Annual Report

2025–2026

the royal victorian eye and ear hospital

Acknowledgement of Country

The Royal Victorian Eye and Ear Hospital would like to acknowledge and pay respect to the Traditional Custodians of this land. We acknowledge that the land we meet and work upon is the traditional lands of the Wurundjeri and pay our deep respects to Woi Wurrung Elders past, present and emerging and to all Elders of the Kulin Nation.

Contents

General Information	2
Board Chair and Chief Executive Officer (CEO) report	3
2025–2026 Year in Review	5
Board of Directors and Board committees	10
Board Committees	12
Executive Management	13
Organisational Chart	14
Donors and Supporters	15
Key financial and service performance reporting	17
Financial information	21
Disclosures required under legislation	23
Attestations	36
Financial and service performance	37
Disclosure index	42
Financial Statements	45
Affiliations and Memberships	74

General Information

The Royal Victorian Eye and Ear Hospital (Eye and Ear) has provided state-wide eye, ear, nose and throat health care since 1863. The hospital is accountable to Victorians, through the Victorian Minister for Health.

Manner of establishment and relevant Minister

The Eye and Ear was founded in 1863 by pioneering surgeon Dr Andrew Sexton Gray. The hospital is a public health service established under the *Health Services Act 1988 (Vic).* The responsible Minister is the Minister for Health. During the reporting period the responsible Minister was The Hon Mary-Anne Thomas MP (1 July 2025 to 15 April 2026) and Hon Harriet Shing MP Minister for Health, Minister for Ambulance Services and Minister for Water (15 April 2026 to 30 June 2026).

Powers and duties

The powers and duties of the hospital are prescribed by the *Health Services Act 1988 (Vic).*

Nature and range of services

The Eye and Ear provides a state-wide specialist tertiary and emergency eye, ear, nose and throat (ENT) health care service. It is internationally recognised as a leader in clinical service delivery, teaching and research in ophthalmology and otolaryngology.

As the largest public provider of ophthalmology and ENT services in Victoria, the hospital delivers more than half of Victoria's public eye surgery, and with its partners, all of Victoria's public cochlear implants. The Eye and Ear offers more than 100 specialist clinics dedicated to diagnosing, monitoring and treating vision and hearing loss. It provides a 24-hour emergency eye and ENT health service, with care available in both outpatient and community settings. Most services provided at the Eye and Ear are on an outpatient or same-day basis. In 2025–2026 we provided more than 229,000 episodes of care to our patients including:

- 164,926 outpatient appointments
- 17,522 inpatient admissions
- 47,543 emergency attendances.

The hospital is a teaching and research centre and has key partnerships with the Centre for Eye Research Australia (CERA), The University of Melbourne, the Melbourne Academic Centre for Health (MACH), the Bionics Institute and HEARnet.

The Eye and Ear is also a founding member of the World Association of Eye Hospitals (WAEH) and collaborates regularly with its members.

Vision, mission and guiding principles

The Royal Victorian Eye and Ear Hospital is Australia's leading provider of eye, ear, nose and throat health care.

Vision

We will inspire and advance specialist eye and ENT care.

Mission

We improve health and wellbeing outcomes through excellence in:

- Clinical care
- Teaching
- Education
- Research
- Innovation

Guiding Principles

Integrity, inclusive and accessible care, collaboration, excellence

Integrity
We act ethically, accept personal accountability, communicate openly and honestly and treat everyone with trust and respect.

Inclusive and Accessible Care
We are compassionate, thoughtful and responsive to the needs of our consumers.

Collaboration
We communicate openly, respect diversity of views and skills and work effectively with partners and in multidisciplinary teams to deliver optimal outcomes.

Excellence
We always give our personal best, deliver exemplary care and experience, monitor performance and seek continuous improvement through innovation.

Board Chair and Chief Executive Officer (CEO) report 2025–2026

Welcome to The Royal Victorian Eye and Ear Hospital 2025–2026 Annual Report.

2025–2026 was a year of strong progress for the Eye and Ear, marked by sustained demand for our services, important milestones in specialist care and continued focus on innovation, access, partnerships, sustainability and equity.

A major highlight was the celebration of 40 years of cochlear implant innovation at the Eye and Ear, recognising the hospital's longstanding leadership in hearing care and its contribution to life-changing outcomes for Victorians and patients across Australia.

We also expanded access to specialist care by formally establishing our virtual ophthalmology stream clinic via Virtual Specialist Consults, helping more Victorians, particularly those in regional and rural areas, receive timely specialist advice closer to home.

Our commitment to sustainability continued to mature, including contributions to sector-wide work to support more sustainable healthcare and the transition towards net zero.

Collaboration remained a defining feature throughout the year, with our valued existing partners and through our new partnerships that bring together research, clinical care, education and innovation to improve patient outcomes.

We deepened our focus on Aboriginal and Torres Strait Islander health and cultural safety, including through the Baagon Walert Walert Possum Skin Cloak project launched during NAIDOC Week 2025, reflecting our ongoing reconciliation journey and our commitment to more culturally safe care.

These achievements reflect the strength of our people, the value of collaboration and our shared commitment to delivering outstanding specialist care for the Victorian community.

Staff Recognition

We are proud to recognise the recipients of the 2025 Excellence Awards, which celebrate individuals and teams whose contribution, innovation and commitment enhance patient care, workplace culture and organisational performance. Recipients were:

Board Chair's Medal – Professor Robert Briggs, Otolaryngologist

Administrative Excellence Award – Peter Jones, Consumer Liaison Officer

Allied Health Excellence Award – Associate Professor Jaime Leigh, Director, Cochlear Implant Business Unit and Senior Audiologist, Cochlear Implant Clinic

Nursing Excellence Award – Amy Tan, Nurse, Specialist Clinics

Dr J Aubrey Bowen Medal – Dr Kristen Wells, Ophthalmologist

Team Excellence Award – Mirring Ba Wirring

Volunteers Excellence Award – Kok Chan

King's Birthday Honours

Professor Richard Dowell was appointed an Officer of the Order of Australia in the 2026 King's Birthday Honours, recognising his distinguished service to audiology, cochlear implant development and education, including being a founding member of the Eye and Ear's Cochlear Implant Clinic (CIC) in 1985. While Prof. Dowell has subsequently retired from his substantive role at the Eye and Ear, he continues to regularly participate in the CIC's multidisciplinary meetings.

Acknowledgements

We thank our staff, volunteers, consumer representatives and Board Directors for their dedication and contribution throughout the year. We also acknowledge the generosity of our donors, philanthropic trusts and foundations, whose support helps the Eye and Ear continue to provide world-class care.

We note with sadness the passing of Ramakrishnan (Rama) Appuswamy and acknowledge his valued service as a volunteer and consumer over many years. In 2026, we welcomed Nora Refahi to the consumer leadership role.

We are grateful for the ongoing support of the Department of Health, our partners and the former Ministers for Health, The Hon Mary-Anne Thomas MP, Member for Macedon and the Hon Harriet Shing MP, Member for Eastern Victoria, as we continue to advance specialist eye, ear, nose and throat care for the Victorian community.

We also express our sincere gratitude to former Board Directors, Mr Simon Brewin and Mr Bruce Ryan, stepping down from their respective roles on 30 June 2026, after nine years of service.

Responsible Bodies Declaration

In accordance with the *Financial Management Act 1994*, we are pleased to present the Report of Operations for The Royal Victorian Eye and Ear Hospital for the year ending 30 June 2026.



Ms Melanie Eagle
Chair of the Board of Directors
The Royal Victorian Eye and Ear Hospital
1 October 2026



Mr Brendon Gardner
Chief Executive Officer
The Royal Victorian Eye and Ear Hospital
1 October 2026

2025–2026 Year in Review

The Royal Victorian Eye and Ear Hospital has been providing the Victorian community and beyond with world-leading eye, ear, nose and throat care for more than 160 years. We look forward to continuing this tradition of delivering high-quality care.

Our clinical services are delivered in partnership with patients, carers, the community and other healthcare providers across metropolitan, regional and rural areas. In 2025–2026, we continued to experience high demand for our services, with the hospital caring for 164,926 outpatients, 17,522 inpatients and 47,543 emergency patients.

During this time, we were delighted to have the Victorian Chief Allied Health Officer, Rachel Elliott, visit the hospital for the first time since being appointed to the role. It was a valuable opportunity to showcase the breadth and impact of Allied Health on patient care at the Eye and Ear.

We also celebrated one year since officially forming the Parkville Local Health Service Network (LHSN) alongside Oral Health Victoria, Parkville Youth Mental Health and Wellbeing Service, Peter MacCallum Cancer Centre, Royal Children's Hospital, Royal Melbourne Hospital and Royal Women's Hospital. Through our collaborations over the past year, we have fostered a more connected and supportive environment for patients, staff and the communities we serve.

Leading Through Excellence

Achieving the best possible patient outcomes through leadership in training, education, research and innovation.

Digital Health

The Eye and Ear remains committed to progressing its Digital Health Strategy. In 2025–2026, the hospital invested in several digital health projects to improve efficiency and enhance patient care.

In March 2026, the Eye and Ear successfully upgraded its intranet SharePoint services, delivering a more modern interface that is easier for staff to navigate and provides essential information and services more efficiently.

The Eye and Ear continued to make notable progress in developing a business case for a modern Electronic Medical Record (EMR) and Patient Administration System (PAS).

Patient feedback remains an important driver of service improvement. In April 2026, the hospital launched an electronic patient survey trial for surgical patients. This initiative makes it easier for patients to share their feedback on our surgical services and to improve the overall hospital experience. We look forward to expanding this trial to different services in 2026-2027.

Datos

During 2025–2026, the Eye and Ear continued implementing Datos, a digitally enabled care pathway initiative aligned with Victoria's Digital Health Roadmap and the principles of Care Anywhere and Connected Care. The platform enables eligible cataract patients to complete their day one post-operative health check remotely via a secure SMS link, supporting care delivery beyond the hospital and improving convenience and accessibility for patients.

Supported by a clinically governed escalation process, Datos enables timely identification of patients requiring follow-up or additional clinical support, while reducing unnecessary phone-based follow up for those recovering as expected. This allows information to flow efficiently between patients and clinical teams, enabling nursing staff to focus their time on patients with more complex needs.

As part of the Eye and Ear's broader digital health strategy, Datos demonstrates how technology can support safe, patient-centred and efficient models of care. By streamlining routine follow-up and enabling more targeted clinical intervention, the initiative enhances the patient experience while supporting more effective use of clinical resources.

VicKey implementation and improvements

During the 2025–2026 financial year, the Eye and Ear continued implementation of selected VicKey modules. VicKey is a secure online platform developed in partnership with the Victorian Department of Health to support Victorian health services in digitising key administrative and clinical processes. The platform enables patients to securely share health information and supports functions including planned surgery preparation, specialist clinics waitlist management and referral management.

Implementation activities focused on improving user access, integrating with core digital platforms and refining workflows, through the progressive rollout of audit tools and a referral management system. Ongoing stakeholder engagement and targeted enhancements have improved system reliability, usability and security compliance, supporting safer and more efficient care delivery.

Virtual Care
The Eye and Ear's Ocular Genetics Clinic expanded access to its statewide service through a telehealth-based model that reduces the need for travel while maintaining highly specialised care. Patients are supported through telehealth consultations for history-taking, counselling, care planning and discussion of genetic test results, with in-person visits to the Eye and Ear arranged only where specialised vision assessment or electrodiagnostic testing is required. This multidisciplinary approach improves coordination between tertiary specialists and local providers, while reducing the financial and logistical burden on regional and rural patients and families.

Working in partnership
The Eye and Ear's partnerships with research, health services and community organisations continued to improve access, equity and outcomes for Victorians in 2025–2026. A new partnership with Goulburn Valley Health, through the Victorian Cochlear Implant Program, increased access to cochlear implant care for regional patients. Under this model, an Eye and Ear credentialled surgeon travels to Shepparton to perform surgery, while patients receive pre- and post-operative care locally from trained audiologists, reducing the need to travel to Melbourne for life-changing hearing care.

The hospital also supported culturally and linguistically diverse communities. For World Sight Day 2025, with funding from the Western and Central Melbourne Integrated Cancer Service, the Eye and Ear released five multilingual "how to apply eye drops" videos in Cantonese, Greek, Italian, Mandarin and Vietnamese. These animated resources use a translated voiceover and captions to help patients safely and correctly apply eye drops.

International collaboration was fostered through membership of the World Association of Eye Hospitals. Interest in the Eye and Ear's Advanced Practice Orthoptist program has led to ongoing engagement with member hospitals exploring similar models, including presentations through Community of Practice sessions.

Partnerships with the Victorian Aboriginal Health Service and Bendigo and District Aboriginal Co-operative continued to support culturally safe care, with strong demand for Healthy Ears - Better Hearing, Better Listening, Ophthalmology Outreach and Audiology Screening services. The Eye and Ear continues to seek opportunities to strengthen engagement with Aboriginal and Torres Strait Islander communities through these outreach clinics.

The Eye and Ear also continued its research partnership with the Centre for Eye Research Australia, hosting a joint research forum as part of the Joint Research Strategy. The forum enabled staff from both organisations to share current research and support collaboration, with the next forum planned for August 2026.

Advancing Specialist Care

Our consumers benefit from access to progressive, impactful and responsive care and outstanding experiences.

Improving Cultural Safety
We are committed to improving cultural safety for our Aboriginal and Torres Strait Islander patients at the hospital and in the wider community. Previously, the Eye and Ear and the Graeme Clark Foundation co-funded the translation of the text for the Otitis Media Guidelines App into Wurundjeri language. This app provides information and is a multimedia tool to assist primary health care providers in the delivery of comprehensive, effective and appropriate care for Aboriginal and Torres Strait Islander people with otitis media (ear infections). Aunty Joy Murphy Wandin AO, a Senior Wurundjeri Elder, completed this written translation as a passionate advocate for the revival of Aboriginal languages. Following on from this wonderful achievement, Aunty Joy was invited back to record these translations verbally. She completed her first session in May 2026.

Environmental Sustainability
The hospital continued to advance environmental sustainability through a range of initiatives aimed at reducing waste, lowering emissions and promoting sustainable practices. To reduce single-use items, we have introduced reusable tourniquets, transitioned to reprocessed compression sleeves and minimised reliance on disposable trays and drapes. Further emission-reduction measures included the sale of fleet vehicles and decreased medical gas usage. Staff engagement remained a key focus, supported by our Sustainability

Committee, ongoing collaboration with departmental Waste Champions, and participation in events such as World Hand Hygiene Day and World Environment Day.

Additional sustainability actions include launching the Keep a Cup initiative, involvement in sustainability programs, collecting staff feedback via surveys, hosting forums and regular Green Team updates. These activities reflect a comprehensive, hospital-wide commitment to embedding sustainability practices, fostering innovation and developing a greener, more resilient healthcare environment for staff, patients and the broader community.

Educating our community
In 2025–2026, the Eye and Ear delivered a focused program of education and sector engagement to support clinicians, primary care providers and the broader community in eye, ear, nose and throat health.

From August to October 2025, Eye and Ear ophthalmologists delivered an Optometry Webinar series across nine subspecialties, providing practical updates on diagnosis, management and referral pathways for important eye conditions. The series attracted more than 7,000 registrations and over 3,000 attendees from Australia, New Zealand, Singapore, Hong Kong and Denmark, reflecting strong demand for specialist education.

These activities helped clinicians identify, manage and refer patients with complex conditions, while strengthening collaboration with GPs, optometrists and allied health professionals to support timely, coordinated care.

For ear, nose and throat education, the hospital hosted its first Live ENT Surgical Education Event in October 2025, welcoming more than 100 healthcare professionals. The event featured a live-streamed Bone Conduction Implant, Stapedectomy and Cochlear Implant surgeries, expert commentary, case discussions, implant technology sessions and a patient panel, showcasing advanced ENT surgical techniques and the Victorian Cochlear Implant Program.

Melbourne also hosted major eye, ear, nose and throat conferences during the year, with Eye and Ear staff contributing as organisers, presenters and hosts. In October 2025, the Neuro-Otology Society of Australia conference was hosted by the hospital's multidisciplinary Balance Disorders and Ataxia Service Clinic and ENT service, bringing together more than 200 medical and allied health delegates to share research, case studies and clinical expertise.

The Royal Australian and New Zealand College of Ophthalmologists Congress was held in Melbourne in November 2025, with Eye and Ear ophthalmologists involved in convening, chairing and presenting. The hospital also hosted research and training sessions, including the inaugural Ocular Oncology Research Day, bringing together specialists to advance collaboration in ocular cancer care.

Expanding our clinics
The hospital continues to review its services and identify improvements that will have a tangible impact on the patient journey. As part of our reform work, it was identified that there was a need to improve clinical efficiency and support the future expansion of Specialist Clinic operations. In August 2025, we trialled relocating our Telehealth and Ocular Rheumatology Clinics to Level 5 of the Smorgon Family Wing at the Eye and Ear. This trial has been successful and created more flexibility within Specialist Clinics. We will continue to look at other opportunities to improve our services in 2026-2027.

Eye and Ear research
Research underpins much of the work we do here at the hospital and we take opportunities to educate our staff and community about the latest Eye and Ear research. At our Annual Meeting in December 2025, Eye and Ear ophthalmologists Dr Thomas Hardy and Dr Jwu Jin Khong presented on the Orbital Plastics and Lacrimal Unit's work and Thyroid Eye Disease, an autoimmune inflammatory eye condition that affects the tissue surrounding the eye and the work being done in improving treatments.

During Hearing Awareness Week in 2026, we held a special ENT forum where clinicians and allied health professionals from across the hospital presented on cutting-edge technology and research improving outcomes for people experiencing hearing loss. This was accompanied by a community awareness campaign in the weeks leading up to and during Hearing Awareness Week, which promoted resources and general information about hearing loss.

This year, we look forward to releasing our biennial research publication, Innovate 2025–2026, which will inform our community on the various research and training stories that showcase progress and

achievements helping patients locally, nationally and internationally.

Shared learnings with other hospitals
During 2025–2026, the Eye and Ear collaborated with health service partners to share knowledge, experience and improvement initiatives, with a particular focus on the Parkville Local Health Service Network (LHSN). Through the Parkville LHSN forums and Department of Health communities of practice, leaders contributed to discussions on specialist clinics access, ambulatory services operations, workforce development, theatre optimisation and planned care reform. They shared practical initiatives such as the Intensive Retinal Laser Clinic and approaches to waitlist readiness, theatre efficiency and priority patient management. Broader collaboration with organisations including the Department of Health, The Royal Melbourne Hospital, Eastern Health, Peter MacCallum Cancer Centre, The Royal Children's Hospital, Alfred Hospital, Monash Health and international peer institutions supported the exchange of service improvement methods, models of care and clinical pathways. These activities reinforced the Eye and Ear's role as a trusted sector partner and helped inform scalable, evidence-based improvements across specialist, surgical and ambulatory care.

Learning opportunities
At the end of 2025, fifth-year ophthalmology registrar Dr Ben Cumming travelled to Kathmandu, Nepal, to learn about Small Incision Cataract Surgery (SICS) through our re-established partnership with the Tilganga Institute of Ophthalmology. After training in SICS under the supervision of cataract surgeons, he travelled to a rural community outreach where he and a team of surgeons helped to improve the sight of over 400 patients. We are proud of this opportunity made possible by our dedicated ophthalmologists and The Royal Australian and New Zealand College of Ophthalmologists (RANZCO) and look forward to future opportunities in 2026-2027.

Supporting and Growing Our People

Embedding a thriving culture of learning, safety and wellbeing through effective leadership.

Health, Safety and Wellbeing
The Eye and Ear is committed to providing a safe environment for all staff. Working with the recent Victorian legislation to minimise psychosocial hazards in the workplace, the Eye and Ear implemented online platform Flourish-DX to support staff and identify any psychosocial risks in the hospital. In addition, we conducted an organisation wide psychosocial survey discussed later in this report.

An emphasis on health, safety and wellbeing throughout 2025–2026 was reinforced by a significant focus on our annual Health, Safety and Wellbeing Month in October. The month featured a range of weekly wellbeing initiatives, information sessions, employee benefit presentations and activities accessible to all staff.

In addition, our commitment to providing training opportunities for staff was underpinned by a collaboration with our Parkville LHSN partners at the Peter MacCallum Centre. Non-clinical administrative staff were given the opportunity to join the centre's Inservice Program, which delivered targeted education and training via face-to-face, virtual and hybrid workshops across communication, information technology and professional growth.

Equity and Inclusion
Following completion of the Eye and Ear's *Gender Equality Action Plan 2022-2025,* work and consultation took place in 2026 to help develop the next iteration. We actively sought feedback from internal committee members and key stakeholders to help ensure the plan is practical, relevant, focused on the right priorities and aligned with the *Victorian Gender Equality Act 2020.* We look forward to launching our *Gender Equality Action Plan 2026-2030* in 2026-2027.

Aboriginal Health
As demonstrated throughout this report, the Eye and Ear has a strong commitment to closing the healthcare gap in eye, ear, nose and throat care and supporting our Aboriginal and Torres Strait Islander patients, visitors and staff, so they feel welcome at the hospital. We actively promote staff engagement in cultural activities to support this and the completion of our Baagon Walert Walert possum skin cloak project was a significant organisational wide initiative.

In February this year, our Leadership Team was invited to participate in a Cultural Learning Session with Uncle Alan Brown, Ambassador for the Victorian Aboriginal Health Service (VAHS). He delivered a cultural talk on the establishment and history of VAHS and shared insights into the journey of Aboriginal and Torres Strait Islander patients accessing care through Aboriginal Community Controlled Health Organisation

(ACCHO) services. This session provided important context around how ACCHOs function and the critical role they play in delivering culturally safe and responsive healthcare.

For National Reconciliation Week this year, our Aboriginal health Mirring Ba Wirring team curated a special event showcasing cultural practices, activities, Indigenous food and stories. In addition, we showcased our possum skin cloak with its meaningful stories for staff to get up close with this important resource. It was a heartfelt and inclusive event that brought the hospital together during a significant cultural week.

Board of Directors and Board committees

The Board of Directors is appointed by the Governor in Council on the recommendation of the Victorian Minister for Health and is governed by the principles contained within the *Health Services Act 1988 (Vic).*

The Board provides governance of The Royal Victorian Eye and Ear Hospital and is responsible for its financial performance, strategic directions, the quality of its health care services and strengthening community involvement through greater partnerships.

The Eye and Ear by-laws enable the Board to delegate certain responsibilities. The by-laws are supported by the delegation of executive and operational responsibility, enabling designated executives and staff to perform their duties by exercising specified authority. The Board meets monthly during the year, excluding January.

Ms Melanie Eagle GAICD, LLB, BSW, BA
Appointed 1 July 2025
Chair Board of Directors
Chair Remuneration Committee
Member Finance Committee

Ms Eagle is an accomplished Board Chair, government advisor and senior executive with extensive experience in governance, policy reform and strategic leadership. She is Chair of the Disability Worker Registration Board, a Board member of St Vincent's Medical Research Institute and FirstStep. She is also a member of the Evidence Advisory Committee of the NDIS and the Australian Association of Social Workers Ethics Panel. Her previous roles include Director at Alfred Health, inaugural Chair of Respect Victoria, member of the Victorian Ministerial Disability Advisory Committee and CEO of LiverWELL.

Mr Simon Brewin MBL, GDHSM, BBus, GAICD
Appointed 1 July 2017 to 30 June 2026
Deputy Board Chair
Chair Primary Care and Population Health Advisory Committee
Member Finance Committee and Quality and Safety Committee

Mr Brewin is an experienced non-executive director with health-related board appointments, including at Uniting AgeWell Ltd and Guardian Network until 1 May 2025. He has expertise in corporate and clinical governance, risk, compliance and strategy. He previously held senior Victorian healthcare roles, including executive director positions at Alfred Health, Monash Health and Peninsula Health. He is a Graduate of the Australian Institute of Company Directors (GAICD) and past state branch president of the Australasian College of Health Service Management.

Ms Janice Brown BE, GDACG, CA, AGIA
Appointed 20 February 2025
Chair Finance Committee
Member Audit Committee and Remuneration Committee

Ms Brown is a Chartered Accountant with more than 30 years' experience in financial accounting, assurance, compliance and risk management. She was Financial Assurance Director at PwC and has held Chief Financial Officer roles across superannuation, health insurance and disability service entities in the for-purpose sector. Her experience includes financial reporting, analysis, mergers, regulatory reform, investment and capital management, and strategic planning. Ms Brown is also a qualified Company Secretary and Associate Member of the Governance Institute of Australia.

Mr Jared Heath BA (Hons), LLB (Hons), GDLP, LLM
Appointed 1 July 2025
Member Audit Committee and Quality and Safety Committee

Mr Heath is a Partner at Corrs Chambers Westgarth with more than 18 years' experience advising government and the private sector on major projects, legislative and policy reform, regulatory reviews and integrity inquiries. He previously served in the Department of Health's Office of General Counsel during the COVID-19 pandemic and has acted as General Counsel to several major inquiries. He is a director of the Gorman Foundation and South-East Monash Legal Service, and an Honorary Senior Fellow at Melbourne Law School.

Ms Christine McLoughlin BSW (Hon), MAICD
Appointed 1 July 2024
Member Audit Committee and Quality and Safety Committee

Ms McLoughlin has 15 years' public health experience, including leading People and Culture

functions at Alfred Health and Monash Health. She combines culture development with process and system design, drawing on leadership and human resources experience across manufacturing, government and consulting. A former social worker, she established child protection and corporate training units for the Victorian Government and directed KPMG's leadership training unit. She now provides consulting services to health services in Victoria and South Australia.

Mr Bruce Mildenhall BA, GD Rec, GAICD
Appointed 1 July 2018
Chair Community Advisory Committee
Member Finance Committee

Mr Mildenhall has extensive public sector and community governance experience. He served as State MP for Footscray for 14 years, including seven years as Parliamentary Secretary to the Premier, and was a City of Footscray councillor for nine years. In health, he served on a primary health service board for more than 20 years, chaired a major residential aged care service, and has been a Victorian Health Promotion Foundation and metropolitan hospital board member.

Mr Bruce Ryan BSc (maj. Comp Science and Statistics)
Appointed 1 July 2017 to 30 June 2026
Chair Audit Committee
Member Finance Committee and Remuneration Committee

Mr Ryan has extensive information and communications technology (ICT) management expertise within the Victorian public health sector and other Victorian government settings. He worked with the Department of Health to assist with the delivery of large-scale ICT projects and worked closely with Eastern Health during the redevelopment of Box Hill Hospital and the commissioning of advanced electronic records management there. Mr Ryan is also a former Chief Information Officer at Yooralla.

Dr Susan Sdrinis MBBS, FRACMA, MPH, MHSM, GAICD
Appointed 1 July 2022
Chair Quality and Safety Committee
Member Community Advisory Committee, Primary Care and Population Health Advisory Committee and Remuneration Committee

Dr Sdrinis is a medical practitioner and specialist medical administrator with senior experience in Victorian public hospitals and the Department of Health. She has held Executive Director Medical Services and Director Medical Services roles, served as a Senior Medical Advisor and contributed as a board director. Her interests include clinical and medical governance, professional issues, and mentoring clinician managers and medical administrators in training. She is a Fellow of the Royal Australasian College of Medical Administrators and a GAICD.

Mr Kyle Vander-Kuyp OLY
Appointed 8 August 2023
Member Quality and Safety Committee, Primary Care and Population Health Advisory Committee

Mr Vander-Kuyp joined the Board in August 2023 and brings experience across government, corporate, not-for-profit and community organisations. An Elder and Respected Person at Koori Court, he is a strong advocate for Aboriginal and Torres Strait Islander people and culture. A former Olympian, he represented Australia internationally for 20 years. He is Founder and Director of Killara Foundation, Chair of Connecting Home, Director at Box Hill Institute, a Beyond Blue Ambassador and a Victorian Institute of Sport member.

More information on our board members can be found on our website.

Board Committees

Audit Committee
Frequency: Quarterly

Board members
Mr Bruce Ryan (Chair)
Ms Janice Brown
Mr Jared Heath
Ms Christine McLoughlin

Finance Committee
Frequency: Seven times per year

Board members
Ms Janice Brown (Chair)
Mr Simon Brewin
Ms Melanie Eagle
Mr Bruce Mildenhall
Mr Bruce Ryan
External advice is provided by:
Mr Grant Cashin.

Quality and Safety Committee
Frequency: Quarterly

Board members
Dr Susan Sdrinis (Chair)
Mr Simon Brewin
Mr Jared Heath
Ms Christine McLoughlin
Mr Kyle Vander-Kuyp

Consumer members
Ms Ileana Guizzo
Ms Robyn Johnston

Remuneration Committee
Frequency: Annually

Board members
Ms Melanie Eagle (Chair)
Ms Janice Brown
Mr Bruce Ryan
Dr Susan Sdrinis

Community Advisory Committee
Frequency: Quarterly

Board members
Mr Bruce Mildenhall (Chair)
Dr Susan Sdrinis

Consumer members
Mr Ramakrishnan (Rama) Appuswamy
(Lead Consumer until his passing late in 2025)
Ms Nora Refahi (Lead Consumer from
February 2026)
Ms Jayne Howley (on Leave of Absence)
Ms Debra Simons
Mr Anthony Sonego
Mr Mick Shaddock
Mr Desbele (Des) G. Temelso
Ms Stephanie Thow-Tapp
Mr Ted Woods

Primary Care and Population Health Advisory Committee
Frequency: Bi-annually

Board members
Mr Simon Brewin (Chair)
Dr Susan Sdrinis
Mr Kyle Vander-Kuyp

Consumer member
Mr Mick Shaddock

You can find out more about our committees on our website.

Executive Management

Chief Executive Officer (CEO)
Brendon Gardner BAppSc (HIM), MHA, GAICD

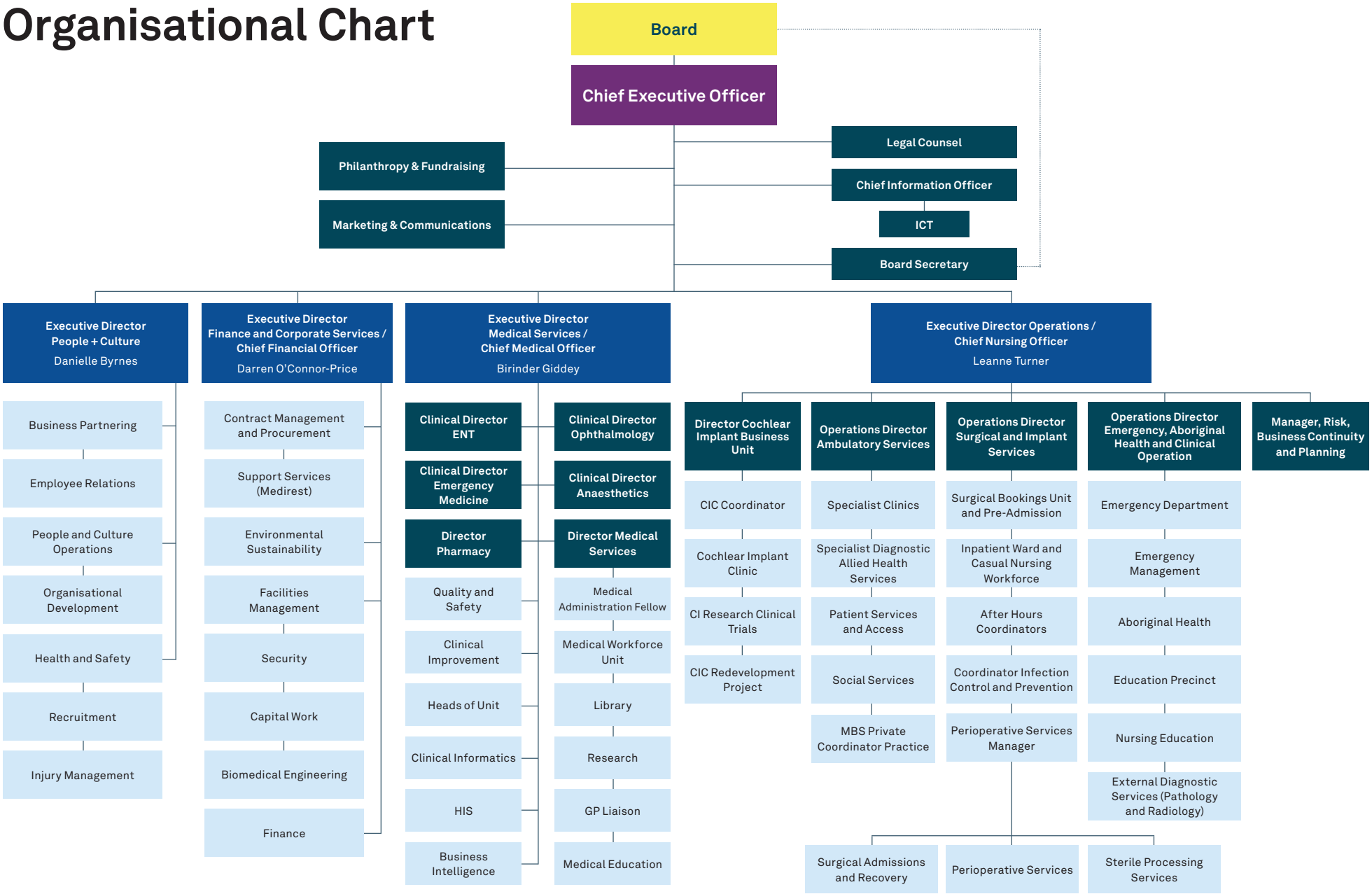
Executive Director Operations and Chief Nursing Officer
Leanne Turner BHealthSci (Nursing), PostGradDip (Health Administration), MBA, GAICD

Executive Director Medical Services and Chief Medical Officer
Dr Birinder Giddey MBBS(Hon), MHLM, FRACMA

Executive Director Finance and Corporate Services
Darren O'Connor-Price FCPA FIPA FFA

Executive Director People and Culture
Danielle Byrnes BA, MIR, GAICD, FAHRI
(commenced 31 July 2025)

Organisational Chart



Donors and Supporters

For more than a century, the Eye and Ear has been strengthened by the generosity of our supporters who help shape the care we provide. We extend our heartfelt thanks to every individual, family, trust, foundation and corporate partner who has chosen to support our patients and mission throughout the year.

Thanks to this generous support, we have invested in state-of-the-art medical equipment, upgraded facilities, ground-breaking treatments, enhanced clinical expertise and improved patient care. We were also able to fund Indigenous Ophthalmology Scholarships that promote inclusion, opportunity and culturally safe care. Philanthropy at the Eye and Ear continues to accelerate vital research and innovation, helping to preserve and restore sight and hearing for people today and into the future.

We are also deeply grateful to those who have chosen to leave a gift in their Will. These bequests are a powerful and enduring legacy, ensuring the Eye and Ear can continue to advance world-leading care for people living with vision and hearing loss for generations to come.

Major donors

Elias Jreissati AM, KJGC, HonLLD
Greg Shalit and Miriam Faine
James and Lindsay Mulhall
Judith Stembridge
Marilyn Bassett
Marion Avery
Michael Halprin
Dr Robert Webb
Ruth Crutch
Trevor and Pam Edwards

Trusts and Foundations

Ethel Herman Charitable Trust
Isobel Hill Brown Charitable Trust John T Reid Charitable Trusts
Joe White Bequest
Orloff Family Foundation
The Carleton Family Charitable Trust
The Edith M and William Wilson Charity Trust
The Eirene Lucas Foundation
The Penelope Foster Foundation
The Pratt Foundation

Bequests (once-off Gifts in Wills)

Estate of Fay Bathgate
Estate of GJ Woods
Estate of Ian Cunningham Cross
Estate of Jacqueline Winifred Stephens
Estate of Margaret Jessie Cantwell
Estate of William Patrick Caven
The Harold Muir Charitable Trust

Estates (Gifts in Wills distributed annually in perpetuity)

Estate of the late Alfred Herman William Dehnert
Estate of John Alexander Anderson
Joseph and Kate Levi Charitable Trust
Rudolph Hally and Pia Martin Memorial Trust
The Elizabeth and Alexander Reddan Memorial Foundation
The Harry Yoffa Charitable Bequest
The William and Mary Ievers and Sons Maintenance Fund

As managed by Equity Trustees:

Arthur Gordon Oldham Charitable Trust
Betty Brenda Spinks Charitable Trust
Donald Ean Ross Bequest
Eliza Wallis Charitable Trust
Estate of Heather Sybil Smith
George Thomas and Lockyer Potter Charitable Trust
John Frederick Wright Estate
Joseph Kronheimer Charitable Fund
Louis and Lesley Nelken Trust
The Erica Cromwell Trust
The Ernest and Leticia Wears Memorial Trust Fund
The Mark Ashkenasy Trust
The Martha Miranda Livingstone Fund
The Valda Salton Charitable Trust
William Hall Russell Trust Fund

Sub-funds of State Trustees Australia Foundation:

Bruce Leslie Powell
Jessie Ross

Regular Givers – Friends of the Eye and Ear

We also extend our sincere thanks to our Friends of the Eye and Ear - the dedicated community of regular monthly donors. Their generous and consistent support plays a powerful role in helping us deliver world-class patient care.

Volunteers

The Eye and Ear has a long history of involvement from volunteers, dating back to 1922 when the spouses of members of the Committee of Management began supporting the hospital. Volunteer support evolved over time, including the formation of the hospital auxiliary by women from Olinda, Sassafras and the Dandenong Ranges. Today, the hospital continues to be supported by a dedicated cohort of over 80 volunteers.

With our volunteers positioned at Information desks at both entrances, they are often the patient's first point of contact when they enter the hospital. Our volunteers are here to provide a welcoming environment and assistance for patients when they are sometimes at their most vulnerable. Volunteers also support our patients and staff in Specialist Clinics, Surgical Admissions and Recovery, Emergency and administration duties. With their duties as varied as the patients' needs, no day is the same. Helping people is their main priority and they are flexible and thoughtful in their approach, making a positive difference to the patient experience.

In May we celebrated National Volunteer Week with our annual event to honour the contributions and differences that our volunteers make at the Eye and Ear.

Consumer Advisors

Among our volunteer cohort are volunteers who work as Consumer Advisors. These volunteers have experience as a patient, carer or sometimes both and are passionate about providing their perspective and feedback to help improve the patient experience at the Eye and Ear. Our Consumer Advisors contribute in a number of ways, such as sitting on committees, reviewing documents such as patient information, being involved in improvement projects and sharing their experiences for training purposes. The Eye and Ear is committed to continuing to work with our Consumer Advisors while striving for the best possible experience for our patients and their families.

Key financial and service performance reporting

Workforce Data

Hospitals Labour Category	June Current Month FTE		Average Monthly FTE	
	2025	2026	2025	2026
Nursing	196	199	197	198
Administration and Clerical	166	171	169	171
Medical Support	58	61	58	60
Hotel and Allied Services	12	13	12	13
Medical Officers	5	5	5	5
Hospital Medical Officers	74	68	72	67
Sessional Clinicians	52	53	51	53
Ancillary Staff (Allied Health)	47	43	46	44
Total	**610**	**613**	**610**	**611**

The FTE figures required in the table are those excluding overtime. These do not include contracted staff (for example, agency nurses and fee-for-service visiting Medical Officers) who are not regarded as employees for this purpose. The data should be consistent with that provided in the Minimum Employee Data Set. The order of the fields in the hospital labour category must not be changed.

Application of employment and conduct principles

The Eye and Ear is committed to upholding the principles of merit and equity in all aspects of the employment relationship. We have policies and practices to ensure all employment-related decisions, including recruitment, promotion, training, and development, are based on merit.

Any complaints, allegations or incidents involving discrimination, vilification, bullying or harassment are taken seriously and addressed. All staff are provided with education and training on their rights and responsibilities and the necessary resources to ensure that equal opportunity principles are upheld.

Employee culture and engagement

Employee culture and engagement are monitored through the People Matter Survey, which provides an independent and consistent measure of staff experience across the Victorian public sector. Survey results indicate strong outcomes across key indicators of inclusion, belonging and cultural safety, with overall engagement remaining strong at 76 per cent, which is a 3 per cent point increase from 2024. These outcomes reflect deliberate investment in psychological safety, respectful workplace practices and inclusive leadership, recognising that staff wellbeing is foundational to patient safety and service sustainability. In the 2026 survey, 91 per cent of staff are proud to tell people they work here, (up 6 percentage points), collaboration is at 92 per cent (up 7 percentage points), and there has been a marked improvement in burnout (down from 29 per cent in 2024 to 21 per cent).

These results reflect a workplace culture characterised by respectful relationships, inclusion and psychological safety. Insights from workforce feedback inform organisational action plans, priorities and ongoing initiatives.

Health and wellbeing initiatives

October was Health, Safety and Wellbeing Month at the Eye and Ear, aligned with WorkSafe Victoria's Health and Safety Month. Activities were delivered in accordance with the pillars of the hospital's wellness@work program. A particular emphasis was placed on mental health and wellbeing.

Health, Safety and Wellbeing Month activities included health and wellbeing seminars, an all-staff forum focusing on mental health and wellbeing, leader-led safety walks, Employee Assistance Program (EAP) awareness sessions and staff movement activities, including Tai Chi and physiotherapist-led sessions.

Confidential counselling and support services provided by our Employee Assistance Program (EAP) were used at an annual rate of 5.66 per cent, higher than the previous year. The EAP is an outsourced counselling service available to staff, their family and immediate family members. The service also offers manager support and post-incident workplace debriefing.

During the reporting period, the Eye and Ear continued to strengthen organisational preparedness for the commencement of the Occupational Health and Safety (Psychological Health) Regulations at the end of 2025.

In December 2025, an organisation-wide psychosocial risk assessment was undertaken to identify psychosocial hazards experienced by staff, including consideration of the duration, frequency and severity of exposure. The 2026 People Matter Survey included several questions closely aligned with those used in the psychosocial risk assessment, particularly in relation to psychological safety and wellbeing. The combined results have allowed identification of the key groups requiring further support and targeted risk controls.

To further strengthen reporting pathways and support staff confidence in raising psychosocial concerns, a confidential psychosocial reporting hotline was procured during the reporting period.

Recruiting and onboarding staff

In 2025–2026, the Eye and Ear workforce comprised 1137 staff. We recruited and onboarded 223 new staff who all participated in an orientation program. Our employee turnover rate (the percentage of employees who left) was 15 per cent. A supportive and informative onboarding process ensures that new employees can position themselves for success and understand their environment and relevant systems and processes to effectively contribute to the organisation.

Pre-employment credentialing

The organisation has thorough credentialing and pre-employment verification checks to ensure staff are qualified to deliver safe patient care.

Most clinical staff are required to hold and maintain current registration with the relevant national board via the Australian Health Practitioner Regulation Agency (AHPRA) or the relevant registration authority (or be eligible for professional association membership where registration is not available). All staff working in clinical areas or have face-to-face contact with patients, require specified vaccinations unless medically exempt. All staff are required to undergo a satisfactory National Criminal Record Check and relevant staff are required to hold a valid Working with Children Check.

Employee reward and recognition

A range of formal recognition programs operate across the organisation to acknowledge everyday behaviours and outstanding contributions. Values Awards recognise staff demonstrating the hospital's guiding principles of Integrity, Inclusive and Accessible Care, Collaboration and Excellence in their daily work. The following staff were recipients of the Values Awards in 2026:

- **Collaboration –** Nurse Unit Manager, Lesley Finch
- **Excellence –** Emergency Department team
- **Inclusion –** Nurse, James Del Rosario
- **Integrity –** Head of Glaucoma Unit, Dr Alp Atik

The Excellence Awards are the organisation's most prestigious awards, recognising individuals and teams who have made an exceptional contribution through leadership, innovation, dedication and impact. The introduction of an Excellence in Volunteering category in 2025 further acknowledges volunteers and consumer advisors as a valued part of the Eye and Ear community and workforce. The winners of our 2025 Excellence Awards are listed in the Board Chair and CEO Report on page 3.

Strong workforce engagement with these recognition programs continued in 2025–2026, with a significant increase in nominations across staff groups.

Building a capable workforce

Workforce capability is strengthened through a combination of clinical education, professional development and performance governance, ensuring staff are supported to develop and apply their skills across all stages of their career.

Workforce systems and processes provide consistent oversight of mandatory training, professional development and scope of practice requirements. This supports strong assurance in relation to clinical competence, quality and safety responsibilities and regulatory compliance.

Performance development is embedded as a core capability-building mechanism. Staff are supported to participate in regular performance and development discussions with their managers, focusing on role clarity, performance feedback and future development goals. These conversations support individual growth and ensure workforce development is aligned with organisational priorities and service needs.

The Eye and Ear also continues to collaborate with sector partners to strengthen workforce capability beyond the organisation. Participation in the Workforce Skills, Capability and Mobility Committee with St Vincent's Health supports shared approaches to development planning, including tailored learning opportunities and coordinated training for non-clinical staff. Workforce capability is further enhanced through the Eye and Ear's participation in the Parkville LHSN. As part of the LHSN, the organisation benefits from expanded opportunities for skill

development, shared learning and workforce mobility, including access to collaborative training initiatives.

Workforce Inclusion Policy

The Eye and Ear does not maintain a standalone workforce inclusion policy but has a range of plans in place including the *Disability Action Plan 2025-2028* and *Equity and Inclusion Action Plan 2024-2028*.

Workforce inclusion for staff is addressed through the organisation's *Gender Equality Action Plan (GEAP)*, developed and implemented in accordance with the *Gender Equality Act 2020 (Vic)*. The GEAP provides the organisation's primary framework for advancing inclusion, equity and respectful workplace outcomes, supported by legislated reporting, workforce data and employee experience measures.

The *Gender Equality Action Plan 2026–2030* was informed by a comprehensive workplace gender audit and extensive consultation with employees, unions, governance committees and the Board. It adopts an intersectional approach, recognising that inclusion outcomes differ across occupational groups, career stages, employment models and personal circumstances within a specialist healthcare workforce.

Our progress report indicated measurable progress on six of the seven gender equality indicators (except Sexual Harassment).

Positive outcomes include reductions in organisational pay gaps across all measures, strong female representation in recruitment and promotions, increased confidence in access to flexible work and improvements in workplace culture indicators, including belonging and psychological safety.

In 2025–2026, progress against inclusion objectives was reflected in workforce experience measures. Results from the People Matter Survey demonstrate strong outcomes across key indicators of inclusion and belonging, with 86 per cent of employees who responded to the survey reporting they feel culturally safe at work, 78 per cent reporting a sense of belonging, and 81 per cent reporting they feel able to be themselves at work. These results indicate positive progress toward GEAP inclusion goals and provide confidence that workforce inclusion initiatives are being experienced in practice.

Longer-term targets within the GEAP focus on maintaining or improving women's representation at leadership levels across clinical and non-clinical roles, strengthening confidence in fair recruitment and promotion processes, improving access to flexible work arrangements, and reducing identified workplace experience gaps for marginalised staff groups.

Progress against GEAP targets will continue to be monitored and reported through legislated gender audit processes ensuring workforce inclusion remains embedded within organisational governance and accountability.

Occupational Health and Safety (OHS)

The Eye and Ear is committed to providing a safe and healthy workplace. Occupational health and safety is managed through a continuous improvement framework encompassing planning, implementation, monitoring and review of prevention, early intervention, promotion, and response activities.

The Eye and Ear adopts a holistic approach to health and safety, addressing work system factors that contribute to physical injury and psychosocial risk, and supporting overall worker wellbeing and workplace safety.

The table below presents highlights of occupational health and safety performance. During 2025–2026, there were 18 incidents per 100 full-time equivalent employees, representing a 14 per cent decrease compared with the previous year.

Occupational Health and Safety statistics	2023-2024	2024-2025	2025–2026
Incidents/hazards per 100 full-time equivalent staff members	19	21	18
Lost time standard claims per 100 full-time equivalent staff members	0.66	0.16	0.32
The average cost per WorkCover claim for the year ('000)	$9	$35	$26

During 2025–2026, the Eye and Ear focused on managing key occupational health and safety risks, including occupational violence and aggression, hazardous manual handling and psychological health.

The hospital maintains a zero-tolerance approach to bullying, harassment, discrimination and occupational violence and aggression, supported by staff education, forums and clear reporting pathways.

Consultation with Health and Safety Representatives, staff and managers was undertaken prior to changes in work practices, equipment, or the work environment. Risk assessments informed targeted controls to mitigate identified hazards.

Governance oversight was provided through the Health, Safety and Environment Committee and the Laser and Radiation Safety Committee, both meeting quarterly.

OHS training included occupational violence and aggression response, hazardous manual handling train the trainer courses, laser and radiation safety, Health and Safety Representative training (initial and refresher) and psychosocial risk management training for leaders.

WorkCover and injury management

During 2025–2026, the Eye and Ear's injury management program continued to deliver positive outcomes, with a strong focus on prevention, early intervention and coordinated support.
Early intervention supports the timely management of injuries and illness before issues escalate. The non-work-related injury management program also supports staff to remain at or return to work, delivering benefits for individual wellbeing, team stability and service continuity.

Key occupational health and safety incidents and WorkCover claims during the year primarily related to musculoskeletal disorders and psychological wellbeing.

There were two WorkCover claims resulting in time lost during 2025–2026 compared with two in the previous year. The Eye and Ear's WorkCover Employer Performance Rating at 0.97 per cent was 3 per cent better than the industry benchmark.

Occupational Violence

The Eye and Ear's occupational violence and aggression (OVA) framework includes a range of preventative and responsive controls, including an OVA Action Plan, Code Grey and Code Black procedures, dedicated response teams, controlled access measures, signage, fixed and pendant duress alarms and staff education and training.

Organisational oversight of OVA is provided through the Health, Safety and Environment Committee, with the OVA Action Plan as a standing agenda item.

During 2025–2026, an external provider delivered face-to-face OVA and Code Grey/ Black response training for clinical, frontline and emergency response staff. The training focused on recognising, de-escalating aggressive behaviour and reducing risk. More than 78 staff have completed face-to-face training during the reporting year.

The Eye and Ear continued to reinforce that violence and aggression are unacceptable, with messaging displayed in patient and public areas. Comparative OVA incident data is outlined below.

Occupational violence statistics	2024-2025	2025–2026
WorkCover accepted claims with an occupational violence per 100 FTE	0.16	0
Number of accepted WorkCover claims with lost time injury with an occupational violence cause per 1,000,000 hours worked	1.01	0
Number of occupational violence incidents reported	68	51
Number of occupational violence incidents reported per 100 FTE	11.2	8.3
Percentage of occupational violence incidents resulting in a staff injury, illness or condition	1.47	0

There was a reduction of 25 per cent of reported occupational violence and aggression incidents from 68 in 2024-2025 to 51 in 2025–2026. The decrease in the number of incidents may be attributed to increased early intervention by staff including early identification of warning signals of impending occupational violence and aggression.

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 ratings 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 2025–2026.
- **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.

Financial information

	2026 $000	2025 $000	2024 $000	2023 $000	2022 $000
Operating result*	**16**	**31**	**(15,902)**	**439**	**422**
Total revenue	167,815	167,048	156,188	171,455	156,638
Total expense	(182,655)	(176,791)	(175,157)	(153,600)	(136,557)
Net result from transactions	**(14,840)**	**(9,743)**	**(18,969)**	**17,855**	**20,081**
Total other economic flows	359	1,377	(994)	460	(4,861)
Net result	**(14,481)**	**(8,366)**	**(19,963)**	**18,315**	**15,220**
Total assets	359,239	373,132	403,230	451,782	410,143
Total liabilities	(42,502)	(41,914)	(63,646)	(57,595)	(51,693)
Net assets/total equity	**316,737**	**331,218**	**339,584**	**394,187**	**358,450**

* The operating result is the result for which the health service is monitored in its Statement of Priorities

Reconciliation of net result from transactions and operating result

	2025–2026 $000
Net Operating result	**16**
Capital and specific items:	
Capital purpose income	1,601
Specific income	-
COVID-19 State Supply Arrangements:	-
- Assets received free of charge or for nil consideration under the State Supply Arrangements	11
- State supply items consumed up to 30 June 2026	(11)
Assets received for free	-
Assets provided for free	-
Expenditure for capital purposes	(635)
Depreciation and amortisation	(15,822)
Impairment of non-financial assets	-
Finance costs	-
Net result from transactions	**(14,840)**

Significant changes in financial position during 2025–2026

There was a significant change (positive) to our financial position during 2025–2026. This change relates to increased activity matched with additional funding and controlling expenditure.

Operational and budgetary objectives and performance against objectives.

The Royal Victorian Eye and Ear Hospital achieved its budgetary requirements for 2025–2026.

Significant events occurring after balance date.

No significant events occurred after the balance date.

Consultancies information FRD 11(e)

Details of consultancies (under $10,000)

In 2025–2026, there were no consultancies where the total fees payable to the consultants were less than $10,000.

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

In 2025–2026, there was one consultancy where the total fees payable to the consultant was $10,000 or greater. The total expenditure incurred during 2025–2026 in relation to this consultancy is $105,000 (excl. GST). Details of this consultancy can be viewed below or at www.eyeandear.org.au.

Consultant	Purpose	Start date	End date	Total approved project fee (excluding GST)	Expenditure 2025–2026 (excluding GST)	Future expenditure (excluding GST)
AABB Consulting Pty Ltd	Professional services to support the Electronic Medical Record business case.	Oct-25	Mar-26	$ 105,000	$ 105,000	$0

Information and communication technology (ICT) expenditure

For the 2025–2026 reporting period, the Eye and Ear had a total ICT expenditure of $8.4 (6.8+1.6) million, with the details shown below.

Business as usual (BAU) ICT Expenditure	Non-business as usual (non-BAU) ICT expenditure		
Total (excluding GST)	Total=operational expenditure and capital expenditure (a+b) (excluding GST)	Operational expenditure (excluding GST) (a)	Capital expenditure (excluding GST) (b)
$6.8 million	$1.6 million	$1.1 million	$0.5 million

Disclosures required under Legislation

Freedom of Information Act 1982

The Victorian *Freedom of Information (FOI) Act 1982* provides members of the public with the right to apply, in writing, to the Eye and Ear for access to information held by the hospital. The hospital provides an annual report of all FOI requests to the Victorian Department of Justice.

During 2025–2026, the Eye and Ear received 338 FOI applications. Of these requests, 110 were from the public, 162 from lawyers and insurers and 66 from others such as GP's or nursing homes.

The Eye and Ear made 289 FOI decisions during the 12 months to 30 June 2026. All these decisions were made within the statutory timeframe. No requests were subject to review by the Office of the Victorian Information Commissioner or the Victorian Civil and Administrative Tribunal (VCAT).

All requests for Freedom of Information should be made in writing via the FOI application form on the website and emailed to FOI@eyeandear.org.au. Applications should be accompanied by the appropriate patient authority, identification, and application fee. The application fee is $33.60 for 2025–2026.

Costs of FOI Requests 2025–2026

Application fee	$33.60
Secure digital release	$0
Hardcopy search and retrieval fee	$5.00
Photocopying/printing (black and white)	$0.20
Colour copies	$1 per page
Supervised Viewing	$27.00 per ¼ hour ($85.20 max.)

Freedom of Information applications 2025–2026

Total requests	338
Fully granted	289
Cancelled	27
Pending	22
Completed	316

Requestors	No. of requests
General public	110
Lawyers and insurance companies	162
Other	66
Total	**338**

All FOI requests should:

- be in writing
- identify as clearly as possible which document is being requested
- be accompanied by the appropriate application fee.

The FOI officer for the Eye and Ear is Executive Director Medical Services/Chief Medical Officer.

Building Act 1993

Building Act Compliance and Essential Safety Measures (ESM)

During the 2025–2026 financial year, no building permits were obtained. Ongoing maintenance programs are in place to ensure that all buildings are maintained in a safe and functional condition.

In accordance with the *Building Act 1993* and associated regulations, the hospital maintains comprehensive management of Essential Safety Measures (ESM). The hospital achieved 100 per cent compliance with all mandatory ESM inspection, testing, maintenance and documentation requirements. All ESM are subject to annual audit, maintained in line with certified maintenance agreements and are documented on the Certificate of Occupancy issued by the building surveyor. ESM compliance certificates are prominently displayed at the hospital's main entrance.

External Cladding and Fire Safety Compliance

External cladding across the hospital site is limited and compliant with relevant building regulations. This includes the use of aluminium composite panels with a core comprising 70 per cent non-combustible mineral content, which has demonstrated low fire risk performance when tested to AS 1530.3 standards. The condition of all cladding is assessed as good, with no identified penetration risks.

Fire risk is further mitigated through a combination of active and passive protection measures, including internal sprinkler systems, smoke detection systems, and strict hot work permit controls. A fire engineering assessment has confirmed that both the likelihood and consequences of fire spread are low and that the presence of compliant cladding does not compromise the overall fire safety of the building.

Privacy

Privacy is a core component of the Eye and Ear's commitment to patient-centered care and responsible information management. The hospital complies with both the *Health Records Act 2001* and the *Privacy and Data Protection Act 2014*. All

staff are regularly made aware of their obligations under these laws through education, policies and procedures.

The Eye and Ear's Privacy Officer is the Executive Director Medical Services/Chief Medical Officer.

Public Interest Disclosures Act 2012 (Vic)

The Eye and Ear has policies and procedures in place to support mandatory notification of suspected corruption, in accordance with the Directions pursuant to section 57A of the *Independent Broad-based Anti-Corruption Commission Act 2011* and the *Public Interest Disclosures Act 2012 (Vic).*

Under the Act, certain disclosures about serious misconduct or corruption involving a public health service must be made directly to the Independent Broad-based Anti-Corruption Commission (IBAC) to be protected. The Eye and Ear encourages individuals to make any disclosures that may qualify as protected disclosures under the Act directly to IBAC.

The hospital has established procedures to protect individuals who make disclosures and to ensure, where possible, that no detrimental action is taken against any person in connection with a protected disclosure. Further information, including a link to the Eye and Ear's Protected Disclosure Policy, is available on the hospital's website.

No disclosures were notified to the Independent Broad-based Anti-Corruption Commission (IBAC) under section 21(2) of the *Public Interest Disclosures Act 2012* during the 2025–2026 financial year.

DataVIC Access Policy

Making datasets freely available to the public is the state's default position and where possible agencies must make datasets available with minimum restrictions including the proactive removal of cost barriers. The Eye and Ear complies with this policy by making datasets available where appropriate, subject to privacy, confidentiality and legislative requirements.

National Competition Policy

In accordance with the Competition Principles Agreement (CPA), Victoria remains committed to applying competitive neutrality policy and principles to all significant business activities undertaken by government agencies and local authorities. The Victorian Government's competitive neutrality policy commits public health services to apply this policy to all relevant business activities. This includes the adoption of pricing principles to take account of the full cost attribution of any net competitive advantages conferred by government ownership.

The policy directs that where the government's business activities compete with private sector business activities, any net competitive advantages that accrue to the government business are appropriately offset.

The Eye and Ear continues to comply with Victoria's Competitive Neutrality Policy in all relevant business activities. No complaints regarding competitive neutrality were received during 2025–2026.

Carers Recognition Act 2012

The *Carers Recognition Act 2012* recognises, promotes and values the role of carers. The Eye and Ear acknowledges the diverse needs of carers and the critical value they make to the wellbeing of patients and the broader community. During 2025–2026, the hospital has taken all practical measures to comply with its obligations under the *Carers Recognition Act 2012*, including giving due consideration to the care relationships principles set out in the Act, in policy development and service delivery.

Consistent with the organisation's commitment to patient and family-centred care, carers are involved in individual care planning and decision making with patient consent. Consumers, including carers, are also actively engaged at a governance-level in the planning, design, delivery, and evaluation of services, including participation in committees and working groups, supporting continuous improvement in person-centred care. This approach aligns with the key priority areas of the Victorian Carer Strategy 2025-2035, supporting recognition, inclusion and partnership with carers in service design and delivery, and promoting their health and wellbeing.

The Safe Patient Care Act

The Eye and Ear takes all practicable measures to ensure compliance with the *Safe Patient Care 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*.

Environmental performance

The Eye and Ear continued to strengthen its commitment to environmental sustainability, building on the foundations established in the previous year.

From 1 July 2025, the hospital transitioned to 100% renewable electricity through the Victorian Government's statewide electricity contract with the State Electricity Commission (SEC). As electricity has historically represented the largest source of the hospital's operational greenhouse gas emissions, the emissions reduction associated with this transition is reflected in the greenhouse gas inventory.

The Sustainability Action Working Group expanded its membership to include representatives from all major operational areas and increased its focus on implementation and organisational change.

The group played a key role to start implementing the National Safety and Quality Health Service (NSQHS) Sustainability and Resilience Module and strengthening the hospital's readiness to meet emerging sustainability requirements. A staff member was seconded into a Sustainability Manager role (0.4 EFT) for six months and plans are underway to introduce consumer representation to strengthen co-design.

As noted earlier, the hospital continued to reduce its environmental footprint through targeted emissions reduction activities. This included the removal of fleet vehicles and the near elimination of Desflurane, a high-impact anaesthetic gas, building on significant reductions achieved in the previous year without compromising patient care. A trial of solar-lit external wayfinding was also commenced to explore opportunities for lower-emission infrastructure solutions.

Throughout the year, the hospital delivered a range of initiatives aimed at reducing waste, lowering emissions and minimising reliance on single-use products.

New initiatives included:

- Removal of towelling gowns in Surgical Services.
- Elimination of post-operative cataract care packs where clinically appropriate.
- Optimising consumable stockholding practices for Omnicells.
- Expansion of reusable products, including reusable tourniquets.
- Transition from new to reprocessed sequential compression calf sleeves, with used sleeves returned for recycling through a supplier take-back program.
- Introduction of Food Organics and Garden Organics (FOGO) bins.
- Removal of disposable cups from non-patient areas.

Building staff capability and fostering a culture of sustainability remained a key focus. Following the inaugural staff sustainability survey conducted in 2025, a follow-up survey in 2026 attracted 107 responses, enabling the hospital to build understanding of staff priorities and identify opportunities for improvement. Results confirmed strong staff support for sustainability and a desire to see ongoing action.

World Environment Day again provided a focal point for engagement, with departments leading sustainability projects and sharing local improvements. Additional engagement initiatives included:

- A dedicated staff sustainability forum.
- Fortnightly Green Team updates in the CEO newsletter.
- Sustainability presentations incorporated into new staff welcome forums.
- Participation in World Hand Hygiene Day through the Gloves Off campaign.
- Delivery of the Keep a Cup initiative in partnership with the hospital café.

To support long-term sustainability leadership, a staff member participated in professional development programs including the Monash University and Climateworks Centre Net Zero Academy Executive Leadership Program.

Sustainability considerations are also being incorporated into strategic planning, governance and organisational decision-making, with work underway to further align hospital practices with evolving national sustainability frameworks. The hospital is developing its next Environmental Management Plan and exploring opportunities to formalise sustainability and resilience ambitions within the 2027 Strategic Plan.

GREENHOUSE GAS EMISSIONS	2025–2026	2024-2025	2023-2024
G1 Total Scope 1 (direct) greenhouse gas emissions (t CO2-e)			
Carbon Dioxide	1,694.13	1,676.32	2,220.41
Methane	3.27	3.25	4.31
Nitrous Oxide	1.09	1.03	1.35
Total	**1,698.58**	**1,680.59**	**2,226.06**
Scope 1 GHG emissions from stationary fuel (F2 Scope 1) (t CO2-e)	**1,683.51**	**1,674.09**	**2,219.20**
Scope 1 GHG emissions from vehicle fleet (T3 Scope 1) (t CO2-e)	**14.98**	**6.51**	**6.86**
Medical/Refrigerant gases			
Desflurane	2.59	2.59	22.86
Nitrous oxide	22.08	7.33	N/A
Sevoflurane	10.24	9.84	4.88
Total Scope 1 (direct) greenhouse gas emissions (t CO2-e)	**1,733.41**	**1,700.35**	**2,253.80**
G2 Total Scope 2 (indirect electricity) greenhouse gas emissions (t CO2-e)			
Electricity	6,997.25	7,551.87	7,955.91
Total Scope 2 (indirect electricity) greenhouse gas emissions (t CO2-e)	**6,997.25**	**7,551.87**	**7,955.91**
G3 Total Scope 3 (other indirect) greenhouse gas emissions associated with commercial air travel and waste disposal (t CO2-e)			
Commercial air travel	21.34	25.92	15.25
Waste emissions (WR5)	906.40	692.68	609.98
Indirect emissions from Stationary Energy	1,801.38	1,155.97	1,154.93
Indirect emissions from Transport Energy	3.68	1.60	1.69
Paper emissions	N/A	N/A	N/A
Water emissions	43.59	49.91	50.73
Any other Scope 3 emissions	0.00	0.00	0.00
Total Scope 3 greenhouse gas emissions (t CO2-e)	**2,056.39**	**1,926.08**	**1,832.59**
G(Opt) Net greenhouse gas emissions (t CO2-e)			
Gross greenhouse gas emissions (G1 + G2 + G3) (t CO2-e)	**10,787.16**	**11,178.31**	**12,042.30**
Total gross reported greenhouse gas emissions per bed-day (t CO2-e/OBD)	0.54	0.58	0.67
Carbon Neutral Electricity	0.00	0.00	0.00
Green Power Electricity	0.00	0.00	0.00
Purchased LGCs	-8,188.50	0.00	0.00
Any Reduction Measures Offsets purchased (EL4-related)	**-7,947.50**	**0.00**	**0.00**
Any Offsets purchased	**-7,947.50**	**N/A**	**N/A**
Net greenhouse gas emissions (t CO2-e)	**2,839.55**	**11,178.31**	**12,042.30**

ELECTRICITY USE	2025–2026	2024-2025	2023-2024
EL1 Total electricity consumption segmented by source (MWh)			
Purchased	10,439.85	11,452.69	12,096.20
Self-generated	-	-	-
EL1 Total electricity consumption (MWh)	**10,439.85**	**11,452.69**	**12,096.20**
EL2 On site-electricity generated (MWh) segmented by:			
Consumption behind-the-meter	N/A	N/A	N/A
Solar Electricity	N/A	N/A	N/A
Total Consumption behind-the-meter (MWh)	N/A	N/A	N/A
Exports	N/A	N/A	N/A
EL2 Total On site-electricity generated (MWh)	N/A	N/A	N/A
EL3 On-site installed generation capacity (kW converted to MW) segmented by:			
Diesel Generator	1.65	1.65	1.65
EL3 Total On-site installed generation capacity (MW)	**1.65**	**1.65**	**1.65**
EL4 Total electricity offsets segmented by offset type (MWh)			
LGCs voluntarily retired on the entity's behalf	8,900.54	N/A	N/A
RPP (Renewable Power Percentage in the grid)	1,801.26	2,097.34	2,269.24
EL4 Total electricity offsets (MWh)	**10,439.85**	**2,097.34**	**2,269.24**

STATIONARY ENERGY	2025–2026	2024-2025	2023-2024
F1 Total fuels used in buildings and machinery segmented by fuel type (MJ)			
Natural gas	32,617,922.00	32,435,026.80	43,013,518.70
Diesel	38,600.00	38,600.00	38,661.80
F1 Total fuels used in buildings (MJ)	**32,656,522.00**	**32,473,626.80**	**43,052,180.50**
F2 Greenhouse gas emissions from stationary fuel consumption segmented by fuel type (t CO2-e)			
Natural gas	1,680.80	1,671.38	2,216.49
Diesel	2.71	2.71	2.71
F2 Greenhouse gas emissions from stationary fuel consumption (t CO2-e)	**1,683.51**	**1,674.09**	**2,219.20**

TRANSPORTATION ENERGY	2025–2026	2024-2025	2023-2024
T1 Total energy used in transportation (vehicle fleet) within the Entity, segmented by fuel type (MJ)			
Executive fleet - Gasoline	0.00	1,368.00	3,416.60
Non-executive fleet - Gasoline	N/A	0.00	N/A
Petrol	**0.00**	**1,368.00**	**3,416.60**
Non-emergency transport (Contracted) - Diesel	212,744.20	91,088.00	94,191.60
Diesel	**212,744.20**	**91,088.00**	**94,191.60**
Non-emergency transport (Contracted) - LPG	N/A	N/A	0.00
Non-emergency transport (Health service operated) - LPG	N/A	N/A	0.00
LPG	**N/A**	**N/A**	**0.00**
Total energy used in transportation (vehicle fleet) (MJ)	**212,744.20**	**92,456.00**	**97,608.20**

T2 Number and proportion of vehicles in the organisational boundary segmented by engine/fuel type and vehicle category	N/A	One passenger (petrol) vehicle used for business purposes only. This vehicle was disposed of in May 2025.	One passenger (petrol) vehicle used for business purposes only.

T3 Greenhouse gas emissions from transportation (vehicle fleet) segmented by fuel type (t CO2-e)			
Executive fleet - Gasoline	0.00	0.09	0.23
Non-executive fleet - Gasoline	N/A	0.00	N/A
Petrol	**0.00**	**0.09**	**0.23**
Non-emergency transport (Contracted) - Diesel	14.98	6.41	6.63
Diesel	**14.98**	**6.41**	**6.63**
Non-emergency transport (Contracted) - LPG	N/A	N/A	0.00
Non-emergency transport (Health service operated) - LPG	N/A	N/A	0.00
LPG	**N/A**	**N/A**	**0.00**
Total Greenhouse gas emissions from transportation (vehicle fleet) (t CO2-e)	**14.98**	**6.51**	**6.86**

T4 Total distance travelled by commercial air travel (passenger km travelled for business purposes by entity staff on commercial or charter aircraft)			
Total distance travelled by commercial air travel	130,759.00	130,759.00	76,579.00

T(opt1) Total vehicle travel associated with entity operations (1,000 km)			
Total vehicle travel associated with entity operations (1,000 km)	N/A	N/A	N/A

T(opt2) Greenhouse gas emissions from vehicle fleet (t CO2-e per 1,000 km)			
t CO2-e per 1,000 km	N/A	N/A	N/A

TOTAL ENERGY USE	2025–2026	2024-2025	2023-2024
E1 Total energy usage from fuels, including stationary fuels (F1) and transport fuels (T1) (MJ)			
Total energy usage from stationary fuels (F1) (MJ)	32,656,522.00	32,473,626.80	43,052,180.50
Total energy usage from transport (T1) (MJ)	212,744.20	92,456.00	97,608.20
Total energy usage from fuels, including stationary fuels (F1) and transport fuels (T1) (MJ)	**32,869,266.20**	**32,566,082.80**	**43,149,788.70**

E2 Total energy usage from electricity (MJ)			
Total energy usage from electricity (MJ)	37,583,446.95	41,229,667.71	43,546,306.02

E3 Total energy usage segmented by renewable and non-renewable sources (MJ)			
Renewable	37,583,446.80	7,550,432.97	8,169,265.09
Non-renewable (E1 + E2 - E3 Renewable)	32,869,266.35	66,245,317.54	78,526,829.64

E4 Units of Stationary Energy used normalised: (F1+E2)/ normaliser			
Energy per unit of LOS (MJ/LOS)	3,515.16	3,853.77	4,828.73
Energy per unit of bed-day (LOS+Aged Care OBD) (MJ/OBD)	3,515.16	3,853.77	4,828.73
Energy per unit of Separations (MJ/Separations)	4,009.59	4,387.10	5,518.99
Energy per unit of floor space (MJ/m2)	921.93	967.39	1,136.64

SUSTAINABLE BUILDINGS AND INFRASTRUCTURE	2025–2026	2024-2025	2023-2024
The Eye and Ear is committed to responsible environmental management and ongoing sustainability improvement. Environmental performance is monitored and reported in accordance with regulatory and organisational requirements, with a focus on energy efficiency, waste management, emissions reduction and resource conservation. The hospital maintains systems and processes to ensure compliance with applicable environmental legislation and reporting frameworks. Continuous improvement initiatives are implemented to reduce environmental impact, supported by regular monitoring, performance reviews, and reporting to relevant stakeholders. These practices align with the hospital's broader commitment to sustainability and operational efficiency.			
B1 Discuss how environmentally sustainable design (ESD) is incorporated into newly completed entity-owned buildings	N/A	N/A Major redevelopment was completed in the previous financial year, and ESD initiatives associated with that project were reported in the FY2023–24 Annual Report.	The organisation has: • Motorised blinds in public areas controlled by the staff. Facade incorporates various 'sun hoods' to the east and west glazing which will provide shade to the occupants from direct sunlight. • Installed time controls on all boiling water units in kitchens and activity rooms. • Installed showers with maximum flow rate of 7.5/9 litres (3* WELS rating). • Installed dual flush toilets with capacity of 3/4.5 litres (4* WELS rating). • Installed tapware with maximum flow rate of 4.5 litres (6* WELS rating) in all ensuites and general amenity areas. • Variable speed drives for all 3 phase HVAC system motors above 5kW. • Implemented Building Management System energy saving software program • Incorporated C-Bus System lighting control • Window tinting • Solar lighting roof gantry walkaways
B2 Discuss how new entity leases meet the requirement to preference higher-rated office buildings and those with a Green Lease Schedule	N/A	N/A	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)	N/A	N/A	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			
NABERS Energy	N/A	N/A	Hospital Redeveloped Buildings did not achieve 4-stars. During the redevelopment program, a comprehensive assessment was conducted. The environmentally sustainable development (ESD) identified that the green star rating was affected by other aging infrastructure and complex site challenges.
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			
Rating scheme	N/A	N/A	N/A

WATER USE	2025–2026	2024-2025	2023-2024
W1 Total units of metered water consumed by water source (kL)			
Potable water (kL)	31,074.16	30,512.93	30,231.19
Total units of water consumed (kL)	**31,074.16**	**30,512.93**	**30,231.19**

W2 Units of metered water consumed normalised by FTE, headcount, floor area, or other entity or sector specific quantity			
Water per unit of LOS (kL/LOS)	1.56	1.60	1.69
Water per unit of bed-day (LOS+Aged Care OBD) (kL/OBD)	1.56	1.60	1.69
Water per unit of Separations (kL/Separations)	1.77	1.82	1.93
Water per unit of floor space (kL/m2)	0.41	0.40	0.40

WASTE AND RECYCLING	2025–2026	2024-2025	2023-2024
WR1 Total units of waste disposed of by waste stream and disposal method (kg)			
Landfill (total)			
General waste - bins	627,287.20	470,905.84	439,470.24
Offsite treatment			
Clinical waste - incinerated	5,778.07	5,754.07	3,208.97
Clinical waste - treated	66,035.36	58,035.60	27,575.09
Recycling/recovery (disposal)			
Batteries	194.00	470.40	N/A
Cardboard	5,720.00	32,028.00	21,279.00
Commingled	14,724.90	8,633.18	11,400.00
E-waste	3,409.00	3,409.00	2,660.00
Fluorescent tubes	92.00	90.43	N/A
Organics (food)	201.60	67.20	N/A
Paper (confidential)	7331.52	7,331.52	14,821.54
Paper (recycling)	12,170.84	3,677.52	N/A
Polystyrene foam	960.00	1,152.00	126.00
Reused Beds and Furniture	N/A	N/A	4,290.00
Sterilization wraps	4,473.70	1,330.20	N/A
Toner & print cartridges	142.41	142.41	N/A
Total units of waste disposed (kg)	**748,520.60**	**593,027.37**	**524,830.84**

WR1 Total units of waste disposed of by waste stream and disposal method (%)			
Landfill (total)			
General waste	83.80%	79.41%	83.74%
Offsite treatment			
Clinical waste - incinerated	0.77%	0.97%	0.61%
Clinical waste - treated	8.82%	9.79%	5.25%
Recycling/recovery (disposal)			
Batteries	0.03%	0.08%	N/A
Cardboard	0.76%	5.40%	4.05%
Commingled	1.97%	1.46%	2.17%
E-waste	0.46%	0.57%	0.51%
Fluorescent tubes	0.01%	0.02%	N/A
Organics (food)	0.03%	0.01%	N/A

Paper (confidential)	0.98%	1.24%	2.82%
Paper (recycling)	1.63%	0.62%	N/A
Polystyrene foam	0.13%	0.19%	0.02%
Reused Beds and Furniture	N/A	N/A	0.82%
Sterilization wraps	0.60%	0.22%	N/A
Toner & print cartridges	0.02%	0.02%	N/A
WR2 Percentage of office sites covered by dedicated collection services for each waste stream			
Printer cartridges	N/A	N/A	N/A
Batteries	N/A	N/A	N/A
e-waste	N/A	N/A	N/A
Soft plastics	N/A	N/A	N/A

WR3 Total units of waste disposed normalised by FTE, headcount, floor area, or other entity or sector specific quantity, by disposal method			
Total waste to landfill per patient treated ((kg general waste)/PPT)	7.38	5.80	5.61
Total waste to offsite treatment per patient treated ((kg offsite treatment)/PPT)	0.85	0.79	0.39
Total waste recycled and reused per patient treated ((kg recycled and reused)/PPT)	0.58	0.72	0.70

WR4 Recycling rate (%)			
Weight of recyclable and organic materials (kg)	49,419.97	58,331.86	54,576
Weight of total waste (kg)	748,520.60	593,027.37	524,830.84
Recycling rate (%)	**6.60%**	**9.84%**	**10.40%**

WR5 Greenhouse gas emissions associated with waste disposal (t CO2-e)			
t CO2-e	906.40	629.68	609.98

NORMALISATION FACTORS	2025–2026	2024-2025	2023-2024
1000km (Corporate)	N/A	N/A	N/A
1000km (Non-emergency)	N/A	N/A	N/A
Aged Care OBD	N/A	N/A	N/A
ED Departures	47,468.00	45,332.00	44,647.00
FTE	620.00	615.00	601.00
LOS	19,982.00	19,125.00	17,934.00
OBD	19,982.00	19,125.00	17,934.00
PPT	84,968.00	81,257.00	78,272.00
Separations	17,518.00	16,800.00	15,691.00
TotalAreaM2	76,188.00	76,188.00	76,188.00

NOTE: All data was accurate at the time of reporting. Indicators are not reported where data is unavailable or an indicator is not relevant to the organisation's operations. Any variances in previous data are a result of manual data collection.

Social Procurement Activities And Commitments

Reporting Period 2025–2026
Reporting entity The Royal Victorian Eye and Ear Hospital

Overall Social Procurement Activities

Number of social benefit suppliers engaged during the reporting period: 5

Total amount spent with social benefit suppliers (direct spend) during the reporting period ($ GST exclusive): $124,197

SPF Objective	Outcome	Metric	Unit of Measure	2025-26 Spend
Opportunities for Victorian Aboriginal people	Employment of Victorian Aboriginal people by suppliers to the Victorian Government	Total number of Victorian Aboriginal people employed by Victorian Government suppliers on Victorian Government contracts	Number	N/A*
	Purchasing from Victorian Aboriginal businesses	Total spend with Victorian Aboriginal businesses	$ (GST exclusive)	$18,355
		Number of Victorian Aboriginal businesses engaged	Number	5
Sustainable Victorian social enterprises and Aboriginal business sectors	Purchasing from Victorian social enterprises and Aboriginal businesses	Number of Victorian Aboriginal businesses engaged	Number	5
		Total spend with other Victorian social enterprises	$ thousands (GST exclusive)	$105,842
		Number of other Victorian social enterprises engaged	Number	4

*Data not available at the time of reporting.

Reviews and Study Expenses
For 2025–2026, the Eye and Ear has no review and study expenses to report.

Emergency Procurement Disclosure
For 2025–2026, the Eye and Ear has no emergency procurement to report.

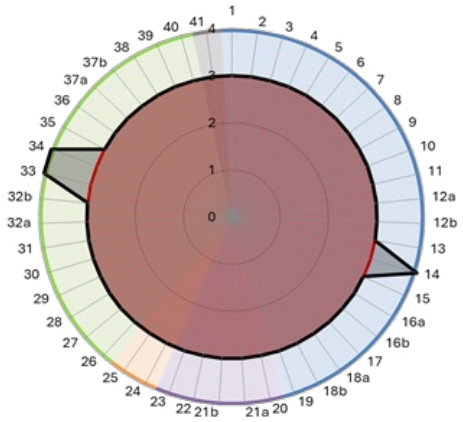
Grants and Transfer Payments
Not applicable. The Royal Victorian Eye and Ear Hospital did not administer any grants, transfer payments or Commercial-in-Confidence grants in 2025–2026.

Disability Action Plan
The Eye and Ear is committed to fostering an inclusive and accessible environment for all staff, patients and visitors, particularly people with disability. During 2025–2026, the hospital has progressed implementation of its *Disability Action Plan 2024-2028*, which outlines key priority areas and measurable outcomes to improve access, inclusion, and participation. The *Disability Action Plan 2024-2028* builds on the achievements of the previous plan and aligns with the hospital's vision and strategic priorities while supporting continuous improvement in disability access and inclusion.

It remains aligned with the *Inclusive Victoria: State Disability Plan 2022-2026* and guides the organisational efforts to embed inclusive practices across services, workforce and infrastructure.

Local Jobs First Act 2003
No projects undertaken by the Eye and Ear during 2025–2026 met the threshold for Local Jobs First policy application. As such, no Local Industry Development Plans were required or submitted.

Asset Management Accountability Framework
The following sections summarise the hospital's assessment of maturity against the requirements of the Asset Management Accountability Framework (AMAF). The hospital's overall target maturity rating is 'competence', meaning systems and processes are fully in place, consistently applied and systematically meeting the AMAF requirements, including a continuous improvement process to expand system performance above AMAF minimum requirements. The graph below demonstrates our maturity level following our annual assessment.



Status	Scale	Compliance
Not Applicable	N/A	Not Applicable
Innocence	1	Non-Comply
Awareness	1	Non-Comply
Developing	2	Non-Comply
Competence	3	Comply
Optimising	4	Comply
Unassessed	U/A	Unassessed

Leadership and Accountability (requirements 1-19)
The hospital has achieved its target maturity level across all requirements within the Leadership and Accountability category, demonstrating consistent compliance with the expected Level 3 maturity. No material non-compliance was identified in this category. While overall performance is strong, there remain opportunities to further strengthen accountability through periodic reviews and continuous improvement of governance and management processes. The hospital also exceeded the target in one of the monitoring performance areas where it incorporates the asset management into the overall corporate and strategic planning framework in the form of the Strategic Capital Plan.

Planning (requirements 20-23)
The hospital has achieved the target maturity level across all Planning requirements, indicating that asset planning processes are well established and consistently implemented. No material non-compliance was identified in this category. Continued refinement of planning processes, including regular reviews of asset strategies and alignment with service delivery objectives, will further strengthen long-term asset management outcomes.

Acquisition (requirements 24-25)
The hospital has met the target maturity level for all Acquisition requirements, demonstrating that asset acquisition processes are appropriately governed and aligned with organisational needs. No material non-compliance was identified. Ongoing monitoring and evaluation of procurement and acquisition practices will help ensure continued efficiency, value for money and compliance with established policies.

Operation (requirements 26-40)
The hospital has achieved the target maturity level across all Operation requirements, reflecting effective management of assets throughout their operational lifecycle. No material non-compliance was identified within this category. While operational practices are well established, continuous monitoring, performance evaluation and process improvements will support the optimisation of asset performance and service delivery. The assessment also indicates that the hospital exceeded the target maturity level in 2 of the Information management areas, demonstrating areas of leading practice.

Disposal (requirements 40)
The hospital has achieved the target maturity level for the Disposal requirement, indicating that asset disposal processes are appropriately managed and aligned with organisational policies and governance requirements. No material non-compliance was identified. Continued periodic reviews of disposal practices and documentation will help ensure transparency, compliance and opportunities for continuous improvement.

Gender Equality Act 2020

The Eye and Ear is committed to advancing gender equality and fostering an inclusive, respectful and equitable workplace in line with its obligations under the *Gender Equality Act 2020 (Vic)*.

During the reporting period, the Eye and Ear continued to strengthen systems and processes that support gender equality across the organisation. A comprehensive workplace Gender Audit was undertaken, providing a detailed evidence base to assess progress and identify priority areas for action. This work builds on earlier audit cycles and enables a deeper understanding of gender equality outcomes across different occupational groups within a specialist healthcare setting.

Insights from the audit confirmed that gender equality challenges and opportunities vary significantly across clinical and non-clinical workforces. In response, the Eye and Ear adopted a more nuanced, occupational group based analytical framework, allowing equity efforts to be targeted to areas within organisational control and most likely to deliver meaningful impact. This approach ensures actions are grounded in workforce realities, professional structures and career pathways specific to a tertiary specialist health service.

The findings of the gender audit directly informed the development of the organisation's new *Gender Equality Action Plan 2026 – 2030 (GEAP)*, which was developed through extensive consultation with employees, unions, governance committees and the Board. The *GEAP* adopts an intersectional approach, recognising that gender intersects with factors such as age, role type, career stage and caring responsibilities to shape staff experience. Actions in the new plan focus on strengthening leadership capability, improving career pathways and enhancing workplace culture, with measurable targets monitored across the life of the plan.

Progress against gender equality outcomes is monitored through a combination of workforce data and employee experience measures, including the People Matter Survey. Survey results indicate strong outcomes across key indicators of inclusion and belonging, providing confidence that gender equality and inclusion are being experienced positively by staff in day-to-day practice.

Additional Information Available on Request (FRD 22 Appendix)

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 information is available on request from:

Office of the Chief Executive Officer
Phone: (03) 9929 8934
Email: ceo@eyeandear.org.au

Attestations

Financial management compliance attestation

I, Jared Heath, on behalf of the Board, certify that The Royal Victorian Eye and Ear Hospital has no Material Compliance Deficiency with respect to the applicable Standing Directions under the *Financial Management Act 1994* and Instructions.



Mr Jared Heath
Board Member and Chair, Audit Committee
The Royal Victorian Eye and Ear Hospital
1 October 2026

Data Integrity

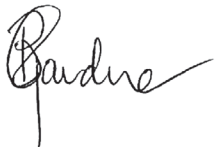
I, Brendon Gardner, certify that The Royal Victorian Eye and Ear Hospital has put in place appropriate internal controls and processes to ensure that reported data accurately reflects actual performance. The Royal Victorian Eye and Ear Hospital has critically reviewed these controls and processes during the year.



Brendon Gardner
Chief Executive Officer
The Royal Victorian Eye and Ear Hospital
1 October 2026

Conflict of Interest

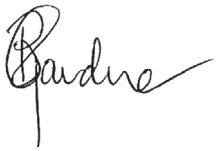
I, Brendon Gardner, certify that The Royal Victorian Eye and Ear Hospital has put in place appropriate internal controls and processes to ensure that it has implemented a 'Conflict of Interest' policy consistent with the minimum accountabilities required by the VPSC. Declaration of private interest forms have been completed by all executive staff within The Royal Victorian Eye and Ear Hospital 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.



Brendon Gardner
Chief Executive Officer
The Royal Victorian Eye and Ear Hospital
1 October 2026

Integrity, fraud and corruption

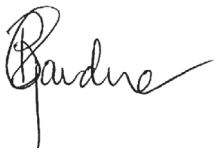
I, Brendon Gardner, certify that The Royal Victorian Eye and Ear Hospital has put in place appropriate internal controls and processes to ensure that Integrity, fraud, and corruption risks have been reviewed and addressed at The Royal Victorian Eye and Ear Hospital during the year.



Brendon Gardner
Chief Executive Officer
The Royal Victorian Eye and Ear Hospital
1 October 2026

Compliance with HealthShare Victoria (HSV) Purchasing Policies

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



Brendon Gardner
Chief Executive Officer
The Royal Victorian Eye and Ear Hospital
1 October 2026

Financial and service performance

Reporting against the Statement of Priorities

Part A: Strategic priorities

In 2025–2026, The Royal Victorian Eye and Ear Hospital will contribute to the achievement of the Victorian Government's commitments by:

Goals	Health Service Deliverables	Achievements/Outcomes
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.	Demonstrate high quality care in which consumer engagement and input is actively sought, facilitated and used to drive system change to improve consumer experience and outcomes.	**Achieved/Ongoing** Consumers are actively engaged in many ways at the Eye and Ear, facilitated by the Consumer Advisory subcommittee of the Board. This is further supported by Consumer led work groups who provide valuable input across the complete spectrum of care. This can range from reviewing patient information brochures, through to involvement in clinical case reviews.
	Ensure that health service reporting, reviews and decision-making are underpinned by a safety culture and systems that are transparent, accurate and fair for staff and consumers.	**Achieved/Ongoing** The hospital maintains a transparent approach to reporting and decision making at all levels of the organisation.
	Health services are able to show evidence of a comprehensive training program approach that includes performance management, accountability, and continuous improvement.	**Achieved/Ongoing** Clinical education and training, and organisational development training activities, are regularly reported to Board and Executive.
Improve access to timely emergency care by implementing system-wide patient flow strategies that reduce emergency department wait times and improve ambulance-to-hospital transfer times	Implement initiatives that support early discharge of patients to appropriate settings to improve timely patient access to care.	**Achieved/Ongoing** The Glaucoma Community Collaborative Care Program (G3CP) initiative was expanded as part of the work being undertaken with the Glaucoma Unit service review.
Maintain a commitment to delivering equitable and timely access to planned care and drive reform in alignment with the Planned Surgery Reform Blueprint.	Implement and scale theatre optimisation initiatives in planned surgery, for example sameday surgery and same-day surgery by default models of care, criteria-led discharge, monitoring of theatre measures, and high-throughput approaches such as high-intensity theatre lists.	**Achieved/Ongoing** The key highlights from the work that has been progressed in 2025–2026 include: • School holiday surgical blitz for paediatric patients • Undertaken Theatre Efficiency and Planned Surgery Reform Waitlist Audit and e-Referral Management System work progressed
	Proactively manage planned surgery and specialist clinics (or outpatients) waitlists, for example validating and supporting patients into optimal care pathways such as evidence-based alternatives to surgery and optimisation pathways. A particular focus should be applied to long-waiting patients and priority population groups (for example, Aboriginal and Torres Strait Islander patients and under-18 patients).	**Achieved/Ongoing** The key highlights from the work that has been progressed in 2025–2026 include: • Six Specialist Clinics units are participating in formal service planning reviews to reduce waiting lists and improve systems and processes. • Six patients have received cochlear implant surgery at Goulburn Valley Health enabling care to be provided closer to home for these patients. • Planned Surgery Unit focused on reducing long-waiting planned surgery patients with good results.

Goals	Health Service Deliverables	Achievements/Outcomes
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.	Deliver the key initiatives outlined in the Budget Action Plan within Government parameters.	**Achieved** Processes were put in place that delivered the objectives of the budget action plan to achieve a zero deficit budget, including optimising leave management and close scrutiny of resources including a focus on rostered and unrostered overtime.
	Utilise data analytics and performance metrics to identify areas of inefficiency and waste and make evidence-based decisions to improve financial sustainability and operational performance.	**Achieved/Ongoing** Access to Hospitals Victoria benchmarking database made available to, and in use by, the Eye and Ear to identify opportunities to improve financial sustainability and operational performance.
	Use funding efficiently and effectively to optimise patient facing services. Undertake programs to reduce the cost of service delivery, improve safety, capacity and reduce unnecessary waiting.	**Achieved** Break-even budget delivered and marginal funding up to 1 per cent of activity target achieved.
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.	Implement processes to sustain workforce supply and fulfill obligations, including those under the *Gender Equality Act 2020* by improving employee experience in leadership, health and safety, flexibility, career development, and agility to ensure safe, high-quality care.	**Achieved/Ongoing** A comprehensive workplace gender audit and the development of the *Gender Equality Action Plan 2026–2030* established measurable targets and a governance framework to improve equity in leadership representation, career progression and access to flexible work. Employee experience and safety were strengthened through a structured psychosocial safety approach, including targeted staff surveys to identify workload, fatigue and role-related risks, and expanded wellbeing initiatives. Leadership and career development were embedded through regular performance and development discussions, clearer role accountability and improved access to professional learning and mobility opportunities, including through the Parkville LHSN.
	Collaborate with the department to improve workforce data analytics, generate actionable insights, and enhance strategic planning.	**Achieved/Ongoing** In October, the Parkville LHSN submitted its workforce data to the Department of Health (DH). The Eye and Ear played an active role in this submission process. DH analysed this data and presented it back to the Parkville LHSN Workforce Group on 10 February. The data in the results showed gaps. A working group of HR personnel are now working with the Department on refinement, and the Department will support individual hospitals to develop their data capability.

Goals	Health Service Deliverables	Achievements/Outcomes
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.	Deliver high-quality cultural safety training to all executives and staff using independent, expert, community-controlled organisations or a registered Aboriginal business.	**Achieved/Ongoing** Uncle Alan Brown presented to key staff and Executive members on the history and role of the Victorian Aboriginal Health Service (VAHS). Staff enjoyed a video demonstrating the cultural and healing significance of Baagon Walert Walert, coming together with possum skin in Taungurung language, and a Yidaki performance during Reconciliation Week. Kiernan Ironfield also spoke of the spiritual usage of Yidaki.
	Health service executives and senior leaders establish and maintain strong, ongoing partnerships with Aboriginal community-controlled organisations and/or recognised Aboriginal leaders within their local catchments. These partnerships must be based on regular, proactive engagement that prioritises the voices, self-determined priorities, and cultural knowledge of Aboriginal communities in the design, delivery, and evaluation of health and wellbeing services.	**Achieved/Ongoing** Victorian Aboriginal Health Services (VAHS) and Eye and Ear staff who co-run the VAHS Healthy Ears Clinic meet quarterly to discuss clinic operations and ways to continue to improve the functioning of this clinic. This also occurs twice yearly for the VAHS Ophthalmology Clinic. Staff from Bendigo and District Aboriginal Co-operative and the Eye and Ear meet quarterly to discuss clinic operations and improvements to the running of the bi-monthly Audiology Outreach Clinic. To inform the development of the new Aboriginal Health Plan, key staff are engaging with several Aboriginal leaders within metropolitan and regional Victoria.
	Ensure culturally appropriate systems for identifying Aboriginal and Torres Strait Islander patients and implement responsive discharge plans and referral pathways.	**Achieved/Ongoing** Surgical Services supports culturally appropriate identification of Aboriginal and Torres Strait Islander patients and access to Aboriginal Health Liaison Officer support throughout the patient journey. Partnerships with Aboriginal Community Organisations, including the Victorian Aboriginal Health Service (VAHS), support culturally safe care, discharge planning and referral pathways, contributing to improved access, equity and Closing the Gap priorities. Perioperative Services implemented culturally responsive initiatives within the Surgical Admission and Recovery (SAR), including Aboriginal artwork and culturally designed privacy curtains, creating a more welcoming and culturally safe environment for patients, families and carers.

Goals	Health Service Deliverables	Achievements/Outcomes
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.	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)	**Achieved** All Parkville LHSN Statement of Expectations milestones were met by the Parkville LHSN (as varied by agreement with the Department of Health). In 2025–2026, the Parkville LHSN successfully established its governance and leadership structures, executed its foundational documents (a Memorandum of Understanding and an IP and Data Sharing Agreement), developed its inaugural strategy (Strategy 2025-2028), commenced work on its Network Clinical Services Plan, delivered a workforce plan, established its Safer Together Program, progressed work on several shared services, and delivered all other milestones set out in the Statement of Expectations.

Part B: Key performance measures**

High quality and safe care

Key performance measure	Target	2025–2026 result
Infection prevention and control		
Percentage of healthcare workers immunised for influenza	94%	98%
Patient experience		
Percentage of patients who reported positive experiences of their hospital stay	95%	94.8%
Adverse Events		
Percentage of reported sentinel events for which a root cause analysis (RCA) report was submitted within 30 business days from notification of the event	All RCA reports submitted within 30 business days	100%
Aboriginal Health		
Difference between the percentage of Aboriginal patients and non-Aboriginal patients who left against medical advice	0%	1%
Difference between the percentage of Aboriginal patients and non-Aboriginal patients presenting to ED who did not wait to be treated	0%	1%

* Results will not be reported for services where the numerator is less than two or the denominator is less than 10.

Strong governance, leadership and culture

Key performance measure	Target	2025–2026 result
Organisation culture		
People Matter Survey – Percentage of staff with an overall positive response to safety culture survey questions	80%	78%*

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

Timely access to care

Key performance measure	Target	2025–2026 result
Planned surgery		
Percentage of urgency category 1 planned surgery patients admitted within 30 days.	100%	100%
Percentage of all planned surgery patients admitted within the clinically recommended time	94%	87.3%
Number of patients admitted from the planned surgery waiting list	11,115	10,627
Percentage of patients on the waiting list who have waited longer than the clinically recommended time for their respective triage category	25% proportional improvement from prior year	14.9%
Emergency Care		
Percentage of patients transferred from ambulance to emergency department within 40 minutes	>=80%	100%
Number of emergency patients with a length of stay in the ED greater than 24 hours	0	0
Average ED length of stay for admitted patients, in minutes	Avg LOS <414 minutes or, if not met, a 5% improvement from the same time last year	274 minutes
Average ED length of stay for non-admitted patients, in minutes	Avg LOS <240 minutes or, if not met, a 3% improvement from the same time last year	229 Minutes
Specialist clinics		
Percentage of patients referred by a GP or external specialist who attended a first appointment within the recommended timeframe	95%	67%

Effective financial management

Key performance measure	Target	2025–2026 result
Operating result ($m)	(0.00)	0.02
Adjusted current asset ratio	0.7 or 3% improvement from health service base target	2.1
Variance between the forecast and actual operating result (OR) as a percentage of the forecast OR for the current financial year ending 30 Jun	5% movement in forecast revenue and expenditure forecasts	Achieved

Part C: Activity and funding

Funding type	2025–2026 activity achievement
Consolidated activity funding	
Acute admitted, subacute admitted, emergency services, non-admitted NWAU (national weighted activity unit)	22,448
Acute Admitted	
Acute admitted DVA	15
Acute admitted TAC	3

* Acute admitted NWAU includes ED Short Stay Unit (EDSSU). Emergency NWAU excludes EDSSU

** 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.

Disclosure index

The annual report of The Royal Victorian Eye and Ear Hospital is prepared in accordance with all relevant Victorian legislation. This index has been prepared to facilitate identification of the Eye and Ear compliance with statutory disclosure requirements.

Legislation	Requirement	Page reference
Ministerial directions report of operations		
Charter and purpose		
FRD 22	Manner of establishment and the relevant Ministers	2
FRD 22	Purpose, functions, powers and duties	2
FRD 22	Nature and range of services provided	2
FRD 22	Activities, programs and achievements for the reporting period	5-9
FRD 22	Significant changes in key initiatives and expectations for the future	5-9
Management and structure		
FRD 22	Organisational structure	14
FRD 22	Workforce data/ employment and conduct principles	17
FRD 22	Workforce inclusion policy	19
FRD 22	Occupational Health and Safety	19-20
Financial information		
FRD 22	Summary of the financial results for the year	21
FRD 22	Significant changes in financial position during the year	21
FRD 22	Operational and budgetary objectives and performance against objectives	21
FRD 22	Subsequent events	21
FRD 22	Details of consultancies under $10,000	22
FRD 22	Details of consultancies over $10,000	22
FRD 22	Disclosure of ICT expenditure	22
FRD 22	Asset Management Accountability Framework	33-34
FRD 22	Disclosure of social procurement activities under the Social Procurement Framework	32
FRD 22	Disclosure of emergency procurement	33
FRD 22	Application and operation of Freedom of Information Act 1982	23
FRD 22	Disclosure of reviews and study expenses	33
FRD 22	Disclosure of grants and transfer payments	33
FRD 22	Compliance with building and maintenance provisions of Building Act 1993	23
FRD 22	Application and operation of Public Interest Disclosure Act 2012	24
FRD 22	Statement on National Competition Policy	24
FRD 22	Application and operation of Carers Recognition Act 2012	24
FRD 22	Additional Information available on request	34-35
FRD 24	Environmental data reporting	24-31
FRD 25	Local Jobs First Act 2003 disclosures	33
Compliance attestation and declaration		
SD 5.1.4	Financial Management Compliance attestation	36
SD 5.2.3	Declaration in Report of Operations	4
	Attestation on Data Integrity	36
	Attestation on managing Conflicts of Interest	36
	Attestation on Integrity, Fraud and Corruption	36
	Compliance with HealthShare Victoria (HSV) Purchasing Policies	36

Legislation	Requirement	Page reference
Other reporting requirements		
Reporting of outcomes from Statement of Priorities 2025–2026		37-41
Occupational Violence reporting		20
Reporting obligations under the Safe Patient Care Act 2015		24
Financial Statements		
Declaration		
SD 5.2.2	Declaration in financial statements	47
Other requirements under Standing Directions 5.2		
SD 5.2.1(a)	Compliance with Australian accounting standards and other authoritative pronouncements	54
SD 5.2.1(a)	Compliance with Standing Directions	47
SD 5.2.1(b)	Compliance with Model Financial Report	N/A
Other disclosures as required by FRDs in notes to the financial statements (a)(b)		
FRD 11	Disclosure of Ex gratia Expenses	71
FRD 103	Non-Financial Physical Assets	61
FRD 110	Cash Flow Statements	52
FRD 112	Defined Benefit Superannuation Obligations	58
FRD 114	Financial Instruments – general government entities and public non-financial corporations	67
Legislation		
	Freedom of Information Act 1982 (Vic) (FOI Act)	23
	Building Act 1993	23
	Public Interest Disclosures Act 2012	24
	Carers Recognition Act 2012	24
	Local Jobs Act 2003	33
	Financial Management Act 1994 (b)	44

Notes: (a) (b) 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. Refer to the Model financial statements section (Part two) for further details

Financial Statements

2025–2026

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 *The Royal Victorian Eye and Ear Hospital* 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 *The Royal Victorian Eye and Ear Hospital* 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 1 October 2026.



Melanie Eagle
Chair, Board of Directors
1 October 2026



Brendon Gardner
Chief Executive Officer
1 October 2026



André van Baalen
Chief Finance and Accounting Officer
1 October 2026

Independent Auditor's Report

Victorian Auditor-General's Office

To the Board of the Royal Victorian Eye and Ear Hospital

Opinion	I have audited the financial report of the Royal Victorian Eye and Ear Hospital (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 and Accounting Officer's declaration. In my opinion, the financial report presents fairly the financial position of the health service as at 30 June 2026 and its financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the *Financial Management Act 1994* and applicable Australian Accounting Standards.
Basis for Opinion	I have conducted my audit in accordance with the *Audit Act 1994* which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. My independence is established by the *Constitution Act 1975.* My staff and I are independent of the health service in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (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 and the *Financial Management Act 1994,* and for such internal control as the Board determines is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error. In preparing the financial report, the Board is responsible for assessing the health service's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.

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

Auditor's responsibilities for the audit of the financial report

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

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

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

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

MELBOURNE
2 October 2026

Simone Bohan
as delegate for the Auditor-General of Victoria

The Royal Victorian Eye and Ear Hospital
Comprehensive Operating Statement
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)	152,703	138,286
Government Grants	2.1(b)	(183)	12,671
Other Sources of Income	2.1(c)	15,295	16,091
Total Revenue and Income from Transactions		**167,815**	**167,048**
Expenses from Transactions:			
Employee Expenses	3.1(a)	(111,961)	(108,432)
Supplies and Consumables	3.1(c)	(35,812)	(33,629)
Other Operating Expenses	3.1(d)	(19,060)	(18,947)
Depreciation and Amortisation	4.1(a), 4.2	(15,822)	(15,783)
Total Expenses from Transactions		**(182,655)**	**(176,791)**
Net Result from Transactions - Net Operating Balance		**(14,840)**	**(9,743)**
Other Economic Flows Included In Net Result:			
Net Gain/(Loss) on Non-Financial Assets		104	(194)
Net Gain/(Loss) on Financial Instruments		(363)	1,571
Other Gain/(Loss) from Other Economic Flows		618	-
Total Other Economic Flows Included In Net Result		**359**	**1,377**
Net Result		**(14,481)**	**(8,366)**
Comprehensive Result		**(14,481)**	**(8,366)**

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

The Royal Victorian Eye and Ear Hospital
Balance Sheet
As at 30 June 2026

	Note	2026 $'000	2025 $'000
Financial Assets			
Cash and Cash Equivalents	6.1	9,272	11,823
Receivables	5.1	11,605	9,712
Contract Assets		1,820	1,470
Investments and Other Financial Assets	5.2	39,325	39,539
Total Financial Assets		**62,022**	**62,544**
Non-Financial Assets			
Prepayments		1,878	1,731
Inventories		522	268
Property, Plant and Equipment	4.1	281,430	294,600
Intangible Assets		4,531	5,412
Investment Properties	5.4	8,856	8,577
Total Non-Financial Assets		**297,217**	**310,588**
Total Assets		**359,239**	**373,132**
Liabilities			
Payables	5.3	10,660	11,680
Contract Liabilities		73	37
Employee Benefits	3.1(b)	31,769	30,197
Total Liabilities		**42,502**	**41,914**
Net Assets		**316,737**	**331,218**
Equity			
Reserves		74,783	76,928
Contributed Capital		51,568	51,568
Accumulated Surplus/(Deficit)		190,386	202,722
Total Equity		**316,737**	**331,218**

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

The Royal Victorian Eye and Ear Hospital
Cash Flow Statement
For the Financial Year Ended 30 June 2026

	Note	2026 $'000	2025 $'000
Cash Flows From Operating Activities:			
Receipts from Government		148,947	121,952
Commercial Activity Revenue Received		4,226	4,457
Donations and Bequests Received		796	2,251
GST Received from ATO		4,444	4,161
Interest and Investment Income Received		4,253	3,834
Other Receipts		9,197	8,433
Total Receipts		**171,863**	**145,088**
Payments for Employee Expenses		(110,246)	(107,803)
Payments for Supplies and Consumables		(41,250)	(35,872)
GST Paid to ATO		(332)	(310)
Payments for Administration Expenses		(15,007)	(14,892)
Other Payments		(6,396)	(5,507)
Total Payments		**(173,231)**	**(164,384)**
Net Cash Flows From/(Used In) Operating Activities		**(1,368)**	**(19,296)**
Cash Flows From Investing Activities:			
Proceeds from Sale of Financial Assets		-	6,000
Purchase of Non-Financial Assets		(1,598)	(2,050)
Proceeds from Sale of Non-Financial Assets		6	-
Capital Donations and Bequests Received		409	1,240
Net Cash Flow From/(Used In) Investing Activities		**(1,183)**	**5,190**
Cash Flows From Financing Activities:			
Repayment of Borrowings		-	(1,736)
Net Cash Flow From/(Used In) Financing Activities		**-**	**(1,736)**
Net Increase/(Decrease) In Cash And Cash Equivalents Held		**(2,551)**	**(15,842)**
Cash and Cash Equivalents at Beginning of Year		11,823	27,665
Cash and Cash Equivalents at End of Year	6.1	**9,272**	**11,823**

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

The Royal Victorian Eye and Ear Hospital
Statement of Changes in Equity
For the Financial Year Ended 30 June 2026

	Property, Plant and Equipment Revaluation Surplus	General Purpose Reserve	Restricted Specific Purpose Reserve	Contributed Capital	Accumulated Surplus/ (Deficit)	Total
	$'000	$'000	$'000	$'000	$'000	$'000
Balance at 30 June 2024	**50,210**	**291**	**24,584**	**51,568**	**212,931**	**339,584**
Net Result for the Year	-	-	-	-	(8,366)	(8,366)
Transfer to/(from) Accumulated Surplus/(Deficit)	-	100	1,743	-	(1,843)	-
Balance at 30 June 2025	**50,210**	**391**	**26,327**	**51,568**	**202,722**	**331,218**
Net Result for the Year	-	-	-	-	(14,481)	(14,481)
Transfer to/(from) Accumulated Surplus/(Deficit)	-	302	(2,447)	-	2,145	-
Balance at 30 June 2026	**50,210**	**693**	**23,880**	**51,568**	**190,386**	**316,737**

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

Note 1: About this Report

These financial statements represent the financial statements of The Royal Victorian Eye and Ear Hospital ("the hospital") for the period ending 30 June 2026.

The Royal Victorian Eye and Ear Hospital is a not-for-profit entity established as a public agency under the *Health Services Act 1998 (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 note explains the basis of preparing the financial statements.

Structure:

1.1 Basis of Preparation

1.2 Material Accounting Estimates and Judgements

1.3 Reporting Entity

1.4 Economic Dependency

Note 1.1: Basis of Preparation

These financial statements are 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* (FMA) 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.

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

The financial statements are 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 The Royal Victorian Eye and Ear Hospital on 1 October 2026.

Note 1.2: Material Accounting Estimates and Judgements

Management make estimates and judgements when preparing the financial statements.

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

Revisions to 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 activities of The Royal Victorian Eye and Ear Hospital.

The hospital's principal address is: 32 Gisborne Street, East Melbourne, Victoria 3002.

Note 1.4: Economic Dependency

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

Note 2: Funding the Delivery of Services

The hospital's overall objective is to provide quality health services that support and enhance the wellbeing of all Victorians.

The hospital is predominantly funded by grant funding for the provision of outputs. The hospital also receives income from the supply of goods and services.

Significant Judgements

This note contains the following material judgements and estimates:

Material Judgements and Estimates	Description
Identifying performance obligations	The hospital applies material judgment when reviewing the terms and conditions of funding agreements and contracts to determine whether they contain sufficiently specific and enforceable performance obligations. If this criterion is met, the contract/funding agreement is treated as a contract with a customer, requiring the hospital to recognise revenue as or when the hospital transfers promised goods or services to the beneficiaries. If this criterion is not met, funding is recognised immediately in the net result from operations.
Determining timing of revenue recognition	The hospital applies material judgement to determine when a performance obligation has been satisfied and the transaction price that is to be allocated to each performance obligation. A performance obligation is either satisfied at a point in time or over time.

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)	152,703	138,286
Government Grants	2.1(b)	(183)	12,671
Other Sources of Income	2.1(c)	15,295	16,091
Total Revenue and Income from Transactions		**167,815**	**167,048**

Note 2.1(a) Revenue from Contracts with Customers

	2026 $'000	2025 $'000
Government Grants (State) - Operating	144,416	129,919
Government Grants (Commonwealth) - Operating	3,309	3,424
Patient Fees	2,224	2,195
Private Practice Fees	1,432	1,467
Commercial Activities	1,322	1,281
Total Revenue from Contracts With Customers	**152,703**	**138,286**

How We Recognise Revenue from Contracts With Customers

Government Grants

Funding 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 *Revenue from Contracts with Customers* .

In contracts with customers, the 'customer' is the funding body, who is the party that promises funding in exchange for the hospital's goods or services. Hospital 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 the hospital's revenue streams, with information detailed below relating to the hospital's significant revenue streams:

Government Grant	Performance Obligation
Activity Based Funding (ABF) paid as National Weighted Activity Unit (NWAU)	NWAU is a measure of health service activity expressed as a common unit against which the Victorian efficient price (VEP) is paid. The performance obligations for NWAU are the number and mix of admissions, emergency department presentations and outpatient episodes, and is weighted for clinical complexity. Revenue is recognised at a point in time, which is when a patient is discharged.
Pharmaceutical Benefits Scheme (PBS) Funding	The performance obligations for PBS funding are recognised as defined pharmaceutical prescriptions or orders are processed that satisfy and are completed in accordance with the Commonwealth PBS guidelines. Revenue is recognised at a point in time, which is when a patient prescription is processed and is in accordance with the criteria set out in the PBS regulations.

Patient Fees

Patient fees are charges incurred by patients for services they receive. Patient fees are recognised under AASB 15 at a point in time when the performance obligation, the provision of services, is satisfied.

Note 2.1(b) Government Grants

	2026 $'000	2025 $'000
Government Grants (State) - Operating [(i)]	(1,309)	7,070
Government Grants (State) - Capital	1,126	5,601
Total Government Grants	**(183)**	**12,671**

[(i)] Includes negative grant allocations for funding adjustments and savings targets which resulted in an overall negative allocation for the year.

How We Recognise Government Grants

Government Grants

The hospital recognises income of not-for-profit entities under AASB 1058 *Income of Not-for-Profit Entities* where it has been earned under arrangements that are either not enforceable or not linked to sufficiently specific performance obligations.

Income from grants without any sufficiently specific performance obligations or that are not enforceable, is recognised when the hospital has an unconditional right to receive cash which usually coincides with receipt of cash. On initial recognition of the asset, the hospital 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 the hospital 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 acquired or constructed which aligns with the hospital's obligation to acquire or 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 Department of Health makes some payments on behalf of the hospital as follows:

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

Note 2.1(c) Other Sources of Income

	Note	2026 $'000	2025 $'000
Capital Donations		409	1,240
Assets Received Free of Charge or for Nominal Consideration		11	99
Other Income from Operating Activities		10,635	10,786
Income from Non-Operating Activities		4,240	3,966
Total Other Sources of Income		**15,295**	**16,091**

Note 3: The Cost of Delivering Services

This note provides an account of the expenses incurred by the hospital in delivering services and outputs. In Note 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)	111,961	108,432
Supplies and Consumables	3.1(c)	35,812	33,629
Other Operating Expenses	3.1(d)	19,060	18,947
Total Expenses Incurred in the Delivery of Services		**166,833**	**161,008**

Note 3.1(a) Employee Expenses

	2026 $'000	2025 $'000
Salaries and Wages	97,326	94,654
Superannuation Expense	10,513	9,812
Agency and Contract Staff Expenses	2,395	2,572
Fee for Service Medical Officer Expenses	1,727	1,394
Total Employee Expenses	**111,961**	**108,432**

How We Recognise Employee Expenses

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

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 Employee Related Provisions		
Accrued Days Off	278	267
Annual Leave	9,548	8,946
Long Service Leave	16,205	15,562
Provision for On-Costs	3,367	3,205
Total Current Employee Related Provisions	29,398	27,980
Non-Current Employee Related Provisions		
Long Service Leave	2,096	1,960
Provision for On-Costs	275	257
Total Non-Current Employee Related Provisions	2,371	2,217
Total Employee Related Provisions	**31,769**	**30,197**

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 as sick leave is taken.

Annual Leave and Accrued Days Off

Liabilities for annual leave and accrued days off are recognised in the employee related provisions as current liabilities because the hospital does not have an unconditional right to defer settlements of these liabilities.

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

- Nominal value – if the hospital expects to wholly settle within 12 months; or
- Present value – if the hospital does not expect to wholly settle within 12 months.

Long Service Leave

The liability for long service leave (LSL) is recognised in the employee related provisions.

Unconditional LSL is disclosed in the notes to the financial statements as a current liability, even where the hospital does not expect to settle the liability within 12 months, because it will not have an 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 the hospital expects to wholly settle within 12 months; or
- Present value – if the hospital 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.

Provision for On-Costs

Employment on-costs such as workers compensation and superannuation are not employee benefits. They are disclosed separately as a component of the employee related provisions when the employment to which they relate has occurred.

Note 3.1(c) Supplies and Consumables

	2026 $'000	2025 $'000
Drug Supplies	7,018	5,180
Medical and Surgical Supplies (including Prostheses)	20,116	20,028
Diagnostic and Radiology Supplies and Services	2,868	2,575
Other Supplies and Consumables	5,810	5,846
Total Supplies and Consumables	**35,812**	**33,629**

How We Recognise Supplies and Consumables

Supplies and consumables 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	1,360	1,319
Repairs and Maintenance	377	408
Maintenance Contracts	1,449	1,220
Medical Indemnity Insurance	2,171	1,769
Administration Expenses	13,125	13,140
Other Expenses	578	1,091
Total Other Operating Expenses	**19,060**	**18,947**

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

Note 4: Key Assets to Support Service Delivery

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

Significant Judgements

The hospital assigns an estimated useful life to each item of property, plant and equipment. This is used to calculate depreciation of the asset. The hospital reviews the useful life and depreciation rates of all assets at the end of each financial year and where necessary, records a change in accounting estimate.

Where the assets included in this note 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	10,098	10,098	-	-	10,098	10,098
Land at Fair Value - Freehold	47,443	47,443	-	-	47,443	47,443
Buildings at Fair Value	233,203	232,774	(23,240)	(11,605)	209,963	221,169
Plant and Equipment at Fair Value	7,088	6,974	(4,747)	(4,293)	2,341	2,681
Medical Equipment at Fair Value	26,941	31,896	(15,469)	(19,090)	11,472	12,806
Works In Progress at Cost	113	403	-	-	113	403
Total Property, Plant and Equipment	**324,886**	**329,588**	**(43,456)**	**(34,988)**	**281,430**	**294,600**

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.

The cost of constructed non-financial physical assets includes the cost of all materials used in construction and direct labour on the project.

Note 4.1(a) Reconciliation of the Carrying Amount by Class of Asset

	Land $'000	Buildings $'000	Plant & Equipment $'000	Medical Equipment $'000	Works In Progress $'000	Total $'000
Balance at 30 June 2025	**57,541**	**221,169**	**2,681**	**12,806**	**403**	**294,600**
Additions	-	429	281	1,130	113	1,953
Disposals	-	-	(37)	(145)	-	(182)
Net Transfers from Intangible Assets	-	-	72	-	-	72
Net Transfers between Classes	-	-	136	267	(403)	-
Depreciation	-	(11,635)	(792)	(2,586)	-	(15,013)
Balance at 30 June 2026	**57,541**	**209,963**	**2,341**	**11,472**	**113**	**281,430**

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 (ie. less than or equal to 10%). As such, an independent revaluation was not required per FRD 103 *Non-Financial Physical Assets*. In accordance with FRD 103, the hospital has elected to apply the practical expedient in FRD 103 and has therefore not applied the amendments to AASB 13 *Fair Value Measurement*. The amendments to AASB 13 will be applied at the next independent revaluation, which is planned to be undertaken in 2029, in accordance with hospital's revaluation cycle, or earlier if an interim revaluation is required.

Note 4.1(b) Impairment of Property, Plant and Equipment

The recoverable amount of the primarily non-financial physical assets of the hospital, 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.

Note 4.2: Depreciation and Amortisation

How We Recognise Depreciation

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

How We Recognise Amortisation

Amortisation is the systematic allocation of the depreciable amount of an intangible 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		
- Structure Shell Building Fabric	2 to 80 years	7 to 56 years
- Site Engineering Services and Central Plant	2 to 40 years	7 to 40 years
- Other Buildings	5 to 60 years	5 to 60 years
Central Plant		
- Fit Out	2 to 40 years	7 to 40 years
- Trunk Reticulated Building Systems	2 to 40 years	7 to 40 years
Plant & Equipment		
- Information and Communication Technology Equipment	3 to 40 years	3 to 40 years
- Furniture and Fittings	3 to 15 years	3 to 15 years
- Non-Medical Equipment	3 to 20 years	4 to 20 years
- Cultural Assets	99 years	99 years
Medical Equipment	2 to 20 years	2 to 20 years
Intangible Assets	3 to 15 years	3 to 15 years

The useful life ranges of non-current assets were reviewed in 2026 with the updated ranges to be applied to future additions; there is no retrospective application of the changes.

Note 5: Other Assets and Liabilities

This note sets out those assets and liabilities that arose from the hospital's operations.

Structure:

5.1 Receivables

5.2 Investments and Other Financial Assets

5.3 Payables

5.4 Investment Properties

Note 5.1: Receivables

	2026 $'000	2025 $'000
Current		
Contractual		
Inter Hospital Debtors	169	159
Trade Receivables	1,863	1,043
Patient Fees	277	183
Allowance for Impairment Losses	(202)	(111)
Accrued Investment Income	20	11
Total Current Contractual Receivables	**2,127**	**1,285**
Statutory		
GST Receivable	475	372
Total Current Statutory Receivables	**475**	**372**
Total Current Receivables	**2,602**	**1,657**
Non-Current		
Contractual		
Long Service Leave - Department of Health	9,003	8,055
Total Non-Current Receivables	**9,003**	**8,055**
Total Receivables	**11,605**	**9,712**

	Note	2026 $'000	2025 $'000
Financial Assets Classified as Receivables			
Total Receivables		11,605	9,712
GST Receivable		(475)	(372)
Total Financial Assets Classified as Receivables	7.1	**11,130**	**9,340**

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 hospital holds the contractual receivables with the objective to collect the contractual cash flows and therefore they are subsequently measured at amortised cost using the effective interest method, less any impairment.

- **Statutory Receivables:** 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 hospital 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 costs.

Note 5.2: Investments and Other Financial Assets

	2026 $'000	2025 $'000
Non-Current		
Financial Assets at Fair Value through Net Result		
Managed Investment Schemes	39,325	39,539
Total Non-Current Financial Assets	39,325	39,539
Total Investments and Other Financial Assets	**39,325**	**39,539**
Represented by:		
Hospital Investments	39,325	39,539
Total Investments and Other Financial Assets	**39,325**	**39,539**

How We Recognise Investments and Other Financial Assets

The hospital's investments and other financial assets are made in accordance with Standing Direction 3.7.2 *Treasury Management, including the Central Banking System* .

The hospital manages its investments and other financial assets in accordance with an investment policy approved by the Board.

Investments are recognised when the hospital enters into a contract to either purchase or sell the investment (ie. when it becomes a party to the contractual provisions to the investment). Investments are initially measured at fair value, net of transaction costs.

The hospital classifies its investments and other financial assets between current and non-current assets based on the Board's intention at balance date with respect to the timing of disposal of each asset.

All financial assets, except those measured at fair value through net result are subject to annual review for impairment.

How We Recognise Impairment of Financial Assets

The hospital records the allowance for expected credit loss for the relevant financial instruments applying AASB 9's expected credit loss approach. The hospital's contractual receivables and statutory receivables are subject to this impairment assessment. Contract assets recognised are also subject to the impairment requirement of AASB 9.

The hospital applies the simplified approach, which requires the loss allowances to always be measured at an amount equal to lifetime expected credit losses. The loss allowance is based on assumptions about risk of default and expected loss rates.

Contractual receivables at amortised cost

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

The expected credit loss rates applied at 30 June 2026 vary from 1.6% for current contractual receivables that are not overdue to 79.3% for current contractual receivables that are more than 90 days past due; weighted average 8.8% (30 June 2025: from 1.6% to 88.0%; weighted average 8.0%).

Note 5.3: Payables

	2026 $'000	2025 $'000
Current		
Contractual		
Trade Creditors	1,567	3,142
Accrued Expenses	3,949	6,085
Accrued Salaries and Wages	2,361	1,720
Amounts Payable to Department of Health	2,553	601
Superannuation	-	132
Deferred Capital Grant Income	230	-
Total Current Contractual Payables	**10,660**	**11,680**
Total Payables	**10,660**	**11,680**

	Note	2026 $'000	2025 $'000
Financial Liabilities Classified as Payables			
Total Payables		10,660	11,680
Deferred Capital Grant Income		(230)	-
Total Financial Liabilities Classified as Payables	7.1	**10,430**	**11,680**

How We Recognise Payables

Payables consist of:

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

The normal credit terms for accounts payable are 30 days from the date of invoice.

Note 5.4: Investment Properties

	2026 $'000	2025 $'000
Investment Properties at Fair Value	8,856	8,577
Total Investment Properties at Fair Value	**8,856**	**8,577**
Balance at Beginning of Period	8,577	8,750
Net Gain/(Loss) from Fair Value Adjustments	279	(173)
Balance at End of Period	**8,856**	**8,577**

How We Recognise Investment Properties

Investment properties represent properties held to earn rentals or for capital appreciation or both. Investment properties exclude properties held to meet the service delivery objectives of the hospital.

Initial Recognition

Investment properties are initially recognised at cost. Costs incurred subsequent to initial acquisition are capitalised when it is probable that future economic benefits in excess of the originally assessed performance of the asset will flow to the hospital.

Subsequent Measurement

Subsequently investment properties are measured at fair value, determined annually by independent valuers and reference to Valuer-General Victoria indices. Fair values are determined based on a market comparable approach that reflects recent transaction prices for similar properties. Investment properties are neither depreciated nor tested for impairment.

For investment properties measured at fair value, the current use of the asset is considered to be the highest and best use.

The fair value of the hospital's investment properties at 30 June 2024 were arrived at on the basis of an independent valuation carried out by the Valuer-General Victoria. The valuation was determined with reference to market evidence of properties including location, condition and lease terms. The fair value of the hospital's investment properties at 30 June 2026 are based on the 30 June 2024 valuation adjusted by the Valuer-General Victoria land and building indexation factors for the subsequent financial years. The 2025-26 indices resulted in an increase of $87,000 (4.0%) in building values and $192,000 (3.0%) in land values; the net increase of $279,000 (3.25%) has been recognised at 30 June 2026.

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

Note 6: Operational Financing

This note provides information on the sources of finance utilised by the hospital during its operations and other information related to financing activities of the hospital. Note: 7.1 provides additional, specific financial instrument disclosures.

Structure:

6.1 Cash and Cash Equivalents

6.2 Commitments for Expenditure

Note 6.1: Cash and Cash Equivalents

	Note	2026 $'000	2025 $'000
Cash on Hand		1	1
Cash at Bank		9,271	11,822
Total Cash and Cash Equivalents	7.1	**9,272**	**11,823**

Note 6.2: Commitments for Expenditure

	Less than 1 Year $'000	1 to 5 Years $'000	Over 5 Years $'000	Total $'000
30 June 2026				
Capital Expenditure Commitments	646	-	-	646
Operating Expenditure Commitments	5,646	2,309	-	7,955
Total Commitments (inclusive of GST)	**6,292**	**2,309**	**-**	**8,601**
less GST Recoverable	(571)	(210)	-	(781)
Total Commitments (exclusive of GST)	**5,721**	**2,099**	**-**	**7,820**

	Less than 1 Year $'000	1 to 5 Years $'000	Over 5 Years $'000	Total $'000
30 June 2025				
Capital Expenditure Commitments	577	-	-	577
Operating Expenditure Commitments	9,128	4,329	-	13,457
Total Commitments (inclusive of GST)	**9,705**	**4,329**	**-**	**14,034**
less GST Recoverable	(861)	(386)	-	(1,247)
Total Commitments (exclusive of GST)	**8,844**	**3,943**	**-**	**12,787**

How We Disclose Commitments

Our commitments relate to expenditure.

Expenditure Commitments

Commitments for future expenditure include operating and capital commitments arising from contracts. These commitments are disclosed at their nominal value and are inclusive of the GST payable. These future expenditures cease to be disclosed as commitments once the related liabilities are recognised on the balance sheet.

Note 7: Financial Instruments, Contingencies and Valuation Judgements

The hospital is exposed to risk from its activities and from 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 note 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 hospital 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 the hospital's activities, certain financial assets and financial liabilities arise under statute rather than a contract (for example taxes). Such financial assets and financial liabilities do not meet the definition of financial instruments in AASB 132 *Financial Instruments: Presentation.*

	Note	Carrying Amount	Net Gain/(Loss)	Total Income/ (Expense)	Impairment Loss
		$'000	$'000	$'000	$'000
30 June 2026					
Financial Assets at Amortised Cost					
Cash and Cash Equivalents	6.1	9,272	-	820	-
Receivables	5.1	11,130	-	-	-
Financial Assets at Fair Value through Net Result					
Investments and Other Financial Assets	5.2	39,325	(214)	2,400	-
Total Financial Assets [(i)]		**59,727**	**(214)**	**3,220**	**-**
Financial Liabilities at Amortised Cost					
Payables	5.3	10,430	-	-	-
Total Financial Liabilities [(i)]		**10,430**	**-**	**-**	**-**
30 June 2025					
Financial Assets at Amortised Cost					
Cash and Cash Equivalents	6.1	11,823	-	1,258	-
Receivables	5.1	9,340	-	-	-
Financial Assets at Fair Value through Net Result					
Investments and Other Financial Assets	5.2	39,539	1,631	2,402	-
Total Financial Assets [(i)]		**60,702**	**1,631**	**3,660**	**-**
Financial Liabilities at Amortised Cost					
Payables	5.3	11,680	-	-	-
Total Financial Liabilities [(i)]		**11,680**	**-**	**-**	**-**

[(i)] The carrying amount excludes statutory receivables (ie. GST receivable) and statutory payables (ie. contract liabilities).

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 the hospital soley 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.

The hospital recognises the following assets in this category:

- Cash and Cash Equivalents
- Receivables (excluding statutory receivables)

Financial Assets at Fair Value through Net Result

The hospital initially designates a financial instrument as measured at fair value through net result if:

- it eliminates or significantly reduces a measurement or recognition inconsistency (often referred to as an "accounting mismatch") that would otherwise arise from measuring assets or recognising the gains and losses on them, on a different basis;
- it is in accordance with the documented risk management or investment strategy and information about the groupings as documented appropriately, so the performance of the financial asset can be managed and evaluated consistently on a fair value basis; or
- it is a hybrid contract that contains an embedded derivative that significantly modifies the cash flows otherwise required by the contract.

The initial designation of the financial instruments to measured at fair value through net result is a one-time option on initial classification and is irrevocable until the financial asset is derecognised.

The hospital has designated all of its managed investment schemes as fair value through net result.

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 the 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.

The hospital recognises the following liabilities in this category:

- Payables (excluding statutory payables and contract liabilities)

Note 7.2: Contingent Assets and Contingent Liabilities

At balance date, the hospital's Board is not aware of any contingent assets or contingent 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:

- Financial assets at fair value through net result
- Property, plant and equipment
- Investment properties

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.

The hospital 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.

The hospital monitors changes in the fair value of each asset and liability through relevant data sources to determine whether revaluation is required.

Fair Value Determination: Managed Investment Schemes

The hospital invests in managed funds, which are not quoted in an active market and which may be subject to restrictions on redemptions.

The hospital considers the valuation techniques and inputs used in valuing these funds as part of its due diligence prior to investment, to ensure they are reasonable and appropriate. The net asset value of these funds is used as an input into measuring their fair value, and is adjusted as necessary, to reflect restrictions and redemptions, future commitments and other specific factors of the fund.

The hospital classifies these funds as Level 2.

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 to annual reporting periods beginning on or after 1 January 2024. FRD 103 *Non-Financial Physical Assets* 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 Valuer-General Victoria (VGV) is the hospital's independent valuation agency for property, plant and equipment. The last scheduled full independent valuation of the hospital's land and buildings 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, the hospital 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, the hospital considers the current use to be the highest and best use.

<u>Non-Specialised Land, Non-Specialised Buildings and Investment Properties</u>

Non-specialised land, non-specialised buildings and investment properties 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.

<u>Specialised Land and Specialised Buildings</u>

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

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

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

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

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

Plant and Equipment

Plant and equipment (including medical equipment, information and communication technology equipment, furniture and fittings) is 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

Description of significant assumptions applied to fair value measurement:

Asset Class	Likely Valuation Approach	Significant Inputs (Level 3 only)
Specialised Land	Market approach	Community Service Obligations adjustment [(i)]
Specialised Buildings	Current replacement cost approach	Cost per square metre Useful life
Plant and Equipment	Current replacement cost approach	Cost per unit Useful life

[(i)] CSO adjustments ranging from 0% to 30% were applied to reduce the market approach value for the hospital's specialised land, with the weighted average 22% reduction applied.

Note 8: Other Disclosures

This note 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 Disclosure
8.3 Remuneration of Executives
8.4 Related Parties
8.5 Remuneration of Auditors
8.6 Events Occurring After the Balance Sheet Date

Note 8.1: Ex-Gratia Expenses

The hospital made nil ex-gratia payments for the year ending 30 June 2026 (year ending 30 June 2025: Nil).

Note 8.2: Responsible Persons Disclosure

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
Relevant Minister:	
The Honourable Mary-Anne Thomas MP: Minister for Health	27 Jun 2022 - 14 Apr 2026
The Honourable Harriet Shing MP: Minister for Health	15 Apr 2026 - 30 Jun 2026
Governing Board:	
Ms Melanie Eagle (Chair of the Board)	1 Jul 2025 - 30 Jun 2026
Mr Simon Brewin	1 Jul 2025 - 30 Jun 2026
Ms Janice Brown	1 Jul 2025 - 30 Jun 2026
Mr Jared Heath	1 Jul 2025 - 30 Jun 2026
Ms Chris McLoughlin	1 Jul 2025 - 30 Jun 2026
Mr Bruce Mildenhall	1 Jul 2025 - 30 Jun 2026
Mr Bruce Ryan	1 Jul 2025 - 30 Jun 2026
Dr Susan Sdrinis	1 Jul 2025 - 30 Jun 2026
Mr Kyle Vander-Kuyp	1 Jul 2025 - 30 Jun 2026
Accountable Officer:	
Mr Brendon Gardner (Chief Executive Officer)	1 Jul 2025 - 30 Jun 2026

Remuneration of Responsible Persons

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

Income Band	2026 Number	2025 Number
$0 - $9,999	-	1
$10,000 - $19,999	-	1
$20,000 - $29,999	8	6
$50,000 - $59,999	-	1
$60,000 - $69,999	1	-
$450,000 - $459,999	-	1
$480,000 - $489,999	1	-
Total Numbers	**10**	**10**

	2026 $'000	2025 $'000
Total remuneration received or due and receivable by Responsible Persons from the hospital amounted to:	**740**	**685**

Note 8.3: Remuneration of Executives

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

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

Remuneration of Executives (including Key Management Personnel disclosed in Note 8.4)	2026 $'000	2025 $'000
Total Remuneration	1,360	1,424
Total Number of Executives [(i)]	5	7
Total Annualised Employee Equivalent [(ii)]	3.76	4.02

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

Note 8.4: Related Parties

The hospital is a wholly owned and controlled entity of the State of Victoria. Related parties of the hospital include:

- All Key Management Personnel (KMP) and their close family members and personal business interests;
- Cabinet ministers (where applicable) and their close family members; 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

The hospital received funding from government related entities in 2026 of $142.5 million (2025: $139.1 million) and indirect contributions of $1.7 million (2025: $3.4 million). Balances outstanding at 30 June 2026 are $9.0 million receivable (2025: $8.1 million) and $2.6 million payable (2025: $0.6 million).

Expenses incurred by the hospital in delivering services and outputs are in accordance with HealthShare Victoria requirements. Goods and services including procurement, payroll and clinical and 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 under the *Financial Management Act 1994* require the hospital to hold cash (in excess of working capital) in accordance with the State of Victoria's centralised banking arrangements.

Key Management Personnel (KMP)

KMPs are those people with the authority and responsibility for planning, directing and controlling the activities of the hospital, directly or indirectly.

The Board of Directors and the Executive Directors of the hospital are deemed to be KMPs.

Key Management Personnel of the hospital:

- Ms Melanie Eagle, Chair Board of Directors
- Mr Simon Brewin, Non-Executive Director
- Ms Janice Brown, Non-Executive Director
- Mr Jared Heath, Non-Executive Director
- Ms Chris McLoughlin, Non-Executive Director
- Mr Bruce Mildenhall, Non-Executive Director
- Mr Bruce Ryan, Non-Executive Director
- Dr Susan Sdrinis, Non-Executive Director
- Mr Kyle Vander-Kuyp, Non-Executive Director
- Mr Brendon Gardner, Chief Executive Officer and Accountable Officer
- Dr Birinder Giddey, Executive Director Medical Services and Chief Medical Officer
- Ms Leanne Turner, Executive Director Operations and Chief Nursing Officer
- Mr Darren O'Connor-Price, Executive Director Finance and Corporate Services and Chief Finance and Accounting Officer
- Ms Heather Dawson, Interim Executive Director People and Communications (1 Jul 2025 to 25 Jul 2025)
- Ms Danielle Byrnes, Executive Director People and Culture (31 Jul 2025 to 30 Jun 2026)

Remuneration of Key Management Personnel

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

	2026 $'000	2025 $'000
Total compensation - KMPs [(i)]	2,100	2,109

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

Transactions with Key Management Personnel 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, eg. stamp duty and other government fees and charges. Further employment of processes within the Victorian public sector occur on terms and conditions consistent with the *Public Administration Act 2004* and Codes of Conduct and Standards issued by the Victorian Public Sector Commission. Procurement processes occur on terms and conditions consistent with the HealthShare Victoria and Victorian Government Procurement Board requirements.

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

There were no related party transactions required to be disclosed for the hospital 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	82	71
Total Remuneration of Auditors	**82**	**71**

Note 8.6: Events Occurring After the Balance Sheet Date

No events have occurred after the balance sheet date that would require adjustment to, or disclosure in, the financial statements.

Affiliations and Memberships

The Royal Victorian Eye and Ear Hospital is affiliated with:

- Australian College of Optometry
- Bionic Vision Technologies
- The Bionics Institute
- The Centre for Eye Research Australia
- HEARnet
- The Lions Eye Donation Service Melbourne
- The University of Melbourne
- Victorian Aboriginal Health Service (VAHS)
- The Royal Australian and New Zealand College of Ophthalmologists (RANZCO)
- Australasian College for Emergency Medicine
- Royal Australasian College of Surgeons
- Australian and New Zealand College of Anesthetists (ANZCA)
- Monash Consortium for Climate Change
- Guide Dogs Victoria
- Vision 2020 Australia
- Cochlear
- Hearing Australia
- Bendigo and District Aboriginal Co-operative (BDAC)
- Rural Workforce Agency Victoria (RWAV)

Universities

- University of Melbourne
- Swinburne University of Technology
- Australian Catholic University
- RMIT University
- Victoria University
- La Trobe University
- Monash University

TAFES

- Victoria University
- Holmesglen
- RMIT

The Royal Victorian Eye and Ear Hospital is a member of:

Parkville Local Health Service Network
Oral Health Victoria; Parkville Youth Mental Health and Wellbeing Service; Peter MacCallum Cancer Centre; Royal Children's Hospital; Royal Melbourne Hospital; Royal Women's Hospital

The World Association of Eye Hospitals

Victorian Healthcare Association

Melbourne Academic Centre for Health

Vision 2020 Australia

The Royal Victorian Eye and Ear Hospital

E info@eyeandear.org.au
T +61 3 9929 8666
F +61 3 9663 7203

32 Gisborne Street
East Melbourne
Victoria 3002

www.eyeandear.org.au