ANNUAL REPORT 2023-2024

Excellent Care. Every Person. Every Time.

OUR VISION

Excellent Care. Every Person. Every Time.

OUR VALUES

CARING
We care for our community

PASSIONATE
We are passionate about doing our best

TRUSTWORTHY
We are open, honest and respectful

We acknowledge the First Peoples of Australia who are the Traditional Custodians of the land and water where we live, work and play. We celebrate that this is the oldest living and continuous culture in the world. We are proud to be sharing the land that we work on and recognise that sovereignty was never ceded.

OUR CARE AT A GLANCE

136,749

Service events provided by our specialist clinics

60,238

People came to our Emergency Department

57,463

People admitted to our hospital

17,608

Operations performed

17,454

Ambulance arrivals handled by our Emergency Department

1,600

Admissions of children aged 16 and under to our Children's Ward

5,329

Staff employed

1,735

Babies delivered

778

Bed service

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CHAIR REPORT

“To all the wonderful staff at Bendigo Health, thank you for your outstanding kindness and care even when under huge stress.”

This line from a Thank You letter sent to Bendigo Health staff from a patient sums up the way the Board and I have reflected on the past year.

It has been a year in which our organisation has experienced significant change and a year when the health system has been under enormous strain.

At Bendigo Health, changes in personnel have brought growth and renewal to the health service with new expertise, experience and ways of operating enhancing the work of the organisation.

These changes have sharpened our focus on quality and safety which underpins our commitment to providing safe and efficient services for the communities we serve.

The health system has also been challenged, as our staff treat sicker patients requiring longer hospital stays than ever before.

Our staff have adapted expertly to these challenges. Their ability to provide excellent, timely, and safe care is inspiring to the Board and to the person who wrote this letter.

The letter is one of many received by our health service this year which show our community are clearly proud to have such a Caring Passionate and Trustworthy team caring for them.

New Board members and CEO

This year we welcomed three new Board members; Craig Niemann, former CEO at the City of Greater Bendigo, Professor Carol McKinstry, Professor of Occupational Therapy and Deputy Dean in the LaTrobe University Rural Health School Occupational Therapy Program and Will Conlan,

Chief of Staff and General Counsel at Bendigo and Adelaide Bank.

Their wealth of local experience in health, local government and finance, combined with their connections with our community, has added value to the organisation and the Board in helping achieve our vision of Excellent Care. Every Person. Every Time.

In October we welcomed Chief Executive Officer Eileen Hannagan.

Eileen is an accomplished senior executive with more than 20 years’ experience in the health industry, and has held various Chief Executive Officer, Chief Operating Officer and Executive Director roles in Victoria and New South Wales.

Eileen has brought renewed energy and ideas to our executive team, helping progress important changes in the areas of quality, safety, risk and access.

Clinical Services Campus open

In June, Premier Jacinta Allan and Bendigo West MP Maree Edwards officially opened the Clinical Services Campus (CSC).

The redevelopment has breathed new life into the old hospital building, bringing together a number of services and different allied health professionals under one roof. The CSC will provide a better experience for patients and staff. The Board is grateful to all Bendigo Health staff and contractors involved in the project.

CHAIR REPORT (CONTINUED)

The Board are looking forward to the final phase of the project which will include the demolition of the old brown brick towers, allowing for more open spaces on our campus.

Other infrastructure projects have progressed well this year. The first stage of upgrades to the Bendigo Youth Prevention and Recovery Care (YPARC) centre at Havlin Street are now complete. Works included the refurbishment of the entrance and reception area, the creation of a family room, sensory room and a new staff meeting room.

The Early Parenting Centre, which will provide specialist support for families with children aged 0-4 years of age, is taking shape and on track to open in the middle of the next financial year.

Service growth and planning

The Board is proud our staff have been able to deliver close to 100% of activity targets despite the ongoing workforce challenges and strain on the system.

Our Cardiac Catheter Laboratory is one of the busiest in the state. Helicopter arrivals continue to climb – 104 last year – and interest in nursing careers remains strong with more than 100 graduate nurses joining the organisation last year.

This year has shown us that demand for our service has increased and the health needs of the region are changing.

Planning for this change and understanding what we must prioritise as a health service has been a focus of the Clinical Services Plan.

The Board endorsed plans for two areas – Renal and Women's and Children's Services, with more service plans under development. These plans focus on creating sustainable workforces, expanding services, enhancing equipment and infrastructure and providing regional support and leadership for clinical services within the Loddon Mallee region.

Community connection

The Board has been pleased to see the impact and effectiveness of the Consumer Advisory Committee this year. After two disrupted years because of COVID, the committee has reconvened and been able to provide effective feedback on how we can improve the quality and accessibility of our service.

The Board appreciates the importance of working with our community to understand current challenges and effectively plan for the future.

The Loddon Mallee Public Health Unit (LMPHU) has done terrific work over the past 12 months in planning for the future, releasing a Population Health plan 2023-25 for the Loddon Mallee region and a Climate Change and Health Framework.

The framework will assist health and community organisations in the Loddon Mallee region identify and reduce the impact of climate change on our community, particularly for people experiencing systemic disadvantage.

The Population Health plan aims to support delivery of state-wide public health and wellbeing priorities in the Loddon Mallee region.

Responsible and sustainable

Over the past year there has been a lot of media coverage on the challenges facing the health system and talk of change. As a health service, we are committed to providing safe, efficient and financially sustainable services to our community. As a Board and Executive Team, we are focussed on looking after the people that look after you – our people.

Our people and our collective values are what make our organisation tick, particularly in challenging times. On behalf of the Board, I want to thank you for your ongoing dedication and compassion.

CEO REPORT

Reflecting on the past nine months as CEO, I continue to be inspired by the genuine care and dedication that define Bendigo Health. Coming from a metropolitan hospital, I am struck by how deeply our community cares for each other. Here, patients and staff are not just participants of the healthcare system; they are friends, neighbours, and family. This sense of connection is what makes Bendigo Health exceptional.

One story that truly embodies our values of caring, passion, and trustworthiness is that of Peter Brown. After a motorcycle accident led to the amputation of his leg, Peter received treatment at Bendigo Health and experienced the profound impact of compassionate care. Inspired by the support he received, Peter now volunteers on our rehabilitation ward, offering hope and companionship to patients. His dedication exemplifies the spirit of our community.

The fundraising events, like the McKean McGregor Community Gala Ball and Bendigo Ford Fun Run, showcase the vibrant support we receive from our community. Our volunteering programs have flourished, with initiatives like the School Holiday Volunteer Program growing significantly and earning nominations for innovation awards.

Bendigo Health is a family, not just in spirit but in reality. The Roulston/Gargiulo/Fuller family, spanning three generations, has shown unwavering dedication to healthcare. From Kate Fuller's journey as a nurse inspired by her father's illness, to her daughters following in her footsteps, and her mother volunteering after her own experiences as a patient, their story highlights the deep-rooted commitment to caring that runs through our community.

We have also made significant strides in improving our services. The introduction of water births has empowered women to experience natural, less interventionist births. Our partnership with the Royal Children's Hospital to open an outreach clinic in Bendigo brings specialised paediatric care closer to home, reducing the burden on families.

Our staff are always looking to improve our patients' experience and the safety and quality of care they receive. Just a few examples undertaken in the last year include the heart helper program for cardiac patients, reducing the time spent in hospital after a joint replacement, and reducing the amount of time older people spend in hospital when they are not able to return home.

Despite challenges in timely recruiting of clinical positions and meeting the growing demands of an ageing population, we continue to innovate. Our new automated medication cabinets enhance safety and efficiency, supporting our clinical staff in delivering the best care possible.

Being the CEO of Bendigo Health is a privilege. It means leading an organisation where every decision and action is driven by a genuine connection to our community. As we move forward, we are unwavering in our commitment to our values, supporting our staff, and delivering exceptional care to all.

BOARD OF DIRECTORS

Dr Ewa Piejko - Board Chair

Dr Ewa Piejko is a General Practitioner (GP) at Strathfieldsaye Primary Health in Bendigo and Clinical Director for St Anthony's Family Medical Practice.

Dr Piejko has extensive experience in the primary care sector across the Loddon, Mallee and Campaspe region through her work as a GP and her previous roles as Medical Advisor with Murray PHN and Director of General Practice Training for Beyond Medical Training.

In addition to professional appointments, Dr Piejko has been involved with local community organisations.

Within Bendigo Health, Dr Piejko is Chair of the Primary Care and Population Health Advisory Committee and member of the Finance, Building, Quality, Audit and Risk, Remuneration and Visiting Committees.

Term of appointment expires 30/6/2027.

Will Conlan

Will has practised as a lawyer for more than 20 years and is currently Chief of Staff and General Counsel at Bendigo and Adelaide Bank.

He has very broad experience across the Bank including Legal, Secretariat, Strategy/M&A, Treasury, Compliance, Operations, Risk and Internal Audit. He also represents the Bank on several boards.

Will is based in Bendigo with his family.

Within Bendigo Health, Will is the Chair of the Remuneration Committee and a member of the Audit and Risk, Community Advisory and Visiting Committees.

Term of appointment expires 30/6/2026.

Julie Green

Julie is a passionate, professional Company Director, supported by 23 years as a Senior Executive (Operational and CFO roles) reporting to various Boards. She is an experienced change manager in public and private sectors, across diverse industries including professional services, healthcare, transport and infrastructure. Julie was a business advisor for 10 years with chartered firms in the UK and Australia, including Ernst & Young.

Within Bendigo Health, Julie is the Chair of the Audit and Risk Committee and a member of the Remuneration, Finance, Building, and Visiting Committees.

Term of appointment expires 30/6/2025.

Craig Niemann

Craig has enjoyed a distinguished 40-year career in Local Government as a former CEO of the City of Greater Bendigo for 15 years.

Craig has extensive administrative experience and was previously a director at the City of Greater Bendigo and CEO of Loddon Shire.

He is a trusted leader and has worked closely with other levels of government, the private sector, and local clubs and groups to deliver great outcomes for Bendigo and the broader central Victorian community.

During his time as CEO at the City of Greater Bendigo, major projects delivered include Ulumbarra Theatre, Bendigo Airport, Bendigo Stadium expansion, Bendigo Art Gallery expansion, Bendigo Library redevelopment, Gurri Wanyarra Wellbeing Centre and a range of community sporting infrastructure. He was also a passionate advocate for the Bendigo Health redevelopment and is proud of the health service's critical role in the region.

BOARD OF DIRECTORS (CONTINUED)

Craig has been a great mentor to many of his staff and supported them to take on CEO roles in Local Government and key leadership roles in Victorian Government departments.

He has lived and worked in the central Victorian region all his life.

Within Bendigo Health, Craig is the Deputy Chair of the Fundraising Advisory Board and a member of Quality and Visiting Committees.

Term of appointment expires 30/6/2026.

Dr Umair Masood

Partner at Neal Street Medical Clinic

Dr Masood graduated from medical school in 1998. Since then he has worked as a doctor in the UK and Australia. He has worked in both public and private hospitals. He went on to do his Fellowship in General Practice. Umair has also been involved in medical research throughout his career. He has published a thesis, journal articles and presented at scientific meetings. Dr Masood is currently a senior partner at Neal Street Medical Clinic, which is a GP and Specialist medical clinic in Gisborne. He helped establish the clinic and works full-time as a GP at the clinic. Dr Masood is also involved in the management of the clinic. He is a GP Supervisor and helps mentor GP Registrars and medical students.

Within Bendigo Health, Dr Masood is the Chair of the Quality Committees and a member of the Audit and Risk and Visiting Committees.

Term of appointment expires 30/6/2025.

Katerina Angelopoulos

Katerina has extensive background in Public Sector management, health issues planning, human resources and community engagement. Katerina has held a number of board directorships and committee positions and is currently a member of Greater Melbourne Cemeteries Trust and the Australian Government Professional Services

Review Determining Authority. Katerina is passionate about creating health services and settings that are responsive to community need and enabling continuity of care for clients. She has a reputation for both effective advocacy and enabling community engagement in policy and service development.

Within Bendigo Health, Katerina is the Chair of the Community Advisory Committee and a member of the Primary Care and Population Health Advisory and Visiting Committees.

Term of appointment expires 30/6/2027.

Dr Stan Capp

Dr Stan Capp is an experienced senior executive and CEO in health services, health ICT, local government and the education sector. He has also conducted his own successful consulting practice since 2004.

Stan has had over 25 years as a CEO in a range of health care organisations in Australia and internationally, including Southern (now Monash) Health – the largest and most complex health service in Victoria.

Stan has led major health reforms with the creation of Barwon Health, which led him to be an advisor to the Government of Victoria in its Review of Health Care Networks, 2000.
Stan has been engaged in several consulting assignments throughout Victoria with a particular emphasis in assisting rural and regional health services. He also led a major project for the Government of Dubai that provided advice on the transformation of its public health system.

He has a strong interest and experience in delivering high quality health services that are well co-ordinated and responsive to community needs.

BOARD OF DIRECTORS (CONTINUED)

Within Bendigo Health, Dr Capp is the Chair of the Finance and Building Committees and a member of the Quality, Audit and Risk, Remuneration and Visiting Committees.

Term of appointment expires 30/6/2027.

Professor Carol McKinstry

Dr Carol McKinstry is a Professor of Occupational Therapy in the Rural Health School of La Trobe University at the Bendigo Campus. She is currently Associate Dean Learning and Teaching, and Deputy Dean of the Rural Health School.

Professor McKinstry has extensive experience in educating health students, curriculum design and innovative professional education placements or work integrated learning. She currently oversees nursing, allied health, dental and biomedical rural courses. Her research is focused on rural health workforce including pre-professional education, workforce recruitment and retention and ways of delivering services such as telehealth.

Professor McKinstry is also a Board Director of Occupational Therapy Australia, Trustee of the Occupational Therapy Australia Research Foundation and Chair of the Bendigo Football Netball League. She was previously on the Board of Rochester and Elmore District Health Services and was recently appointed a Life Governor. She is a graduate with the Australian Institute of Company Directors.

Within Bendigo Health, Carol is Deputy Chair of the Quality Committees and a member of the Community Advisory and Visiting Committees.

Term of appointment expires 30/6/2026.

Trevor Elliott

Trevor is a Partner/Director with Strategem.

Throughout his time in professional practice, Trevor has provided taxation and accounting services to a diverse portfolio of clients, with a focus on providing specialised support to the medical industry.

He is well respected for his efficiency and attention to detail which lends itself to his vast experience as a Business Services advisor where he provides strategic advice to businesses.

Trevor has previously led the Strategem board as Chair and his current role is an opportunity to coach and mentor future leaders.

Trevor is a local resident of Bendigo and has been actively involved with many community organisations, holding roles such as; Director of Access Australia and Director of ARC Justice.

Within Bendigo Health, Trevor is the Chair of the Fundraising Advisory Board and a member of the Finance, Building and Visiting Committees.

Term of appointment expires 30/06/2025.

BOARD OF DIRECTORS (CONTINUED)

Board Sub-Committee Membership

AUDIT AND RISK
Julie Green, Board Director (Chair)
Dr Umair Masood, Board Director
Dr Stan Capp, Board Director
Will Conlan, Board Director
Dr Ewa Piejko, Board Director (Board Chair)

FINANCE COMMITTEE
Dr Stan Capp, Board Director (Chair)
Dr Ewa Piejko, Board Director (Board Chair)
Trevor Elliot, Board Director
Julie Green, Board Director

BUILDING COMMITTEE
Dr Stan Capp, Board Director (Chair)
Dr Ewa Piejko, Board Director (Board Chair)
Trevor Elliot, Board Director
Julie Green, Board Director

QUALITY CARE COUNCIL& QUALITY SAFETY COMMITTEE
Dr Umair Masood, Board Director (Chair)
Dr Carol McKinstry, Board Director (Deputy Chair)
Dr Stan Capp, Board Director (member of ARCM)
Dr Ewa Piejko, Board Director (Board Chair)
Craig Niemann, Board Director

COMMUNITY ADVISORY
Katerina Angelopoulos, Board Director (Chair)
Will Conlan, Board Director
Dr Carol McKinstry, Board Director

FUNDRAISING ADVISORY BOARD
Trevor Elliott (Chair), Board Director
Craig Niemann (Deputy Chair), Board Director

PRIMARY CARE AND POPULATION HEALTH ADVISORY
Dr Ewa Piejko (Chair), Board Director (Board Chair)
Katerina Angelopoulos, Board Director

REMUNERATION COMMITTEE
Will Conlan, Board Director (Chair)
Stan Capp, Board Director
Julie Green, Board Director
Dr Ewa Piejko, Board Director (Board Chair)

VISITING
All Board Directors

Executive Directors

Eileen Hannagan
Chief Executive Officer

David Rosaia
Chief Operating Officer/Deputy CEO

Craig Bosworth
Chief Strategy and Community Affairs Officer

Sally Harris
Chief Allied Health Officer

Daryl Kroschel
Chief Medical Officer

Stuart Lamshed
Chief Digital Services Officer

Carol-Anne Lever
Chief Nursing and Midwifery Officer

Sally Lima
Chief Quality Officer

Cameron Olsen
Chief Financial Officer

Melissa Phillips
Chief People Officer

ORGANISATIONAL CHART

BOARD OF DIRECTORS

Chief Executive Officer
Eileen Hannagan

OFFICE OF THE CEO
General Counsel
General Manager Loddon Mallee Health Network

ALLIED HEALTH AND CONTINUING CARE

Chief Allied Health Officer
Sally Harris

CLINICAL OPERATIONS

Chief Operating Officer and Deputy CEO
David Rosaia

Ambulatory and Critical Care
- Emergency Department
- Short Stay Observational Unit
- Ward 6A (ATU)
- Intensive Care Unit
- Cardiology, EEG & Cathlab
- Renal

Medical Services
- Ward 4A & Ward 5A (Medical)
- Ward 4C & 5C (Rehab & Geri Med)
- Ward 6C (Respiratory)
- Ward 4B (Ortho)
- Ward 5B & 6B (Surgical)
- Specialist Palliative Care Services
- Inc. Pall Care & Evaluation Unit
- Pall Care Consortium
- General Medicine
- Respiratory Medicine
- Endocrinology
- Infectious Diseases Medicine

Surgical Services
- Specialist Clinics
- Theatre
- Anaesthetics & Recovery
- DOSA & Endoscopy
- CSD
- Patient Services
- Cath Lab
- Orthopaedics
- General Surgery
- Anaesthetics
- Plastic Surgery
- Ophthalmology
- ENT
- Urology

Women and Children
- Women's Ward & Birthing Suite
- Children's Ward
- Special Care Nursery
- Women's Health Clinics
- Obstetrics & Gynaecology
- Paediatrics

Patient Access and Demand

Allied Health & Continuing Care
- Regional Better @ Home

Allied Health
- Nutrition & Dietetics
- Occupational Therapy
- Physiotherapy & Exercise Physiology
- Podiatry
- Social Work
- Speech Pathology & Audiology
- Psychology
- Spiritual Care

Continuing Care
- Community Dental Services
- Outpatient Rehabilitation
- Transition Care Program/GEM @ Home/Residential In Reach
- HITH/HARP/PAC/Diabetes Education
- Referral Centre

Geriatrics, Rehab & Pall Care Medicine
- Gericonnect
- Geriatric Medicine
- Palliative Care Medicine
- Rehabilitation Medicine

Cancer Services
- Cancer Services
- Cancer Clinics
- Clinical Research
- LMICS
- Medical Oncology

Mental Health & Wellbeing
- Professional Development Unit
- Systems & Development Unit
- Psychiatry Medical
- Psychiatry Adult
- Psychiatry Older Persons
- Psychiatry Extended Care
- Psychiatry Parent & Infant
- ECAT Triage and PARC
- Community Care Units
- Residential Rehabilitation (Dual Diagnosis)
- Bendigo Adult Community & Primary MH
- Echuca Community MH
- Swan Hill Community MH
- Rural South Community MH
- Child & Adolescent MH
- Youth Community MH & YPARC

CLINICAL GOVERNANCE

Chief Medical Officer
Daryl Kroschel

- Clinical Transformation
- Medical Imaging
  - Including Breast Screen
- Pharmacy
- Research Governance
- Care of the Deceased
- GP Liason & e Referral
- Pathology
- Medico Legal
- Innovation & Research

CLINICAL GOVERNANCE

Chief Quality Officer
Sally Lima

- Quality & Risk

COMMUNITY AND PUBLIC HEALTH SERVICE

Chief Nursing Midwifery Officer
Carol-Anne Lever

- Infection Prevention & Control
- Public Health Services
  - Public Health Clinics
  - Communicable Disease Control
  - Prevention & Population Health
- Community Services
  - Aged Care Assessment Services
  - Community Allied Health Services
  - Community Care Services
  - Carer Support Services
  - Community Nursing Services & Home Care Services
- Aged Care Residential Services
  - Gibson Street Group
  - Gibson Street Complex
    - Joan Pinder
    - Stella Anderson
    - Simpkin House
  - Golden Oaks Complex
    - Golden Oaks
    - Carshalton House
- Aboriginal Services, Diversity & Health Promotion
  - Health Promotion
  - Interpreter Services

FINANCE & RESOURCES

Chief Financial Officer
Cameron Olsen

- Business Directors
- Financial Services
- Performance Planning & Budgeting
- Health Information Services
- Materials Management
  - Supply & Loading Dock
  - Linen Exchange
  - Mail Services
- Facilities Management
  - Insurance, Fleet & Security
  - Compliance & Environment
  - Facilities Maintenance
  - Capital Works & Projects
- Procurement
- Payroll Services
- Enterprise Risk
- PPP Contract Management

DIGITAL SERVICES

Chief Digital Services Officer
Stuart Lamshed

- Information Technology Services
- Architecture & Applications
- Clinical Information Systems
- Loddon Mallee Shared Services
  - Telehealth
  - Security & Data Integrity
  - Analytics & Data Insights
  - Chief nformation Officers

PEOPLE & CULTURE

Chief People Officer
Melissa Phillips

- People & Culture
  - Industrial Relations
  - Advisory Services
  - Flexible Working
- Workforce Planning & Resourcing
- Occupational Health & Safety
- Learning, Education & Development
- Medical Workforce Support
- Workforce Systems & Analytics

STRATEGY & COMMUNITY AFFAIRS

Chief Strategy & Community Affairs Officer
Craig Bosworth

- Corporate & Community Affairs
- Governance & Strategy
- Foundation & Fundraising
- Volunteer Services

WORKFORCE DATA

Hospital Labour Category	June Current Month FTE*		June YTD FTE**	
	2023	2024	2023	2024
Nursing	1,598.09	1.677.44	1,563.00	1,616.03
Administration and Clerical	585.94	588.91	573.56	587.43
Medical Support	233.41	240.10	237.20	236.99
Hotel and Allied Services	75.35	81.29	71.98	79.78
Medical Officers	56.26	65.90	56.63	59.45
Hospital Medical Officers	230.49	237.45	219.87	231.12
Sessional Clinicians	53.06	59.52	48.27	54.05
Ancillary Staff (Allied Health)	388.92	429.57	374.18	410.83
Total	3,221.53	3,380.19	3,144.18	3,275.69

Application of Employment and Conduct Principles

Bendigo Health is committed to upholding the principles of merit and equity in all aspects of the employment relationship. To this end, we have policies and practices in place to ensure all employment related decisions, including recruitment, promotion, training and retention, 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 are provided with the necessary resources to ensure equal opportunity principles are upheld.

Note: There were 5,329 staff employed, head count includes all contracted staff with an active employment agreement as at 30 June 2024.

ATTESTATION AND DECLARATIONS

This report is prepared for:
Minister for Health:
The Hon Mary-Anne Thomas From 1 July 2023 to 30 June 2024
Minister for Ambulance Services:
The Hon. Gabrielle Williams From 1 July 2023 to 2 October 2023
The Hon Mary-Anne Thomas From 2 October 2023 to 30 June 2024
Minister for Mental Health
The Hon. Gabrielle Williams From 1 July 2023 to 2 October 2023
The Hon. Ingrid Stitt From 2 October 2023 to 30 June 2024
Minister for Disability, Ageing and Carers
The Hon. Lizzie Blandthorn From 1 July 2023 to 2 October 2023
Minister for Disability/Minister for Children
The Hon. Lizzie Blandthorn From 2 October 2023 to 30 June 2024
Minister for Ageing
The Hon. Ingrid Stitt From 2 October 2023 to 30 June 2024

Responsible Bodies Declaration

In accordance with the Financial Management Act 1994, I am pleased to present the report of operations for Bendigo Health for the year ending 30 June 2024.

Ewa Piejko, Board Chair 7 July 2024

Financial Management Compliance

I, Ewa Piejko on behalf of Bendigo Health certify that Bendigo Health has no Material Compliance Deficiency with respect to the applicable Standing Directions under the Financial Management Act 1994 and Instructions.

Ewa Piejko, Board Chair 7 July 2024

Conflict of Interest

I, Ewa Piejko certify that Bendigo Health has put in place appropriate internal controls and processes to ensure that it has implemented a 'Conflict of Interest' policy consistent with the minimum accountabilities required by the VPSC. Declaration of private interest forms have been completed by all executive staff within <Health Service Name>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.

Ewa Piejko, Board Chair 7 July 2024

Integrity, Fraud and Corruption

I, Ewa Piejko certify that Bendigo Health has put in place appropriate internal controls and processes to ensure that integrity, fraud and corruption risks have been reviewed and addressed at Bendigo Health during the year.

Ewa Piejko, Board Chair 7 July 2024

Data Integrity

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

Ewa Piejko, Board Chair 7 July 2024

STATUTORY COMPLIANCE

Compliance with Health Share Victoria (HSV) Purchasing Policies

No compliance issues

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

Ewa Piejko, Board Chair 7 July 2024

Manner of Establishment

Bendigo Health is a health service established in 1995 under the Health Services Act 1988.

Nature of Range of Service

Bendigo Health provides services in emergency, maternity, women's health and children's, medical imaging, pathology, rehabilitation, community services, residential aged care, mental health care services, community dental, hospice/ palliative care, cancer services, cardiology, renal dialysis, surgical and respiratory services. It is an expanding regional health service facilitated by a helipad, allowing for rapid transfer of patients both in and out of the health service incorporating the Loddon Mallee region, an area the quarter of the size of Victoria. There are a number of campuses, including Bendigo Hospital, based in Bendigo with services extended to many regional settings including Mildura, Echuca, Swan Hill, Kyneton and Castlemaine.

Safe Patient Care Act 2015

Bendigo Health has no matters to report in relation to its obligation under Section 40 of the Safe Patient Care Act 2015.

Freedom of Information

FOI Requests recieved	2023-2024
Total	742
Access granted in full	520
Access granted in part	131
Access denied in full	4
Applications withdrawn	13
No information available	0
Not proceeded with	6
Released outside of FOI Act	57
Not yet finalised	47

Freedom of Information statistics/timeliness

During 2023-24, Bendigo Health received 742 applications. Of these requests, there were none from Members of Parliament or the media, and the remainder from the general public.
Bendigo Health made 818 FOI decisions during the 12 months ended 30 June 2024.
There were 536 decisions made within the statutory time periods. Of the decisions made outside time, 200 were made within a further 45 days and 75 decisions were made in greater than 45 days.
A total of 803 FOI access decisions were made where access to documents was granted in full, granted in part or denied in full. Eight decisions were made after mandatory extensions had been applied or extensions were agreed upon by the applicant. Of requests finalised, the average number of days over / under the statutory time (including extended timeframes) to decide the request was 20.7 days.
During 2023-24, two requests were subject to a complaint/internal review by Office of the Victorian Information Commissioner. No requests progressed to the Victorian Civil and Administrative Tribunal (VCAT).

STATUTORY COMPLIANCE (CONTINUED)

Carers Recognition Act 2012

The Health Service has taken all practical measures to comply with its obligations under the Act. These include:

- promoting the principles of the Act to people in care relationships who receive our services and to the wider community (e.g. distributing printed material about the Act at community events or service points; providing links to Victorian Government resource materials on our website; providing digital and/or printed information about the Act to our partner organisations)
- considering the care relationships principles set out in the Act when setting policies and providing services (e.g. reviewing our employment policies such as flexible working arrangements and leave provisions to ensure that these comply with the statement of principles in the Act; developing a satisfaction survey for distribution at assessment and review meetings between workers, carers and those receiving care)

Building Act 1993

Bendigo Health complies with the Building Act 1993 under the guidelines for publicly owned buildings issued by the Minister for Finance 1994 in all redeveloped and maintenance issues. The Bendigo Hospital is maintained by a Public Private Partnership (PPP) through Spotless for a period of 25 years.

Buildings are assessed based on the services being delivered and the Class of building. All Bendigo Health Controlled Buildings are constructed in accordance with the National Construction Code (NCC) and relevant Australian standards at the time of construction.

Major works projects (greater than $50,000) completed this year:

- Golden Oaks Nursing Home Refurbishment
- Clinical Services Campus refurbishment
- Demolition of Golden Oaks Village Units 11-40

Number of building permits, occupancy permits, or certificate of final inspection issued in relation to buildings owned by the department or entity:

- Certificates of final inspection (CFI's) – 2
- Building Permits - 3

Maintenance works on existing building is reported and captured within the QFM maintenance system. Planned and Preventative maintenance inspections are scheduled and completed via Excel spreadsheet and paper based work orders.

There have been no emergency orders or building orders issued relating to Bendigo Health controlled buildings
No buildings were brought into conformity with building standards during the reporting period.

Car Parking Fees

Bendigo Health complies with the Victorian Government hospital circular on car parking fees and details of car parking fees and concession benefits can be viewed at:
https://www.bendigohealth.org.au/Parking

Local Jobs First Act 2023

The Victorian Government's Local Jobs First Policy consists of the Victorian Industry Participation Policy (VIPP) and the Major Project Skills Guarantee (MPSG). The VIPP ensures that small and medium enterprises are provided an opportunity to compete for Victorian Government contracts, and applies to projects in regional Victoria with a value >$1M. The MPSG ensures that a percentage of total hours worked on construction projects is undertaken by apprentices, trainees and cadets and applies to projects with a value >$20M.
During 2023-24, Bendigo Health did not contract any projects that triggered the threshold for the MPSG.
During 2023-24, Bendigo Health had two projects in the commenced phase for the VIPP, and the Industry Capability Network (ICN) was engaged to determine which goods and services within in those projects were contestable.

STATUTORY COMPLIANCE (CONTINUED)

The tender documents for these projects included details of the contestable goods and services a requirement for a local industry development plan (LIDP) to be prepared and submitted by a potential contractor with their tender response. The LIDP is then incorporated in the contract with the successful contractor, and they must report against the commitments made in the plan to the ICN on a regular basis.

During 2023-24, Bendigo Health did not have any projects move to the completed phase. Projects in this category allow Bendigo Health to report the actual results achieved against the commitments made in a contractor's LIDP for a project.

Bendigo Health had two projects in the commenced category (iv): Golden Oaks Nursing Home Refurbishment and SAP SuccessFactors Implementation Services
We had zero projects in the completed category (v).

GONH Refurbishment Project		
Local content	88.7760%	
Employment	5.8022	AAE (same as FTE) created in Victoria
	0.7912	AAE retained in Victoria
	0.9231	Above # includes this AAE for apprentices/trainees/ cadets
SME in supply chain (vi)	97	

Success Factors Implementation Services project		
Local content	100%	
Employment	0	AAE (same as FTE) created in Victoria
	3.8742 1.8196	AAE retained in Victoria AAE retained in ANZ
	0	Above # includes this AAE for apprentices/trainees/ cadets
SME in supply chain (vi)	0	

Gender Equality Act 2020

The Victorian Gender Equality Act passed through Parliament in February 2020. The Act is a founding reform under Safe and Strong: A Victorian Gender Equality Strategy, and sets out a number of new obligations for the Victorian public sector, universities and local councils to plan, implement strategies and report on gender equality in the workplace. Bendigo Health has focused on strategically compiling data about its workforce on which to make informed decisions determining a plan of action comprising initiatives to address issues specific to the organisation in relation to gender equality.

Public Interest Disclosure Act 2012

Under the Public Interest Disclosures Act 2012 (Formerly Protected Disclosure Act 2012) Bendigo Health has a protocol, including policy, consistent with the requirements of the act that supports staff to disclose serious misconduct or corruption within the organisation and public health services in Victoria.

STATUTORY COMPLIANCE (CONTINUED)

National Competition Policy

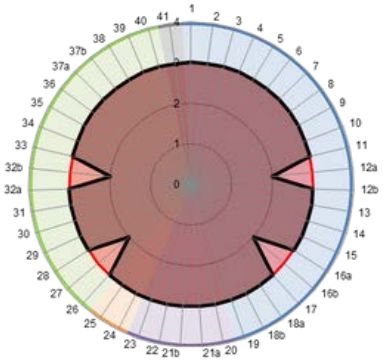
Bendigo Health supports and complies with the National Competition Policy, including the requirements of the Victorian Government's Competitive Neutrality Guide to Implementation. There have been no changes to Bendigo Health's significant business activities during the reporting period. Bendigo Health has not received any complaints in relation to competitive neutrality.

Asset Management Accountability Framework

The following sections summarise Bendigo Health assessment of maturity against the requirements of the Asset Management Accountability Framework (AMAF). The AMAF is a non-prescriptive, devolved accountability model of asset management that requires compliance with 41 mandatory requirements. These requirements can be found on the DTF website (https://www.dtf.vic.gov.au/infrastructure-investment/asset-management-accountability-framework). The Bendigo Health target maturity rating is 'competence', meaning systems and processes fully in place, consistently applied and systematically meeting the AMAF requirement, including a continuous improvement process to expand system performance above AMAF minimum requirements:

Results:

Status	Scale
Not Applicable	N/A
Innocence	0
Awareness	1
Developing	2
Competence	3
Optimising	4
Unassessed	U/A
Target	
Overall	



Additional information available on request

Details in respect of the items listed above have been retained by the health service and are available to the relevant Ministers, Members of Parliament and the public on request (subject to the freedom of information requirements, if applicable):

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

STATUTORY COMPLIANCE (CONTINUED)

Details of Consultancies (under $10,000)

In 2023-2024, there were four consultancies where the total fees payable to the consultants were less than $10,000. The total expenditure incurred during 2023-2024, in relation to these consultancies is $20,668 (excluding GST).

Details of Consultancies (over $10,000)

In 2023-2024, there were four consultancies where the total fees payable to the consultants were $10,000 or greater. The total expenditure incurred during 2023-2024, in relation to these consultancies is $421,626 (excluding GST). They are listed in the table below.

Consultant	Purpose of Consultancy	Start Date	End Date	Expenditure	
				2023-2024 (ex. GST)	Future (ex. GST)
Beamible Pty Ltd	Development of work design program	Oct-23	Oct-23	10	0
Clinical Documentation Improvement Australia Pty Ltd	Auditing services of clinical documentation	Apr-24	May-24	48	0
Deloitte Touche Tohmatsu	Successfactors implementation HSV partner	Mar-24	Jun-24	219	94
Complete the Picture	Strategic advice on Specialist Clinics and Cardiology Services	Jan-24	Jun-24	145	0

STATUTORY COMPLIANCE (CONTINUED)

Information and Communication Technology (ICT) Expenditure

The total ICT expenditure incurred during 2023-2024 is $ million (excluding GST) with the details shown below:

Business as Usual (BAU) ICT Expenditure	Non Business as Usual (BAU) ICT Expenditure		
Total (excluding GST)	Total = Operational and Capital Expenditure (excluding GST)	Operations Expenditure (excluding GST)	Capital Expenditure (excluding GST)
$22.477 million	$7.285 million	$0.265 million	$7.020 million

Occupational Health and Safety

Occupational Health and Safety Statistics	2020-2021	2021-2022	2022-2023	2023-2024
The number of reported hazards/incidents for the year per 100 FTE	38.801	32.602	34.332	38.045
The number of 'lost time' standard WorkCover claims for the year per 100 FTE	1.40	1.19	0.74	1.69
The average cost per WorkCover claim for the year ('000)	$84,555	$122,666	$51,916	$68,965

Occupational Violence

Occupational Violence Statistics	2023-2024
Workcover accepted claims with an occupational violence cause per 100 FTE	0.414178
Number of accepted Workcover claims with lost time injury with an occupational violence cause per 1,000,000 hours worked.	1.82
Number of occupational violence incidents reported	489
Number of occupational violence incidents reported per 100 FTE	14.47
Percentage of occupational violence incidents resulting in a staff injury, illness or condition	48.06%

STATUTORY COMPLIANCE (CONTINUED)

Environmental Performance

VHBA EDMS Report Public environment report - Bendigo Health Organisation Hierachy - 2023 -2024			
ELECTRICITY USE	**2023-2024**	**2022-2023**	**2021-2022**
EL1 Total electricity consumption segmented by source [MWh]			
Purchased	22,109.33	22,891.35	20,021.67
Self-generated	1,184.10	2,939.67	5,975.08
EL1 Total electricity consumption [MWh]	23,293.43	25,831.02	25,996.75
EL2 On-site electricity generated [MWh] segmented by:			
Consumption behind-the-meter			
Solar Electricity	225.77	217.52	238.84
Cogeneration Electricity	958.33	2,722.15	5,736.24
Total Consumption behind-the-meter [MWh]	1,184.10	2,939.67	5,975.08
Exports			
Total Electricity exported [MWh]			
EL2 Total On-site electricity generated [MWh]	1,184.10	2,939.67	5,975.08
EL2 On-site installed generation capacity [kW converted to MW] segmented by:			
Cogeneration Plant	1.60	1.60	1.60
Diesel Generator	8.43	8.43	8.43
Solar System	0.30	0.30	0.20
EL3 Total On-Site installed generation capacity [MW]	10.33	10.33	10.23
LGCs voluntarily retired on the entity's behalf			
Green Power			
RPP (Renewable Power Percentage in the grid)	4,156.55	4,303.57	3,722.03
Certified climate active carbon neutral electricity purchased			
EL4 Total electricity offsets [MWh]	4,156.55	4,303.57	3,722.03

STATUTORY COMPLIANCE (CONTINUED)

Environmental Performance continued

STATIONARY ENERGY	2023-2024	2022-2023	2021-2022
F1 Total fuels used in buildings and machinery segmented by fuel type [MJ]			
Natural gas	115,344,367.10	110,751,638.50	129,682,209.30
Diesel		961,062.70	
F1 Total fuels used in building [MJ]	115,344,367.10	111,712,701.20	129,682,209.30
F2 Greenhouse gas emissions from stationary fuel consumption [Tonnes CO2-e]			
Natural Gas	5,943.70	5,707.03	6,682.52
Diesel		67.47	
F2 Greenhouse gas emissions from stationary fuel consumption [Tonnes CO2-e]	5,943.70	5,774.50	6,682.52
TRANSPORTATION ENERGY	**2023-2024**	**2022-2023**	**2021-2022**
T1 Total energy used in transportation (vehicle fleet) within the Entity segmented by fuel type [MJ]			
Non-executive fleet - Gasoline	607,532.00	211,329.00	
Petrol	607,532.00	211,329.00	
Non-emergency transport (Health service operated) - E10		5,320,694.90	
Non-executive fleet - E10			
Petrol (E10)		5,320,694.90	
Non-executive fleet - Diesel	172,634.90	240,462.80	229,237.60
Diesel	172,634.90	240,462.80	229,237.60
Total energy used in transportation (vehicle fleet) [MJ]	780,166.90	5,772,486.70	229,237.60
T2 Number and proportion of vehicles in the organisational boundary segmented by engine/fuel type and vehicle category			
T3 Greenhouse gas emissions from transportation (vehicle fleet) segmented by fuel type [tonnes co2-E]			
Non-executive fleet - Gasoline	41.08	14.29	
Petrol	41.08	14.29	
Non-emergency transport (Health service operated) - E10		324.02	
Non-executive fleet - E10			
Petrol (E10)		324.02	
Non-executive fleet - Diesel	12.16	16.93	16.14

STATUTORY COMPLIANCE (CONTINUED)

Environmental Performance continued

	2023-2024	2022-2023	2021-2022
Diesel	12.16	16.93	16.14
Total Greenhouse gas emissions from transportation (vehicle fleet) [Tonnes CO2-e]	53.24	355.24	16.14
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			
T(opt1) Total vehicle travel associated with entity operations [1,000km]			
Total vehicle travel associated with entity operations [1,000km]			
T(opt2) Greenhouse gas emissions from vehicle fleet [Tonnes CO2-e per 1,000km]			
Tonnes CO2-e per 1,000km			
TOTAL ENERGY USE	**2023-2024**	**2022-2023**	**2021-2022**
E1 Total energy usage from fuels, including stationary fuels (F1) and transport fuels (T1) [MJ]			
Total usage from stationary fuels (F1) [MJ]	115,344,367.10	112,846,210	129,651,787
Total energy usage from transport (T1) [MJ]	780,166.90	5,772,486.70	229,237.60
Total energy usage from fuels, including stationary fuels (F1) and transport fuels (T1) [MJ]	116,124,534.00	118,618,697	129,811,025
E2 Total energy usage from electricity [MJ]			
Total energy usage from electricity [MJ]	83,856,345.52	92,991,675.43	93,588,311.78
E3 Total energy usage segmented by renewable and non-renewable sources [MJ]			
Renewable	15,776,372.27	16,808,007.42	14,259,137.99
Non-renewable (E1+E2-E3 Renewable)	185,017,286.65	194,451,927.40	210,100,454.60
E4 Units of Stationary Energy used normalised: (F1+E2)/normaliser			
Energy per unit of Aged Care OBD [MJ/Aged Care OBD]	2,320.55	2,546.83	2,636.17
Energy per unit of LOS [MJ/LOS]	1,078.79	1,117.43	
Energy per unit of bed-day (LOS+Aged Care OBD) [MJ/OBD]	736.43	776.67	2,636.17
Energy per unit of Separations [MJ/Separations]	3,465.75	3,786.89	
Energy per unit of floor space [MJ/m2]	1,711.66	1,758.95	1,918.48
SUSTAINABLE BUILDINGS AND INFRASTRUCTURE	**2023-2024**	**2022-2023**	**2021-2022**
B1 Discuss how environmentally sustainable design (ESD) is incorporated into newly completed entity-owned buildings			
B2 Discuss how new entity leases meet the requirement to preference higher-rated office buildings and those with a Green Lease Schedule			

STATUTORY COMPLIANCE (CONTINUED)

Environmental Performance continued

	2023-2024	2022-2023	2021-2022
B3 NABERS Energy (National Australian Built Environment Rating system) rating of newly completed/occupied Entity-owned office buildings and substantial tenancy fit-outs itemised			
B4 Environmental performance ratings (eg. NABERS, Green Star, or ISCAIC rating scheme) of newly completed Entity-owned non-office building or infrastructure projects or upgrades with a value of over $1 million			
NABERS Energy			
B5 Environmental performance rating achieved for Entity-owned assets portfolio			
Rating Scheme			
SUSTAINABLE PROCUREMENT - WATER USE	**2023-2024**	**2022-2023**	**2021-2022**
W1 Total units of metered water consumed by water source (kl)			
Potable water [kL]	**167,268**	**158,193**	**151,213**
Total units of water consumed [kl]	**167,268**	**158,193**	**151,213**
W2 Units of metered water consumed normalised by FTE, headcount, floor area, or other entity or sector specific quantity			
Water per unit of Aged Care OBD [kL/Aged Care OBD]	1.95	1.97	1.78
Water per unit of LOS [kL/LOS]	0.91	0.86	
Water per unit of bed-day (LOS+Aged Care OBD) [kL/OBD]	0.62	1.93	0.61
Water per unit of Separations [kL/Separations]	2.91	4.30	2.79
Water per unit of floor space [kL/m2]	1.44	1.36	1.30
WASTE AND RECYCLING	**2023-2024**	**2022-2023**	**2021-2022**
WR1 Total units of waste disposed of by waste stream and disposal method [kg]			
Landfill (total)			
General waste - bins	133,606.08	195,888.24	197,264.56
General waste - compactors	371,100.00	497,540.00	485,420.00
General waste - skips	12,282.00	62,224.50	66,109.50
Offsite treatment			
Clinical waste - incinerated	7,656.03	10,413.52	10,133.72
Clinical waste - sharps	9,172.98	12,935.45	11,996.21
Clinical waste - treated	72,097.55	112,811.56	127,047.06

STATUTORY COMPLIANCE (CONTINUED)

Environmental Performance continued

	2023-2024	2022-2023	2021-2022
Recycling/recovery (disposal)			
Batteries	**938.00**	**1,188.00**	**2,485.00**
Blister packs	292.50		
Cardboard	97,636.16	73,557.81	44,801.61
Commingled	98,720.83	65,045.90	35,150.00
E-waste	**5,325.00**	**12,302.00**	**1,560.00**
Fluorescent tubes	261.80	198.00	258.00
Grease traps			
Mattresses	115.00	2,376.00	4,920.00
Metals	49,003.00	21,976.87	
Mobile phones	300.00	250.00	
Organics (food)	15,840.00	65,435.00	18,850.00
Organics (garden)	33,282.85	9,671.04	4,377.52
Other recycling	**3,859.87**	**2,256.50**	**700.00**
Packaging plastics/films	28,357.71	72,695.62	24,860.00
Paper (confidential)	29,869.96	26,248.74	24,525.00
Polystyrene foam	2,940.00	680.48	87.52
PVC	1,562.00	1,148.00	1,165.00
Sterilisation wraps	5,504.74	5,030.00	4,080.00
Reused Beds and Furniture	1,275.00		
Reused Medical Supplies and Equipment	1,976.00		
Reused Textiles	504.00		
Toner and printer cartridges	564.70	427.42	368.14
Wood	6,818.00	10,693.00	1,020.00
Total units of waste disposed [kg]	**990,861.77**	**1,262,993.65**	**1,067,178.84**

STATUTORY COMPLIANCE (CONTINUED)

Environmental Performance continued

	2023-2024	2022-2023	2021-2022
WR1 Total units of waste disposed of by waste stream and disposal method [%]			
Landfill (total)			
General waste	52.18%	59.83%	70.17%
Offsite treatment			
Clinical waste - incinerated	0.77%	0.82%	0.95%
Clinical waste - sharps	0.93%	1.02%	1.12%
Clinical waste - treated	7.28%	8.93%	11.90%
Recycling/recovery (disposal)			
Batteries	0.09%	0.09%	0.23%
Blister packs	0.03%		
Cardboard	9.85%	5.82%	4.20%
Comingles	9.96%	5.15%	3.29%
E-waste	0.54%	0.97%	0.15%
Fluorescent tubes	0.03%	0.02%	0.02%
Grease traps			
Mattresses	**0.01%**	**0.19%**	**0.46%**
Metals	4.95%	1.74%	
Mobile phones	0.03%	0.02%	
Organics (food)	1.60%	5.18%	1.77%
Organics (garden)	3.36%	0.77%	0.41%
Other recycling	0.39%	0.18%	0.07%
Packaging plastics/films	2.86%	5.76%	2.33%
Paper (confidential)	3.01%	2.08%	2.30%
Polystyrene	0.30%	0.05%	0.01%
PVC	0.16%	0.09%	0.11%

STATUTORY COMPLIANCE (CONTINUED)

Environmental Performance continued

	2023-2024	2022-2023	2021-2022
Reused Beds and Furniture	0.13%		
Reused Medical Supplies and Equipment	0.20%		
Reused Textiles	0.05%		
Sterilisation wraps	0.56%	0.40%	0.38%
Toner and print cartridges	**0.06%**	**0.03%**	**0.03%**
Wood	0.69%	0.85%	0.10%
WR2 Percentage of office sites covered by dedicated collection services for each waste stream			
Print cartridges			
Batteries			
E-waste			
Soft plastics			
WR3 Total units of waste disposed normalised by FTE, headcount, floor area, or other entity or sector specific quantity, by disposal method			
Total waste to landfill per PPT [(kg general waste)/PPT]	2.07	3.35	2.984
Total waste to offsite treatment per PPT [(kg offsite treatment)/PPT]	0.23	0.36	1.00
Total waste recycled and reused per PPT [(kg recycled and reused)/PPT]	0.99	0.98	1.14
WR4 Recycling rate [%]			
Weight of recyclable and organic materials [kg]	384,947.13	371,180.38	169,207.79
Weight of total waste [kg]	**990,861.77**	**1,262,993.65**	**1,067,178.84**
Recycling rate [%]	38.85%	29.39%	15.86%
WR5 Greenhouse gas emissions associated with waste disposal [tonnes CO2-e]			
tonnes CO2-e	784.47	1,154.98	1,163.10
GREENHOUSE GAS EMISSIONS	**2023-2024**	**2022-2023**	**2021-2022**
G1 Total scope one (direct) greenhouse gas emissions [tonnes CO2e]			
Carbon Dioxide	5,981.72	6,113.62	6,681.69
Methane	11.55	11.38	12.97
Nitrous Oxide	3.67	4.74	4.01
Total	5,997.00	5,797.00	9,291.00

STATUTORY COMPLIANCE (CONTINUED)

Environmental Performance continued

	2023-2024	2022-2023	2021-2022
Scope 1 GHG emissions from stationary fuel (F2 Scope 1) [tonnes CO2-e	5,943.70	5,774.50	6,682.52
Scope 1 GHG emissions from vehicle fleet (T3 Scope 1) [tonnes CO2-e	**53.24**	**355.24**	**16.14**
Medical/Refrigerant gases			
Total scope one (direct) greenhouse gas emissions [tonnes CO2e]	5,996.93	6,129.74	6,698.67
G2 Total scope two (indirect electricity) greenhouse gas emissions [tonnes CO2e]			
Electricity	14,542.00	15,725.26	18,219.00
Total scope two (indirect electricity) greenhouse gas emissions [tonnes CO2e	**14,542.00**	**15,725.26**	**18,219.00**
G3 Total scope three (other indirect) greenhouse gas emissions associated with commercial air travel and waste disposal (tonnes CO2e)			
Commercial air travel			
Waste emissions (WR5)	784.47	1,154.98	1,163.10
Indirect emissions from Stationary Energy	2,256.65	2,485.70	2,116.09
Indirect emissions from Transport Energy	13.44	34.00	0.83
Paper emissions	280.69	268.02	283.23
Any other Scope three emissions			
Total scope three greenhouse gas emissions [tonnes CO2e]	**3,335.25**	**3,942.70**	**3,563.25**
G(Opt) Net greenhouse gas emissions (tonnes CO2e)			
Gross greenhouse gas emissions (G1 + G2 + G3) [tonnes CO2e]	23,873.93	25,797.69	24,882.70
Carbon Neutral Electricity			
Green Power Electricity			
Purchased LGCs			
Any Offsets purchased			
Net greenhouse gas emissions [tonnes CO2e]	23,873.93	25,797.69	24,882.70

STATUTORY COMPLIANCE (CONTINUED)

Environmental Performance continued

NORMALISATION FACTORS	2023-2024	2022-2023	2021-2022
1000km (Corporate)			
1000km (Non-emergency)			
Aged Care OBD	85,842.00	82,123.00	84,695.00
ED Departures	59,376.00	61,456.00	63,892.00
FTE	3,278.00	2,946.00	2,903.00
LOS	184,652.00	161,878.00	161,878.00
OBD	270,494.00	247,918.00	247,918.00
PPT	387,347.00	298,479.00	365,947.00
Separations	57,477.00	51,450.00	54,137.00
Total/Area M2	116,379.00	116,379.00	116,379.00

NOTE: Indicators are not reported where data is unavailable or an indicator is not relevant to the organisation's operations

STATUTORY COMPLIANCE (CONTINUED)

Social Procurement Reporting

Bendigo Health's Social Procurement Strategy identified three key Social and Sustainable Procurement Framework objectives for the organisation, based on a list of 10 objectives published by the Victorian Government in its Social Procurement Framework:

1. Opportunities for Victorians with a disability
2. Sustainable Victorian regions
3. Environmentally sustainable business practices

The outcomes of these objectives for the 2023-24 financial year are listed in the two tables below.

SOCIAL PROCUREMENT ACTIVITIES AND COMMITMENTS	
Reporting period:	2023–24
Reporting entity:	Bendigo Health
Overall social procurement activities	2023–24
Number of social benefit suppliers engaged during the reporting period	16
Total amount spent with social benefit suppliers (direct spend) during the reporting period ($ GST exclusive)	$345,452
Total number of mainstream suppliers engaged that have made social procurement commitments in their contracts with the Victorian Government	Unknown
Total number of contracts that include social procurement commitments	We estimate 250 including HealthShare Victoria contracted suppliers
	266

2023-24 SPF REPORTING

NB: Departments and agencies only need to report on objectives / outcomes where they have both achievements and meaningful data.

SOCIAL PROCUREMENT FRAMEWORK (SPF) OBJECTIVE	METRIC	UNIT OF MEASURE	2023-2024 (ACTUAL)
Opportunities for Victorian Aboriginal people	Total number of Victorian Aboriginal people employed by Victorian Government suppliers on Victorian Government contracts	Number	
	Total spend with Victorian Aboriginal businesses [1]	$ (GST Exclusive)	43,511
	Number of Victorian Aboriginal businesses [8] engaged	Number	2
Opportunities for Victorians with disability	Total number of Victorians with disability employed by Victorian Government suppliers on Victorian Government contracts	Number	
	Total spend with Victorian social enterprises [2] led by a mission for people with disability and BuyAbility Social Enterprises	$ (GST exclusive)	107,999
	Number of Victorian social enterprises 9 led by a mission for people with disability and Australian Disability Enterprises (ADEs) engaged	Number	7
Sustainable Victorian social enterprises and Aboriginal business sectors	Total spend with Victorian Aboriginal businesses 9	$ (GST exclusive)	43,511
	Number of Victorian Aboriginal businesses 9 engaged	Number	2
	Total spend with other Victorian social enterprises 8	$ thousands (GST exclusive)	298,111
	Number of other Victorian social enterprises 8 engaged	Number	13

[1] Victorian Aboriginal businesses verified by Kinaway and/or Supply Nation
[2] Victorian social enterprises certified by Social Traders

STATUTORY COMPLIANCE (CONTINUED)

Mental Health and Wellbeing principles

Dignity and autonomy, Diversity and Gender Safety princples

Through the implementation of the Mental Health and Wellbeing Act 2022 (MHWA22) Bendigo Health's Mental Health and Wellbeing (MHW) directorate reviewed all training, staff and consumer resources, advocacy programs, feedback pathways and policies and protocols. This was to ensure the principles of the act, including dignity and autonomy, was accurately reflected and implemented in a meaningful and sustainable way. Bendigo Health makes consumers and their support persons aware of their rights and responsibilities and how they can exercise them while receiving treatment and support – either voluntarily or under the MHWA22 – as part of standard care provision.

Information is provided verbally and in written communication. It is reiterated throughout a person's care, in a language and manner that best suits their needs. Information regarding independent advocacy agencies is provided by the service and staff to help consumers get further support to exercise their rights.

Multiple options for feedback from consumers are in place and continually reviewed by Bendigo Health. These include a consumer designed survey provided on discharge to all consumers and their support persons. Focus groups are in place – some of which are run by Lived Experience staff of the service – and anonymous suggestion and feedback boxes are located throughout all our services.

All feedback is collected and presented to the teams at a service level and areas for improvement are identified and addressed.

Specific service roles have been created to further strengthen work relevant to the principles of Diversity and Gender.

The roles include; a Mental Health Spiritual Care Practitioner, Koorie Mental Health Liaison Officer (both inpatient and community based), Women's Mental Health Workers and Mental Health Peer Support Workers.

Work to strengthen external partnerships continues. This includes; formal partnerships with MIND Australia, the Bendigo and District Aboriginal Co-operative (BDAC), Njernda Aboriginal Corporation and the Mallee District Aboriginal Services (MDAS). Partnerships have been created with Thorne Harbour Health and local alcohol and other drug services in the delivery of care and the establishment of Local Mental Health and Wellbeing services in Bendigo and Echuca.

Refurbishment works to improve the physical environment of the Intensive Care Area (ICA) of the Adult Acute inpatient Unit (AAU) will start in coming months.

STATUTORY COMPLIANCE (CONTINUED)

Operational and Financial Performance

Bendigo Health budgeted for an operating result of $20.48M deficit (as per Statement of Priorities). However the operating result was $16.12M deficit for the 2023-2024 financial year, notably ahead of budget.

	2024 $	2023 $	2022 $	2021 $	2020 $
OPERATING RESULT	(16,119)	499	491	313	(2,032)
Total revenue	786,653	765,141	698,549	618,824	543,650
Total expenses	814,300	757,536	706,854	634,725	571,725
Net result from transactions	(27,647)	7,605	(8,305)	(15,901)	(28,075)
Total other economic flows	1,032	(1,633)	2,146	7,202	(1,623)
Net results	(26,615)	5,972	(6,159)	(8,699)	(29,698)
Total assets	1,543,743	1,069,213	979,744	932,317	928,763
Total liabilities	485,751	476,306	476,699	477,374	491,486
Net assets/total equity	1,057,992	592,907	503,045	454,943	437,277

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

Reconciliation between the Net result from transactions and to the Statement of Priorities Operating Result

	2023-2024 ($000)
Net operating results	(16,119)
Capital purpose income	47,288
COVID 19 State Supply Arrangements - Assets received free of charge or for nil consideration under the State Supply	422
COVID 19 State Supply Arrangements - State supply items consumed up to 30 June 2024	(422)
Expenditure for capital purpose	(3,948)
Depreciation and Amortisation	(32,729)
Finance Costs (other)	(22,139)
Net gain/(loss) on Non-Financial Assets	237
Net gain/(loss) on Financial Instruments	(1,977)
Other gains/(loses) from Other Economic Flows	(2,772)
Net result from transactions	(26,615)

STATEMENT OF PRIORITIES

PART A (CONTINUED)

EXCELLENCE IN CLINICAL GOVERNANCE

Goals

Improve access to timely emergency care by implementing strategies that improve whole of system patient flow to reduce Emergency Department wait times and improve ambulance to health service handover times.

Bendigo Health response

Bendigo Health has introduced and consolidated the position of the Clinical Initiatives Nurse in our Emergency Department waiting room, which allows patients to be assessed promptly, escalation to senior medical staff and also assists with patients waiting on ambulance stretchers. A clear process has been developed and introduced to ensure patients are admitted to their speciality areas.

Early discharging in the medical wards and subacute areas has improved hospital flow. We identify patients for discharge the day before and have increased hours, staffing and capacity at the discharge lounge to ensure the hospital has earlier access to beds.

Orthopaedic wards have introduced criteria-led discharging for elective hip joint replacement and total knee replacements.

STATEMENT OF PRIORITIES

PART A (CONTINUED)

Goals

Maintain commitment to driving planned surgery reform in alignment with the Surgery Recovery and Reform Program, as well as identify and implement local reform priorities.

Bendigo Health response

Bendigo Health progressed a number of surgical optimisation pathways in 2023/24 financial year aligned with Safer Care Victoria's recommendations.

The Colorectal Preadmission Clinic is helping reduce length of stay. Compared to patients who underwent colorectal surgery in 2021, patients who underwent Colorectal Surgery and attended the preparation clinic in 2023 observed a decrease in length of stay (LOS) by 0.8 day.

A head and neck surgery pre-admission clinic was established. Compared to patients who underwent head and neck surgery in 2022, patients attending the multidisciplinary pre-surgery preparation clinic had a decrease in length of stay by 0.4 day.

A surgical prehabilitation clinic improved preparation of patients prior to surgery. A decrease in BMI for all patients was observed including those undergoing hernia surgeries.

Other successes include:

- Pathways mapping completed at organisations to assist introducing new processes to manage Planned Surgery Preparation lists.
- Where required, wait list modules in patient administration systems were activated
- Mentoring on the data collecting aspects of managing a preparation list was arranged

A series of theatre efficiency workshops were conducted through the engagement of a consultant. Bendigo Health, Dhelkaya Health, Mildura Base Public Health, Swan Hill District Health, Kerang District Health and Echuca Regional Health agreed to use consistent theatre efficiency definitions and metrics to facilitate benchmarking and future collaboration across Loddon Mallee Health Network (LMHN) organisations. A suite of PowerBi surgery and theatre reports were improved and developed by Bendigo Health.

Bendigo Health actioned a contract with West Metro Health Service Partnership to access a suite of patient education videos to implement a Virtual Surgery School. Each LMHN organisation will develop their model of care and implementation plan.

Bendigo Health increased the number of Service Level Agreements with LMHN organisations including Echuca Regional Health and Swan Hill District Health. This increase in capacity will help more patients waiting for surgery on Bendigo Health's Elective Surgery Waiting List to have their surgery earlier at other LMHN organisations where appropriate and safe.

STATEMENT OF PRIORITIES

PART A (CONTINUED)

Goals

Develop strong and effective systems to support early and accurate recognition and management of deterioration of paediatric patients.

Bendigo Health response

Protocols and auditing processes to manage effective monitoring and escalation of deterioration in paediatric patients via VICTOR charts are captured through reporting MET and Code Blue data at deteriorating patient committee. VICTOR "track and trigger" observation charts and escalation systems are embedded within the organisation. A robust education program for staff is in place across the organisation to support the use of VICTOR "track and trigger" tool to identify and initiate a prompt response to deteriorating paediatric patient conditions.

WORKING TO ACHIEVE LONG TERM FINANCIAL SUSTAINABILITY

Goals

Co-operate with and support Department-led reforms that look towards reducing waste and improving efficiency to address financial sustainability, operational and safety performance, and system management.

Bendigo Health response

Bendigo Health has continued to review and refine our spend profile across the organisation whilst ensuring the care requirements of our community are met. We have identified a number of cost savings through streamlining processes and optimising workflows across both clinical and non-clinical areas. This continues to ensure Bendigo Health remains cost effective and has assisted us in providing a financial result ahead of SOP target.

Bendigo Health participated in the Victorian Government's Timely Excellent Care Collaborative (TECC) from Jan 2023-June 2024. Twelve change ideas relating to our theory of change were tested through the application of PDSA cycles within three workgroup streams – Emergency Department, Inpatient Services and Hospital Wide Operations. Improved strategies included:

- Operating the Discharge Lounge as a seven-day service saw 40% of patients discharged via this area and over 200 bed days saved.
- Introduction of an Inpatient Care Coordinator assisting aged care transition, reducing median length of stay (LOS) for patients requiring transition to aged care by 48 days as of February 2023.
- Increased utilisation of Emergency Department Short Stay Unit reduced LOS by 16%

STATEMENT OF PRIORITIES

PART A (CONTINUED)

IMPROVING EQUITABLE ACCESS TO HEALTHCARE AND WELLBEING

Goals

Address service access issues and equity of health outcomes for rural and regional people including more support for primary, community, home-based and virtual care, and addiction services.

Enhance the provision of appropriate and culturally safe services, programs and clinical trials for and as determined by Aboriginal people, embedding the principles of self- determination.

Bendigo Health response

There is greater executive representation on committees such as the Reconciliation Action Plan Group and the Aboriginal Advisory Committee. Welcome to Country is conducted at significant Bendigo Health events, such as the opening of the Clinical Services Campus, and Acknowledgement of Country is conducted by senior leaders at meetings. Members of the leadership and executive team have taken part in cultural immersion and on country experiences with traditional owners to gain better insights into cultural safety.

Bendigo Health's Aboriginal Advisory Committee continues to meet quarterly which includes extensive reporting of Aboriginal patient data. Our Aboriginal Hospital Liaison Officers (AHLOs) are involved in admission and discharge planning to ensure continuity of care when connecting to external organisations such as local ACCHOs. Our AHLOs provide follow-up support to patients that leave ED without treatment and we monitor and evaluate this data. We work with our ward clerks to ensure patients are asked the question at every entry point and on every presentation to ensure correct identification of patients so that culturally-safe support can be offered. Bendigo Health continues to collaborate with ACCHO's, traditional owners and community elders to ensure the health needs of community are met.

Bendigo Health signed an updated Collaborative Agreement between Women's & Children's Services and Bendigo District Aboriginal Co-operative (BDAC) to facilitate better health outcomes and culturally safe and appropriate care for Aboriginal & Torres Strait Islander women and families that enter Women's & Children's Wards. We have also signed a participation agreement with Dumawul (Djaara – Traditional Owner Corporation) to embed cultural safety and awareness throughout the organisation which includes training, advice, committee representation and on-country experiences to help staff develop their understanding of Aboriginal culture, values and significance.

Bendigo Health has purchased a number of art pieces to promote a more culturally safe environment. This includes artefacts such as a didgeridoo which is located in the main atrium of the hospital on display, and a boomerang in the executive suite. We also have a number of artworks to be hung across clinical areas such as Women's Ward and the Clinical Services Campus with the aim to embed artwork more broadly throughout patient facing areas. Our Culturally Safe Birthing Group have developed cultural gift bags for families presenting when giving birth which includes mini coolamons and clap sticks as well as Aboriginal-specific post-natal care information.

STATEMENT OF PRIORITIES

PART A (CONTINUED)

A STRONG WORKFORCE

Goals

Improve employee experience across four initial focus areas to assure safe, high- quality care: leadership, health and safety, flexibility, and career development and agility.

Bendigo Health response

Bendigo Health's 2023 staff engagement survey indicated improved staff satisfaction scores from 2022 across leadership, safety and wellbeing, flexible working and career development.

Bendigo Health expanded our Corporate Education program to provide further education and development opportunities in the areas of leadership, psychological safety, wellbeing and business skills.

Bendigo Health has implemented various flexible working policies and working arrangements that improve employee experience and uplift our workforce. New and expanded programs implemented in this period include parental leave, transition to retirement, gender affirmation, rostering practices and hybrid working.

Goals

Explore new and contemporary models of care and practice, including future roles and capabilities.

Bendigo Health response

Bendigo Health regularly reviews models of care and is actively working with our local education providers to further expand and build partnerships that will meet our future health workforce needs.

Our work experience program recommenced and is continuing to grow following the removal of COVID restrictions. In addition, a school holiday volunteer work experience program has been established to provide secondary school students experience in a hospital working environment.

The organisation has expanded the engagement of Registered Undergraduate Students of Nursing (RUSON) to support the clinical workforce and as a measure to engage our future nursing workforce early. Scholarship opportunities are available in both clinical and non-clinical professions to support modernisation of skills and capabilities across our workforce.

Our graduate nurse programs continue to provide a high rate of retention to ongoing employment and high levels of satisfaction with the program provided to support our nursing graduates.

STATEMENT OF PRIORITIES

PART A (CONTINUED)

MOVING FROM COMPETITION TO COLLABORATION

Goals

Partner with other organisations (for example community health, ACCHOs, PHNs, General Practice, private health) to drive further collaboration and build a more integrated system.

Bendigo Health response

Bendigo Health continues to partner and engage with local ACCHOs and traditional owner groups, including collaborative agreements with BDAC as well as a participation agreement with Djaara to help embed and improve cultural safety. One of these initiatives is the Culturally Safe Birthing Group which has had representation from the local AAHO and traditional owner group, as well as AHLO staff to develop culturally safe practices for women and families that come to Bendigo Health to birth their babies. This group initially began with a number of internal and external staff providing input, but is now solely facilitated by Aboriginal women. We have also held yarning circles with truth telling to help staff understand the challenges that Aboriginal patients face when entering a mainstream service, and we will continue to hold these yarning circles with ACCHOs, staff and community elders.

Goals

Engage in integrated planning and service design approaches, whilst assuring consistent and strong clinical governance, with partners to join up the system to deliver seamless and sustainable care pathways and build sector collaboration.

Bendigo Health response

The Loddon Mallee Public Health Unit, based within Bendigo Health, have developed the first Loddon Mallee Population Health Plan 2023-2025. The plan was developed using a mixed-method design approach incorporating both quantitative and qualitative approaches. Over 100 organisations participated in planning workshops representing the full diversity of the Loddon Mallee region. Implementation is overseen by the Bendigo Health Primary Care and Population Health Advisory Sub-Committee and three associated sub-regional committees with representatives from the Mallee, Murray and Loddon regions, ensuring a place-based, community informed approach.

STATEMENT OF PRIORITIES

PART A (CONTINUED)

EMPOWERING PEOPLE TO KEEP HEALTHY AND SAFE IN THE COMMUNITY

Goals

Reduce risk factors contributing to the burden of preventable chronic disease through place-based prevention and population health initiatives delivered and coordinated by LPHUs.

Bendigo Health response

The Loddon Mallee Population Health Plan 2023-2025 aims to support delivery of state-wide public health and wellbeing priorities in the Loddon Mallee region in alignment with associated planning cycles. It reflects and supports the implementation of existing Victorian and Municipal Public Health and Wellbeing Plans and provide a basis for action in the Loddon Mallee and Murray sub-regional areas. The plan is supported by regional and sub-regional implementation plans overseen by the sub-regional advisory committees. An overarching evaluation plan has been developed to monitor and measure the plans objectives and outcomes.

The LMPHU supports action on all ten Victorian Public Health and Wellbeing Plan priorities, however the Loddon Mallee Population Health Plan 2023-25 focuses on two regional priorities and one sub-regional priority. The regional priorities are Climate Change and Health and Healthy Food Systems. The sub-regional priority of Mental Wellbeing was selected by all three sub-regions.

The regional and sub-regional implementation plans and activities have been developed through collaboration with stakeholders and partners to ensure we are drawing on existing initiatives, networks or evidence informed programs and services to collaborate on shared priorities and objectives.

The core tools the unit uses to deliver on its objectives and outcomes are:

- Collaborating across sectors, geographic areas and communities to deliver locally-led and informed public health programs.
- Communicating and engaging with community and partners to provide relevant and actionable public health advice and data.
- Capability and capacity building, both internally and externally, to strengthen public health capabilities in the region and safeguard against future threats.

The primary care and population health advisory committee governance framework provides oversight and advice on initiatives that aim to communicate, collaborate and capacity build on shared priorities.

STATEMENT OF PRIORITIES

PART A (CONTINUED)

Goals

Perform authorised health protection functions for the population in their public health catchment.

Bendigo Health response

As part of system-wide reform the LMPHU completed the transition of 83 notifiable conditions, including COVID, from central to local management in January 2024. The establishment of core systems and processes and development of teams has supported taking public health action in line with state-wide protocols.

The Health Protection team operate as part of a networked system across Victoria and are responsible for the public health surveillance and response to communicable disease notifications (including outbreak response), environmental health threats and emergencies within the Loddon Mallee.

Since integration, LMPHU has managed several significant outbreaks including JEV/MVEV following 2022 floods, the shigella outbreak associated with the Esoteric music festival, and a listeriosis outbreak.

The LMPHU receive all notifications for the 83 communicable diseases managed by local public health units. The unit's operating model supports the 24/7 notification of urgent communicable diseases. This has ensured that 100% of all urgent notifications have public health actions commenced within 24 hours.

CARE CLOSE TO HOME

Goals

Identify and develop clinical service models of care that can be delivered via virtual care (videocall, telehealth, remote monitoring) where safe and appropriate to enable care closer to home.

Bendigo Health response

Bendigo Health has worked with the Loddon Mallee Health Network including the Virtual Care Office on the introduction of Remote Patient Monitoring capability within Loddon Mallee Health Services. Regional governance has been through the Better@Home Steering Committee, led by Bendigo Health, to the Quality & Safety regional committee within the LMHN governance framework. The Better@Home steering group commissioned a Clinical Leadership Group with senior clinical and operational representation from each participating Health Service. The Clinical Leadership Group determined appropriate clinical cohorts, oversaw development of management of clinical deterioration pathways and ensured alignment of clinical practice regionally.
The Virtual Care Operating Framework guides the introduction and expansion of Virtual Care capability, with the Virtual Care Office engaging frequently with the Victorian Government Virtual Care team.

STATEMENT OF PRIORITIES

PART A (CONTINUED)

The Regional Community Platform has been designed to adhere to the National Safety and Quality Health Service (NSQHS) Standards.

The platform's Virtual Care module is aligned with the Recognising and Responding to Acute Deterioration standard, incorporating digital clinical observations to support the effective management of clinical deterioration.

Extensive engagement with consumers has occurred in the design of the Patient Portal, aligning with Partnering with Consumers standard, and regional engagement of clinicians in the design and function of the platform with Loddon Mallee Quality & Safety governance aligns with Clinical Governance standard. Access to the platform is secured following stringent security standards.

Goals

Improve health and wellbeing outcomes for people living in rural and regional areas by increasing access to care delivered remotely, closer to, or in their homes.

Bendigo Health response

Regular engagement occurs between Bendigo Health and other services in the Loddon Mallee to support referral pathways. Bendigo Health has led the Loddon Mallee Better@Home program of work focused on the expansion of home-based care regionally. Large centres were the focus of activity expansion, facilitating growth and provision of care at or closer to home. Engagement of rural health services focused on increasing capability and connection with larger local services to streamline patient pathways.

Bendigo Health has participated as Remote Patient Monitoring was implemented in all Loddon Mallee Health Services Hospital in the Home and GEM@Home services, creating Virtual Wards within five of the 15 health services. Additionally, all health services will have Remote Patient Monitoring in place, focused on care in the community for patients with chronic conditions, in order to reduce preventable presentations and hospitalisations.

STATEMENT OF PRIORITIES

PART A (CONTINUED)

A HEALTH SYSTEM THAT TAKES EFFECTIVE CLIMATE ACTION

Goals

Reduce clinical and operational practices that are wasteful and environmentally harmful to effectively contribute towards achieving net zero emissions across the health, wellbeing, and care system, including by delivering more energy efficient health services.

Bendigo Health response

Bendigo Health has liaised with key stakeholders and staff to develop waste minimization practices. All waste data is recorded in EDMS and indicates the impacts of our recycling rate per patient is increasing each reporting year. Education is targeted at clinical practices to ensure correct waste segregation which provides positive environmental outcomes.

Goals

Implement climate adaptation initiatives to support the health service's resilience and prepare for future challenges.

Bendigo Health response

Loddon Mallee Public Health Unit (LMPHU), has developed the Loddon Mallee Climate Change and Health Framework that aims to assist health and community organisations in the Loddon Mallee region identify and reduce the impacts of climate change on the health and wellbeing of our community, particularly for people experiencing systemic disadvantage.

The framework:

- demonstrates how climate change impacts people's health and wellbeing
- demonstrates the co-benefits of climate change action and health outcomes
- identifies opportunities for organisations to work in the climate change adaptation
- provides a framework for organisations to implement climate change adaptation and mitigation action
- supports evaluation of effort with the inclusion of suggested indicators and associated data sources
- provides recommendations for the implementation this framework.

The framework was launched via the Loddon Mallee Health Network in September 2023 and since provided a platform for action and progress across Loddon Mallee Health Services. The LMPHU are supporting eight Loddon Mallee healthcare services with environmental sustainability priorities, adaptation and mitigation action plans and policy.

STATEMENT OF PRIORITIES

PART A (CONTINUED)

Bendigo Health have strengthened our position on climate change and infrastructure delivery throughout the year, introducing the Sustainability and Climate Change Committee to oversee initiatives that will help sustain the service. As part of this governance approach we have also commenced work on our Sustainability and Climate Change plan which incorporates an understanding of potential infrastructure impacts and mitigating strategies based on climate impacts.

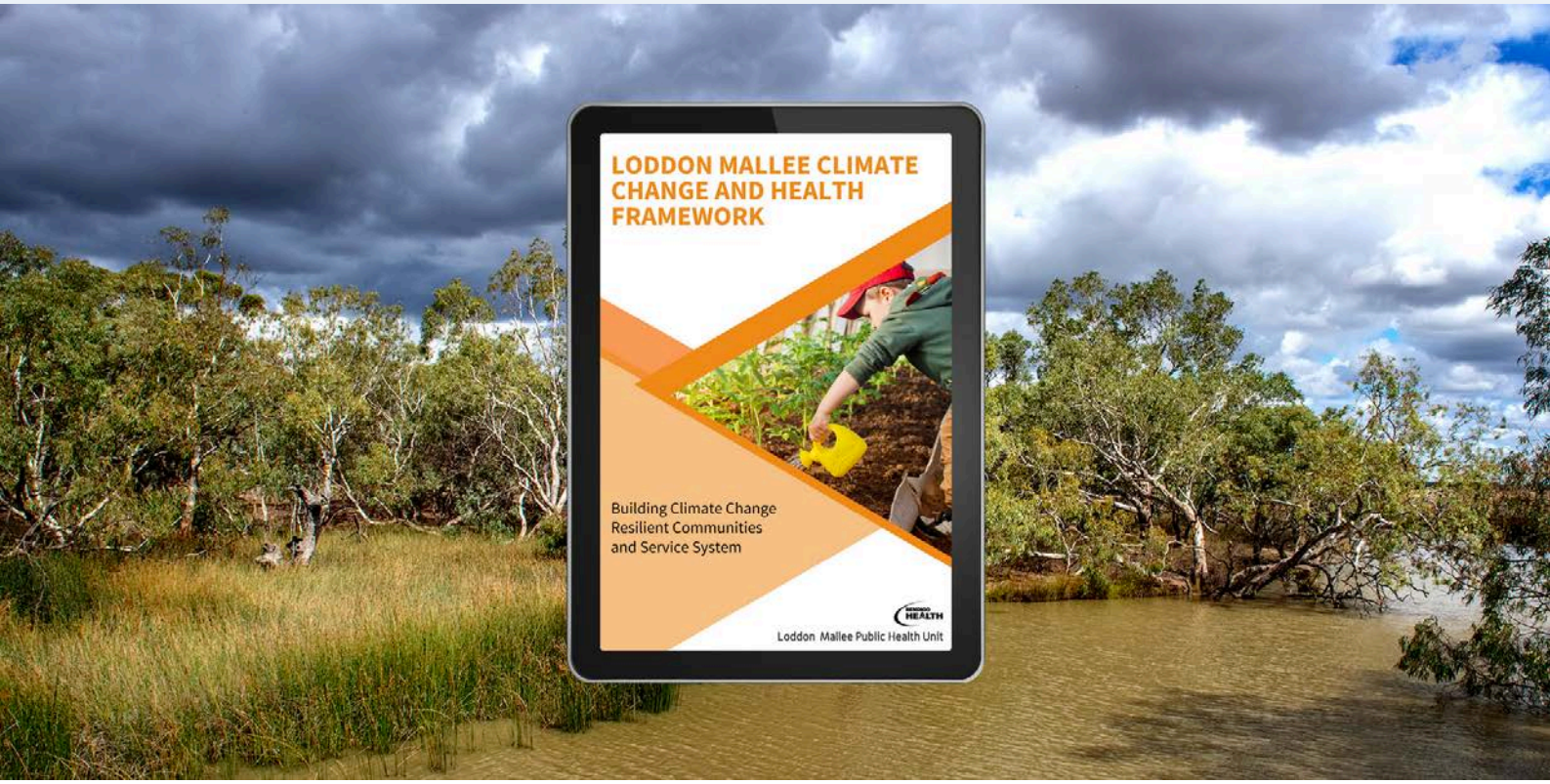
LOCAL PRIORITIES

Local Goals

Improve mental health and wellbeing outcomes by implementing Victoria's new and expanded Mental Health and Wellbeing system architecture and services.

Bendigo Health response

Bendigo Health is a vital partner in the establishment of two new mental health and wellbeing services being delivered across the Loddon Mallee Southern Campaspe region. This partnership provides mental health and wellbeing treatment and support services to children and their families aged 0-11 years and for adults aged 26 years and older. This free, walk in service means consumers do not need a referral and can get help earlier and closer to home.



STATEMENT OF PRIORITIES

PART B: PERFORMANCE PRIORITIES

KEY PERFORMANCE MEASURE	ACTUAL	TARGET
HIGH QUALITY AND SAFE CARE		
Infection Prevention and Control		
Compliance with the Hand Hygiene Australia program[1]	84.1%	85%
Percentage of healthcare workers immunised for influenza	98%	94%
Continuing Care		
Average changein the functional independence measure (FIM) score per day of care for rehabilitation separations	0.726	≥ 0.645
Healthcare associated infections (HAIs)		
Rate of central-line-associated blood stream infections (CLABSI) in intensive care units per 1,000 central-line days	2.8	Zero
Rate of healthcare-associated S. aureus bloodstream infections per 10,000 bed days	0.6	≤ 0.7
Patient experience		
Percentage of adult patients who reported positive experiences of their hospital stay	91.6%	95%
Maternity and newborn		
Percentage of full-term babies (without congenital anomalies) who are considered in poor condition shortly after birth (APGAR score <7 to 5 minutes)	2.0%	≤ 1.4%
Percentage of singleton babies with severe fetal growth restriction (FGR) delivered at 40 or more weeks gestation	0%	≤ 28.6%
Unplanned Readmissions		
Rate of unplanned readmissions to any hospital following a hip replacement procedure	7.6%	≤ 6%
Aboriginal Health		
Percentage of Aboriginal admitted patients who left against medical advice[2]	3.5% (increase of 1.8% from previous year)	25% reduction in gap basedon prior year's annual rate
Percentage of Aboriginal emergency department presentations who did not wait to be seen	8.9% (decrease of 3.2% from previous year)	25% reduction in gap based on prior year's annual rate

1 Effective date of target change from 85% to 80% conditional on pending changes to BP3 requirements.
2 Further work will be undertaken on leave event measures terminology that better captures patient experience and Aboriginal community's holistic understanding of health and wellbeing.

STATEMENT OF PRIORITIES

PART B (PERFORMANCE PRIORITIES CONTINUED)

KEY PERFORMANCE MEASURE	ACTUAL	TARGET
Mental Health		
Mental Health Patient Experience		
Percentage of consumers who rated their overall experience of care with a service in the last 3 months as positive	72.9%	80%
Percentage of mental health consumers reporting they 'usually' or 'always' felt safe using this service	89.3%	90%
Percentage of families/carers reporting a 'very good' or 'excellent' overall experience of the service	50.5%	80%
Percentage of families/carers who report they 'always' or 'usually' felt their opinions as a carer were respected	72.2%	90%
Mental Health Post-Discharge Follow-up		
Percentage of consumers followed up within 7 days of separation – Inpatient (CAMHS)	96%	88%
Percentage of consumers followed up within 7 days of separation – Inpatient (adult)	90%	88%
Percentage of consumers followed up within 7 days of separation - Inpatient (older persons)	95%	88%
Mental Health Readmission		
Percentage of consumers re-admitted within 28 days of separation - Inpatient (adult)	14%	< 14%
Percentage of consumers re-admitted within 28 days of separation - Inpatient (older persons)	4%	< 7%
Mental Health Seclusion		
Rate of seclusion episodes per 1,000 occupied bed days - Inpatient (adult)	9	≤ 8
Rate of seclusion episodes per 1,000 occupied bed days - Inpatient (older persons)	0	≤ 5
STRONG GOVERNANCE, LEADERSHIP AND CULTURE		
Organisational culture		
People matter survey – Percentage of staff with an overall positive response to safety culture survey questions	70%	62%
TIMELY ACCESS TO CARE		
Planned Surgery		
Percentage of urgency category 1 elective surgery patients admitted within 30 days	100%	100%
Percentage of all planned surgery patients admitted within the clinically recommended time	81.7%	94%
Number of patients on the elective surgery waiting list	1,810	1,410

STATEMENT OF PRIORITIES

PART B (PERFORMANCE PRIORITIES CONTINUED)

KEY PERFORMANCE MEASURE	ACTUAL	TARGET
Number of patients admitted from the planned surgery waiting list	6,040	5,240
Number of patients (in addition to base) admitted from the planned surgery waiting list		1,821
Percentage of patients on the waiting list who have waited longer than clinically recommended time for their respective triage category	22.4% (decrease of 2% from previous year)	5% or 15% proportional improvement from prior year
Number of hospital-initiated postponements per 100 scheduled elective surgery admissions	8.4%	≤ 7
Emergency Care		
Percentage of patients transferred from ambulance to emergency department within 40 minutes	62%	90%
Percentage of Triage Category 1 emergency patients seen immediately	100%	100%
Percentage of Triage Category 1 to 5 emergency patients seen within clinically recommended time	63%	80%
Percentage of emergency patients with a length of stay in the emergency department of less than four hours	48%	81%
Number of patients with a length of stay in the emergency department greater than 24 hours	562	0
Mental Health		
Percentage of mental health-related emergency department presentations with a length of stay of less than 4 hours	55%	81%
Percentage of 'urgent' (category 'C') mental health triage episodes with a face-to-face contact received within 8 hours	87%	80%
Specialist Clinics		
Percentage of urgent patients referred by a GP or external specialist who attended a first appointment within 30 days	75.1%	100%
Percentage of routine patients referred by GP or external specialist who attended a first appointment within 365 days	94.7%	90%
Home Based Care		
Percentage of admitted bed days delivered at home	5.4% (reduction of .4% from previous year)	Equal to or better than prior year result
Percentage of admitted episodes delivered at least partly at home	2.2% (reduction of .2% from previous year)	Equal to or better than prior year result

STATEMENT OF PRIORITIES

PART B (PERFORMANCE PRIORITIES CONTINUED)

KEY PERFORMANCE MEASURE	ACTUAL	TARGET
EFFECTIVE FINANCIAL MANAGEMENT		
Operating result ($m)	(16.06)	(20.48)
Average number of days to paying trade creditors	20	60 days
Average number of days to receiving patient fee debtors	49	60 days
Adjusted current asset ratio	0.7	0.7 or 3% improvement from health service base target
Variance between forecast and actual Net result from transactions (NRFT)for the current financial year ending 30 June.	Not achieved	Variance ≤ $250,000
Actual number of days of available cash, measured on the last day of each month	Not achieved	14 days

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

STATEMENT OF PRIORITIES

PART C: HIGH QUALITY AND SAFE CARE

2023-2024 ACTIVITY ACHIEVEMENT

FUNDING TYPE	ACTIVITY
Consolidated Activity Funding	
Acute admitted, subacute admitted, emergency services, non-admitted NWAU	68,779
Acute Admitted	
National Bowel Cancer Screening Program NWAU	40
Acute admitted DVA	336
Acute admitted TAC	345
Other admitted	37
Acute Non-Admitted	
Emergency Services	
Home Enteral Nutrition NWAU	53
Home Renal Dialysis NWAU	235
Specialist Clinics	
Other non-admitted	
Government Initiatives	
Government Initiatives	
Subacute/Non-Acute, Admitted & Non-Admitted	
Palliative Care Non-admitted	
Subacute Non-admitted Other	
Victorian Artificial Limb Program	
Subacute - DVA	162
Transition Care - Bed Days	11,850
Transition Care - Home Days	12,322
Health Independence Program - DVA	

STATEMENT OF PRIORITIES

PART C (High quality and safe care continued)

2023-2024 ACTIVITY ACHIEVEMENT

FUNDING TYPE	ACTIVITY
Subacute & Non-Acute Other	
Other specified funding	
Aged Care	
Aged Care Assessment Service	3,699
Residential Aged Care	76,108
HACC	11,727
Aged Care Other	88,839
Mental Health and Drug Services	
Mental Health Ambulatory	100,866
Mental Health Inpatient - Available bed days	21,915
Mental Health Inpatient - Secure Unit	7,305
Mental Health Residential	9,994
Mental Health Service System Capacity	1
Mental Health Subacute	11,688
Mental Health Other	0
Drug Services	2,922
Primary Health	
Community Health / Primary Care Programs	7,732
Community Health Other	0
Other	
Health Workforce	
Supplementation funding	

DISCLOSURE INDEX

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

Legislation	Requirement	Page Reference
	Charter and Purpose	
FRD 22	Manner of establishment and the relevant Ministers	14-15
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Echuca Community Mental Health & Wellbeing Service

Bendigo Adult Community Mental Health - John Bomford Centre

Carer Support Services/Loddon Mallee Public Health Unit - Mildura

Swan Hill Community Mental Health

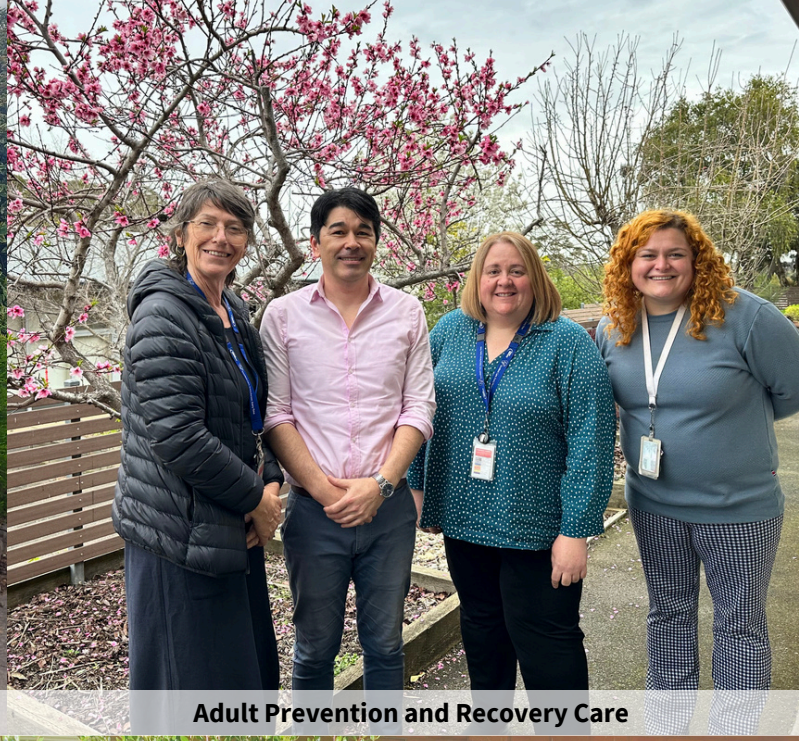
Community Nursing Services - Havlin Street Campus

Bendigo Youth Community Mental Health- John Bomford Centre

Residential Aged Care - Gibson Street Complex

Youth Prevention and Recovery Care

Maryborough Community Mental Health



Adult Prevention and Recovery Care

Carer Support Services - Havlin Street Campus

Castlemaine Community Mental Health

Kyneton Community Mental Health and Wellbeing Services

8 Olinda Street Centre and Library

FINANCIAL REPORT

2023-2024

Excellent Care. Every Person. Every Time.

Independent Auditor's Report

Victorian Auditor-General's Office

To the Board of Bendigo Health

Opinion	I have audited the financial report of Bendigo Health (the health service) which comprises the: • balance sheet as at 30 June 2024 • 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, chief finance & accounting officer's declaration. In my opinion the financial report presents fairly, in all material respects, the financial position of the health service as at 30 June 2024 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* (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 of a 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
18 October 2024

Dominika Ryan
as delegate for the Auditor-General of Victoria

BENDIGO HEALTH

ABN 26 875 445 912

FINANCIAL STATEMENTS FOR THE YEAR ENDED

30 JUNE 2024

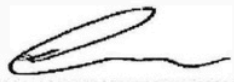
Board Member's, Accountable Officer's, Chief Finance & Accounting Officer's Declaration

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

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2024 and the financial position of Bendigo Health at 30 June 2024.

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

We authorise the attached financial statements for issue on 26 September 2024.



C E McKinstry
Acting Chair

E M Hannagan
Chief Executive Officer

C L Olsen
Chief Financial Officer

Dated 26 September 2024

Bendigo Health
Comprehensive Operating Statement
For the Financial Year Ended 30 June 2024

	Note	2024 $'000	2023 $'000
Revenue and Income from Transactions			
Operating Activities	2.1	782,225	762,269
Non-operating Activities	2.1	4,428	2,872
Total Revenue and Income from Transactions		**786,653**	**765,141**
Expenses from Transactions			
Employee Expenses	3.1	(527,994)	(489,244)
Supplies & Consumables	3.1	(114,389)	(106,086)
Finance Costs	3.1	(22,139)	(22,408)
Depreciation and Amortisation	4.5	(32,729)	(35,791)
Public/Private Partnership Operating Expenses	3.1	(49,599)	(48,091)
Other Administrative Expenses	3.1	(38,516)	(30,643)
Other Operating Expenses	3.1	(28,934)	(25,273)
Total Expenses from Transactions		**(814,300)**	**(757,536)**
Net result from Transactions - Net Operating Balance		**(27,647)**	**7,605**
Other economic flows included in the net result			
Net Loss on Non-Financial Assets	3.2	237	(29)
Net Gain/(Loss) on Financial Instruments at Fair Value	3.2	(1,977)	(904)
Share of Other Economic Flows from Joint Operation	3.2	141	190
Other Gain/(Loss) from Other Economic Flows	3.2	2,631	(890)
Total other economic flows included in net result		**1,032**	**(1,633)**
Net result for the year		**(26,615)**	**5,972**
Other economic flows - Other Comprehensive Income			
Items that will not be reclassified to net result			
Changes in Property, Plant and Equipment Revaluation Surplus		494,154	80,023
Items that may be reclassified subsequently to net result			
Fair Value - Recognition of Hedging Instrument		(2,454)	3,837
Total Other Comprehensive Income		**491,700**	**83,860**
Comprehensive result for the year		**465,085**	**89,832**

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

Bendigo Health
Balance Sheet
as at 30 June 2024

	Note	2024 $'000	2023 $'000
Current Assets			
Cash and Cash Equivalents	6.2	73,873	82,392
Receivables	5.1	19,074	20,679
Investments and Other Financial Assets	4.1	30	30
Inventories	4.6	4,362	3,892
Other Assets	5.2	14,104	13,937
Total Current Assets		**111,443**	**120,930**
Non-Current Assets			
Receivables	5.1	40,080	35,978
Property, Plant & Equipment	4.2(a)	451,692	226,242
Right-of-use Assets	4.3(a)	883,612	625,323
Intangible Assets	4.4	18,113	19,484
Other Assets	5.2	38,803	41,256
Total Non-Current Assets		**1,432,300**	**948,283**
TOTAL ASSETS		**1,543,743**	**1,069,213**
Current Liabilities			
Payables	5.3	35,371	43,924
Contract Liabilities	5.4	10,605	4,142
Borrowings	6.1	8,050	6,772
Employee Benefits	3.3	118,625	105,797
Other Liabilities	5.5	37,802	31,933
Total Current Liabilities		**210,453**	**192,568**
Non-Current Liabilities			
Borrowings	6.1	263,873	269,092
Employee Benefits	3.3	11,425	14,646
Total Non-Current Liabilities		**275,298**	**283,738**
TOTAL LIABILITIES		**485,751**	**476,306**
NET ASSETS		**1,057,992**	**592,907**
EQUITY			
Property, Plant & Equipment Revaluation Surplus	SCE	605,540	111,386
Cash Flow Hedging Reserve	SCE	38,802	41,256
Restricted Specific Purpose Surplus	SCE	5,625	5,625
Contributed Capital	SCE	100,735	100,735
Accumulated Surpluses	SCE	307,290	333,905
TOTAL EQUITY		**1,057,992**	**592,907**

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

Bendigo Health
Statement of Changes in Equity
For the Financial Year Ended 30 June 2024

	Property, Plant & Equipment Revaluation Surplus	Cash Flow Hedging Reserve	Restricted Specific Purpose Surplus	Contributed Capital	Accumulated Surpluses	Total
	$'000	$'000	$'000	$'000	$'000	$'000
Balance at 30 June 2022	**31,363**	**37,419**	**5,625**	**100,735**	**327,933**	**503,075**
Net Result for the Year	0	0	0	0	5,972	5,972
Other comprehensive income for the year	80,023	0	0	0	0	80,023
Cash Flow Hedging Reserve	0	3,837	0	0	0	3,837
Balance at 30 June 2023	**111,386**	**41,256**	**5,625**	**100,735**	**333,905**	**592,907**
Net Result for the Year	0	0	0	0	(26,615)	(26,615)
Other comprehensive income for the year	494,154	0	0	0	0	494,154
Cash Flow Hedging Reserve	0	(2,454)	0	0	0	(2,454)
Balance at 30 June 2024	**605,540**	**38,802**	**5,625**	**100,735**	**307,290**	**1,057,992**

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

Bendigo Health
Cash Flow Statement
For the Financial Year Ended 30 June 2024

	Note	2024 $'000	2023 $'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating Grants from Government - State		519,927	512,784
Operating Grants from Government - Commonwealth		74,225	59,327
Capital Grants from Government - State		6,336	6,300
Capital Grants from Government - Commonwealth		2,281	2,303
Patient and Resident Fees Received		34,552	32,566
Donations and Bequests Received		824	729
GST Received from Australian Tax Office		16,132	15,720
Interest and Investment Income Received		4,428	2,899
Other Receipts		35,904	27,774
Total Receipts		**694,609**	**660,402**
Employee Expenses Paid		(488,447)	(459,310)
Non Salary Labour Costs		(40,075)	(35,701)
Payments for Suppliers & Consumables		(110,716)	(99,477)
Other Payments		(56,670)	(58,211)
Total Payments		**(695,908)**	**(652,699)**
NET CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES	8.1	**(1,299)**	**7,703**
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of Non-Financial Assets		(10,255)	(9,478)
Proceeds from Disposal of Non-Financial Assets		317	45
NET CASH FLOWS USED IN INVESTING ACTIVITIES		**(9,938)**	**(9,433)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of Borrowings		(3,150)	(3,599)
Funds from Borrowings		0	0
Receipt of Accommodation Deposits		18,342	12,229
Repayment of Accommodation Deposits		(9,719)	(10,763)
Receipt/(Repayment) of Monies Held in Trust		(2,755)	1,799
NET CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES		**2,718**	**(334)**
NET DECREASE IN CASH AND CASH EQUIVALENTS HELD		**(8,519)**	**(2,064)**
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR		82,392	84,456
CASH AND CASH EQUIVALENTS AT END OF YEAR	6.2	**73,873**	**82,392**

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

Bendigo Health

Notes to the Financial Statements for the Financial Year Ended 30 June 2024

Note 1: Basis of preparation

Structure

1.1 Basis of preparation of the financial statements
1.2 Abbreviations and terminology used in the financial statements
1.3 Jointly Controlled Operation
1.4 Material accounting estimates and judgements
1.5 Accounting standards issued but not yet effective
1.6 Goods and Services Tax (GST)
1.7 Reporting entity

Notes to the Financial Statements for the Financial Year Ended 30 June 2024

Note 1: Basis of preparation

These financial statements represent the audited general purpose financial statements for Bendigo Health for the period ending 30 June 2024. The report provides users with information about Bendigo Health's stewardship of resources entrusted to it.

This section explains the basis of preparing the financial statements.

Note 1.1 Basis of preparation of the financial statements

These financial statements are general purpose financial statements which have been prepared in accordance with the *Financial Management Act 1994* and applicable Australian Accounting Standards, which include interpretations issued by the Australian Accounting Standards Board (AASB). They are presented in a manner consistent with the requirements of AASB 101 Presentation of Financial Statements.

The financial statements also comply with relevant Financial Reporting Directions (FRDs) issued by the Department of Treasury and Finance (DTF), and relevant Standing Directions (SDs) authorised by the Assistant Treasurer.

Bendigo Health is a not-for-profit entity and therefore applies the additional AUS paragraphs applicable to "not-for-profit" Health Services under the AASBs. Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Apart from the changes in accounting policies, standards and interpretations as noted below, material accounting policies adopted in the preparation of these financial statements are the same as those adopted in the previous period.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The financial statements are prepared on a going concern basis (refer to Note 8.9 Economic Dependency).

These financial statements are presented in Australian dollars.

All 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.

Notes to the Financial Statements for the Financial Year Ended 30 June 2024

The annual financial statements were authorised for issue by the Board of Bendigo Health on 26 September 2024.

Note 1.2 Abbreviations and terminology used in the financial statements

The following table sets out the common abbreviations used throughout the financial statements:

Reference	Title
AASB	Australian Accounting Standards Board
AASs	Australian Accounting Standards, which include Interpretations
BH	Bendigo Health
DH	Department of Health
DTF	Department of Treasury and Finance
FMA	Financial Management Act 1994
FRD	Financial Reporting Direction
NWAU	National Weighted Activity Unit
SD	Standing Direction
VAGO	Victorian Auditor General's Office

Note 1.3 Jointly Controlled Operation

Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

In respect of any interest in joint operations, Bendigo Health recognises in the financial statements:

- its assets, including its share of any assets held jointly;
- any liabilities including its share of liabilities that it had incurred;
- its revenue from the sale of its share of the output from the joint operation;
- its share of the revenue from the sale of the output by the operation; and
- its expenses, including its share of any expenses incurred jointly.

Bendigo Health is a Member of the Loddon Mallee Rural Health Alliance and retains joint control over the arrangement, which it has classified as a joint operation (refer to Note 8.8 Jointly Controlled Operations).

Notes to the Financial Statements for the Financial Year Ended 30 June 2024

Note 1.4 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 key 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 policies and significant management judgements and estimates used, and any changes thereto, are identified at the beginning of each section where applicable and relate to the following disclosures:

- Note 2.1: Revenue and income from transactions
- Note 3.3: Employee benefits and related on-costs
- Note 4.2: Property, plant and equipment
- Note 4.3: Right-of-use assets
- Note 4.4: Intangible assets
- Note 4.5: Depreciation and amortisation
- Note 4.7: Impairment of assets
- Note 5.1: Receivables
- Note 5.3: Payables
- Note 5.5: Other liabilities
- Note 6.1(a): Lease liabilities
- Note 6.1(b): Public Private Partnership (PPP) lease liabilities
- Note 7.4: Fair value determination

Bendigo Health

Notes to the Financial Statements for the Financial Year Ended 30 June 2024

Note 1.7 Reporting entity

The financial statements include all the controlled activities of the *Bendigo Health*.

Its principal address is:
100 Barnard Street
Bendigo, Victoria, 3550

A description of the nature of Bendigo Health's operations and its principal activities is included in the report of operations, which does not form part of these financial statements.

Notes to the Financial Statements for the Financial Year Ended 30 June 2024

Note 1.5 Accounting standards issued but not yet effective

An assessment of accounting standards and interpretations issued by the AASB that are not yet mandatorily applicable to Bendigo Health and their potential impact when adopted in future periods is outlined below:

Standard	Adoption Date	Impact
AASB 2022-5: *Amendments to Australian Accounting Standards – Lease Liability in a Sale and Leaseback*	Reporting periods beginning on or after 1 January 2024.	Adoption of this standard is not expected to have a material impact.
AASB 2022-9: *Amendments to Australian Accounting Standards – Insurance Contracts in the Public Sector*	Reporting periods beginning on or after 1 January 2026.	Adoption of this standard is not expected to have a material impact.
AASB 2022-10: *Amendments to Australian Accounting standards – Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities*	Reporting periods beginning on or after 1 January 2024.	Management is currently assessing the impact following adoption of this standard next year.

There are no other accounting standards and interpretations issued by the AASB that are not yet mandatorily applicable to Bendigo Health in future periods.

Note 1.6 Goods and Services Tax (GST)

Income, expenses, assets and liabilities are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the Australian Taxation Office (ATO). In this case the GST payable is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the Balance Sheet.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the ATO, are presented as operating cash flow.

Commitments, contingent assets and contingent liabilities are presented on a gross basis.

Bendigo Health
Notes to the Financial Statements
For the Financial Year Ended 30 June 2024

Note: 2 Funding Delivery of Our Services

Bendigo Health's overall objective is to deliver programs and services that support and enhance the wellbeing of all Victorians.

Bendigo Health is predominantly funded by accrual based grant funding for the provision of outputs. The hospital also receives income from the supply of services.

Structure

2.1 Revenue and income from transactions

Material judgements and estimates

This section contains the following material judgements and estimates:

Material judgements and estimates	Description
Identifying performance obligations	Bendigo Health applies material judgement 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 Bendigo Health to recognise revenue as or when the health service transfers promised goods or services to customers. If this criterion is not met, funding is recognised immediately in the net result from operations.
Determining timing of revenue recognition	Bendigo Health 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.
Determining time of capital grant income recognition	Bendigo Health applies material judgement to determine when its obligation to construct an asset is satisfied. Costs incurred is used to measure the health service's progress as this is deemed to be the most accurate reflection of the stage of completion.
Assets and services received free of charge or for nominal consideration	Bendigo Health applies material judgement to determine the fair value of assets and services provided free of charge or for nominal value. This includes consistently reviewing market prices, and assessing market demands.

Note 2.1: Revenue and Income from transactions

		2024 $'000	2023 $'000
Operating Activities			
Revenue from contracts with customers			
Government Grants (State) - Operating		319,944	303,009
Government Grants (Commonwealth) - Operating		74,225	59,095
Patient and Resident Fees		20,413	20,717
Private Practice Fees		3,840	3,122
Commercial Activities [1]		18,449	19,253
Total revenue from contracts with customers	2.1(a)	**436,871**	**405,196**
Other sources of income			
Government Grants (State) - Operating		274,460	261,432
Government Grants (State) - Capital		43,440	68,107
Government Grants (Commonwealth) - Capital		2,281	2,302
Other Capital Purpose Income		3,729	86
Assets received free of charge or for nominal consideration	2.1(b)	422	3,668
Other Revenue from Operating Activities (including non-capital donations)		21,022	21,478
Total other sources of income		**345,354**	**357,073**
Total Revenue and Income from Operating Activities		**782,225**	**762,269**
Non-operating activities			
Other sources of income			
Interest		4,428	2,872
Total other sources of income		4,428	2,872
Total Income from Non-Operating Activities		**4,428**	**2,872**
Total Revenue and Income from Transactions		**786,653**	**765,141**

1 Commercial activities represent business activities which Bendigo Health enters into to support their operations.

Bendigo Health
Notes to the Financial Statements for the Financial Year Ended 30 June 2024

Note 2.1(a): Timing of revenue from contracts with customers
This policy applies to each of Bendigo Health's revenue streams, with information detailed below relating to Bendigo Health'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 national efficient price (NEP) is paid. The performance obligations for NWAU are the number and mix of admissions, emergency department presentations and outpatient episodes, and is weighted for clinical complexity. Revenue is recognised at point in time, which is when a patient is discharged.
Acute specialist Clinics (Weighted Ambulatory service events)	The performance obligation for Acute Specialist Clinics are the number of service events defined as an interaction between one or more healthcare providers with non-admitted patients. A weighting based on the type of clinician and nature of the service provided determines funding levels for each service event. Revenue is recognised in accordance with Weighted Ambulatory Service Events at agreed activity levels per the annual Statement of Priorities, and on completion of the service event.

Bendigo Health
Notes to the Financial Statements for the Financial Year Ended 30 June 2024

Note 2.1(a): Timing of revenue from contracts with customers

	2024 $'000	2023 $'000
Bendigo Health disaggregates revenue by the timing of revenue recognition.		
Goods and services transferred to customers:		
At a point in time	418,422	385,943
Over time	18,449	19,253
Total revenue from contracts with customers	**436,871**	**405,196**

How we recognise revenue and income from transactions

Government Operating Grants

To recognise revenue, Bendigo Health assesses whether there is a contract that is enforceable and has sufficiently specific performance obligations in accordance with AASB 15: Revenue from Contracts with Customers.

When both these conditions are satisfied, Bendigo Health:
- Identifies each performance obligation relating to the revenue
- recognises a contract liability for its obligations under the agreement
- recognises revenue as it satisfied its performance obligations, at a point in time or over time as and when services are rendered.

If a contract liability is recognised, Bendigo Health recognises revenue in profit or loss as and when it satisfies its obligations under the contract, unless a contract modification is entered into between all parties. A contract modification may be obtained in writing, by oral agreement or implied by customary business practices.

Where the contract is not enforceable and/or does not have sufficiently specific performance obligations, in accordance with AASB 1058 – Income for not-for-profit entities, Bendigo Health:
- recognises the asset received in accordance with the recognition requirements of other applicable Accounting Standards (for example, AASB 9, AASB 16, AASB 116 and AASB 138)
- recognises related amounts (being contributions by owners, lease liabilities, financial instruments, provisions, revenue or contract liabilities from a contract with a customer), and
- recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount in accordance with AASB 1058.

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

Note 2.1(a): Timing of revenue from contracts with customers

Capital Grants

Where Bendigo Health receives a capital grant, it recognises a liability for the excess of the initial carrying amount of the financial asset received over any related amounts (being contributions by owners, lease liabilities, financial instruments, provisions, revenue or contract liabilities arising from a contract with a customer) recognised under other Australian Accounting Standards.

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

Patient and Resident Fees

Patient and resident fees are charges that can be levied on patients for some services they receive. Patient and resident fees are recognised at a point in time when the performance obligation, the provision of services, is satisfied, except where the patient and resident fees relate to accommodation charges. Accommodation charges are calculated daily and are recognised over time, to reflect the period accommodation is provided.

Private Practice Fees

Private practice fees include recoupments from various private practice organisations for the use of hospital facilities. Private practice fees are recognised over time as the performance obligation, the provision of facilities, is provided to customers.

Commercial Activities

Revenue from commercial activities such as car park and property rental income are recognised on an accrual basis.

How we recognise revenue and income from Non-Operating Income

Dividend Income

Dividend income is recognised when the right to receive payment is established. Dividends represent the income arising from Bendigo Health and its controlled entities' investments in financial assets.

Interest Income

Interest income is recognised on a time proportionate basis that takes in account the effective yield of the financial asset, which allocates interest over the relevant period.

Bendigo Health
Notes to the Financial Statements for the Financial Year Ended 30 June 2024

Note 2.1(b): Fair Value of Assets received free of charge or for nominal consideration

	2024 $'000	2023 $'000
Plant and equipment	0	71
Personal Protective Equipment	422	3,597
Total Fair Value of Assets received free of charge or for nominal consideration	**422**	**3,668**

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

Donations and bequests
Donations and bequests are generally recognised as income upon receipt (which is when Bendigo Health usually obtained control of the asset) as they do not contain sufficiently specific and enforceable performance obligations. Where sufficiently specific and enforceable performance obligations exist, revenue is recorded as and when the performance obligation is satisfied.

Personal Protective Equipment
Under the State Supply Arrangement, Health Share Victoria supplies personal protective equipment to Bendigo Health for nil consideration.

Contributions of resources
Bendigo Health may receive resources for nil or nominal consideration to further its objectives. The resources are recognised at their fair value when Bendigo Health obtains control over the resources, irrespective of whether restrictions or conditions are imposed over the use of the contributions.

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

Bendigo Health
Notes to the Financial Statements for the Financial Year Ended 30 June 2024

Volunteer Services
Bendigo Health receives volunteer services from members of the community in the following areas:

- Aboriginal service
- Aged residential care
- Administration
- Patient companionship on our wards
- Concierge and orienteering
- Inpatient and outpatient clinics

Bendigo Health recognises contributions by volunteers in its financial statements, if the fair value can be reliably measured and the services would have been purchased had they not been donated.

Bendigo Health greatly values the services contributed by volunteers but it does not depend on volunteers to deliver its services.

Non-cash contributions from the Department of Health

Supplier	Description
Victorian Managed Insurance Authority	The Department of Health purchases non-medical indemnity insurance for Bendigo Health which is paid directly to the Victorian Managed Insurance Authority. To record this contribution, such payments are recognised as income with a matching expense in the net result from transactions.
Victorian Health Building Authority	The Department of Health made payments to the Victorian Health Building Authority to fund capital works projects during the year ended 30 June 2024, on behalf of Bendigo Health.
Department of Health	Long Service Leave (LSL) revenue is recognised upon finalisation of movements in LSL liability in line with the long service leave funding arrangements set out in the relevant Department of Health Hospital Circular.
Public Private Partnership (PPP) Consortium	The Department of Health purchases lease arrangements and services which are paid directly to the Public Private Partnership Consortium. To record this contribution, such payments are recognised as income with a matching depreciation and interest expense in the net result from transactions, in accordance with the nature and timing of the monthly or quarterly payment. Such PPP's are not accounted for as a Service Concession Arrangement as the public service criterion is not satisfied.

Note 3: The Cost of Delivering our Services

This section provides an account of the expenses incurred by Bendigo Health in delivering services and outputs. In Note 2, the funds that enable the provision of services were disclosed and in this note the cost associated with provision of services are recorded.

Structure

3.1 Expenses from Transactions
3.2 Other Economic Flows
3.3 Employee Benefits and related on-costs
3.4 Superannuation

Material judgements and estimates

This section contains the following material judgements and estimates:

Material judgements and estimates	Description
Classifying employee benefit liabilities	Bendigo Health applies material judgement when classifying its employee benefit liabilities. Employee benefit liabilities are classified as a current liability if Bendigo Health does not have an unconditional right to defer payment beyond 12 months. Annual leave, accrued days off and long service leave entitlements (for staff who have exceeded the minimum vesting period) fall into this category. Employee benefit liabilities are classified as a non-current liability if Bendigo Health has a conditional right to defer payment beyond 12 months. Long service leave entitlements (for staff who have not yet exceeded the minimum vesting period) fall into this category.
Measuring employee benefit liabilities	Bendigo Health applies material judgement when measuring its employee benefit liabilities. Bendigo Health applies judgement to determine when it expects its employee entitlements to be paid. With reference to historical data, if Bendigo Health does not expect entitlements to be paid within 12 months, the entitlement is measured at its present value, being the expected future payments to employees. Expected future payments incorporate ▪ an inflation rate of 4.45%, reflecting the future wage and salary levels ▪ durations of service and employee departures, which are used to determine the estimated value of long service leave that will be taken in the future, for employees who have not yet reached the vesting period. The estimated rates are between 24.97% and 87.04% ▪ discounting at the rate of 4.348%, as determined with reference to market yields on government bonds at the end of the reporting period. All other entitlements are measured at their nominal value.

Note 3.1: Expenses from Transactions (continued)

How we recognise expenses from transactions

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

Employee expenses
Employee expenses include:
- Salaries and wages (including fringe benefits tax, leave entitlements, termination payments);
- On-costs;
- Agency expenses;
- Fee for service medical officer expenses;
- Work cover premium.

Supplies and consumables

Supplies and services costs which 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.

Finance Costs
Finance costs include:
- interest on bank overdrafts and short-term and long-term borrowings (Interest expense is recognised in the period in which it is incurred);
- amortisation of discounts or premiums relating to borrowings;
- amortisation of ancillary costs incurred in connection with the arrangement of borrowings; and
- finance charges in respect of leases which are recognised in accordance with AASB 16 *Leases* .

Other operating expenses
Other operating expenses generally represent the day-to-day running costs incurred in normal operations and include such things as:

- Fuel, light and power
- Repairs and maintenance
- Other administrative expenses
- Expenditure for capital purposes (represents expenditure related to the purchase of assets that are below the capitalisation threshold of $5,000).

The Department of Health also makes certain payments on behalf of Bendigo Health. These amounts have been brought to account in determining the operating result for the year by recording them as revenue and recording the corresponding expense.

Non-operating expenses
Other non-operating expenses generally represent expenditure for outside the normal operations such as depreciation, and assets and services provided free of charge or for nominal consideration.

Bendigo Health
Notes to the Financial Statements for the Financial Year Ended 30 June 2024

Note 3.1: Expenses from Transactions

	2024 $'000	2023 $'000
Salaries and Wages	375,791	352,493
On-costs	104,594	95,560
Agency Expenses	31,473	29,085
Fee for Service Medical Officer Expenses	8,299	8,571
Workcover Premium	7,837	3,535
Total Employee Expenses	**527,994**	**489,244**
Drug Supplies	27,922	26,932
Medical and Surgical Supplies (including Prostheses)	31,121	31,415
Diagnostic and Radiology Supplies	7,305	7,168
Other Supplies and Consumables	48,041	40,571
Total Supplies and Consumables	**114,389**	**106,086**
Finance Costs	1,127	1,087
Finance Costs - PPP Arrangements	21,012	21,321
Total Finance Costs	**22,139**	**22,408**
Public Private Partnership Operating Expenses	49,599	48,091
Total PPP Operating Expenses	**49,599**	**48,091**
Other Administrative Expenses	38,516	30,643
Total Other Administrative Expenses	**38,516**	**30,643**
Fuel, Light, Power and Water	6,902	6,201
Repairs and Maintenance	2,466	1,616
Maintenance Contracts	7,378	7,421
Medical Indemnity Insurance	8,240	7,057
Expenses related to short term leases	410	519
Expenses related to leases of low value assets	172	351
Expenditure for Capital Purposes	3,366	2,108
Total Other Operating Expenses	**28,934**	**25,273**
Total Operating Expenses	**781,571**	**721,745**
Depreciation and Amortisation (refer Note 4.5)	32,729	35,791
Total Depreciation and Amortisation	**32,729**	**35,791**
Total Non-Operating Expenses	**32,729**	**35,791**
Total Expenses from Transactions	**814,300**	**757,536**

Note 3.3: Employee Benefits and related on-costs

	2024 $'000	2023 $'000
Current Employee Benefits and Related On-costs		
Long Service Leave		
- Unconditional and expected to be settled wholly within 12 months[i]	7,675	6,936
- Unconditional and expected to be settled wholly after 12 months[ii]	52,015	46,687
Annual Leave		
- Unconditional and expected to be settled wholly within 12 months[i]	36,814	33,192
- Unconditional and expected to be settled wholly after 12 months[ii]	5,877	5,279
Accrued Days Off		
- Unconditional and expected to be settled wholly within 12 months[i]	793	763
- Unconditional and expected to be settled wholly after 12 months[ii]	126	121
Employee Termination Benefits		
- Unconditional and expected to be settled wholly within 12 months[i]	791	637
- Unconditional and expected to be settled wholly after 12 months[ii]	0	0
	104,091	**93,615**
Provisions related to Employee Benefit On-Costs		
- Unconditional and expected to be settled within 12 months[i]	6,208	5,136
- Unconditional and expected to be settled after 12 months[ii]	8,326	7,046
	14,534	**12,182**
Total Current Employee Benefits and Related On-costs	**118,625**	**105,797**
Non-Current Employee Benefits and Related On-costs		
Conditional Long Service Leave	9,984	12,883
Provisions related to Employee Benefit On-Costs	1,441	1,763
Total Non-Current Employee Benefits and Related On-costs	**11,425**	**14,646**
Total Employee Benefits and Related On-costs	**130,050**	**120,443**

i The amounts disclosed are nominal amounts.

ii The amounts disclosed are discounted to present values.

Bendigo Health
Notes to the Financial Statements for the Financial Year Ended 30 June 2024

Note 3.2: Other economic flows

	2024 $'000	2023 $'000
Net gain/(loss) on disposal of property plant and equipment	237	(29)
Total net gain/(loss) on non-financial assets	**237**	**(29)**
Allowance for impairment losses of contractual receivables	(1,977)	(905)
Net gain/(loss) on financial instruments	0	1
Total net gain/(loss) on financial instruments at fair value	**(1,977)**	**(904)**
Share of net profits/(losses) of joint entities, excluding dividends	141	190
Total Share of net profits/(losses) from Joint Operations	**141**	**190**
Net gain/(loss) arising from revaluation of long service liability	2,631	(890)
Total other gains/(losses) from other economic flows	**2,631**	**(890)**
Total other gains/(losses) from economic flows	**1,032**	**(1,633)**

How we recognise other economic flows

Other economic flows are changes in the volume or value of an asset or liability that do not result from transactions. Other gains/(losses) from other economic flows include the gains or losses from:

- the revaluation of the present value of the long service leave liability due to changes in the bond interest rates and
- reclassified amounts relating to equity instruments from the reserves to retained surplus/(deficit) due to a disposal or derecognition of the financial instrument. This does not include reclassification between equity accounts due to machinery of government changes or 'other transfers' of assets.

Bendigo Health
Notes to the Financial Statements for the Financial Year Ended 30 June 2024

Note 3.4: Superannuation

	Paid Contributions for the Year		Contribution Outstanding at Year End	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
Defined Benefit Plans:[i]				
Aware Super Pty Ltd	163	342	0	0
Government Superannuation Office	209	266	0	0
Defined contributions plans:				
Aware Super Pty Ltd	17,757	16,777	0	0
HESTA Administration	13,999	12,704	0	0
Other	11,928	10,456	0	0
Total	**44,056**	**40,545**	**0**	**0**

[i] The basis for determining the level of contributions is determined by the various actuaries of the defined benefit superannuation plans.

How we recognise superannuation

Employees of Bendigo Health are entitled to receive superannuation benefits and it contributes to both defined benefit and defined contribution plans.

Defined benefit superannuation plans
A defined benefit plan provides benefits based on years of service and final average salary. The amount charged to the Comprehensive Operating Statement in respect of defined benefit superannuation plans represents the contributions made by Bendigo Health to the superannuation plans in respect of the services of current Bendigo Health staff during the reporting period. Superannuation contributions are made to the plans based on the relevant rules of each plan and are based upon actuarial advice.

Bendigo Health does not recognise any unfunded defined benefit liability in respect of the plans because the hospital has no legal or constructive obligation to pay future benefits relating to its employees; its only obligation is to pay superannuation contributions as they fall due.

The DTF discloses the State's defined benefits liabilities in its disclosure for administered items. However superannuation contributions paid or payable for the reporting period are included as part of employee benefits in the Comprehensive Operating Statement of Bendigo Health.

The name, details and amounts that have been expensed in relation to the major employee superannuation funds and contributions made by Bendigo Health are disclosed above.

Defined contribution superannuation plans
Defined contribution (i.e. accumulation) superannuation plan expenditure is simply the employer contributions that are paid or payable in respect of employees who are members of these plans during the reporting period. Contributions to defined contribution superannuation plans are expensed when incurred.

The name, details and amounts that have been expensed in relation to the major employee superannuation funds and contributions made by Bendigo Health are disclosed above.

Note 3.3(a): Employee Benefits and Related On-costs

	2024 $'000	2023 $'000
Current Employee Benefits and Related On-Costs		
Unconditional Long Service Leave Entitlements	68,264	60,874
Annual Leave Entitlements	48,525	43,291
Accrued Days Off	1,045	995
Employee Termination Benefits	791	637
Non-Current Employee Benefits and Related On-Costs		
Conditional Long Service Leave Entitlements	11,425	14,646
Total Employee Benefits and Related On-Costs	**130,050**	**120,443**
Attributable to:		
Employee Benefits	114,075	106,498
Provision for related on-costs	15,975	13,945
Total Employee Benefits and Related On-Costs	**130,050**	**120,443**

Note 3.3(b): Provision for related on-costs movement schedule

	2024 $'000	2023 $'000
Carrying amounts at start of year	13,945	11,476
Additional provisions recognised	8,748	7,697
Amounts incurred during the year	(6,718)	(5,228)
Carrying amounts at end of year	**15,975**	**13,945**

How we recognise employee benefits

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

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

Annual Leave and Accrued Days Off
Liabilities for annual leave and accrued days off are recognised in the provision for employee benefits as 'current liabilities' because Bendigo Health 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 Bendigo Health expects to wholly settle within 12 months; or
- Present value – if Bendigo Health does not expect to wholly settle within 12 months.

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

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

The components of this current LSL liability are measured at:
- Nominal value – if Bendigo Health expects to wholly settle within 12 months; or
- Present value – if Bendigo Health does not expect to wholly settle within 12 months.

Conditional LSL is disclosed as a non-current liability. Any gain or loss followed revaluation of the present value of non-current LSL liability is recognised as a transaction, except to the extent that a gain or loss arises due to changes in estimations e.g. bond rate movements, inflation rate movements and changes in probability factors which are then recognised as other economic flows.

Termination Benefits
Termination benefits are payable when employment is terminated before the normal retirement date or when an employee decides to accept an offer of benefits in exchange for the termination of employment.

Provision for On-Costs Related to Employee Benefits

Provisions for on-costs, such as workers compensation and superannuation are recognised seperately from employee benefits.

Material judgements and estimates

This section contains the following material judgements and estimates:

Material judgements and estimates	Description
Estimating useful life of property, plant and equipment	Bendigo Health assigns an estimated useful life to each item of property, plant and equipment. This is used to calculate depreciation of the asset. Bendigo Health reviews the useful life, residual value and depreciation rates of all assets at the end of each financial year and where necessary, records a change in accounting estimate.
Estimating useful life of right-of-use assets	The useful life of each right-of-use asset is typically the respective lease term, except where Bendigo Health is reasonably certain to exercise a purchase option contained within the lease (if any), in which case the useful life reverts to the estimated useful life of the underlying asset. Bendigo Health applies material judgement to determine whether or not it is reasonably certain to exercise such purchase options.
Estimating restoration costs at the end of a lease	Where a lease agreement requires Bendigo Health to restore a right-of-use asset to its original condition at the end of a lease, Bendigo Health estimates the present value of such restoration costs. This cost is included in the measurement of the right-of-use asset, which is depreciated over the relevant lease term.
Estimating the useful life of intangible assets	Bendigo Health assigns an estimated useful life to each intangible asset with a finite useful life, which is used to calculate amortisation of the asset.
Identifying indicators of impairment	At the end of each year, Bendigo Health assesses impairment by evaluating the conditions and events specific to Bendigo Health that may be indicative of impairment triggers. Where an indication exists, Bendigo Health tests the asset for impairment. Bendigo Health considers a range of information when performing its assessment, including considering: ▪ If an asset's value has declined more than expected based on normal use ▪ If a significant change in technological, market, economic or legal environment which adversely impacts the way the health service uses an asset ▪ If an asset is obsolete or damaged ▪ If the asset has become idle or if there are plans to discontinue or dispose of the asset before the end of its useful life ▪ If the performance of the asset is or will be worse than initially expected. Where an impairment trigger exists, Bendigo Health applies material judgement and estimate to determine the recoverable amount of the asset.

Bendigo Health
Notes to the Financial Statements
For the Financial Year Ended 30 June 2024

Note 4: Key Assets to Support Service Delivery

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

Structure

4.1 Investments and Other Financial Assets
4.2 Property, Plant & Equipment
4.3 Right-of-use Assets
4.4 Intangible Assets
4.5 Depreciation and Amortisation
4.6 Inventories
4.7 Impairment of Assets

Bendigo Health
Notes to the Financial Statements for the Financial Year Ended 30 June 2024

Note 4.1: Investments and Other Financial Assets

	Operating Fund		Total	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000
CURRENT				
Financial Assets at Fair Value through profit or loss				
Australian listed shares	30	30	30	30
Total Current	**30**	**30**	**30**	**30**
Represented by:				
Shares	30	30	30	30
Total Investments and Other Financial Assets	**30**	**30**	**30**	**30**

How we recognise investments and other financial assets

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

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

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

Bendigo Health classifies its 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.

Bendigo Health
Notes to the Financial Statements for the Financial Year Ended 30 June 2024

Note 4.2: Property, Plant & Equipment

Note 4.2(a) Gross carrying amount and accumulated depreciation

	2024 $'000	2023 $'000
Land		
Land at Fair Value	44,479	39,711
Total Land	**44,479**	**39,711**
Buildings		
Buildings at Fair Value	373,180	111,583
Less Accumulated Depreciation	0	0
Total Buildings	**373,180**	**111,583**
Landscaping and Grounds		
Landscaping and Grounds at Fair Value	8,293	2,776
Less Accumulated Depreciation	0	(324)
Total Landscaping & Grounds	**8,293**	**2,452**
Plant and Machinery		
Plant and Machinery at Fair Value	7,701	6,436
Less Accumulated Depreciation	(4,702)	(4,208)
Total Plant and Machinery	**2,999**	**2,228**
Medical Equipment		
Medical Equipment at Fair Value	48,743	47,038
Less Accumulated Depreciation	(37,462)	(34,462)
Total Medical Equipment	**11,281**	**12,576**
Computers and Communication Equipment		
Computers and Communication Equipment at Fair Value	32,252	30,707
Less Accumulated Depreciation	(27,980)	(27,563)
Total Computers and Communications Equipment	**4,272**	**3,144**
Furniture and Fittings		
Furniture and Fittings at Fair Value	845	847
Less Accumulated Depreciation	(657)	(631)
Total Furniture and Fittings	**188**	**216**
Motor Vehicles		
Motor Vehicles at Fair Value	4,472	4,795
Less Accumulated Depreciation	(3,080)	(3,168)
Total Motor Vehicles	**1,392**	**1,627**
Non-Medical Equipment		
Non-Medical Equipment at Fair Value	2,616	2,567
Less Accumulated Depreciation	(2,325)	(2,250)
Total Non-Medical Equipment	**291**	**317**
Work In Progress		
Work In Progress at Cost	5,317	52,388
Total Work In Progress	**5,317**	**52,388**
Total Property, Plant and Equipment	**451,692**	**226,242**

Note 4.2 (b): Property, Plant & Equipment (continued)

How we recognise property, plant and equipment

Property, plant and equipment are tangible items that are used by Bendigo Health in the supply of goods or services, for rental to others, or for administration purposes, and are expected to be used during more than one financial year.

Initial Recognition

Items of property, plant and equipment (excluding right-of-use assets) are measured initially at cost and subsequently revalued at fair value less accumulated depreciation and impairment loss. Where an asset is acquired for no or nominal cost, the cost is its fair value at the date of acquisition. Assets transferred as part of a merger/machinery of government change are transferred at their carrying amounts.

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

Subsequent Measurement

Items of Property, plant and equipment (PPE) are subsequently measured at fair value less accumulated depreciation and impairment losses where applicable. Fair value is determined with regard to the asset's highest and best use (considering legal or physical restrictions imposed on the asset, public announcements or commitments made in relation to the intended use of the asset). Further information regarding fair value measurement is disclosed in Note 7.4.

Revaluation

Fair value is based on periodic valuations by independent valuers, which normally occur once every five years, based upon the asset's Government Purpose Classification, but may occur more frequently if fair value assessments indicate a material change in fair value has occurred.

Where an independent valuation has not been undertaken at balance date, Bendigo Health perform a managerial assessment to estimate possible changes in fair value of land and buildings since the date of the last independent valuation with reference to Valuer-General of Victoria (VGV) indices.

An adjustment is recognised if the assessment concludes that the fair value of land and buildings has changed by 10% or more since the last revaluation (whether that be the most recent independent valuation or managerial valuation). Any estimated change in fair value of less than 10% is deemed immaterial to the financial statements and no adjustment is recorded. Where the assessment indicates there has been an exceptionally material movement in the fair value of land and buildings since the last independent valuation, being equal to or in excess of 40%, Bendigo Health would obtain an interim independent valuation prior to the next scheduled independent valuation.

Bendigo Health
Notes to the Financial Statements for the Financial Year Ended 30 June 2024

Note 4.2: Property, Plant & Equipment (Continued)

Note 4.2(b) Reconciliations of the carrying amounts of each class of asset.

	Land	Buildings	Landscaping and Grounds	Plant and Machinery	Medical Equipment	Computers and Communications Equipment	Furniture and Fittings	Motor Vehicles	Non-Medical Equipment	Work In Progress	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Balance at 30 June 2022	**39,711**	**99,890**	**2,482**	**1,531**	**15,574**	**3,050**	**234**	**1,895**	**347**	**21,160**	**185,874**
Additions	0	2,057	0	725	1,352	880	13	0	37	33,357	38,421
Disposals	0	0	0	0	(30)	(5)	0	(5)	0	0	(40)
Revaluation Increments / (Decrements)	0	14,053	0	0	0	0	0	0	0	0	14,053
Jointly controlled Non-Current Assets (refer Note 8.8)	0	0	0	0	0	(5)	0	0	0	0	(5)
Assets Received Free of Charge	0	0	0	0	0	0	0	0	0	0	0
Net Transfers between Classes	0	1,337	53	264	0	475	0	0	0	(2,129)	0
Depreciation (refer note 4.5)	0	(5,754)	(83)	(292)	(4,320)	(1,251)	(31)	(263)	(67)	0	(12,061)
Balance at 30 June 2023	**39,711**	**111,583**	**2,452**	**2,228**	**12,576**	**3,144**	**216**	**1,627**	**317**	**52,388**	**226,242**
Additions	0	11,850	0	5	2,662	807	0	71	37	3,172	18,604
Disposals	0	0	0	(85)	(58)	0	0	(110)	0	0	(253)
Revaluation Increments / (Decrements)	4,768	206,595	5,916	0	0	0	0	0	0	0	217,279
Jointly controlled Non-Current Assets (refer Note 8.8)	0	0	0	0	0	0	0	0	0	0	0
Assets Received Free of Charge	0	0	0	0	0	0	0	0	0	0	0
Net Transfers between Classes	0	46,765	0	1,410	103	1,965	0	0	0	(50,243)	0
Depreciation (refer note 4.5)	0	(3,613)	(75)	(559)	(4,002)	(1,644)	(28)	(196)	(63)	0	(10,180)
Balance at 30 June 2024	**44,479**	**373,180**	**8,293**	**2,999**	**11,281**	**4,272**	**188**	**1,392**	**291**	**5,317**	**451,692**

Note 4.2 (b): Property, Plant & Equipment (continued)

An independent valuation of Bendigo Health's property was performed by the VGV on 30 June 2024. The land valuations, which complies with Australian Valuation Standards, was determined with reference to the amount for which an orderly transaction to sell the asset or transfer the liability would take place between market participants at the measurement date, under current market conditions. The property valuations, which complies with Australian Valuation Standards, was determined with reference to the current replacement costs.

Revaluation increases (increments) arise when an asset's fair value exceeds its carrying amount. In comparison, revaluation decreases (decrements) arise when an asset's fair value is less than its carrying amount. Revaluation increments and revaluation decrements relating to individual assets within an asset class are offset against one another within that class but are not offset in respect of assets in different classes.

Revaluation increments are recognised in 'Other Comprehensive Income' and are credited directly to the asset revaluation reserve, except that, to the extent that an increment reverses a revaluation decrement in respect of that same class of asset previously recognised as an expense in net result, in which case the increment is recognised as income in the net result.

Revaluation decrements are recognised in 'Other Comprehensive Income' to the extent that a credit balance exists in the asset revaluation reserve in respect of the same class of property, plant and equipment. Otherwise, the decrement is recognised as an expense in the net result.

The revaluation reserve included in equity in respect of an item of property, plant and equipment may be transferred directly to retained earnings when the asset is derecognised.

Bendigo Health
Notes to the Financial Statements for the Financial Year Ended 30 June 2024

Note 4.3: Right-of-use Assets

4.3(a) Gross carrying amount and accumulated depreciation

	2024 $'000	2023 $'000
Right of Use Buildings at fair value	39,742	38,340
Less Accumulated Depreciation	(8,832)	(7,006)
Total Right-of-use Buildings at Fair Value	**30,910**	**31,334**
Right of Use Plant and Equipment at Fair Value	1,674	1,326
Less Accumulated Depreciation	(898)	(615)
Total Right of Use Plant and Equipment at Fair Value	**776**	**711**
Leased Assets Contracted under VicFleet		
Motor Vehicles		
Motor Vehicles at Fair Value	1,723	519
Less Accumulated Depreciation	(272)	(112)
Total Leased Assets Contracted under VicFleet	**1,451**	**407**
Right of Use PPP Assets		
Leased Buildings at Fair Value	834,750	576,409
Less Accumulated Depreciation	0	0
	834,750	**576,409**
Leased Equipment at Fair Value	22,350	22,140
Less Accumulated Depreciation	(6,625)	(5,678)
	15,725	**16,462**
Total Right-of-use PPP Assets	**850,475**	**592,871**
Total Right-of-use Assets	**883,612**	**625,323**

4.3(b) Reconciliations of the carrying amounts of each class of asset (continued)

How we recognise right-of-use assets

Initial recognition
When a contract is entered into, Bendigo Health assesses if the contract contains or is a lease. Unless the lease is considered a short-term lease or a lease of a low-value asset (refer to Note 6.1 for further information) the contract gives rise to a right-of-use asset and corresponding lease liability.

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

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

Bendigo Health presents its right-of-use assets as part of property, plant and equipment as if the asset was owned by the health service.

Subsequent measurement
Right-of-use assets are subsequently measured at fair value, with the exception of right-of-use asset arising from leases with significantly below-market terms and conditions, which are subsequently measured at cost, less accumulated depreciation and accumulated impairment losses where applicable. Right-of-use assets are also adjusted for certain remeasurements of the lease liability (for example, when a variable lease payment based on an index or rate becomes effective).

Further information regarding fair value measurement is disclosed in Note 7.4.

Bendigo Health
Notes to the Financial Statements for the Financial Year Ended 30 June 2024

4.3(b) Reconciliations of the carrying amounts of each class of asset

	Right of Use Buildings $'000	Right of Use Plant and Equipment $'000	Right of Use PPP Assets $'000	Leased Assets $'000	Total $'000
Balance at 30 June 2022	**30,566**	**810**	**545,668**	**270**	**577,314**
Additions	2,631	11	271	200	3,113
Disposals	0	0	0	0	0
Revaluation Increments / (Decrements)	0	0	65,970	0	65,970
Depreciation (refer note 4.5)	(1,863)	(110)	(19,038)	(63)	(21,074)
Balance at 30 June 2023	**31,334**	**711**	**592,871**	**407**	**625,323**
Additions	1,403	348	236	1,345	3,332
Disposals	0	0	0	(81)	(81)
Revaluation Increments / (Decrements)	0	0	274,931	0	274,931
Depreciation (refer note 4.5)	(1,827)	(283)	(17,563)	(220)	(19,893)
Balance at 30 June 2024	**30,910**	**776**	**850,475**	**1,451**	**883,612**

Note 4.4: Intangible Assets

Note 4.4(a): Gross carrying amount and accumulated amortisation

	2024 $'000	2023 $'000
Intangible produced assets - software	26,556	26,556
Less accumulated amortisation	(9,728)	(7,072)
Total software	**16,828**	**19,484**
Works in progress	1,285	0
Total works in progress	**1,285**	**0**
Total intangible assets	**18,113**	**19,484**

Note 4.4(b): Reconciliations of the carrying amounts of each class of asset

	Note	Software $'000	Works in Progress $'000	Total $'000
Balance at 30 June 2022		**22,140**	**-**	**22,140**
Additions		-	-	-
Disposals		-	-	-
Revaluation increments/(decrements)		-	-	-
Net Transfers between classes		-	-	-
Amortisation	4.5	(2,656)	-	(2,656)
Balance at 30 June 2023	4.4(a)	**19,484**	**-**	**19,484**
Additions		-	1,285	1,285
Disposals		-	-	-
Revaluation increments/(decrements)		-	-	-
Net Transfers between classes		-	-	-
Amortisation	4.5	(2,656)	-	(2,656)
Balance at 30 June 2024	4.4(a)	**16,828**	**1,285**	**18,113**

How we recognise intangible assets
Intangible assets represent identifiable non-monetary assets without physical substance such as computer software and car park revenue recognition rights.

Initial recognition
Purchased intangible assets are initially recognised at cost.

An internally generated intangible asset arising from development (or from the development phase of an internal project) is also recognised at cost if, and only if, all of the following are demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale
- an intention to complete the intangible asset and use or sell it
- the ability to use or sell the intangible asset
- the intangible asset will generate probable future economic benefits
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

Expenditure on research activities is recognised as an expense in the period on which it is incurred.

Subsequent measurement
Intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses.

Note 4.5: Depreciation and Amortisation

	2023 $'000	2023 $'000
Depreciation		
Property, Plant and Equipment		
Buildings	3,613	5,754
Landscaping and Grounds	75	83
Plant and Machinery	559	292
Medical Equipment	4,002	4,320
Computers and Communication	1,644	1,251
Furniture and Fittings	28	31
Motor Vehicles	196	263
Non-Medical Equipment	63	67
Total Depreciation - Property, Plant and Equipment	**10,180**	**12,061**
Right of Use Assets		
Right of Use Buildings	1,827	1,863
Right of Use Plant and Equipment	283	110
Right of Use Motor Vehicles	220	63
Right of Use PPP Assets	17,563	19,038
Total Depreciation - Right of Use Assets	**19,893**	**21,074**
Total Depreciation	**30,073**	**33,135**
Amortisation		
Software	2,656	2,656
Total amortisation	**2,656**	**2,656**
Total depreciation and amortisation	**32,729**	**35,791**

How we recognise Depreciation

All infrastructure assets, buildings, plant and equipment and other non-financial physical assets (excluding items under operating leases, assets held for sale, 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.

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

How we recognise Amortisation

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

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

Non-public private partnership (PPP) assets	2024	2023
Buildings		
- Structure Shell Building Fabric	2 to 58 years	2 to 58 years
- Site Engineering Services and Central Plant	2 to 52 years	2 to 52 years
Central Plant		
- Fit Out	25 years	25 years
- Trunk Reticulated Building Systems	30 years	30 years
Landscaping and Grounds	24 to 80 years	24 to 80 years
Plant and Machinery	4 to 20 years	4 to 20 years
Medical Equipment	3 to 20 years	3 to 20 years
Computers and Communication	1 to 20 years	1 to 20 years
Furniture and Fitting	4 to 20 years	4 to 20 years
Motor Vehicles	4 to 8 years	4 to 8 years
Software	10 years	10 years
Non Medical Equipment	2 to 20 years	2 to 20 years

Public private partnership (PPP) assets	2024	2023
Buildings	22 to 58 years	22 to 58 years
Equipment	3 to 20 years	3 to 20 years

As part of the buildings valuation, building values were separated into components and each component assessed for its useful life which is represented above.

Note 4.6: Inventories

	2024 $'000	2023 $'000
Inventories		
Pharmaceuticals - at cost	1,160	1,096
Medical and Surgical Lines - at cost	2,622	2,327
Other - at cost	580	469
Total Inventories	**4,362**	**3,892**

How we recognise Inventories

Inventories include goods and other property held either for sale, consumption or for distribution at no or nominal cost in the ordinary course of business operations. It excludes depreciable assets. Inventories are measured at the lower of cost and net realisable value.

Note 4.7: Impairment of Assets

How we recognise Impairment

At the end of each reporting period, Bendigo Health reviews the carrying amount of its tangible and intangible assets that have a finite useful life, to determine whether there is any indication that an asset may be impaired.

The assessment will include consideration of external sources of information and internal sources of information.

If such an indication exists, an impairment test is carried out. Assets with indefinite useful lives (and assets not yet available for use) are tested annually for impairment, in addition to where there is an indication that the asset may be impaired.

When performing an impairment test, Bendigo Health compares the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in net result, unless the asset is carried at a revalued amount.

Where an impairment loss on a revalued asset is identified, this is recognised against the asset revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the cumulative balance recorded in the asset revaluation surplus for that class of asset.

Where it is not possible to estimate the recoverable amount of an individual asset, Bendigo Health estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Bendigo Health did not record any impairment losses for the year ended 30 June 2024 (30 June 2023: Nil).

Note 5: Other Assets and Liabilities

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

Structure

5.1 Receivables
5.2 Other Assets
5.3 Payables
5.4 Contract Liabilities
5.5 Other Liabilities

Material judgements and estimates

This section contains the following material judgements and estimates:

Material judgements and estimates	Description
Estimating the provision for expected credit losses	Bendigo Health uses a simplified approach to account for the expected credit loss provision. A provision matrix is used, which considers historical experience, external indicators and forward-looking information to determine expected credit loss rates.
Classifying a sub-lease arrangement as either an operating lease or finance lease	Bendigo Health applies material judgement to determine if a sub-lease arrangement, where the health service is a lessor, meets the definition of an operating lease or finance lease. Bendigo Health considers a range of scenarios when classifying a sub-lease. A sub-lease typically meets the definition of a finance lease if: ▪ The lease transfers ownership of the asset to the lessee at the end of the term ▪ The lessee has an option to purchase the asset for a price that is significantly below fair value at the end of the lease term ▪ The lease term is for the majority of the asset's useful life ▪ The present value of lease payments amount to the approximate fair value of the leased asset and ▪ The leased asset is of a specialised nature that only the lessee can use without significant modification. All other sub-lease arrangements are classified as an operating lease.
Measuring deferred capital grant income	Where Bendigo Health has received funding to construct an identifiable non-financial asset, such funding is recognised as deferred capital grant income until the underlying asset is constructed. Bendigo Health applies material judgement when measuring the deferred capital grant income balance, which references the estimated the stage of completion at the end of each financial year.
Measuring contract liabilities	Bendigo Health applies material judgement to measure its progress towards satisfying a performance obligation as detailed in Note 2. Where a performance obligation is yet to be satisfied, Bendigo Health assigns funds to the outstanding obligation and records this as a contract liability until the promised good or service is transferred to the customer.

Note 5.1: Receivables

	Notes	2024 $'000	2023 $'000
CURRENT RECEIVABLES			
Contractual			
Trade Debtors		5,721	3,193
Patient Fees		3,994	4,982
Allowance for impairment losses	5.1(a)	(444)	(499)
Trade Debtors - Joint Venture		395	338
Accrued Revenue - Other		7,002	9,487
Sub-total Contractual Receivables		**16,668**	**17,501**
Statutory			
GST Receivable		2,406	3,178
Sub-total Statutory Receivables		**2,406**	**3,178**
Total Current Receivables		**19,074**	**20,679**
NON CURRENT			
Contractual			
Long Service Leave - Department of Health		40,080	35,978
Sub-total Contractual Receivables		**40,080**	**35,978**
Total Non-Current Receivables		**40,080**	**35,978**
Total Receivables		**59,154**	**56,657**
(i) Financial assets classified as receivables			
Total receivables		59,154	56,657
GST receivable		(2,406)	(3,178)
Total financial assets	7.1(a)	**56,748**	**53,479**

Note 5.1(a) Movement in the allowance for impairment losses of contractual receivables

	2024 $'000	2023 $'000
Balance at beginning of year	(499)	(477)
Amounts written off during the year	2,132	882
Increase in allowance recognised in net result	(2,077)	(904)
Balance at end of year	**(444)**	**(499)**

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 categorised as 'financial assets at amortised costs'. They are initially recognised at fair value plus any directly attributable transaction costs. Bendigo Health holds the contractual receivables with the objective to collect the contractual cash flows and therefore subsequently measured at amortised cost using the effective interest method, less any impairment; and

- **Statutory receivables**, including Goods and Services Tax ("GST") input tax credits 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. Bendigo Health applies AASB 9 for initial measurement of the statutory receivables and as a result statutory receivables are initially recognised at fair value plus any directly attributable transaction cost.

Trade debtors are carried at the nominal amounts due for settlement within 30 days from the date of recognition.

In assessing impairment of statutory (non-contractual) financial assets, which are not financial instruments, professional judgement is applied in assessing materiality using estimates, averages and other computational methods in accordance with AASB 136 *Impairment of Assets*.

Impairment losses of contractual receivables
Refer to Note 7.2 (a) for Bendigo Health's contractual impairment losses.

Note 5.2: Other Assets

	2024 $'000	2023 $'000
Current		
Prepayments	14,104	13,937
Total Current	**14,104**	**13,937**
Non-Current		
Derivatives designated and effective as hedging instruments carried at fair value	38,803	41,256
Total Non-Current	**38,803**	**41,256**
Total Other Assets	**52,907**	**55,193**

How we recognise other assets

Interest Rate Swap Derivative - cash flow hedge
Bendigo Health is party to a derivative financial instrument in order to hedge exposure to fluctuations in interest rate changes.

As required in the operating deed for the Bendigo Health public private partnership, Bendigo Health became responsible for the interest rate swap contract during the 2018-19 financial year in which it entered into an Interest Rate Swap (IRS) contract to fix the interest payable under the Quarterly Service Payments. The IRS is effective for the period of 3 June 2019 to 1 October 2041.

Bendigo Health has economic exposure to AUD bank bill swap rate BBSY indexed cash flow interest rate risk embedded in the Floating Rate Component (FRC) debt payments to Exemplar Health.

The objective of interest rate hedging is to mitigate the variability in AUD cash flows due to changes in BBSY benchmark interest rates associated with FRC payments to Exemplar Health.

Bendigo Health has transacted to pay fixed and receive floating BBSY interest rate with Treasury Corporation of Victoria (TCV) to fix the effective interest rate on its FRC payments. The rate fixed in the Interest Rate Swap is 2.054% compared to the variable BBSY rate of 4.39% as at the end of the reporting period.

The swap contracts require settlement of net interest receivable or payable every 90 days. The settlement dates coincide with the dates on which interest is payable on the underlying debt.

For the purpose of this hedge relationship, BBSY cash flow exposures on FRC is an eligible hedged item under the requirements of *AASB 9 Financial Instruments.*

Derivatives and hedging activities
Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. Bendigo Health only has the one hedging instrument, being an interest rate swap.

The full fair value of the hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is only classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Bendigo Health designates derivatives as a cash flow hedge and the swap hedges interest rate risk associated with the cash flows of the PPP lease liability that has highly probable forecast transactions.

Hedges that meet all the qualifying criteria for hedge accounting are accounted for, as described below:

Cash flow hedges
The effective portion of changes in the fair value of the derivative that is designated and qualify as a cash flow hedge is recognised in the cash flow hedge reserve within equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, within other gains/(losses). The cash flow hedge reserve is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.

The gain or loss relating to the effective portion of the interest rate swaps hedging variable rate borrowings is recognised in profit or loss within finance cost at the same time as the interest expense on the hedged borrowings.

Fair value measurement of derivative instruments
(i) Valuation techniques used to determine fair values
Interest Rate Swap – the present value of the estimated future cash flows based on observable swap yield curves.

The fair value estimate is included as 'recurring fair value measurements' in level 2 of the fair value hierarchy.

Note 5: Other Assets and Liabilities

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

Structure

5.1 Receivables
5.2 Other Assets
5.3 Payables
5.4 Contract Liabilities
5.5 Other Liabilities

Material judgements and estimates

This section contains the following material judgements and estimates:

Material judgements and estimates	Description
Estimating the provision for expected credit losses	Bendigo Health uses a simplified approach to account for the expected credit loss provision. A provision matrix is used, which considers historical experience, external indicators and forward-looking information to determine expected credit loss rates.
Classifying a sub-lease arrangement as either an operating lease or finance lease	Bendigo Health applies material judgement to determine if a sub-lease arrangement, where the health service is a lessor, meets the definition of an operating lease or finance lease. Bendigo Health considers a range of scenarios when classifying a sub-lease. A sub-lease typically meets the definition of a finance lease if: ▪ The lease transfers ownership of the asset to the lessee at the end of the term ▪ The lessee has an option to purchase the asset for a price that is significantly below fair value at the end of the lease term ▪ The lease term is for the majority of the asset's useful life ▪ The present value of lease payments amount to the approximate fair value of the leased asset and ▪ The leased asset is of a specialised nature that only the lessee can use without significant modification. All other sub-lease arrangements are classified as an operating lease.
Measuring deferred capital grant income	Where Bendigo Health has received funding to construct an identifiable non-financial asset, such funding is recognised as deferred capital grant income until the underlying asset is constructed. Bendigo Health applies material judgement when measuring the deferred capital grant income balance, which references the estimated the stage of completion at the end of each financial year.
Measuring contract liabilities	Bendigo Health applies material judgement to measure its progress towards satisfying a performance obligation as detailed in Note 2. Where a performance obligation is yet to be satisfied, Bendigo Health assigns funds to the outstanding obligation and records this as a contract liability until the promised good or service is transferred to the customer.

Bendigo Health
Notes to the Financial Statements for the Financial Year Ended 30 June 2024

Note 5.1: Receivables

	Notes	2024 $'000	2023 $'000
CURRENT RECEIVABLES			
Contractual			
Trade Debtors		5,721	3,193
Patient Fees		3,994	4,982
Allowance for impairment losses	5.1(a)	(444)	(499)
Trade Debtors - Joint Venture		395	338
Accrued Revenue - Other		7,002	9,487
Sub-total Contractual Receivables		**16,668**	**17,501**
Statutory			
GST Receivable		2,406	3,178
Sub-total Statutory Receivables		**2,406**	**3,178**
Total Current Receivables		**19,074**	**20,679**
NON CURRENT			
Contractual			
Long Service Leave - Department of Health		40,080	35,978
Sub-total Contractual Receivables		**40,080**	**35,978**
Total Non-Current Receivables		**40,080**	**35,978**
Total Receivables		**59,154**	**56,657**
(i) Financial assets classified as receivables			
Total receivables		59,154	56,657
GST receivable		(2,406)	(3,178)
Total financial assets	7.1(a)	**56,748**	**53,479**

Note 5.1(a) Movement in the allowance for impairment losses of contractual receivables

	2024 $'000	2023 $'000
Balance at beginning of year	(499)	(477)
Amounts written off during the year	2,132	882
Increase in allowance recognised in net result	(2,077)	(904)
Balance at end of year	**(444)**	**(499)**

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 categorised as 'financial assets at amortised costs'. They are initially recognised at fair value plus any directly attributable transaction costs. Bendigo Health holds the contractual receivables with the objective to collect the contractual cash flows and therefore subsequently measured at amortised cost using the effective interest method, less any impairment; and

- **Statutory receivables**, including Goods and Services Tax ("GST") input tax credits 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. Bendigo Health applies AASB 9 for initial measurement of the statutory receivables and as a result statutory receivables are initially recognised at fair value plus any directly attributable transaction cost.

Trade debtors are carried at the nominal amounts due for settlement within 30 days from the date of recognition.

In assessing impairment of statutory (non-contractual) financial assets, which are not financial instruments, professional judgement is applied in assessing materiality using estimates, averages and other computational methods in accordance with AASB 136 *Impairment of Assets*.

Impairment losses of contractual receivables
Refer to Note 7.2 (a) for Bendigo Health's contractual impairment losses.

Note 5.2: Other Assets

	2024 $'000	2023 $'000
Current		
Prepayments	14,104	13,937
Total Current	**14,104**	**13,937**
Non-Current		
Derivatives designated and effective as hedging instruments carried at fair value	38,803	41,256
Total Non-Current	**38,803**	**41,256**
Total Other Assets	**52,907**	**55,193**

How we recognise other assets

Interest Rate Swap Derivative - cash flow hedge
Bendigo Health is party to a derivative financial instrument in order to hedge exposure to fluctuations in interest rate changes.

As required in the operating deed for the Bendigo Health public private partnership, Bendigo Health became responsible for the interest rate swap contract during the 2018-19 financial year in which it entered into an Interest Rate Swap (IRS) contract to fix the interest payable under the Quarterly Service Payments. The IRS is effective for the period of 3 June 2019 to 1 October 2041.

Bendigo Health has economic exposure to AUD bank bill swap rate BBSY indexed cash flow interest rate risk embedded in the Floating Rate Component (FRC) debt payments to Exemplar Health.

The objective of interest rate hedging is to mitigate the variability in AUD cash flows due to changes in BBSY benchmark interest rates associated with FRC payments to Exemplar Health.

Bendigo Health has transacted to pay fixed and receive floating BBSY interest rate with Treasury Corporation of Victoria (TCV) to fix the effective interest rate on its FRC payments. The rate fixed in the Interest Rate Swap is 2.054% compared to the variable BBSY rate of 4.39% as at the end of the reporting period.

The swap contracts require settlement of net interest receivable or payable every 90 days. The settlement dates coincide with the dates on which interest is payable on the underlying debt.

For the purpose of this hedge relationship, BBSY cash flow exposures on FRC is an eligible hedged item under the requirements of *AASB 9 Financial Instruments.*

Derivatives and hedging activities
Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. Bendigo Health only has the one hedging instrument, being an interest rate swap.

The full fair value of the hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is only classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Bendigo Health designates derivatives as a cash flow hedge and the swap hedges interest rate risk associated with the cash flows of the PPP lease liability that has highly probable forecast transactions.

Hedges that meet all the qualifying criteria for hedge accounting are accounted for, as described below:

Cash flow hedges
The effective portion of changes in the fair value of the derivative that is designated and qualify as a cash flow hedge is recognised in the cash flow hedge reserve within equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, within other gains/(losses). The cash flow hedge reserve is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.

The gain or loss relating to the effective portion of the interest rate swaps hedging variable rate borrowings is recognised in profit or loss within finance cost at the same time as the interest expense on the hedged borrowings.

Fair value measurement of derivative instruments
(i) Valuation techniques used to determine fair values
Interest Rate Swap – the present value of the estimated future cash flows based on observable swap yield curves.

The fair value estimate is included as 'recurring fair value measurements' in level 2 of the fair value hierarchy.

Note 5.3: Payables

		2024 $'000	2023 $'000
CURRENT PAYABLES			
Contractual			
Accrued Expenses		13,409	8,119
Accrued Salaries and Wages		19,139	14,229
Trade Creditors		2,823	21,576
		35,371	**43,924**
Total Payables		**35,371**	**43,924**
(i) Financial liabilities classified as payables and contract liabilities (Note 7.1(a))			
Total payables and contract liabilities		35,371	43,924
Total financial liabilities classified as payables	7.1(a)	**35,371**	**43,924**

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 Bendigo Health prior to the end of the financial year that are unpaid; and

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

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

Note 5.3(a): Movement in deferred Capital Grant Income

	2024 $'000	2023 $'000
Opening balance of deferred capital grant income	0	0
Grant consideration for capital works received during the year	6,848	9,850
Deferred grant revenue recognised as revenue due to completion of capital works	(6,848)	(9,850)
Closing balance of deferred grant income	**0**	**0**

How we recognise deferred capital grant income

Grant consideration was received from State and Commonwealth Government Agencies for various capital projects. Capital grant income is recognised progressively as the asset is constructed, since this is the time when Bendigo Health satisfies its obligations under the transfer by controlling the asset as and when it is constructed. The progressive percentage costs incurred is used to recognise income because this most closely reflects the progress to completion as costs are incurred as the works are done. (see note 2.1) As a result, Bendigo Health has deferred recognition of a portion of the grant consideration received as a liability for the outstanding obligations.

Maturity analysis of payables

Please refer to Note 7.2(b) for the maturity analysis of payables.

Note 5.4: Contract Liabilities

	2024 $'000	2023 $'000
Current		
Contract liabilities	10,605	4,142
Total current contract liabilities	10,605	4,142
Total contract liabilities	**10,605**	**4,142**

Note 5.4(a): Movement in Contract Liabilities

	2024 $'000	2023 $'000
Opening balance of contract liabilities	4,142	15,495
Add: payments received for performance obligations not yet fulfilled	150,378	142,853
Less: revenue recognised for the completion of a performance obligation	(143,915)	(154,206)
Total contract liabilities	**10,605**	**4,142**

How we recognise contract liabilities

Contract liabilities include consideration received in advance from customers for various services or projects before a related performance obligation is satisfied.

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

Note 6: How We Finance our Operations

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

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

Structure

6.1 Borrowings

6.2 Cash and Cash Equivalents

6.3 Commitments for Expenditure

Material judgements and estimates

This section contains the following material judgements and estimates:

Material judgements and estimates	Description
Determining if a contract is or contains a lease	Bendigo Health applies material judgement to determine if a contract is or contains a lease by considering if Bendigo Health: ▪ has the right-to-use an identified asset ▪ has the right to obtain substantially all economic benefits from the use of the leased asset and ▪ can decide how and for what purpose the asset is used throughout the lease.
Determining if a lease meets the short-term or low value asset lease exemption	Bendigo Health applies material judgement when determining if a lease meets the short-term or low value lease exemption criteria. Bendigo Health estimates the fair value of leased assets when new. Where the estimated fair value is less than $10,000, Bendigo Health applies the low-value lease exemption. Bendigo Health also estimates the lease term with reference to remaining lease term and period that the lease remains enforceable. Where the enforceable lease period is less than 12 months the health service applies the short-term lease exemption.
Discount rate applied to future lease payments	Bendigo Health discounts its lease payments using the interest rate implicit in the lease. If this rate cannot be readily determined, which is generally the case for Bendigo Health's lease arrangements, Bendigo Health uses its incremental borrowing rate, which is the amount Bendigo Health would have to pay to borrow funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.
Assessing the lease term	The lease term represents the non-cancellable period of a lease, combined with periods covered by an option to extend or terminate the lease if Bendigo Health is reasonably certain to exercise such options. Bendigo Health determines the likelihood of exercising such options on a lease-by-lease basis through consideration of various factors including: ▪ If there are significant penalties to terminate (or not extend), Bendigo Health service is typically reasonably certain to extend (or not terminate) the lease. ▪ If any leasehold improvements are expected to have a significant remaining value, Bendigo Health is typically reasonably certain to extend (or not terminate) the lease. ▪ Bendigo Health considers historical lease durations and the costs and business disruption to replace such leased assets.

Note 5.5: Other Liabilities

	2024 $'000	2023 $'000
Current Monies Held In Trust		
Refundable Accommodation Deposits (RADs)	33,472	24,848
Community Packages	0	1,851
Local Loddon Leadership Group	0	1,075
Loddon Mallee Health Network	2,312	402
Loddon Mallee Regional Pallative Care Consortium	23	1,354
Loddon Mallee Regional Pallative Care Consultancy	725	70
Patient Monies Held in Trust	177	238
Loddon Mallee Integrated Cancer Services	1,023	961
Mallee Health Partnership	0	496
Murray Health Partnership	0	568
Total Current Monies Held In Trust	**37,732**	**31,863**
Other Liabilities	**70**	**70**
Total Current Other Liabilities	**37,802**	**31,933**
Total Other Liabilities	**37,802**	**31,933**
*** Total Monies Held in Trust**		
Represented by the following assets:		
Cash Assets (refer to note 6.2)	37,732	31,863
Total	**37,732**	**31,863**

How we recognise other liabilities
Accommodation Deposits (Refundable Accommodation Deposit)/Accommodation Bond Liabilities

RADs/accommodation bonds are non-interest-bearing deposits made by some aged care residents to Bendigo Health upon admission. These deposits are liabilities which fall due and payable when the resident leaves the home. As there is no unconditional right to defer payment for 12 months, these liabilities are recorded as current liabilities.

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

Note 6.1: Borrowings

		2024 $'000	2023 $'000
Current Borrowings			
Lease Liability - PPP[1]	6.1(b)	5,885	4,987
Lease Liability[1]	6.1(a)	2,165	1,785
Total Current Borrowings		**8,050**	**6,772**
Non-Current Borrowings			
Lease Liability - PPP[1]	6.1(b)	230,886	236,771
Lease Liability[1]	6.1(a)	32,987	32,321
Total Non Current Borrowings		**263,873**	**269,092**
Total Borrowings		**271,923**	**275,864**

(1) Lease secured by assets leased. Leases are effectively secured as the rights to the leased assets revert to the lessor in the event of default. Note that the obligation of fulfilling PPP interest and principal payments over the PPP term rests with the Department of Health. Bendigo Health records on behalf of the Department of Health according to the information provided.

How we recognise borrowings
Borrowings refer to interest bearing liabilities mainly raised from advances from the Treasury Corporation of Victoria (TCV) and other funds raised through lease liabilities, service concession arrangements and other interest-bearing arrangements.

Initial recognition
All borrowings are initially recognised at fair value of the consideration received, less directly attributable transaction costs. The measurement basis subsequent to initial recognition, borrowings are measured at amortised cost with any difference between the initial recognised amount and the redemption value is recognised in the net result over the period of the borrowings using the effective interest method.

Subsequent measurement
Subsequent to initial recognition, interest bearing borrowings are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in the net result over the period of the borrowing using the effective interest method. Non-interest bearing borrowings are measured at 'fair value through profit or loss'.

Maturity analysis
Please refer to note 7.2(b) for the maturity analysis of borrowings.

Defaults and breaches
During the current and prior year, there were no defaults and breaches of any of the borrowings.

Note 6.1(a) Lease liabilities

Bendigo Health's lease liabilities are summarised below:

	2024 $'000	2023 $'000
Total undiscounted lease liabilities	46,790	46,361
Less unexpired finance expenses	(11,638)	(12,255)
Net lease liabilities	**35,152**	**34,106**

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

	2024 $'000	2023 $'000
Not longer than one year	3,261	2,853
Later than 1 year and not later than 5 years	10,887	9,621
Later than 5 years	32,642	33,887
Minimum future lease liability	**46,790**	**46,361**
- Less unexpired finance expenses	(11,638)	(12,255)
Present value of lease liability	**35,152**	**34,106**
*** Represented by:**		
Current liabilities	2,165	1,785
Non-Current liabilities	32,987	32,321
	35,152	**34,106**

How we recognise lease liabilities

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

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

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

Bendigo Health's lease arrangements consist of the following:

Type of asset leased	Lease term
Leased buildings	2 to 30 years
Leased plant, equipment, furniture, fittings and vehicles	3 to 25 years

All leases are recognised on the balance sheet, with the exception of low value leases (less than $10,000 AUD) and short term leases of less than 12 months. The following low value, short term and variable lease payments are recognised in profit or loss.

Type of payment	Description of payment	Type of leases captured
Low value lease payments	Leases where the underlying asset's fair value, when new, is no more than $10,000	PC's and Photocopiers

Initial measurement

The lease liability is initially measured at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease if that rate is readily determinable or Bendigo Health's incremental borrowing rate. Our lease liability has been discounted by rates of between 2.1% to 5.6%.

Lease payments included in the measurement of the lease liability comprise the following:
- fixed payments (including in-substance fixed payments) less any lease incentive receivable;
- variable payments based on an index or rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- payments arising from purchase and termination options reasonably certain to be exercised.

The following types of lease arrangements, contain extension and termination options:

- Leased Buildings
- Leased plant, equipment, furniture, fittings and vehicles

These terms are used to maximise operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable only by the health service and not by the respective lessor.

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term and lease liability if the lease is reasonably certain to be extended (or not terminated).

The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the lessee.

During the current financial year, the financial effect of revising lease terms to reflect the effect of exercising extension and termination options was an increase in recognised lease liabilities and right-of-use assets of $238,178.

Subsequent measurement

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in the substance of fixed payments.
When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right of use asset is already reduced to zero.

Note 6.1(b) PPP Lease Liabilities
Bendigo Health's PPP lease liabilities are summarised below:

	2024 $'000	2023 $'000
Total undiscounted PPP lease liabilities	473,082	499,675
Less unexpired finance expenses	(236,311)	(257,917)
Net PPP lease liabilities	**236,771**	**241,758**

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

	2024 $'000	2023 $'000
Not longer than one year	26,954	26,592
Later than 1 year and not later than 5 years	107,706	107,757
Later than 5 years	338,422	365,326
Minimum future PPP lease liability	473,082	499,675
- Less unexpired finance expenses	(217,754)	(241,903)
- Floating Rate Component (FRC) adjustment (i)	(18,557)	(16,014)
Present value of PPP lease liability	**236,771**	**241,758**
*** Represented by:**		
Current liabilities	5,885	4,987
Non-Current liabilities	230,886	236,771
	236,771	**241,758**

(i) Contingent lease payments/receipts adjust the minimum finance lease payments made for differences between the prevailing Bank Bill Rate and a fixed interest rate of 5.098% for the period May 2019 to April 2040 multiplied by the principal loan amount outstanding over that period. The forecast contingent lease receipts above have been calculated based on forward interest rates applying hedge accounting at a swap rate of 2.054% as at 30 June 2019 as provided by TCV.

How we recognise commissioned public private partnerships (PPP)

The Bendigo Hospital facility was built through a Public Private Partnership arrangement between of State of Victoria and Exemplar Health. Bendigo Health occupies the facility through a sublease agreement with Exemplar Health. Bendigo Health, on behalf of the State of Victoria, agreed to record and report the State's obligations and associated accounting transactions as provided by the Department of Health.

In relation to the PPP arrangement, although Bendigo Health has assumed the financial assets and liabilities in its accounts, the payments to the private provider are being made directly by the Department of Health on a monthly basis, hence there is no cash flow impact on Bendigo Health. Bendigo Health will record the non-cash entries in its accounts in accordance with a financial model that has been developed by the Department of Health.

Note 6.2: Cash and Cash Equivalents

		2024 $'000	2023 $'000
Cash on hand (excluding Monies held in trust)		11	15
Cash at bank (excluding Monies held in trust)		2,649	2,193
Cash at bank - CBS (excluding Monies held in trust)		30,256	46,008
Cash for Joint Operation		3,225	2,199
Cash for Joint Operation - CBS		0	114
Total cash held for operations		**36,141**	**50,529**
Cash on hand (Monies held in trust)		4	4
Cash at bank (Monies held in trust)		37,728	31,859
Total cash held as monies in trust		**37,732**	**31,863**
Total Cash and Cash Equivalents	7.1(a)	**73,873**	**82,392**

How we recognise cash and cash equivalents
Cash and cash equivalents recognised on the Balance Sheet comprise cash on hand and cash at bank, deposits at call and highly liquid investments (with an original maturity of three months or less).

Cash and cash equivalents are held for the purpose of meeting short term cash commitments rather than for investment purposes and are readily convertible to known amounts of cash with an insignificant risk of changes in value.

For cash flow statement presentation purposes, cash and cash equivalents include bank overdrafts, which are included as liabilities on the balance sheet. The cash flow statement includes monies held in trust.

Note 6.3: Commitments for Expenditure

	2024 $'000	2023 $'000
Operating Expenditure Commitments		
Not later than one year	3,154	2,979
Later than 1 year and not later than 5 years	10,742	10,283
Later than 5 years	35,906	37,276
Total Operating Expenditure Commitments	**49,802**	**50,538**
Non-cancellable Short Term and low value lease commitments		
Not later than one year	322	91
Later than 1 year and not later than 5 years	967	0
Later than 5 years	0	0
Total Non-cancellable Lease Commitments	**1,289**	**91**
Public Private Partnership Commitments (commissioned)		
Not later than one year	64,662	58,572
Later than 1 year and not later than 5 years	297,453	284,391
Later than 5 years	1,108,358	1,168,151
Total Public Private Partnership Commitments	**1,470,473**	**1,511,114**
Total Commitments for Expenditure (inclusive of GST)	**1,521,564**	**1,561,743**
Less GST recoverable from the Australian Tax Office	(138,324)	(141,977)
Total Commitments for Expenditure (exclusive of GST)	**1,383,240**	**1,419,766**

The PPP expenditure commitments for Food Volume Adjustments are not included in expenditure commitments calculation as they are contingent on future food volumes supplied to Bendigo Health.

Future lease payments are recognised on the balance sheet, refer to Note 6.1 Borrowings.

How we disclose our commitments
Our commitments relate to expenditure, Public Private Partnerships (PPP) and short term and low value leases.

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

Short term and low value leases
Bendigo Health discloses short term and low value lease commitments which are excluded from the measurement of right-of-use assets and lease liabilities. Refer to Note 6.1 for further information.

Commissioned public private partnerships (PPP)

Pursuant to the requirements of the Operating Deed signed by the State and Bendigo Health in 2017, the Department of Health agrees to meet all payments (including leasing and operating) for which the State is liable and which are associated with the project. Bendigo Health has agreed to record and report all of the obligations of the state reflecting Bendigo Health's position as the government agency that controls the assets.

Refer to Note 6.1 for further information.

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

Note 7.1(a) Categorisation of Financial Instruments

2024	Note	Financial Assets at Amortised Cost $'000	Financial Assets at Fair Value Through Profit & Loss $'000	Financial Liabilities at Amortised Cost $'000	Total $'000
Contractual Financial Assets					
Cash and cash equivalents	6.2	73,873	0	0	73,873
Receivables	5.1	56,748	0	0	56,748
Investments and Other Financial Assets	4.1	0	30	0	30
Total Financial Assets [(i)]		**130,621**	**30**	**0**	**130,651**
Financial Liabilities					
Payables	5.3	0	0	35,371	35,371
Borrowings	6.1	0	0	271,923	271,923
Other Financial Liabilities - Other	5.5	0	0	37,802	37,802
Total Financial Liabilities [(i)]		**0**	**0**	**345,096**	**345,096**

2023	Note	Financial Assets at Amortised Cost $'000	Financial Assets at Fair Value Through Profit & Loss $'000	Financial Liabilities at Amortised Cost $'000	Total $'000
Contractual Financial Assets					
Cash and cash equivalents	6.2	82,392	0	0	82,392
Receivables	5.1	53,479	0	0	53,479
Investments and Other Financial Assets	4.1	0	30	0	30
Total Financial Assets (i)		**135,871**	**30**	**0**	**135,901**
Financial Liabilities					
Payables	5.3	0	0	43,924	43,924
Borrowings	6.1	0	0	275,864	275,864
Other Financial Liabilities - Other	5.5	0	0	31,933	31,933
Total Financial Liabilities (i)		**0**	**0**	**351,721**	**351,721**

(i) The carrying amount excludes statutory receivables (i.e. GST receivable) and statutory payables (i.e. Revenue in Advance and DH payable).

How we categorise financial instruments

Categories of financial assets

Financial assets are recognised when Bendigo Health becomes party to the contractual provisions to the instrument. For financial assets, this is at the date Bendigo Health commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified at fair value through net result, in which case transaction costs are expensed to profit or loss immediately.

Where available, quoted prices in an active market are used to determine the fair value. In other circumstances, valuation techniques are adopted.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain a significant financing component or if the practical expedient was applied as specified in AASB 15 para 63.

Bendigo Health
Notes to the Financial Statements
For the Financial Year Ended 30 June 2024

Note 7: Risks, Contingencies & Valuation Uncertainties

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

Structure

7.1 Financial instruments
7.2 Financial risk management objectives and policies
7.3 Contingent assets and contingent liabilities
7.4 Fair value determination

Material judgements and estimates

This section contains the following material judgements and estimates:

Material judgements and estimates	Description
Measuring fair value of non-financial assets	Fair value is measured with reference to highest and best use, that is, the use of the asset by a market participant that is physically possible, legally permissible, financially feasible, and which results in the highest value, or to sell it to another market participant that would use the same asset in its highest and best use. In determining the highest and best use, Bendigo Health has assumed the current use is its highest and best use. Accordingly, characteristics of the health service's assets are considered, including condition, location and any restrictions on the use and disposal of such assets. Bendigo Health uses a range of valuation techniques to estimate fair value, which include the following: ▪ Market approach, which uses prices and other relevant information generated by market transactions involving identical or comparable assets and liabilities. The fair value of Bendigo Health's [specialised land, non-specialised land, non-specialised buildings, investment properties and cultural assets] are measured using this approach. ▪ Cost approach, which reflects the amount that would be required to replace the service capacity of the asset (referred to as current replacement cost). The fair value of Bendigo Health's [specialised buildings, furniture, fittings, plant, equipment and vehicles] are measured using this approach. ▪ Income approach, which converts future cash flows or income and expenses to a single undiscounted amount. Bendigo Health does not this use approach to measure fair value. Bendigo Health selects a valuation technique which is considered most appropriate, and for which there is sufficient data available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. Subsequently, Bendigo Health applies material judgement to categorise and disclose such assets within a fair value hierarchy, which includes: ▪ Level 1, using quoted prices (unadjusted) in active markets for identical assets that the health service can access at measurement date. Bendigo Health does not categorise any fair values within this level. ▪ Level 2, inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly. Bendigo Health categorises non-specialised land and right-of-use concessionary land in this level. ▪ Level 3, where inputs are unobservable. Bendigo Health categorises specialised land, non-specialised buildings, specialised buildings, plant, equipment, furniture, fittings, vehicles, right-of-use buildings and right-of-use plant, equipment, furniture and fittings in this level.

Financial assets at amortised cost

Financial assets are measured at amortised costs if both of the following criteria are met and the assets are not designated as fair value through profit & loss:

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

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

Bendigo Health recognises the following assets in this category:

- cash and deposits;
- receivables (excluding statutory receivables); and
- term deposits;

Financial assets at fair value through profit & loss

Equity instruments that are held for trading as well as derivative instruments are classified as fair value through profit & loss. Other financial assets are required to be measured at fair value through profit & loss unless they are measured at amortised cost or fair value through other comprehensive income as explained above.
However, as an exception to those rules above, Bendigo Health may, at initial recognition, irrevocably designate financial assets as measured at fair value through profit & loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency ('accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Bendigo Health recognises listed equity securities as mandatorily measured at fair value through profit & loss.

Categories of financial liabilities

Financial liabilities are recognised when Bendigo Health becomes a party to the contractual provisions to the instrument. Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified at fair value through profit or loss, in which case transaction costs are expensed to profit or loss immediately.

Financial liabilities at amortised cost

Financial liabilities are initially recognised on the date they are originated. They are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial instruments are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in profit and loss over the period of the interest bearing liability, using the effective interest rate method. Bendigo Health recognises the following liabilities in this category:

- payables (excluding statutory payables); and
- borrowings (including lease liabilities).

Derecognition of financial assets

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

- the rights to receive cash flows from the asset have expired.
- Bendigo Health retains the right to receive cash flows from the asset, but has assumed an obligation
- Bendigo Health has transferred its rights to receive cash flows from the asset and either:
  - has transferred substantially all the risks and rewards of the asset or
  - has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

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

Derecognition of financial liabilities

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

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

Reclassification of financial instruments

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

A financial liability reclassification is not permitted.

Hedging instruments – interest rate swap

Where all relevant criteria are met, hedge accounting is applied to remove the accounting mismatch between the hedging instrument and the hedged item. This will effectively result in recognising interest expense at a fixed interest rate for the hedged floating rate lease liability.

Hedge ineffectiveness

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument.

Bendigo Health entered into an interest rate swap that have similar critical terms as the hedged item, such as reference rate, reset dates, payment dates, maturities and notional amount. Bendigo Health does not hedge 100% of its loans, therefore the hedged item is identified as a proportion of the outstanding loans up to the notional amount of the swaps. As all critical terms matched during the year, the economic relationship was 100% effective.

Hedge ineffectiveness for interest rate swaps is assessed by performing a qualitative assessment of effectiveness. If changes in circumstances affect the terms of the hedged item such that the critical terms no longer match exactly with the critical terms of the hedging instrument, Bendigo Health uses the hypothetical derivative method to assess effectiveness.

Hedge ineffectiveness may occur due to:

- the credit value/debit value adjustment on the interest rate swaps which is not matched by the lease liability, and
- differences in critical terms between the interest rate swaps and loans.

The ineffectiveness during 2024 in relation to the interest rate swap was $0 (2023: $0).

Contractual receivables at amortised cost

Bendigo Health applies AASB 9 simplified approach for all contractual receivables to measure expected credit losses using a lifetime expected loss allowance based on the assumptions about risk of default and expected loss rates. Bendigo Health has grouped contractual receivables on shared credit risk characteristics and days past due and select the expected credit loss rate based on past history, existing market conditions, as well as forward-looking estimates at the end of the financial year.

On this basis, Bendigo Health determines the closing loss allowance at the end of the financial year as follows:

2024	*Current*	*Less than 1 month*	*1–3 months*	*3 months –1 year*	*1–5 years*	*Total*
Trade Debtors	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Expected loss rate	1%	1%	5%	10%	50%	
Gross carrying amount of contractual receivables	4,999	2,327	637	1,340	413	**9,716**
Loss allowance	**49**	**23**	**32**	**134**	**206**	**444**

2023	*Current*	*Less than 1 month*	*1–3 months*	*3 months –1 year*	*1–5 years*	*Total*
Trade Debtors	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Expected loss rate	1%	1%	5%	10%	50%	
Gross carrying amount of contractual receivables	3,515	891	1,334	2,072	363	**8,175**
Loss allowance	**35**	**9**	**67**	**207**	**181**	**499**

Statutory receivables

Bendigo Health's non-contractual receivables arising from statutory requirements are not financial instruments. However, they are nevertheless recognised and measured in accordance with AASB 9 requirements as if those receivables are financial instruments.

The statutory receivables are considered to have low credit risk, considering the counterparty's credit rating, risk of default and capacity to meet contractual cash flow obligations in the near term. As a result, the loss allowance recognised for these financial assets during the period was limited to 12 months expected losses.

Note 7.2: Financial risk management objectives and policies

As a whole, Bendigo Health's financial risk management program seeks to manage the risks and the associated volatility of its financial performance.

Details of the significant accounting policies and methods adopted, included the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised, with respect to each class of financial asset, financial liability and equity instrument above are disclosed throughout the financial statements.

Bendigo Health's main financial risks include credit risk, liquidity risk, interest rate risk, foreign currency risk and equity price risk. Bendigo Health manages these financial risks in accordance with its financial risk management policy.

Primary responsibility for the identification and management of financial risks rests with the Accountable Officer.

Note 7.2 (a): Credit risk

Credit risk refers to the possibility that a borrower will default on its financial obligations as and when they fall due. Bendigo Health's exposure to credit risk arises from the potential default of a counter party on their contractual obligations resulting in financial loss to Bendigo Health. Credit risk is measured at fair value and is monitored on a regular basis.

Credit risk associated with Bendigo Health's contractual financial assets is minimal because the main debtor is the Victorian Government. For debtors other than the Government, the health service is exposed to credit risk associated with patient and other debtors.

In addition, Bendigo Health does not engage in hedging for its contractual financial assets and mainly obtains contractual financial assets that are on fixed interest, except for cash and deposits, which are mainly cash at bank. As with the policy for debtors, Bendigo Health's policy is to only deal with banks with high credit ratings.

Provision of impairment for contractual financial assets is recognised when there is objective evidence that Bendigo Health will not be able to collect a receivable. Objective evidence includes financial difficulties of the debtor, default payments, debtors that are more than 60 days overdue, and changes in debtor credit ratings.

Contractual financial assets are written off against the carrying amount when there is no reasonable expectation of recovery. Bad debt written off by mutual consent is classified as a transaction expense. Bad debt written off following a unilateral decision is recognised as other economic flows in the net result.

Except as otherwise detailed in the following table, the carrying amount of contractual financial assets recorded in the financial statements, net of any allowances for losses, represents Bendigo Health's maximum exposure to credit risk without taking account of the value of any collateral obtained.

There has been no material change to Bendigo Health's credit risk profile in 2023-24.

Impairment of financial assets under AASB 9

Bendigo Health records the allowance for expected credit loss for the relevant financial instruments applying AASB 9's Expected Credit Loss approach. Subject to AASB 9, the impairment assessment includes the health service's contractual receivables and its investment in debt instruments.

Equity instruments are not subject to impairment under AASB 9. Other financial assets mandatorily measured or designated at fair value through net result are not subject to an impairment assessment under AASB 9.

Credit loss allowance is classified as other economic flows in the net result.

Interest rate risk
Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market interest rates. Bendigo Health does not hold any interest-bearing financial instruments that are measured at fair value, and therefore has no exposure to fair value interest rate risk.

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Bendigo Health has minimal exposure to cash flow interest rate risks through cash and deposits, term deposits and bank overdrafts that are at floating rate.

Foreign currency risk
All foreign currency transactions during the financial year are brought to account using the exchange rate in effect at the date of the transaction. Foreign monetary items existing at the end of the reporting period are translated at the closing rate at the date of the end of the reporting period.

Bendigo Health has minimal exposure to foreign currency risk.

Equity risk
Bendigo Health is exposed to equity price risk through its investments in listed and unlisted shares and managed investment schemes. Such investments are allocated and traded to match the health service's investment objectives.

Bendigo Health's sensitivity to equity price risk is set out below.

		(15%)	15%
2024	**Carrying Amount $'000**	**Net Result $'000**	**Net Result $'000**
Contractual financial assets			
Investments and other financial assets	30	(5)	5
Total impact		**(5)**	**5**
2023			
Contractual financial assets			
Investments and other financial assets	30	(5)	5
Total impact		**(5)**	**5**

Note 7.3 Contingent assets and contingent liabilities
At balance date, the Board are not aware of any contingent assets or liabilities.

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

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

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

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

Note 7.2 (b): Liquidity risk
Liquidity risk arises from being unable to meet financial obligations as they fall due.

Bendigo Health is exposed to liquidity risk mainly through the financial liabilities as disclosed in the face of the balance sheet and the amounts related to financial guarantees. The health service manages its liquidity risk by:

- close monitoring of its short-term and long-term borrowings by senior management, including monthly reviews on current and future borrowing levels and requirements
- maintaining an adequate level of uncommitted funds that can be drawn at short notice to meet its short-term obligations
- holding investments and other contractual financial assets that are readily tradeable in the financial markets and
- careful maturity planning of its financial obligations based on forecasts of future cash flows.

Bendigo Health's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk. Cash for unexpected events is generally sourced from liquidation of investments and other financial assets.

The following table discloses the contractual maturity analysis for Bendigo Health's financial liabilities. For interest rates applicable to each class of liability refer to individual notes to the financial statements.

				Maturity Dates			
2024	Note	Carrying Amount $'000	Nominal Amount $'000	Less than 1 Month $'000	1-3 Months	3 months - 1 Year $'000	1+ Years $'000
Financial Liabilities							
At amortised cost							
Payables	5.3	35,371	35,371	35,371	0	0	0
Borrowings	6.1	271,923	271,923	0	1,922	6,128	263,873
Other Financial Liabilities (i)							
- Accommodation Deposits	5.5	33,472	33,472	1,674	3,347	8,368	20,083
- Other	5.5	4,330	4,330	4,330	0	0	0
Total Financial Liabilities		**345,096**	**345,096**	**41,375**	**5,269**	**14,496**	**283,956**
2023							
Financial Liabilities							
At amortised cost							
Payables	5.3	43,924	43,924	43,924	0	0	0
Borrowings	6.1	275,864	275,864	0	1,607	5,165	269,092
Other Financial Liabilities (i)							
- Accommodation Deposits	5.5	24,848	24,848	1,341	2,250	6,129	15,128
- Other	5.5	7,085	7,085	7,085	0	0	0
Total Financial Liabilities		**351,721**	**351,721**	**52,350**	**3,857**	**11,294**	**284,220**

(i) Ageing analysis of financial liabilities excludes the types of statutory financial liabilities (i.e. GST payable)

Note 7.2 (c): Market risk
Bendigo Health's exposures to market risk are primarily through interest rate risk, foreign currency risk and equity price risk. Objectives, policies and processes used to manage each of these risks are disclosed below.

Sensitivity disclosure analysis and assumptions
Bendigo Health's sensitivity to market risk is determined based on the observed range of actual historical data for the preceding five-year period. Bendigo Health's fund managers cannot be expected to predict movements in market rates and prices. The following movements are 'reasonably possible' over the next 12 months:

- a change in interest rates of 1% up or down and
- a change in the top ASX 200 index

Bendigo Health
Notes to the Financial Statements for the Financial Year Ended 30 June 2024

Note 7.4(a): Fair value determination of investments and other financial assets

Balance at 30 June 2024	Carrying amount $'000	Fair value measurement at end of reporting period using: Level 1 [(i)] $'000	Level 2 [(i)] $'000	Level 3 [(i)] $'000
Australian listed shares	30	30	0	0
Derivatives designated and effective as hedging instruments	38,803	0	38,803	0
Total Financial Assets at Fair Value through profit or loss	**38,833**	**30**	**38,803**	**0**
Total investments and other financial assets at fair value	**38,833**	**30**	**38,803**	**0**

[(i)] Classified in accordance with the fair value hierarchy.

Balance at 30 June 2023	Carrying amount $'000	Fair value measurement at end of reporting period using: Level 1 [(i)] $'000	Level 2 [(i)] $'000	Level 3 [(i)] $'000
Australian listed shares	30	30	0	0
Derivatives designated and effective as hedging instruments	41,256	0	41,256	0
Total Financial Assets at Fair Value through profit or loss	**41,286**	**30**	**41,256**	**0**
Total investments and other financial assets at fair value	**41,286**	**30**	**41,256**	**0**

[(i)] Classified in accordance with the fair value hierarchy.

How we measure fair value of investments and other financial assets
Australian Listed Shares
Bendigo Health's Australian listed shares are valued using quoted (unadjusted) market prices in active markets. Adjustments are made to the valuations when necessary to recognise differences in the instrument's terms.
Bendigo Health classifies these debt securities as Level 1.

Derivatives designated and effective as hedging instruments
Bendigo Health's Interest Rate Swap is valued using the estimated future cash flows based on observable swap yield curves.
Bendigo Health classifies these Interest Rate Swap instruments as Level 2.

Note 7.4: 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 and liabilities at fair value through net result
- Financial assets and liabilities at fair value through other comprehensive income
- Property, plant and equipment
- Right-of-use assets

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.

Bendigo Health determines whether transfers have occurred between levels in the hierarchy by re-assessing 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.

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

Identifying unobservable inputs (level 3) fair value measurements

Level 3 fair value inputs are unobservable valuation inputs for an asset or liability. These inputs require significant judgement and assumptions in deriving fair value for both financial and non-financial assets.

Unobservable inputs shall be used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date. However, the fair value measurement objective remains the same, i.e., an exit price at the measurement date from the perspective of a market participant that holds the asset or owes the liability. Therefore, unobservable inputs shall reflect the assumptions that market participants would use when pricing the asset or liability, including assumptions about risk.

Note 7.4(b): Fair value determination of non-financial physical assets

Balance at 30 June 2023	Note	Carrying amount $'000	Fair value measurement at end of reporting period using: Level 1 [i] $'000	Level 2 [i] $'000	Level 3 [i] $'000
Land at fair value					
Non-specialised land		11,104	0	11,104	0
Specialised land		28,607	0	0	28,607
Total of Land at fair value	**4.2(a)**	**39,711**	**0**	**11,104**	**28,607**
Buildings at fair value					
Non-specialised buildings		3,744	0	3,744	0
Specialised buildings		107,839	0	0	107,839
Total of Buildings at fair value	**4.2(a)**	**111,583**	**0**	**3,744**	**107,839**
Landscaping and Grounds at fair value					
Specialised Landscaping and Grounds		2,452	0	0	2,452
Total of Landscaping and Grounds at fair value	**4.2(a)**	**2,452**	**0**	**0**	**2,452**
Plant and Machinery at fair value					
Plant and Machinery		2,228	0	0	2,228
Total of Plant and Machinery at fair value	**4.2(a)**	**2,228**	**0**	**0**	**2,228**
Medical Equipment at fair value					
Medical Equipment		12,576	0	0	12,576
Total Medical Equipment at fair value	**4.2(a)**	**12,576**	**0**	**0**	**12,576**
Computers and Communication Equipment at fair value					
Computers and Communication Equipment at fair value		3,144	0	0	3,144
Total Computers and Communication Equipment at fair value	**4.2(a)**	**3,144**	**0**	**0**	**3,144**
Furniture and Fittings at fair value					
Furniture and Fittings		216	0	0	216
Total Furniture and Fittings at fair value	**4.2(a)**	**216**	**0**	**0**	**216**
Motor Vehicles at fair value					
Motor Vehicles	**4.2(a)**	1,627	0	0	1,627
Total Motor Vehicles at fair value		**1,627**	**0**	**0**	**1,627**
Non-Medical Equipment at fair value					
Non-Medical Equipment		317	0	0	317
Total Non-Medical Equipment at fair value	**4.2(a)**	**317**	**0**	**0**	**317**
PPP Assets					
PPP Assets		592,871	0	0	592,871
Total PPP Assets at fair value	**4.3(a)**	**592,871**	**0**	**0**	**592,871**
		766,725	**0**	**14,848**	**751,877**

[i] Classified in accordance with the fair value hierarchy.
There have been no transfers between levels during the period.

Note 7.4(b): Fair value determination of non-financial physical assets

Balance at 30 June 2024	Note	Carrying amount $'000	Fair value measurement at end of reporting period using: Level 1 [(i)] $'000	Level 2 [(i)] $'000	Level 3 [(i)] $'000
Land at fair value					
Non-specialised land		12,849	0	12,849	0
Specialised land		31,630	0	0	31,630
Total of Land at fair value	**4.2(a)**	**44,479**	**0**	**12,849**	**31,630**
Buildings at fair value					
Non-specialised buildings		5,937	0	5,937	0
Specialised buildings		367,243	0	0	367,243
Total of Buildings at fair value	**4.2(a)**	**373,180**	**0**	**5,937**	**367,243**
Landscaping and Grounds at fair value					
Specialised Landscaping and Grounds		8,293	0	0	8,293
Total of Landscaping and Grounds at fair value	**4.2(a)**	**8,293**	**0**	**0**	**8,293**
Plant and Machinery at fair value					
Plant and Machinery		2,999	0	0	2,999
Total of Plant and Machinery at fair value	**4.2(a)**	**2,999**	**0**	**0**	**2,999**
Medical Equipment at fair value					
Medical Equipment		11,281	0	0	11,281
Total Medical Equipment at fair value	**4.2(a)**	**11,281**	**0**	**0**	**11,281**
Computers and Communication Equipment at fair value					
Computers and Communication Equipment at fair value		4,272	0	0	4,272
Total Computers and Communication Equipment at fair value	**4.2(a)**	**4,272**	**0**	**0**	**4,272**
Furniture and Fittings at fair value					
Furniture and Fittings		188	0	0	188
Total Furniture and Fittings at fair value	**4.2(a)**	**188**	**0**	**0**	**188**
Motor Vehicles at fair value					
Motor Vehicles	**4.2(a)**	1,392	0	0	1,392
Total Motor Vehicles at fair value		**1,392**	**0**	**0**	**1,392**
Non-Medical Equipment at fair value					
Non-Medical Equipment		291	0	0	291
Total Non-Medical Equipment at fair value	**4.2(a)**	**291**	**0**	**0**	**291**
PPP Assets					
PPP Assets		850,475	0	0	850,475
Total PPP Assets at fair value	**4.3(a)**	**850,475**	**0**	**0**	**850,475**
		1,296,850	**0**	**18,786**	**1,278,064**

[(i)] Classified in accordance with the fair value hierarchy.
There have been no transfers between levels during the period.

Note 7.4(b): Fair value determination of non-financial physical assets (Continued)

How we measure fair value of non-financial physical assets
The fair value measurement of non-financial physical assets considers the market participant's ability to use the asset in its highest and best use, or to sell it to another market participant that would use the same asset in its highest and best use.

Judgements about highest and best use must consider the characteristics of the assets concerned, including restrictions on the use and disposal of assets arising from the asset's physical nature and any applicable legislative/contractual arrangements.

In accordance with paragraph AASB 13 *Fair Value Measurement* paragraph 29, Bendigo Health has assumed the current use of a non-financial physical asset is its highest and best use unless market or other factors suggest that a different use by market participants would maximise the value of the asset.

Theoretical opportunities that may be available in relation to the asset(s) are not considered until it is virtually certain that any restrictions will no longer apply. Therefore, unless otherwise disclosed, the current use of these non-financial physical assets will be their highest and best uses.

Non-Specialised Land and Non-Specialised Buildings
Non-specialised land and non-specialised buildings are valued using the market approach. Under this valuation method, the assets are compared to recent comparable sales or sales of comparable assets which are considered to have nominal or no added improvement value.

For non-specialised land, an independent valuation was performed by the Valuer-General Victoria to determine the fair value using the market approach. Valuation of the assets was determined by analysing comparable sales and allowing for share, size, topography, location and other relevant factors specific to the asset being valued. An appropriate rate per square metre has been applied to the subject asset. The effective date of the valuation is 30 June 2024.

Note 7.4(b): Fair value determination of non-financial physical assets (Continued)

Specialised Land and Specialised Buildings

Specialised land includes Crown Land which is measured at fair value with regard to the property's highest and best use after due consideration is made for any legal or physical restrictions imposed on the asset, public announcements or commitments made in relation to the intended use of the asset. Theoretical opportunities that may be available in relation to the assets are not taken into account until it is virtually certain that any restrictions will no longer apply. Therefore, unless otherwise disclosed, the current use of these non-financial physical assets will be their highest and best use.

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

The market approach is also used for specialised land, although it is adjusted for the community service obligation (CSO) to reflect the specialised nature of the assets being valued. Specialised assets contain significant, unobservable adjustments; therefore these assets are classified as Level 3 under the market based direct comparison approach.

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. As adjustments of CSO are considered as significant unobservable inputs, specialised land would be classified as Level 3 assets.

For Bendigo Health, the depreciated replacement cost method is used for the majority of specialised buildings, adjusting for the associated depreciation. As depreciation adjustments are considered as significant and unobservable inputs in nature, specialised buildings are classified as Level 3 for fair value measurements.

An independent valuation of Bendigo Health 's specialised land and specialised buildings was performed by the Valuer-General Victoria. The valuation of specialised land was performed using the market approach adjusted for CSO. A managerial valuation of specialised buildings was performed using depreciated replacement cost method. The effective date of the valuation is 30 June 2024.

Vehicles

Bendigo Health acquires new vehicles and at times disposes of them before completion of their economic life. The process of acquisition, use and disposal in the market is managed by Bendigo Health who set relevant depreciation rates during use to reflect the consumption of the vehicles. As a result, the fair value of vehicles does not differ materially from the carrying amount (depreciated cost).

Plant and Equipment

Plant and equipment (including medical equipment, computers and communication equipment and furniture and fittings are held at carrying amount (depreciated cost). When plant and equipment is specialised in use, such that it is rarely sold other than as part of a going concern, the current replacement cost is used to estimate the fair value. Unless there is market evidence that current replacement costs are significantly different from the original acquisition cost, it is considered unlikely that current replacement cost will be materially different from the existing carrying amount.

There were no changes in valuation techniques throughout the period to 30 June 2024.

Note 7.4(b): Fair value determination of non-financial physical assets (Continued)

Fair value determination of level 3 fair value measurement

Asset Class	Valuation approach	Significant inputs (Level 3 only)
Specialised Land	*Market Approach*	Community Service Obligation (CSO) Adjustment (b)
Specialised Buildings	*Depreciated Replacement Cost*	Useful Life of Specialised Buildings
Non-Specialised Land and Non-Specialised Buildings	*Market Approach*	Not Applicable
Landscaping and Grounds	*Depreciated Replacement Cost*	Useful Life of Landscaping & Grounds
Plant and Machinery	*Depreciated Replacement Cost*	Useful Life of PPE
Medical Equipment	*Depreciated Replacement Cost*	Useful Life of Medical Equipment
Computers and Communication Equipment	*Depreciated Replacement Cost*	Useful Life of Computers & Communication Assets
Furniture and Fittings	*Depreciated Replacement Cost*	Useful Life of Furniture & Fittings
Motor Vehicles	*Depreciated Replacement Cost*	Useful Life of Motor Vehicles
Non-Medical Equipment	*Depreciated Replacement Cost*	Useful Life of Non-Medical Equipment
PPP Assets	*Depreciated Replacement Cost*	Useful Life of PPP Assets

a) AASB 13 Fair Value Measurement provides an exemption for not for profit public sector entities from disclosing the sensitivity analysis relating to 'unrealised gains/(losses) on
non-financial assets' if the assets are held primarily for their current service potential rather than to generate net cash inflows.

b) CSO adjustment of 20% was applied to reduce the market approach value for Bendigo Health's specialised land.

There were no changes in valuation techniques throughout the period to 30 June 2024.

Bendigo Health
Notes to the Financial Statements for the Financial Year Ended 30 June 2024

Note 7.4(b): Fair value determination of non-financial physical assets (Continued)

Reconciliation of Level 3 Fair Value Measurement [i]

	Land $ '000	Buildings $ '000	Landscaping and Grounds $ '000	Plant and Machinery $ '000	Medical Equipment $ '000	Computers and Communication Equipment $ '000	Furniture and Fittings $ '000	Motor Vehicles $ '000	Non Medical Equipment $ '000	PPP Assets $ '000
Balance at 30 June 2022	**28,607**	**96,482**	**2,482**	**1,531**	**15,574**	**3,050**	**234**	**1,895**	**347**	**545,668**
Additions/(Disposals)	0	2,057	0	725	1,322	870	13	(5)	37	271
Net Transfers between Classes	0	0	53	264	0	475	0	0	0	0
Gains or losses recognised in net result										
- Depreciation	0	(4,324)	(83)	(292)	(4,320)	(1,251)	(31)	(263)	(67)	(19,038)
Items recognised in Other Comprehensive Income										
- Revaluation	0	13,624	0	0	0	0	0	0	0	65,970
Balance at 30 June 2023	**28,607**	**107,839**	**2,452**	**2,228**	**12,576**	**3,144**	**216**	**1,627**	**317**	**592,871**
Additions/(Disposals)	0	11,830	0	(80)	2,604	807	0	(39)	37	236
Net Transfers between Classes	0	46,721	0	1,410	103	1,965	0	0	0	0
Gains or losses recognised in net result										
- Depreciation	0	(3,471)	(75)	(559)	(4,002)	(1,644)	(28)	(196)	(63)	(17,563)
Items recognised in Other Comprehensive Income										
- Revaluation	3,023	204,324	5,916	0	0	0	0	0	0	274,931
Balance at 30 June 2024	**31,630**	**367,243**	**8,293**	**2,999**	**11,281**	**4,272**	**188**	**1,392**	**291**	**850,475**

(i) Classified in accordance with the fair value hierarchy, refer Note 7.4.

Bendigo Health
Notes to the Financial Statements for the Financial Year Ended 30 June 2024

Note 8.1: Reconciliation of Net Result for the Year to Net Cash Flow from Operating Activities

	2024 $'000	2023 $'000
Net Result for the Year	(26,615)	5,972
Non-cash movements:		
Depreciation	32,729	35,791
Assets Received Free of Charge	(422)	(71)
Capital Expenditure transferred from WIP	2,406	613
Net Non-cash payments paid by DH Construction Costs	(10,643)	(31,145)
PPP - Net Non-cash Payments Paid by DH	(2,703)	(2,922)
Allowance for impairment losses of contractual receivables	(55)	22
Movement in Value of Shares	0	(27)
Loss on JV Operations	(141)	(190)
Movements included in investing and financing activities:		
Net Loss from Sale of Plant and Equipment	(237)	29
Movements in assets and liabilities:		
Change in Operating Assets & Liabilities		
(Increase)/Decrease in Trade and Other Receivables	(2,497)	2,275
(Increase)/Decrease in Other Assets	(168)	(3,770)
(Increase)/Decrease in Inventories	(470)	(477)
Increase/(Decrease) in Trade and Other Payables	(2,090)	(11,351)
Increase/(Decrease) in Employee Benefits	9,607	12,954
Net Cash Inflow/(Outflow) From Operating Activities	**(1,299)**	**7,703**

Note 8: Other Disclosures

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

Structure

8.1 Reconciliation of Net Result for the Year to Net Cash Flow from Operating Activities
8.2 Responsible Persons Disclosure
8.3 Remuneration of Executives
8.4 Related Parties
8.5 Remuneration of Auditors
8.6 Ex-gratia Payments
8.7 Events Occurring after the Balance Sheet Date
8.8 Joint Arrangements
8.9 Economic Dependency
8.10 Equity

Note 8.3: Remuneration of Executives

The number of executive officers, other than Ministers and Accountable Officers, 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 of Executive Officers	Total Remuneration	
	2024 ($'000)	2023 ($'000)
Short term employee benefits	2,597	2,450
Post-employment benefits	235	233
Other long-term benefits	65	61
Total Remuneration	**$2,897**	**$2,744**
Total number of executives	**10**	**10**
Total Annualised Employee Equivalent[i]	**8**	**8**

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

Total remuneration payable to executives during the year included additional executive officers and a number of executives who received bonus payments during the year. These bonus payments depend on the terms of individual employment contracts.
Remuneration comprises employee benefits in all forms of consideration paid, payable or provided in exchange for services rendered, and is disclosed in the following categories.

Short-term employee benefits include amounts such as wages, salaries, annual leave or sick leave that are usually paid or payable on a regular basis, as well as non-monetary benefits such as allowances and free or subsidised goods or services.

Post-employment benefits include pensions and other retirement benefits (such as superannuation guarantee contributions) paid or payable on a discrete basis when employment has ceased.

Other long-term benefits include long service leave, other long-service benefit or deferred compensation.

Termination benefits include termination of employment payments, such as severance packages.

Other factors
Several factors affected total remuneration payable to executives over the year. A number of employment contracts were completed during the year and negotiated and a number of executives received bonus payments during the year. These bonus payments depend on the terms of individual employment contracts.

Bendigo Health
Notes to the Financial Statements for the Financial Year Ended 30 June 2024

Note 8.2: Responsible Persons Disclosures

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

		Period
Responsible Ministers:		
The Honourable Mary-Anne Thomas MP:		
Minister for Health		01/07/2023 - 30/06/2024
Minister for Health Infrastructure		01/07/2023 - 30/06/2024
Minister for Ambulance Services		02/10/2023 - 30/06/2024
The Honourable Ingrid Stitt MP:		
Minister for Mental Health		02/10/2023 - 30/06/2024
Minister for Ageing		02/10/2023 - 30/06/2024
Minister for Multicultural Affairs		02/10/2023 - 30/06/2024
The Honourable Gabrielle Williams MP:		
Minister for Mental Health		01/07/2023 - 02/10/2023
Minister for Ambulance Services		01/07/2023 - 02/10/2023
The Honourable Lizzy Blandthorn MP:		
Minister for Children		02/10/2023 - 30/06/2024
Minister for Disability		02/10/2023 - 30/06/2024
Governing Boards		
Dr E Piejko	Chair	01/07/2023 - 30/06/2024
Ms M Beaumont OAM	Director	01/07/2023 - 30/06/2024
Mr T Elliott	Director	01/07/2023 - 30/06/2024
Ms D Foggo AM	Director	01/07/2023 - 30/06/2024
Dr U Masood	Director	01/07/2023 - 30/06/2024
Ms K Angelopoulos	Director	01/07/2023 - 30/06/2024
Mrs J Green	Director	01/07/2023 - 30/06/2024
Dr S Capp	Director	01/07/2023 - 30/06/2024
Prof C McKinstry	Director	01/07/2023 - 30/06/2024
Mr W Conlan	Director	01/07/2023 - 30/06/2024
Mr C Niemann	Director	01/07/2023 - 30/06/2024
Accountable Officers		
Mr P Faulkner	Chief Executive	01/07/2023 - 01/10/2023
Mrs E Hannagan	Chief Executive	02/10/2023 - 30/06/2024

Remuneration of Responsible Persons

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

Income Band	**2024 No.**	**2023 No.**
$0-$9,999	2	0
$20,000-$29,999	8	7
$60,000-$69,999	1	1
$130,000-$139,999	1	0
$300,000-$309,999	1	0
$450,000-$459,999	0	1
Total Numbers	13	9

	2024 ($'000)	**2023 ($'000)**
Total remuneration received or due and receivable by Responsible Persons from the reporting entity amounted to:	**$737**	**$709**

Amounts relating to the Governing Board Members and Accountable Officer are disclosed in Bendigo Health's financial statements.

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

Note 8.5: Remuneration of auditors

	2024 $'000	2023 $'000
Victorian Auditor-General's Office		
Audit of the financial statements	69	66
	69	**66**

Note 8.6: Ex-gratia Payments

	2024 $'000	2023 $'000
Bendigo Health has made the following ex gratia expenses:		
Negotiated departure	284	253
Total ex-gratia expenses	**284**	**253**

Includes ex-gratia for both individual items and in aggregate that are greater than or equal to $5,000.
All Ex gratia items noted above have been disclosed within employee expenses.

Note 8.7: Events occurring after the Balance Sheet date

There are no events occurring after the Balance Sheet date.

Bendigo Health
Notes to the Financial Statements for the Financial Year Ended 30 June 2024
Note 8.4: Related parties

Bendigo Health 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;
- Cabinet ministers (where applicable) and their close family members;
- Jointly Controlled Operation - A member of the Loddon Mallee Rural Health Alliance.

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

The Board of Directors and the Chief Executive Officer of Bendigo Health are deemed to be KMPs.

All related party transactions have been entered into on an arm's length basis.

The compensation detailed below is reported in $'000 and excludes the salaries and benefits the Portfolio Ministers receive. The Minister's remuneration and allowances is set by the *Parliamentary Salaries and Superannuation Act 1968* , and is reported within the State's Annual Financial Report.

Compensation - KMPs	**2024 ($'000)**	**2023 ($'000)**
Short-term Employee Benefits	657	650
Post-employment benefits	70	49
Other long-term benefits	10	10
Total [1]	**$737**	**$709**

[1] KMPs are also reported in Note 8.2 Responsible Persons

Significant Transactions with Government Related Entities
Bendigo Health received funding from the Department of Health of $638m (2023: $633m).

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

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

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

Transactions with KMPs and other related parties
Given the breadth and depth of State government activities, related parties transact with the Victorian public sector in a manner consistent with other members of the public e.g. stamp duty and other government fees and charges. Further employment of processes within the Victorian public sector 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 Bendigo Health, there were no related party transactions that involved key management personnel, their close family members and 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 2024 (2023: none).

There were no related party transactions required to be disclosed for the Bendigo Health Board of Directors, Chief Executive Officer and Executive Directors in 2024 (2023: none).

Note 8.9: Economic dependency

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

Note 8.10: Equity

Contributed capital

Contributions by owners (that is, contributed capital and its repayment) are treated as equity transactions and, therefore, do not form part of the income and expenses of the Bendigo Health.

Transfers of net assets arising from administrative restructurings are treated as distributions to or contributions by owners. Transfers of net liabilities arising from administrative restructurings are treated as distributions to owners.

Other transfers that are in the nature of contributions or distributions or that have been designated as contributed capital are also treated as contributed capital.

Property, plant and equipment revaluation surplus

The property, plant and equipment revaluation surplus arises on the revaluation of infrastructure, land and buildings. The revaluation surplus is not normally transferred to the accumulated surpluses/(deficits) on derecognise of the relevant asset.

Restricted specific purpose reserve

The restricted specific purpose surplus are funds where Bendigo Health have possession or title to the fund, but have no discretion to amend or vary the restriction and/or condition underlying the funds.

Cash Flow Hedging Reserve

The Cash Flow hedging reserve includes the cash flow hedge reserve and the costs of hedging reserve, see note 5.2 for details. The cash flow hedge reserve is used to recognise the effective portion of gains or losses on derivatives that are designated and qualify as cash flow hedges, as described in note 7.1 (financial instruments note).
Amounts are subsequently reclassified to profit or loss as appropriate.

Bendigo Health
Notes to the Financial Statements for the Financial Year Ended 30 June 2024

Note 8.8: Joint Arrangement

Name of entity	Principal Activity	Ownership Interest 2024	Ownership Interest 2023
Loddon Mallee Rural Health Alliance	Information Technology	17.02%	16.42%

Bendigo Health's interest in the above joint arrangements and assets is detailed below.
The amounts are included in the financial statements under their respective categories:

	2024 $'000	2023 $'000
CURRENT ASSETS		
Cash and Cash Equivalents	3,224	2,313
Receivables	396	338
Other	196	475
Total Current Assets	**3,816**	**3,126**
NON CURRENT ASSETS		
Property, Plant and Equipment	132	136
Total Non Current Assets	**132**	**136**
Total Assets	**3,948**	**3,262**
CURRENT LIABILITIES		
Payables	930	1,095
Deferred Grant Revenue	1,401	692
Total Current Liabilities	**2,331**	**1,787**
Total Liabilities	**2,331**	**1,787**
Net Assets	**1,617**	**1,475**

Bendigo Health interest in revenues and expenses resulting from joint arrangements and assets is detailed below:

	2024 $'000	2023 $'000
REVENUES		
Operating Activities	3,125	2,645
Capital Purpose Income	221	43
Total Revenue	**3,346**	**2,688**
EXPENSES		
Other Expenses from Continuing Operations	3,217	2,401
Expenditure using Capital Purpose Income	41	37
Total Expenses	**3,258**	**2,438**
Net Result	**88**	**250**

CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS
There are no known contingent liabilities or capital commitments held by the joint arrangements at balance date (2023: Nil).

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