-profit entity established as a public agency 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 Heathcote Health.

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

The financial statements are presented in Australian dollars.

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

The annual financial statements were authorised for issue by the Board of Heathcote Health on 26th August 2026.

Note 1.2 Material accounting estimates and judgements

Management makes estimates and judgements when preparing the financial statements.

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

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

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

Note 1.3 Reporting Entity

The financial statements include all the controlled activities of Heathcote Health.

Heathcote Health's principal address is:

39 Hospital Street
Heathcote, Victoria 3523

Note 1.4 Economic dependency

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

Note 2 Funding delivery of our services

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

Significant judgement - Grant revenue

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

Structure

2.1 Revenue and income from transactions

Note 2.1 Revenue and income from transactions

	Note	2026 $'000	2025 $'000
Revenue from contracts with customers	2.1(a)	11,271	10,128
Government Grants	2.1(b)	6,680	10,590
Other sources of income	2.1(c)	2,509	2,451
Total revenue and income from transactions		**20,460**	**23,169**

Note 2.1(a) Revenue from contracts with customers

	2026 $'000	2025 $'000
Government grants (State) - Operating	2	-
Government grants (Commonwealth) - Operating	9,380	8,532
Patient and resident fees	1,839	1,541
Commercial activities	50	55
Total revenue from contracts with customers	**11,271**	**10,128**

Notes to the Financial Statements
Heathcote Health
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How we recognise revenue from contracts with customers

Government grants

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

In contracts with customers, the 'customer' is the funding body, who is the party that promises funding in exchange for Heathcote Health's goods or services. Heathcote Health funding bodies often direct that goods or services are to be provided to third party beneficiaries, including individuals or the community at large. In such instances, the customer remains the funding body that has funded the program or activity, however the delivery of goods or services to third party beneficiaries is a characteristic of the promised good or service being transferred to the funding body.

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

Government grant	Performance obligation
Activity Based Funding (ABF) paid as National Weighted Activity Unit (NWAU)	NWAU is a measure of health service activity expressed as a common unit against which the national efficient price (NEP) is paid. The performance obligations for NWAU are the number and mix of admissions, emergency department presentations and outpatient episodes, and is weighted for clinical complexity. Revenue is recognised at point in time, which is when a patient is discharged.
Commonwealth Residential Aged Care Grants	Funding is provided for the provision of care for aged care residents within facilities at Heathcote Health. The performance obligations include provision of residential accommodation and care from nursing staff and personal care workers. Revenue is recognised at the point in time when the service is provided within the residential aged care facility.

Patient and resident fees

Patient and resident fees are charges incurred by patients for services they receive. Patient and resident fees are recognised under AASB 15 at a point in time when the performance obligation, the provision of services, is satisfied, except where the patient and resident fees relate to accommodation charges. Accommodation charges are calculated daily and are recognised over time, to reflect the period accommodation is provided.

Notes to the Financial Statements
Heathcote Health
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Note 2.1(b) Government Grants

	2026 $'000	2025 $'000
Government grants (State) - Operating	5,964	5,625
Government grants (Commonwealth) - Operating	214	90
Government grants (State) - Capital	502	4,875
Total Government grants	**6,680**	**10,590**

How we recognise Government grants

Government grants

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

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

- contributions by owners, in accordance with AASB 1004 *Contributions*
- revenue or contract liability arising from a contract with a customer, in accordance with AASB 15
- a lease liability in accordance with AASB 16 *Leases*
- a financial instrument, in accordance with AASB 9 *Financial Instruments*
- a provision, in accordance with AASB 137 *Provisions, Contingent Liabilities and Contingent Assets.*

Capital grants

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

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

Non-cash contributions from the Department of Health

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

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

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

Note 2.1(c) Other sources of income

	Note	2026 $'000	2025 $'000
Other capital purpose income		110	156
Assets received free of charge or for nominal consideration	2.1(d)	200	169
Other income from operating activities		1,911	1,683
Income from non-operating activities		288	443
Total other sources of income		**2,509**	**2,451**

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

	2026 $'000	2025 $'000
Cash donations and gifts	5	4
Other Services	-	13
Non-cash contributions from the Department of Health	195	152
Total fair value of assets and services received free of charge or for nominal	**200**	**169**

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 Heathcote Health 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 Heathcote Health 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)	14,464	12,634
Supplies & Consumables	3.1(c)	2,005	2,230
Other operating expenses	3.1(d)	3,641	3,114
Total expenses incurred in the delivery of services		**20,110**	**17,978**

Note 3.1(a) Employee expenses

	2026 $'000	2025 $'000
Salaries and wages	12,371	10,832
Superannuation expense [(1)]	1,404	1,140
Agency expenses	513	504
Fee for service medical officer expenses	176	158
Total employee expenses	**14,464**	**12,634**

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

How we recognise employee expenses

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

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

Note 3.1(b) Employee related provisions

	2026 $'000	2025 $'000
Current provisions for employee benefits		
Accrued days off	10	18
Annual leave	1,064	1,053
Long service leave	1,533	1,612
Provision for on-costs	414	404
Total current provisions for employee benefits	**3,021**	**3,087**
Non-current provisions for employee benefits		
Long service leave	187	146
Provision for on-costs	28	21
Total non-current provisions for employee benefits	**215**	**167**
Total provisions for employee benefits	**3,236**	**3,254**

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 Heathcote Health does not have an unconditional right to defer settlement of these liabilities.

Depending on the expectation of the timing of settlement, liabilities for annual leave and accrued days off are measured at:

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

Long service leave

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

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

The components of this current LSL liability are measured at:

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

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

Provisions

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

Note 3.1(c) Supplies and consumables

	2026 $'000	2025 $'000
Drug supplies	154	159
Medical and surgical supplies (including Prostheses)	69	107
Diagnostic and radiology supplies	93	80
Other supplies and consumables	1,689	1,884
Total supplies and consumables	**2,005**	**2,230**

How we recognise supplies and consumables

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

Note 3.1(d) Other operating expenses

	2026 $'000	2025 $'000
Fuel, light, power and water	148	141
Repairs and maintenance	178	110
Maintenance contracts	322	274
Medical indemnity insurance	29	24
Other administration expenses	2,921	2,528
Finance costs	43	37
Total other operating expenses	**3,641**	**3,114**

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 Heathcote Health. These amounts have been brought to account in determining the operating result for the year, by recording them as revenue (Refer to Note 2.1(b)) and recording a corresponding expense.

Note 4 Key assets to support service delivery

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

Significant judgement - Fair value measurement

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

Structure

4.1 Property, plant and equipment

4.2 Depreciation and amortisation

Note 4.1 Property, plant and equipment

	Gross carrying amount		Accumulated depreciation		Net carrying amount	
	2026 $'000	2025 $'000	2026 $'000	2025 $'000	2026 $'000	2025 $'000
Land at fair value - Crown	560	560	-	-	560	560
Buildings at fair value	27,958	22,255	(2,963)	(1,404)	24,995	20,851
Works in progress at cost	180	5,511	-	-	180	5,511
Plant, equipment and vehicles at fair value	3,237	3,281	(1,400)	(1,283)	1,837	1,998
Total property, plant and equipment	**31,935**	**31,607**	**(4,363)**	**(2,687)**	**27,572**	**28,920**

How we recognise property, plant and equipment

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

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

Notes to the Financial Statements
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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	**560**	**20,851**	**5,511**	**1,998**	**28,920**
Additions	-	-	558	272	830
Disposals	-	-	-	(37)	(37)
Reclassification to expense	-	-	(176)	-	(176)
Net transfers between classes	-	5,703	(5,713)	10	-
Depreciation	-	(1,559)	-	(406)	(1,965)
Balance at 30 June 2026	**560**	**24,995**	**180**	**1,837**	**27,572**

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, Heathcote Health has elected to apply the practical expedient in FRD 103 *Non-Financial Physical Assets* and has therefore not applied the amendments to AASB 13 *Fair Value Measuremen* t. 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 Heathcote Health's revaluation cycle.

Notes to the Financial Statements
Heathcote Health
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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
Plant, equipment and vehicles [1]	1,413	1,395	(528)	(370)	885	1,025
Total right-of-use assets	**1,413**	**1,395**	**(528)**	**(370)**	**885**	**1,025**

	Plant, equipment and vehicles $'000	Total $'000
Balance at 1 July 2025[1]	**1,025**	**1,025**
Additions	120	120
Disposals	(33)	(33)
Depreciation	(227)	(227)
Balance at 30 June 2026	**885**	**885**

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

How we recognise right-of-use assets

Initial recognition

When Heathcote Health enters a contract, which provides the health services with the right to control the use of an identified asset for a period of time in exchange for payment, this contract is considered a lease.

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

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

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

Subsequent measurement

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

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

4.1(c) Impairment of property, plant and equipment

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

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

Notes to the Financial Statements
Heathcote Health
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Note 4.2 Depreciation and amortisation

How we recognise depreciation

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

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

How we recognise amortisation

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

Useful lives of non-current assets

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

	2026	2025
Buildings	6 to 46 Years	6 to 46 Years
Plant, equipment and vehicles (including leased assets)	3 to 25 Years	3 to 25 Years

Note 5 Other assets and liabilities

This section sets out those assets and liabilities that arose from Heathcote Health'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		44	61
Trade receivables		462	434
Patient fees		450	81
Allowance for impairment losses		(230)	(30)
Other receivable		298	257
Total contractual receivables		**1,024**	**803**
Statutory			
GST receivable		95	285
Total statutory receivables		**95**	**285**
Total current receivables		**1,119**	**1,088**
Non-current receivables			
Contractual			
Long service leave - Department of Health		1,144	1,043
Total contractual receivables		**1,144**	**1,043**
Total non-current receivables		**1,144**	**1,043**
Total receivables		**2,263**	**2,131**
(i) Financial assets classified as receivables			
Total receivables		2,263	2,131
GST receivable		(95)	(285)
Total financial assets classified as receivables	7.1	**2,168**	**1,846**

How we recognise receivables

Receivables consist of:

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

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

Note 5.2 Payables

	Note	2026 $'000	2025 $'000
Current payables			
Contractual			
Trade creditors		853	463
Accrued salaries and wages		550	486
Accrued expenses		81	75
Other		101	48
Total contractual payables		**1,585**	**1,072**
Statutory			
GST Payable		15	2
Total statutory payables		**15**	**2**
Total current payables		**1,600**	**1,074**
Total payables		**1,600**	**1,074**
(i) Financial liabilities classified as payables			
Total payables		1,600	1,074
GST payable		(15)	(2)
Total financial liabilities classified as payables	7.1	**1,585**	**1,072**

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 Heathcote Health prior to the end of the financial year that are unpaid.

- **Statutory payables,** including Goods and Services Tax (GST) payable are recognised and measured similarly to contractual payables but are not classified as financial instruments and not included in the category of financial liabilities at amortised cost, because they do not arise from contracts.

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

Note 5.3 Contract liabilities

	2026 $'000	2025 $'000
Current		
Contract liabilities	348	644
Total current contract liabilities	**348**	**644**
Total contract liabilities	**348**	**644**

How we recognise contract liabilities

Contract liabilities include consideration received in advance from customers in respect of capital projects. The balance of contract liabilities was significantly lower than the previous reporting period due to the project nearing completion.

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

Notes to the Financial Statements
Heathcote Health
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Note 5.4 Monies held in trust

	Note	2026 $'000	2025 $'000
Current monies held in trust			
Patient monies		10	11
Refundable accommodation deposits		4,959	5,021
Other monies		2	2
Total current monies held in trust		**4,971**	**5,034**
Total other liabilities		**4,971**	**5,034**
*** Represented by:**			
- Cash assets	6.2	4,971	5,034
		4,971	**5,034**

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 Heathcote Health upon admission. These deposits are liabilities which fall due and payable when the resident leaves the home.

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

Note 6 How we finance our operations

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

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

Structure

6.1 Borrowings
6.2 Cash and cash equivalents

Note 6.1 Borrowings

	Note	2026 $'000	2025 $'000
Current borrowings			
Lease liability	6.1(a)	595	220
Total current borrowings		**595**	**220**
Non-current borrowings			
Lease liability	6.1(a)	297	809
Total non-current borrowings		**297**	**809**
Total borrowings	7.1	**892**	**1,029**

How we recognise borrowings

Borrowings refer to interesting bearing liabilities mainly raised from advances from the Treasury Corporation of Victoria (TCV) and other funds raised through lease liabilities and other interest-bearing arrangements.

Borrowings are classified as financial instruments. Interest bearing liabilities are classified at amortised cost and recognised at the fair value of the consideration received directly attributable to transaction costs and subsequently measured at amortised cost using the effective interest method.

Notes to the Financial Statements
Heathcote Health
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Terms and conditions of borrowings

					Maturity Dates				
30 June 2026	**Note**	**Weighted average interest rate (%)**	**Carrying Amount $'000**	**Nominal Amount $'000**	**Less than 1 Month $'000**	**1-3 Months $'000**	**3 months - 1 Year $'000**	**1-5 Years $'000**	**Over 5 years $'000**
Lease liabilities	6.1	3.06%	892	892	12	24	559	297	-
Total Financial Liabilities			**892**	**892**	**12**	**24**	**559**	**297**	**-**

					Maturity Dates				
30 June 2025	**Note**	**Weighted average interest rate (%)**	**Carrying Amount $'000**	**Nominal Amount $'000**	**Less than 1 Month $'000**	**1-3 Months $'000**	**3 months - 1 Year $'000**	**1-5 Years $'000**	**Over 5 years $'000**
Lease liabilities	6.1	3.87%	1,029	1,029	18	37	165	809	-
Total Financial Liabilities			**1,029**	**1,029**	**18**	**37**	**165**	**809**	**-**

Notes to the Financial Statements
Heathcote Health
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Note 6.1(a) Lease liabilities

Heathcote Health's lease liabilities are summarised below:

	2026 $'000	2025 $'000
Current lease liabilities		
Lease liability	595	220
Total current lease liabilities	**595**	**220**
Non-current lease liabilities		
Lease liability	297	809
Total non-current lease liabilities	**297**	**809**
Total lease liabilities	**892**	**1,029**

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

	2026 $'000	2025 $'000
Not longer than one year	618	249
Longer than one year but not longer than five years	319	843
Minimum future lease liability	**937**	**1,092**
Less unexpired finance expenses	(45)	(63)
Present value of lease liability	**892**	**1,029**

How we recognise lease liabilities

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

To apply this definition, Heathcote Health ensures the contract meets the following criteria:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to Heathcote Health and for which the supplier does not have substantive substitution rights
- Heathcote Health has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract and Heathcote Health has the right to direct the use of the identified asset throughout the period of use and
- Heathcote Health has the right to take decisions in respect of 'how and for what purpose' the asset is used throughout the period of use.

Heathcote Health's lease arrangements consist of the following:

Type of asset leased	Lease term
Leased plant, equipment, furniture, fittings and vehicles	3 to 5 years

All leases are recognised on the balance sheet, with the exception of low value leases (less than $10,000 AUD) and short-term leases of less than 12 months. Heathcote Health has elected to apply the practical expedients for short-term leases and leases of low-value assets. As a result, no right-of-use asset or lease liability is recognised for these leases; rather, lease payments are recognised as an expense on a straight-line basis over the lease term, within "other operating expenses" (refer to Note 3.1).

Initial measurement

The lease liability is initially measured at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease if that rate is readily determinable or Heathcote Health incremental borrowing rate. Our lease liability has been discounted by rates of between [1.01%] to [5.38%].

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

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

Subsequent measurement

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

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

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

Note 6.2 Cash and Cash Equivalents

	Note	2026 $'000	2025 $'000
Cash on hand (excluding monies held in trust)		1	1
Cash at bank (excluding monies held in trust)		2,599	2,995
Total cash held for operations		**2,600**	**2,996**
Cash at bank (monies held in trust)		4,971	5,034
Total cash held as monies in trust	5.4	**4,971**	**5,034**
Total cash and cash equivalents	7.1	**7,571**	**8,030**

Note 7 Financial instruments, contingencies and valuation judgements

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

Structure

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

Note 7.1 Financial instruments

Financial instruments arise out of contractual agreements that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Due to the nature of Heathcote Health's activities, certain financial assets and financial liabilities arise under statute rather than a contract (for example, taxes, fines and penalties). Such financial assets and financial liabilities do not meet the definition of financial instruments in AASB 132 *Financial Instruments: Presentation.*

30 June 2026	Note	Carrying amount $'000	Total interest income/ (expense) $'000
Financial assets at amortised cost			
Cash and cash equivalents	6.2	7,571	288
Receivables	5.1	2,168	-
Total financial assets [i]		**9,739**	**288**
Financial liabilities at amortised cost			
Payables	5.2	1,585	-
Borrowings	6.1	892	(30)
Other financial liabilities - Refundable Accommodation Deposits	5.4	4,959	(13)
Other financial liabilities - patient monies held in trust	5.4	12	-
Total financial liabilities [i]		**7,448**	**(43)**

[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	6.2	8,030	443
Receivables	5.1	1,846	-
Total financial assets [i]		**9,876**	**443**
Financial liabilities at amortised cost			
Payables	5.2	1,072	-
Borrowings	6.1	1,029	(27)
Other financial liabilities - Refundable Accommodation Deposits	5.4	5,021	(10)
Other financial liabilities - patient monies held in trust	5.4	13	-
Total financial liabilities [i]		**7,135**	**(37)**

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

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

Heathcote Health recognises the following assets in this category:

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

Categories of financial liabilities

Financial liabilities at amortised cost

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

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

Heathcote Health recognises the following liabilities in this category:

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

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

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

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

Derecognition of financial liabilities

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

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

Reclassification of financial instruments

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

A financial liability reclassification is not permitted.

Note 7.2 Contingent assets and contingent liabilities

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

Note 7.3 Fair value determination

How we measure fair value

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

The following assets and liabilities are carried at fair value:

- Property, plant and equipment, with the exception of right-of-use assets arising under AASB 16, which are measured using the cost model
- Lease liabilities.

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.

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

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

Fair value determination: non-financial physical assets

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

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

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

Non-specialised land and non-specialised buildings

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

Specialised land and specialised buildings

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

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

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

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

Vehicles

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

Plant and equipment, furniture, fittings

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

Significant assumptions

Asset class	Valuation technique	Significant assumption	Range (weighted average)[(i)]
Specialised land	Market approach	Community Service Obligations adjustment	(20%)[(ii)]
Specialised buildings	Current replacement cost approach	Cost per square metre Useful life	$1,000 - $1,500/m^2 ($1,300) 6 - 46 years (17 years)
Vehicles	Current replacement cost approach	Cost per unit Useful life	$32,000 - $90,000 ($53,000 per unit) 3 - 5 years (3 years)
Plant, equipment, furniture and fittings	Current replacement cost approach	Cost per unit Useful life	$3,000 - $4,000 ($3,500 per unit) 3 - 25 years (9 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)] A CSO adjustments of 20% has been applied to reduce the market approach value for Heathcote Health'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
8.4 Related parties
8.5 Remuneration of auditors
8.6 Events occurring after the balance date
8.7 Controlled entities
8.8 Joint arrangements

Note 8.1 Ex gratia expenses

	2026 $'000	2025 $'000
Heathcote Health has made the following ex gratia expenses:		
Employment Termination	27	-
Total ex gratia expenses	**27**	**-**

Ex gratia expenses are the voluntary payments of money or other non-monetary benefit (e.g. a write off) that are not made either to acquire goods, services or other benefits for the entity or to meet a legal liability, or to settle or resolve a possible legal liability of or claim against the entity.

Notes to the Financial Statements
Heathcote Health
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	27 Jun 2022 - 14 April 2026
Minister for Ambulance Services	2 Oct 2023 - 14 April 2026
The Honourable Harriet Shing MP:	
Minister for Health	15 April 2026 - 30 June 2026
Minister for Ambulance Services	15 April 2026 - 30 June 2026
The Honourable Melissa Horne MP:	
Minister for Health Infrastructure	19 Dec 2024 - 30 June 2026
Minister for Prevention of Family Violence	15 April 2026 - 30 June 2026
The Honourable Ingrid Stitt MP:	
Minister for Mental Health	2 Oct 2023 - 30 June 2026
Minister for Ageing	2 Oct 2023 - 30 June 2026
Minister for Multicultural Affairs	2 Oct 2023 - 14 April 2026
Minister for Multicultural Affairs and Multifaith Victoria	15 April 2026 - 30 June 2026
The Honourable Lizzie Blandthorn MP:	
Minister for Children	2 Oct 2023 - 30 June 2026
Minister for Disability	2 Oct 2023 - 30 June 2026
Governing Boards	
Elissa Watson	1 Jul 2025 - 30 Jun 2026
Ben Yuen	1 Jul 2025 - 30 Jun 2026
Andrew Roma	1 Jul 2025 - 19 May 2026
Callum Wright	1 Jul 2025 - 30 Jun 2026
Vimi Desai	1 Jul 2025 - 17 Feb 2026
Rebecca Broadbent	1 Jul 2025 - 9 Dec 2025
Cameron Haskett	1 Jul 2025 - 30 Jun 2026
Christina Campbell	1 Jul 2025 - 30 Jun 2026
Robert Stephenson	1 Jul 2025 - 30 Jun 2026
Danielle Couch	1 Jul 2025 - 30 Jun 2026
Accountable Officers	
Jackie Kelly (Chief Executive Officer)	1 Dec 2025 - 30 Jun 2026
Angie Dredge (Interim Chief Executive Officer)	17 Sep 2025 - 30 Nov 2026
Dan Douglass (Chief Executive Officer)	1 Jul 2025 - 16 Sep 2025

Notes to the Financial Statements
Heathcote Health
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Remuneration of Responsible Persons

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

Income Band	2026 No	2025 No
$0,000 - $9,999	10	9
$70,000 - $79,999	1	-
$140,000 - $149,999	1	-
$250,000 - $259,999	-	1
$320,000 - $329,999	1	-
Total Numbers	**13**	**10**

	2026 $'000	2025 $'000
Total remuneration received or due and receivable by Responsible Persons from the reporting entity amounted to:	**586**	**300**

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

Notes to the Financial Statements
Heathcote Health
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Note 8.3 Remuneration of executives

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

Remuneration comprises employee benefits in all forms of consideration paid, payable or provided in exchange for services rendered. Accordingly, remuneration is determined on an accrual basis.

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]	404	211
Total number of executives	4	1
Total annualised employee equivalent [ii]	2.0	1.0

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

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

Note 8.4 Related parties

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

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

Significant transactions with government related entities

Heathcote Health received funding from government related entities of $6.47 m (2025: $7.27 m) and indirect contributions of $0.195 m (2025: $0.152 m). Balances recallable as at 30 June 2026 are $0.01 m (2025: $0.02 m outstanding).

Expenses incurred by Heathcote Health in delivering services are in accordance with HealthShare Victoria requirements. Goods and services including procurement, diagnostics, patient meals and multi-site operational support are provided by other Victorian Health Service Providers on commercial terms.

Professional medical indemnity insurance and other insurance products are obtained from the Victorian Managed Insurance Authority.

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

Key management personnel

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

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

Entity	KMPs	Position Title
Heathcote Health	Elissa Watson	Board Chair
Heathcote Health	Ben Yuen	Board Director
Heathcote Health	Andrew Roma	Board Director
Heathcote Health	Callum Wright	Board Director
Heathcote Health	Vimi Desai	Board Director
Heathcote Health	Rebecca Broadbent	Board Director
Heathcote Health	Cameron Haskett	Board Director
Heathcote Health	Christina Campbell	Board Director
Heathcote Health	Robert Stephenson	Board Director
Heathcote Health	Danielle Couch	Board Director
Heathcote Health	Dan Douglass	Chief Executive Officer
Heathcote Health	Jackie Kelly	Chief Executive Officer
Heathcote Health	Angie Dredge	Chief Executive Officer / Director of Clinical Care
Heathcote Health	Fiona Lukaitis	Director of Clinical Care
Heathcote Health	Jade Runnalls	Director of Clinical Care
Heathcote Health	Andrew Walker	Director of Corporate Services

Remuneration of key management personnel

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

	2026 $'000	2025 $'000
Total compensation - KMPs [i]	990	511

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

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

Note 8.5 Remuneration of Auditors

	2026 $'000	2025 $'000
Victorian Auditor-General's Office		
Audit of the financial statements	29	28
Total remuneration of auditors	**29**	**28**

Note 8.6 Events occurring after the balance sheet date

There are no events occurring after the Balance Sheet date.

Notes to the Financial Statements
Heathcote Health
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Note 8.7 Joint arrangements

	Principal Activity	Ownership Interest 2026 %	Ownership Interest 2025 %
Loddon Mallee Rural Health Alliance (LMRHA)	Provision of Information Technology Services	4.15	4.37

	2026 $'000	2025 $'000
Total revenue and income	1,103	777
Total expenses	(1,142)	(903)
Total net result	(39)	(126)
Total other economic flows	-	-
Comprehensive result for the year	(39)	(126)
Total assets	986	966
Total liabilities	745	686
Total equity	241	280

Contingent liabilities and capital commitments

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



Above: Entry to Community Health Hub building

HEATHCOTE Health

Good health and wellbeing for our local community

Compassion Accountability Respect Excellence

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