

2024 -  
2025



**MDHS**

# Annual Report



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## Acknowledgment to country

*“We would like to acknowledge and extend our appreciation for the Dja Dja Wurrung people, the traditional owners of the land that we are standing on today and all other lands represented. Today, we pay our respects to leaders and Elders past, present and future for they hold the memories, the traditions, the culture and the hopes of all Indigenous Peoples. We express our gratitude in sharing of this land, our sorrow for the personal, spiritual and cultural costs of that sharing and our hope that we may walk forward together in harmony and in the spirit of healing.”*

### **Maryborough District Health Service**

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75-87 Clarendon Street  
Maryborough, Victoria 3465  
Phone: +61 3 5461 0333  
Fax: +61 3 5461 4489

### **Incorporating:**

*Community Services*  
PO Box 155  
75-87 Clarendon Street  
Maryborough, Victoria 3465

Phone: +61 3 5461 0333  
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*Avoca Campus*  
10 Templeton Street  
PO Box 75  
Avoca, Victoria 3467

Phone: +61 3 5465 1202  
Fax: +61 3 5465 3533

*Dunolly Campus*  
20 Havelock Street  
Dunolly, Victoria 3462

Phone: +61 3 5468 2900  
Fax: +61 3 5468 1188

# Vision, Purpose, Values

## ***Our Vision***

Changing the healthcare story with our community

## ***Our Purpose***

Connecting our community to GREAT healthcare

## ***Our Strategic Plan is built on Four Pillars***

Connecting our community to care

Purposeful partnerships

Our team

Sustainability

## ***Values***

### ***Genuine***

Being consistently honest, trustworthy and accountable.

### ***Respect***

This is reflected in our behaviours, attitudes and words, always being fair, honest and caring to those we work with and come in contact with.

### ***Excellence***

Only the best by us will do, achieving the highest standards of service and care.

### ***Accountability***

We consistently do what we say we are going to do by supporting and holding each other to account.

### ***Togetherness***

Working together to support common values and vision for shared goals.



GENUINE



RESPECT



EXCELLENCE



ACCOUNTABILITY



TOGETHERNESS

# Report of Operations

## Establishment of the Health Service

Maryborough District Health Service is a health service established under the *Health Services Act 1988* (Vic). Maryborough District Health Service is located across the Local Government Areas of Central Goldfields and Pyrenees Shires in Central Victoria and provides a comprehensive range of services including urgent care, theatre, acute inpatient, residential care, home and community-based services to the local population of around 15,000 people.

The main campus is located in Maryborough with other services delivered from the Avoca and Dunolly campuses. The strong clinical and social links that have been developed and nurtured between the three campuses ensure that the community is cared for by trained staff who are committed to high standards of person-centered care.

## Annual Report

The annual report is a legal document prepared in accordance with the Health Services Annual Reporting Guidelines for 2024-2025 under the *Financial Management Act 1994* (Vic).

The Annual Report 2024 - 2025 includes the Report of Operations and the Financial Report.

## Responsible Ministers

### Responsible Ministers for the reporting period

**Minister for Health**  
**Minister for Ambulance Services**  
*The Hon. Mary-Anne Thomas*  
From 1 July 2024 to 30 June 2025

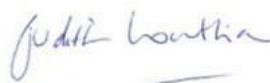
**Minister for Health Infrastructure**  
*The Hon. Mary-Anne Thomas*  
From 1 July 2024 to 19 December 2024  
*The Hon. Melissa Horne*  
From 19<sup>th</sup> December 2024 to 30 June 2025

**Minister for Mental Health**  
**Minister for Ageing**  
*The Hon. Ingrid Stitt*  
From 1 July 2024 to 30 June 2025

**Minister for Disability**  
**Minister for Children**  
*The Hon. Lizzie Blandthorn*  
From 1 July 2024 to 30 June 2025

## Responsible Bodies Declaration

In accordance with the *Financial Management Act 1994*, I am pleased to present the Report of Operations for Maryborough District Health Service for the year ending 30 June 2025.



Judith Lowthian  
Board Chair  
Maryborough District Health Service  
June 30, 2025

# Services and Programs

Located at the Maryborough Campus are: Acute Beds, the Urgent Care Centre, Diagnostic Services and Community Services with Allied Health and Community Health. The Dunolly Campus also includes two Acute beds and two Transitional Care Beds alongside its Nursing Home Beds. Community programs are managed and delivered throughout the region by MDHS. Residential Aged Care Services are delivered at Maryborough, Dunolly and Avoca campuses along with Social Support at Maryborough, Avoca and Dunolly. Programs and services are continually monitored and reviewed to ensure they meet expectations and reflect the health care needs of the changing community demographics.

|                           |                                   |  |  |   |
|---------------------------|-----------------------------------|--|--|---|
| <b>Clinical Services</b>  | Acute - Medical/Surgical          | Allied Health Support for Inpatient Care           | Central Sterilizing Department                     | Pre-Admission Clinic  |
|                           | Dental Services                   |  |  |   |
|                           | Dialysis                          | Drug & Alcohol Detoxification                      | Maternity Services                                 | Urgent Care Centre  |
|                           | Palliative Care                   | Perioperative Services – Same Day & Overnight      | Oncology   | Medical Imaging   |
| <b>Aged Care</b>          | Residential                       | Respite Care                                       | Transition Care Program                            |   |
| <b>Community Services</b> | District Nursing                  | Women’s Health                                     | Dental Health                                      | Health Promotion  |
|                           | Your Care Pathway                 | Step Through Program                               | Exercise Physiologists                             | Wound Care  |
|                           | Post-Acute Care                   | Home and Community Care Program for Younger People | Hospital in the Home                               | Community Palliative Care   |
|                           | Housing                           | Occupational Therapy                               | Physiotherapy                                      | Social Support  |
|                           | Speech Pathology                  | Dietetics  | Smile Squad  | Alcohol & Drug  |
|                           | Commonwealth Home Support Program | Chronic Disease Management                         | Hospital Admission Risk Program (HARP)             | - Multi-Agency Risk Assessment and Management / Strengthening Hospital Responses to Family Violence |
|                           | Best Start                        | School Readiness                                   | Smiles 4 Miles                                     |   |
| <b>Corporate Services</b> | Administration                    | Building Services                                  | Emergency Management                               | Finance   |
|                           | Health Information                | Support Services                                   | People, Culture & Wellbeing                        | Occupational Health & Safety  |
|                           | Quality & Risk                    | Staff Education                                    | Undergraduate and post graduate student placements | Procurement & Supply  |

## **Board Chair and CEO Report, 2024-2025: Annual Highlights**

We are pleased to present a joint report from the Board Chair and Chief Executive Officer (CEO), reflecting the mutual aims of the Board of Directors and the Executive Team to change the healthcare story with our community through the provision of high-quality and safe care.

The Board of Directors is comprised of ten dedicated individuals, appointed by the Minister for Health, with the aim of governing the health service, developing strategies that respond to community needs, overseeing performance, and meeting regulatory and government policy requirements and policy.

This year we welcomed Sara Pantaleo and Kahlia Borserio as new Directors; with Sara bringing broad experience in IT and business transformation, and Kahlia with experience as a clinical podiatrist and in clinical risk.

Our Executive Leadership team has also gained a new Executive Director of Care, Chief Nursing, and Midwifery Officer – Debbie Rogers who began in September of 2024 bringing a wealth of experience across rural, regional, and interstate healthcare.

2024-2025 has been transformational for Maryborough District Health Service, marked by growth, innovation, and deeper engagement with our community.

### **Opening of the New Hospital**

We proudly celebrated the opening of our new hospital on 24<sup>th</sup> April 2025—an important milestone in expanding access and enhancing care for our community. The facility now offers modern, patient-centred spaces and improved clinical infrastructure that will support high-quality healthcare into the future.

### **Back-of-House and Logistics Project Completion**

In tandem with our hospital opening, we successfully completed the back-of-house and logistic area—an essential achievement that ensures the seamless operation of services, supplies, and care delivery.

### **Breast Screen Partnership Growth**

Our partnership with Breast Screen Victoria continued to flourish, driving increased participation and early detection within our region. We are proud of the improved outcomes this initiative is fostering, which has seen over one thousand women access our service in the past twelve months. This important partnership could not have been possible without the support of our community who raised funds to buy the mammography unit, ensuring access to this important service closer to home.

### **Launch of Sexual and Reproductive Advice Clinic (SaRAC)**

We introduced a new Sexual and Reproductive Advice Clinic in July 2024, providing confidential, inclusive, and accessible services for individuals across our region.

SaRAC is a culturally safe and LGBTIQ+ friendly clinic that empowers individuals to make informed decisions about their reproductive and sexual health. The clinic led by Endorsed Midwives who work in partnership with local GPs and specialists provide:

- Contraception advice and prescriptions
- Early pregnancy care and abortion options (medical and surgical)
- Emergency contraception (morning after pill)
- Pelvic pain and endometriosis management
- Fertility support and sexual health screening

- Time-critical treatment, counselling, and specialist referrals.

The SaRAC is a pioneering, sustainable and community-driven model that addresses critical gaps in rural sexual and reproductive healthcare by using the full capability of our midwives, integrating with services and prioritising accessibility.

### **Reconciliation Progress**

We advanced our reconciliation journey with the development of our Reconciliation Action Plan (RAP) Innovate submission, receiving conditional approval from Reconciliation Australia. These steps reflect our growing commitment to cultural respect, understanding, and meaningful partnerships with First Nations communities.

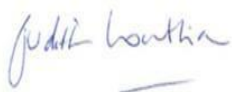
### **Community Engagement & Events**

Our connection with the community was more active than ever, with involvement in a broad range of initiatives:

- The 11th Annual Charity Golf Day and Rheola Charity Carnival brought energy and togetherness across our communities.
- Multiple Wartaka with Local Elders to foster culturally safe design principles of our new hospital and First Nations artwork installations have enriched the cultural depth of our new hospital.
- We actively supported NAIDOC Week celebrations across the Central Goldfields and attend key events such as the Probus meeting and Senior Citizens Cancer Fundraiser.
- Our collaboration with the Maryborough Community House helped deliver valuable education on palliative care, aged care access, and district nursing services.
- *R U OK?* day events across our three campuses focusing on mental health and wellbeing.

### **Looking Forward**

These achievements underscore a year of considerable progress. We stay deeply committed to connecting our community to great care delivering accessible, compassionate healthcare while strengthening relationships with our community and stakeholders. We extend our sincere thanks to our community, all staff and volunteers, our partners, donors, and supporters, all of whom have made this year possible. Your contribution is the heartbeat of how MDHS continues to change the healthcare story with our communities.

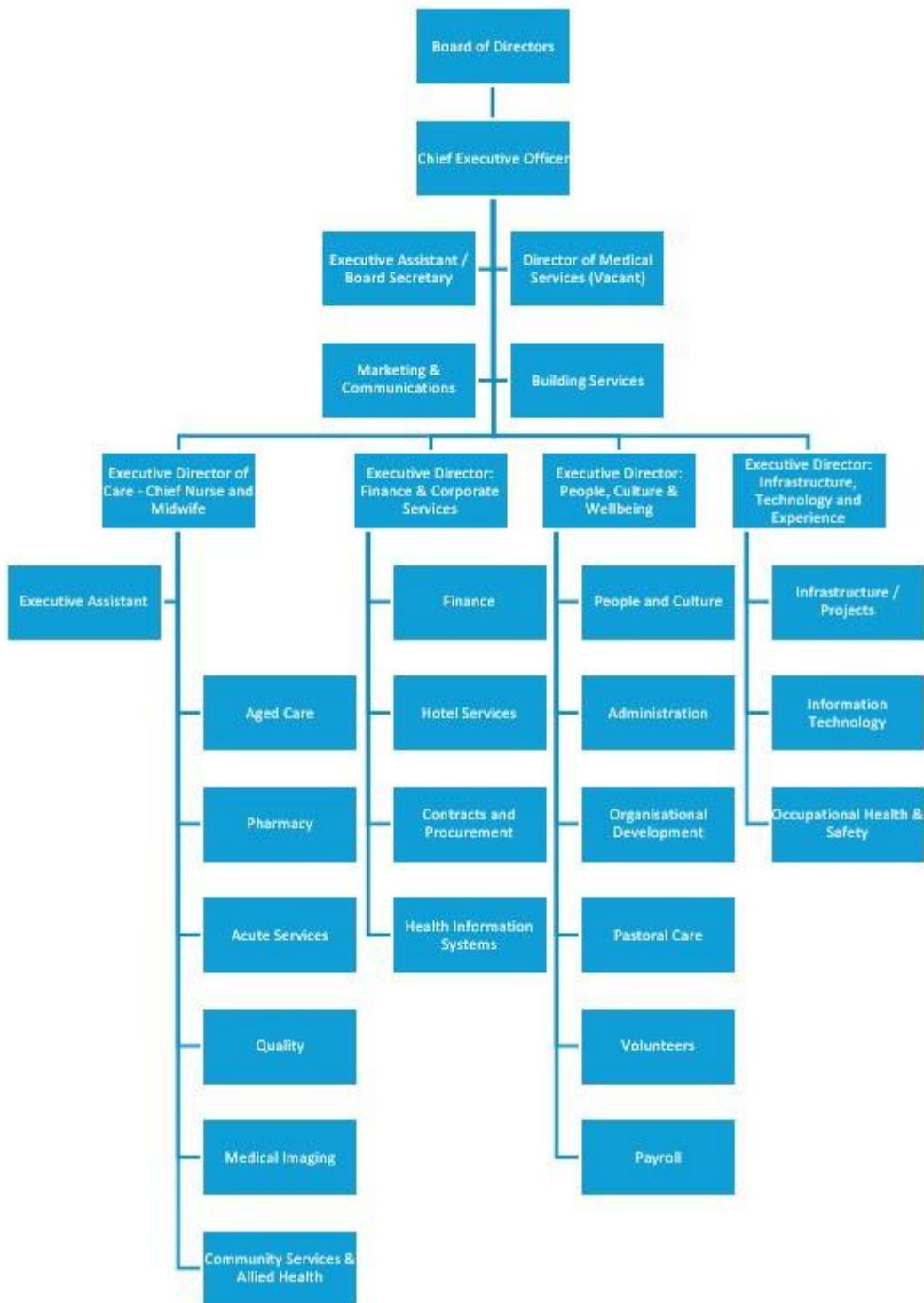


Dr Judy Lowthian  
Board Chair  
30 June 2025



Nickola Allan  
Chief Executive Officer  
30 June 2025

# Organisational Structure



# Corporate Governance

## Board of Directors

The Board of Directors has a crucial role in administering Maryborough District Health Service (MDHS) according to established Corporate Governance practices and procedures, which are reviewed regularly. The Board is responsible for the governance and legislative compliance and works within the framework of the *Health Services Act 1998* (Vic) to establish policies and deliver, within its financial limitations, a strategic direction for the management of MDHS.

Members of the Board of Directors are appointed by the Governor-in-Council on the recommendation of the Minister for Health. The usual term of office is three years, with members able to seek re-appointment up to a maximum term of nine years. Members receive remuneration for activities associated with the Health Service.

## Pecuniary and Conflict of Interest

At the commencement of each Board meeting, members are asked to declare pecuniary interests and conflicts of interest.

### *Board of Directors as at*

*30 June 2025*

**Board Chair: Dr Judith (Judy) Lowthian**

Appointed: 2021

Term of Office: 01.07.2021 – 30.06.2025

**Vice Board Chair: Ron Eason**

Appointed: 2017

Term of Office: 01.07.2018 – 30.6.2025

**Treasurer: Robert Camm**

Appointed: 2020

Term of Office: 01.07.2020 – 30.06.2026

**Member: Shea Stewart**

Appointed: 2020

Term of Office: 01.07.2020 – 30.06.2026

**Member: Elizabeth (Liz) Chatham**

Appointed: 2021

Term of Office: 01.07.2021 – 30 .06.2026

**Member: Peter Le Lievre**

Appointed: 2022

Term of Office: 01.07.2022 – 30 .06.2025

**Member: Courtney Noonan**

Appointed: 2022

Term of Office: 01.07.2022 – 30.06.2026

**Member: Elizabeth (Lisa )**

**Livingstone**

Appointed: 2023

Term of Office: 01.07.2023 – 30.06.2026

**Member: Kahlia Borserio**

Appointed 2024

Term of Office: 01.07.2024 – 30.06.2027

**Member: Sara Pantaleo**

Appointed 2024

Term of Office: 01.07.2024 – 30.06.2027

## Finance Audit and Risk Committee

The Finance Audit and Risk committee provides advice and oversight for the financial and risk management framework for MDHS, the performance and independence of the internal auditors and the effectiveness of management and other systems of internal control. The committee also monitors compliance with laws and regulations, its own code of conduct and the code of financial practice. HLB Mann Judd has been the appointed Internal Auditor for 2024-2025.

### Members:

- Rob Camm
- Ron Eason
- Shea Stewart
- Kahlia Borserio
- John Watson (Independent member)

### Attendees:

- HLB Mann Judd – Internal Auditor
- RSD Audit - VAGO Auditors
- Chief Executive Officer
- Executive Director Finance & Corporate Services
- Executive Director Infrastructure, Technology & Experience
- Executive Director People, Culture & Wellbeing
- Executive Director of Care

## Quality, Safety and Clinical Governance

The Quality, Safety and Clinical Governance committee has delegated authority to monitor, support and promote best practice clinical care and safety; and to oversee and provide direction for quality improvement activities.

### Members:

- Elizabeth Chatham (Chair)
- Sara Pantaleo
- Lisa Livingstone
- Kahlia Borserio

### Attendees:

- Chief Executive Officer
- Executive Director of Care
- Executive Director of People, Culture & Wellbeing
- Executive Director of Finance & Corporate Services
- Executive Director of Infrastructure, Technology and Experience
- Director Nursing – Acute Services
- Director Community Services
- Manager Quality

## Project Infrastructure

The Project Infrastructure Board Sub-Committee purpose is to provide high level leadership and oversight to manage the delivery of capital projects and large strategic projects. The committee is responsible for ensuring appropriate representation and engagement of community, consumer, staff and service delivery partners during the project planning and delivery phases.

### Members:

- Lisa Livingstone
- Rob Camm
- Peter Le Lievre
- Courtney Noonan

### Attendees:

- Chief Executive Officer
- Executive Director Finance & Corporate Services
- Executive Director Infrastructure, Technology & Experience
- Executive Director People, Culture & Wellbeing
- Executive Director of Care

## Workforce Data

| HOSPITALS LABOUR CATEGORY       | JUNE CURRENT MONTH FTE* |      | AVERAGE MONTHLY FTE** |      |
|---------------------------------|-------------------------|------|-----------------------|------|
|                                 | 2024                    | 2025 | 2024                  | 2025 |
| Nursing                         | 161.4                   | 183  | 159.6                 | 170  |
| Administration and Clerical     | 63.8                    | 57   | 57.7                  | 61   |
| Medical Support                 | 15.9                    | 16   | 17.8                  | 17   |
| Hotel and Allied Services       | 56.6                    | 55   | 53.5                  | 56   |
| Medical Officers                | 0                       | 0    | 0                     | 0    |
| Hospital Medical Officers       | 0.5                     | 0    | 0.4                   | 0    |
| Sessional Clinicians            | 0                       | 0    | 0                     | 0    |
| Ancillary Staff (Allied Health) | 53.4                    | 58   | 47.7                  | 58   |

Maryborough District Health Service continues to use contemporary recruitment practices based on fair and equitable employment principles. The Diversity Action Plan acknowledges the Health Service's organisational responsibility to remain inclusive and responsive to the health and well-being of the whole community whatever their background or belief.

## Workplace Inclusion Policy

The Maryborough District Health Service's Diversity, Inclusion and Accessibility Plan 2022-26 aims to, "develop an inclusive workforce that reflects the community in which we service". The below table outlines the current strategy and corresponding results.

| STRATEGY  | RESULTS  |
|---|--|
| Develop and implement workplace strategies to provide equal employment opportunities for our diversity population                     | 43% of staff believe they have equal chance of employment / promotion. (People Matter Survey 2024-25)  |
| Create and support an organisational culture that values, respects and is inclusive of staff from diverse backgrounds                 | 73% of staff believe MDHS encourage respectful workplace behaviours. (People Matter Survey 2024-25)  |
| Ensure workforce planning, recruitment and selection, and performance management processes are inclusive of all staff and volunteers. | 62% of staff believe recruitment processes are fair.<br>63% of staff outlined that MDHS does not tolerate improper conduct.<br>63% of staff feel safe to challenge inappropriate behaviour at work. (People Matter Survey 2024-25) |

# Occupational Health and Safety

Respect is a core value and part of business. Staff, visitors and contractors are required to respect themselves and those around them by ensuring they have regard for health and safety.

In line with legislative requirements, risks have been identified relating to MDHS' business. A variety of process improvements, mechanical aids and policies and procedures, have been implemented to reduce the potential for a staff member or a visitor becoming ill or injured at one of our campuses.

Using the Victorian Health Incident Management System (VHIMS), staff report incidents and near misses relating to their health and safety whilst at work. Reports from this system are presented to the Occupational Health & Safety Committee and Performance Committee, which in turn report to the Board of Directors at MDHS.

| OCCUPATIONAL HEALTH AND SAFETY STATUS                                  | 2024-25 | 2023-24 | 2022-23 | 2021-22 |
|--|---------|---------|---------|---------|
| Number of reported hazards/incidents for the year per 100 FTE          | 16.5    | 29.1    | 31.6    | 24.24   |
| Number of lost time standard WorkCover claims for the year per 100 FTE | 0.81    | 0.85    | 0.90    | 0.70    |
| The average cost per WorkCover claim for the year (000)                | \$15.1  | \$7.3   | \$17.0  | \$13.7  |

## Occupational Violence

| STATISTICS  | 2024-25 |
|---|---------|
| WorkCover accepted claims with an occupational violence cause per 100 FTE   | 0       |
| Number of accepted WorkCover claims with lost time injury with an occupational violence cause per 1,00,000 hours worked | 0       |
| Number of occupational violence incidents reported  | 39      |
| Number of occupational violence incidents reported per 100 FTE  | 10.6    |
| Percentage of occupational violence incidents resulting in a staff injury, illness, or condition                        | 5.1%    |

### Definitions of occupational violence

- **Occupational violence** – any incident where an employee is abused, threatened, or assaulted in circumstances arising out of, or in the course of their employment
- **Incident** – an event or circumstance that could have resulted in, or did result in, harm to an employee. Incidents of all severity rating must be included. Code Grey reporting is not included, however, if an incident occurs during the course of a planned or unplanned Code Grey, the incident must be included
- **Accepted Workcover claims** – accepted WorkCover claims that were lodged in 2024-2025
- **Lost time** – is defined as greater than one day
- **Injury, illness, or condition** – this includes all reported harm as a result of the incident.

## Financial Information

| OPERATING RESULTS            | 2025<br>\$000 | 2024<br>\$000 | 2023<br>\$000 | 2022<br>\$000 | 2021<br>\$000 |
|------------------------------|---------------|---------------|---------------|---------------|---------------|
| Net operating result *       | -2,595        | -3,961        | 247           | 42            | 325           |
| Total revenue                | 115,210       | 98,822        | 67,334        | 54,597        | 49,437        |
| Total expenses               | 72,964        | 65,109        | 58,657        | 52,978        | 52,195        |
| Net result from transactions | 42,246        | 33,713        | 8,677         | 1,619         | -2,758        |
| Total other economic flows   | 12            | 375           | 19            | -2,194        | 141           |
| Net results                  | 42,258        | 34,088        | 8,696         | 5,646         | -2,617        |
| Total assets                 | 188,384       | 150,499       | 82,475        | 74,000        | 66,875        |
| Total liabilities            | 28,206        | 32,579        | 20,603        | 19,876        | 18,945        |
| Net assets/Total equity      | 160,178       | 117,920       | 61,872        | 53,576        | 47,930        |

### Summary of significant changes in financial position

Maryborough District Health Service received \$38.966M in non-cash capital contributions from the Department of Health towards the new \$115M Hospital Redevelopment Project. This non-cash contributes significantly to the surplus net result for the 2024-2025 financial year.

### Reconciliation of Net Result from Transactions to Operating Result (Statement of Priorities)

| NET OPERATING RESULT   | 2024-25<br>\$000 |
|--|------------------|
| Net operating result   | -2,595           |
| Capital purpose income   | 12,314           |
| Specific income - COVID-19 State Supply Arrangements<br>- Assets received free of charge or for nil consideration under the State Supply | 10               |
| State Supply items consumed up to 30 June 2024   | -10              |
| Assets provided free of charge   | 38,966           |
| Expenditure for capital purpose  | -                |
| Depreciation and amortisation  | -6,419           |
| -Financial costs (other)   | -20              |
| <b>Net result from transactions</b>  | <b>42,246</b>    |

### Summary of financial results

Maryborough District Health Service recorded a net result from transactions of \$42.246M, with a comprehensive result of \$42.258M for the year. Total revenue for the year was \$115.210M and expenses from transactions for the year \$72.964M. Capital grants of \$14.557M were received to carry out major projects, including delivery of FFE and ICT packages for the new \$115M Hospital Redevelopment Project, and upgrades to existing support services and logistics buildings.

## Consultancies Information

### *Details of consultancies (under \$10,000)*

In 2024-2025, there were seven consultancies where the total fees payable to the consultants were less than \$10,000. The total expenditure incurred during 2024-25 in relation to these consultancies was \$29,801 (excl. GST).

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

In 2024-25, there were two consultancies where the total fees payable to the consultants were \$10,000 or greater. The total expenditure incurred during 2024-25 in relation to these consultancies was \$97,939 (excl. GST).

| Consultant                          | Purpose of Consultancy  | Start Date | End Date | Total approved project fee (excluding GST) | Expenditure 2024-25 (excluding GST) | Future expenditure (excluding GST) |
|-------------------------------------|---|------------|----------|--|-------------------------------------|------------------------------------|
| THE TRUSTEE FOR DJANDAK FIXED TRUST | Project Management Services                                     | 15.07.22   | 30.06.25 | \$90,000                                   | \$26,776                            | \$22,230                           |
| MBMPL PTY LTD                       | Operational Review into our Facilities Asset Management Systems | 01.09.24   | 30.06.25 | \$71,163                                   | \$71,163                            | Nil                                |

### *Information and Communication Technology (ICT) Expenditure*

The total ICT expenditure incurred during 2024-25 was \$3,456,938 (excluding GST) with the details shown below:

| Business As Usual (BAU) ICT Expenditure | Non-Business As Usual (non-BAU) ICT Expenditure   |   |   |
|---|---|---|---|
| Total (excluding GST)                   | Total=Operational Expenditure (a) and Capital Expenditure (b) (excluding GST) (a) + (b) | Operational expenditure (excluding GST) (a) | Capital expenditure (excluding GST) (b) |
| \$1,449,800                             | \$2,007,138   | \$16,020                                    | \$1,991,118                             |

## Grants and Transfer Payments

Not applicable – Maryborough District Health Service did not administer any grants, transfer payments or commercial-in-confidence grants in 2024-25.

# Disclosures required under Legislation

## ***Freedom of Information Action Act 1982***

During 2024-25, Maryborough District Health received 65 applications. Of these requests, 43 were legal requests and 22 were from the general public.

Maryborough District Health Service made 53 FOI decisions during the 12 months ending 30 June. A total of 53 FOI access decisions were made where access to documents was granted in full, granted in part or denied in full, 3 withdrawn, 7 no documentation was provided (so unprocessed) and 2 not yet finalised. No decisions were made after mandatory extensions had been applied or extensions were agreed upon by the applicant. Of requests finalized, the average number of days over / under the statutory time (including extended timeframes) to decide the request was 7-14 days.

During 2024-25, no requests were subject to a complaint/internal review by Office of the Victorian Information Commissioner, and no requests progressed to the Victorian Civil and Administrative Tribunal (VCAT).

## ***Building Act 1993***

All building works have been designed in accordance with the Department of Health's Capital Development Guidelines and comply with the Building Act 1993 (Vic), Building Regulations 2006 (Vic) and Building Code of Australia, relevant at the time of works. All contractors are appropriately qualified. Australian Essential Services Compliance complete an annual assessment of all Health Service buildings to ensure compliance to the Essential Safety Measures requirements.

There was a Building Permit BS-U 44190/3131804623355/4 issued for the Support Services Logistics Project during the financial year. A certificate of final inspection BS-U 44190/3131804623355/4 was received on May 22 2025.

The new Maryborough hospital was completed this year. The building permit numbers were: CBSU58176/9491573937485/1, CBSU58176/8758410487176/2, CBSU58176/3471069221358/3 with an occupancy permit number: 08390 issued on 10 April 2025.

A building permit CBSU58176/2190135887221/0 was issued to relocate Pathology services and certificate number: 08552 was issued on 28 May 2025.

## ***Public Interest Disclosure Act 2012***

The Public Interest Disclosure Act 2012 (Vic) enables people to make disclosures about improper conduct within the public sector without fear of reprisal. The Public Interest Disclosure Act aims to ensure openness and accountability by encouraging people to make disclosures and protecting them when they do. MDHS complies with the requirements of the Public Interest Disclosure Act and did not receive any disclosures in the 2024-25 financial year.

## ***Statement of National Competition Policy***

All competitive neutrality requirements were implemented and met in accordance with National Competition Policy, including compliance with the requirements of the policy statement 'Competitive Neutrality Policy Victoria' and any subsequent reforms.

## ***Carers Recognition Act 2012***

Maryborough District Health Service recognises and values the unique relationship between clients and their carers and operates in an environment responsive to all parties and applies the overarching principles of the Recognition Act 2012 (Vic). MDHS:

- Ensures our staff have an awareness and understanding of the care relationship principles set out in the Act (e.g. developing and implementing a staff awareness strategy about the principles in the Act and what they mean for staff; induction and training programs offered by the organisation include discussion of the Act and the statement of principles therein)

- Considers 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 satisfaction survey for distribution at assessment and review meetings between workers, carers and those receiving care.)

### **Local Jobs First Act 2003**

In 2024/25 there were no projects requiring disclosure under the Local Jobs First Act 2003.

### **Safe Patient Care Act 2015 (Vic)**

Maryborough District Health Service has no matters to report in relation to its obligations under section 40 of the Safe Patient Care Act 2015.

### **Gender Equality Act 2020**

The Maryborough District Health Service Gender Equality Action Plan (GEAP) is being actively implemented, and progress reports have been provided to the Commission for Gender Equality in February 2024. Pleasingly, the progress report has been accepted by the Commission for Gender Equality, and confirms that we are achieving the objectives outlined as priority areas.

MDHS's Gender Equality Objective is for, *"our workforce to complement the diversity of the community we serve and engage with by creating a working environment and conditions in which we operate, learn, work and age in as a focus of all action plans and strategies"*.

In order to achieve this objective, MDHS has focused on 3 key priority areas, being:

- **Priority One** The MDHS workplace is a sector-wide gender equality leader where all women and gender diverse people, with intersectional characteristics, are acknowledged, celebrated and recognised in a way that supports people to succeed.
- **Priority Two** MDHS applies inclusive and bias-free practices when assessing its talent pool to achieve a gender-balanced workforce with pay equity, while also striving to have a workforce that is increasingly representative of the local community.
- **Priority Three** MDHS has zero tolerance for sexism, discrimination, bullying and sexual harassment with all staff empowered to recognise, address and respond to it.

Each of the above key priority areas has specific action plans in place, which directly relate to the 7 indicators of gender equality. The implementation and monitoring of each action plan is undertaken by the MDHS Gender Equality Action Plan Committee.

## **Environmental Performance**

MDHS remains committed to improving our environmental impact and strives to provide health care in an environmentally sound and sustainable manner. MDHS will ensure that environmental sustainability remains a high priority

| <b>ELECTRICITY USE</b>  | <b>2022/23</b>  | <b>2023/24</b>  | <b>2024/25</b>  |
|---|-----------------|-----------------|-----------------|
| <b>EL1 Total electricity consumption segmented by source (MWh)</b>                  |                 |                 |                 |
| Purchased   | 1,525.81        | 1,646.11        | 2,719.73        |
| Self-generated  | 130.80          | 131.16          | 130.80          |
| <b>EL1 Total electricity consumption (MWh)</b>                                      | <b>1,655.61</b> | <b>1,777.27</b> | <b>2,850.53</b> |
| <b>EL2 On site-electricity generated [MWh]</b>                                      |                 |                 |                 |
| Solar Electricity   | 130.8           | 131.16          | 130.8           |
| <b>EL3 On-site installed generation capacity (kW converted to MW) segmented by:</b> |                 |                 |                 |
| Diesel Generator  | 0.38            | 0.38            | 0.38            |
| Solar System  | 0.20            | 0.20            | 0.20            |
| <b>EL4 Total electricity offsets segmented by offset type (MWh)</b>                 |                 |                 |                 |
| RPP (Renewable Power % in the grid)   | 287             | 309             | 495             |

| <b>TOTAL ENERGY USE</b>  |                   |                   |                   |
|--|-------------------|-------------------|-------------------|
| <b>E1 Total energy usage from fuels, including stationary fuels (F1) and transport fuels (T1) (MJ)</b>           |                   |                   |                   |
| Total energy usage from stationary fuels (F1)  | 12,270,112        | 11,982,417        | 9,760,050         |
| Total energy usage from transport (T1)   | -                 | 597,464           | 824,422           |
| <b>Total energy usage from fuels, including stationary fuels (F1) and transport fuels (T1) (MJ)</b>              | <b>12,270,112</b> | <b>12,579,881</b> | <b>10,584,472</b> |
| <b>E2 Total energy usage from electricity (MJ)</b>   |                   |                   |                   |
| Total energy usage from electricity (MJ)   | 5,960,212         | 6,398,179         | 10,261,913        |
| <b>E3 Total energy usage segmented by renewable and non-renewable sources (MJ)</b>                               |                   |                   |                   |
| Renewable  | 1,502,874         | 1,625,389         | 2,312,180         |
| Non-renewable (E1 + E2 - E3 Renewable)   | 16,727,450        | 17,352,671        | 18,534,205        |
| <b>E4 Units of Stationary Energy used normalised: (F1+E2)/normaliserrenewable and non-renewable sources (MJ)</b> |                   |                   |                   |
| Energy per unit of Aged Care OBD (MJ/Aged Care OBD)  | 574.49            | 564.71            | 620.68            |
| Energy per unit of LOS (MJ/LOS)  | 1,559.88          | 1,669.29          | 1,920.02          |
| Energy per unit of bed-day (LOS+Aged Care OBD) (MJ/OBD)  | 419.86            | 421.96            | 469.05            |
| Energy per unit of Separations (MJ/Separations)  | 3,326.70          | 3,361.48          | 4,005.19          |
| Energy per unit of floor space (MJ/m2)   | 1,064.67          | 1,073.44          | 1,179.98          |

| <b>GREENHOUSE GAS EMISSIONS</b>   | <b>2022/23</b> | <b>2023/24</b> | <b>2024/25</b> |
|---|----------------|----------------|----------------|
| <b>G1, G2 &amp; G3 Total scope one (direct) &amp; (indirect) greenhouse gas emissions [tonnes CO2e]</b> |                |                |                |
| Direct greenhouse gas emissions - Carbon Dioxide  | 641            | 660            | 560            |
| Direct greenhouse gas emissions - Methane   | 1.35           | 1.29           | 1.08           |
| Direct greenhouse gas emissions – Nitrous Oxide   | 0.57           | 0.66           | 0.65           |
| Indirect Electricity  | 1,047          | 1,083          | 1,802          |
| Indirect Greenhouse gas emissions (other)   | 430            | 390            | 522            |
| <b>G(Opt) Net greenhouse gas emissions (tonnes CO2e)</b>  | <b>2,120</b>   | <b>2,135</b>   | <b>2,886</b>   |

| <b>STATIONARY ENERGY</b>  | <b>2022/23</b> | <b>2023/24</b> | <b>2024/25</b> |
|---|----------------|----------------|----------------|
| <b>F1 Total fuels used in buildings and machinery segmented by fuel type (MJ)</b>                     |                |                |                |
| Natural gas   | 11,078,038     | 11,230,198     | 8,982,368      |
| LPG   | 1,192,073      | 752,218        | 777,682        |
| <b>F2 Greenhouse gas emissions from stationary fuel consumption segmented by fuel type (CO2-e(t))</b> |                |                |                |
| Natural gas   | 571            | 579            | 463            |
| LPG   | 72             | 46             | 47             |

| <b>TRANSPORTATION ENERGY</b>   | <b>2022/23</b> | <b>2023/24</b>    | <b>2024/25</b>    |
|--|----------------|-------------------|-------------------|
| <b>T1 Total energy used in transportation (vehicle fleet) within the Entity, segmented by fuel type (MJ)</b> |                |                   |                   |
| Executive fleet - E10  | -              | 9,276.80          | 104,636.20        |
| Non-executive fleet - E10  | -              | 406,385.70        | 506,401.20        |
| <b>Petrol (E10)</b>  | <b>-</b>       | <b>415,662.50</b> | <b>611,037.40</b> |
| Executive fleet - Diesel   | -              | 13,896.00         | 57,440.50         |
| Non-executive fleet - Diesel   | -              | 167,906.00        | 155,944.40        |
| <b>Diesel</b>  | <b>-</b>       | <b>181,802.00</b> | <b>213,384.90</b> |

|  |   |                   |                   |
|--|---|-------------------|-------------------|
| <b>Total energy used in transportation (vehicle fleet) (MJ)</b>  | - | <b>597,464.50</b> | <b>824,422.30</b> |
| <b>T3 Greenhouse gas emissions from transportation (vehicle fleet) segmented by fuel type (CO2-e(t))</b> |   |                   |                   |
| Executive fleet - E10  | - | 0.57              | 6.37              |
| Non-executive fleet - E10  | - | 24.75             | 30.84             |
| <b>Petrol (E10)</b>  | - | <b>25.31</b>      | <b>37.21</b>      |
| Executive fleet - Diesel   | - | 0.98              | 4.04              |
| Non-executive fleet - Diesel   | - | 11.82             | 10.98             |
| <b>Diesel</b>  | - | <b>12.80</b>      | <b>15.02</b>      |
| <b>Total Greenhouse gas emissions from transportation (vehicle fleet) (CO2-e(t))</b>                     | - | <b>38.11</b>      | <b>52.24</b>      |

| <b>WATER USE</b>  | <b>2022/23</b> | <b>2023/24</b> | <b>2024/25</b> |
|---|----------------|----------------|----------------|
| <b>W1 Total units of metered water consumed by water source (kl)</b>  |                |                |                |
| Portable Water  | 14,972         | 16,747         | 24,580         |
| <b>Total</b>  | <b>14,972</b>  | <b>16,747</b>  | <b>24,580</b>  |
| <b>NORMALISATION</b>  |                |                |                |
| <b>W2 Units of metered water consumed normalised by FTE, headcount, floor area, or other entity or sector specific quantity</b> |                |                |                |
| Water per unit of Aged Care OBD (kL/Aged Care OBD)  | 0.47           | 0.51           | 0.76           |
| Water per unit of LOS (kL/LOS)  | 1.28           | 1.52           | 2.36           |
| Water per unit of bed-day (LOS+Aged Care OBD) (kL/OBD)  | 0.34           | 0.38           | 0.58           |
| Water per unit of Separations (kL/Separations)  | 2.73           | 3.06           | 4.92           |
| Water per unit of floor space (kL/m2)   | 0.87           | 0.98           | 1.45           |

| <b>WASTE AND RECYCLING</b>   | <b>2022/23</b>    | <b>2023/24</b>    | <b>2024/25</b>    |
|--|-------------------|-------------------|-------------------|
| <b>WR1 Total units of waste disposed of by waste stream and disposal method [kg]</b>                 |                   |                   |                   |
| <b>Landfill (total)</b>  |                   |                   |                   |
| General waste - skips  | 143,941.50        | 112,882.50        | 123,100.00        |
| <b>Offsite treatment</b>   |                   |                   |                   |
| Clinical waste - incinerated   | 415.34            | 516.20            | 514.25            |
| Clinical waste - sharps  | 1,538.96          | 1,094.14          | 1,091.10          |
| Clinical waste - treated   | 8,925.41          | 7,616.88          | 7,592.19          |
| <b>Recycling/recovery (disposal)</b>   |                   |                   |                   |
| Cardboard  | 31,680.00         | 25,162.50         | 15,154.50         |
| <b>Total units of waste disposed (kg)</b>  | <b>186,501.21</b> | <b>147,272.22</b> | <b>147,452.03</b> |
| <b>WR1 Total units of waste disposed of by waste stream and disposal method (%)</b>                  |                   |                   |                   |
| <b>Landfill (total)</b>  |                   |                   |                   |
| General waste - skips  | 77.18%            | 76.65%            | 83.48%            |
| <b>Offsite treatment</b>   |                   |                   |                   |
| Clinical waste - incinerated   | 0.22%             | 0.35%             | 0.35%             |
| Clinical waste - sharps  | 0.83%             | 0.74%             | 0.74%             |
| Clinical waste - treated   | 4.79%             | 5.17%             | 5.15%             |
| <b>Recycling/recovery (disposal)</b>   |                   |                   |                   |
| Cardboard  | 16.99%            | 17.09%            | 10.28%            |
| <b>WR2 Percentage of office sites covered by dedicated collection services for each waste stream</b> |                   |                   |                   |
| e-waste  | -                 | -                 | -                 |
| Batteries  | -                 | -                 | -                 |
| Soft plastics  | -                 | -                 | -                 |

| <b>WR3 Total units of waste disposed normalised by FTE, headcount, floor area, or other entity or sector specific quantity, by disposal method</b> |               |               |               |
|--|---------------|---------------|---------------|
| Total waste to landfill per patient treated (kg general waste)/PPT)  | 2.94          | 2.30          | 2.58          |
| Total waste to offsite treatment per patient treated (kg offsite treatment)/PPT)   | 0.22          | 0.19          | 0.19          |
| Total waste recycled and reused per patient treated (kg recycled and reused)/PPT)  | 0.65          | 0.51          | 0.32          |
| <b>WR4 Recycling rate (%)</b>  |               |               |               |
| Weight of recyclable and organic materials (kg)  | 31,680.00     | 25,162.50     | 15,154.50     |
| Weight of total waste (kg)   | 186,501.21    | 147,272.22    | 147,452.03    |
| <b>Recycling rate (%)</b>  | <b>16.99%</b> | <b>17.09%</b> | <b>10.28%</b> |
| <b>WR5 Greenhouse gas emissions associated with waste disposal (CO2-e(t))</b>  |               |               |               |
| CO2-e(t)   | 201.09        | 158.53        | 171.77        |

| <b>NORMALISATION FACTORS</b> | <b>2022/23</b> | <b>2023/24</b> | <b>2024/25</b> |
|------------------------------|----------------|----------------|----------------|
| 1000km (Corporate)           | -              | -              | -              |
| 1000km (Non-emergency)       | -              | -              | -              |
| Aged Care OBD                | 31,733         | 32,549         | 32,258         |
| ED Departures                | -              | -              | -              |
| FTE                          | 302            | 332            | 352            |
| LOS                          | 11,687         | 11,011         | 10,428         |
| OBD                          | 43,420         | 43,560         | 42,686         |
| PPT                          | 48,900         | 49,028         | 47,685         |
| Separations                  | 5,480          | 5,468          | 4,999          |
| TotalAreaM2                  | 17,123         | 17,123         | 16,968         |

## Social Procurement

Victoria's Social Procurement Framework (SPF) is a Victorian Government policy that enables Maryborough District Health Service (MDHS) to increase the value of procured goods, services, and construction by pursuing social and sustainable outcomes, in accordance with the SPF.

During the year FY 2024-25, MDHS' social procurement strategy aligned with our strategic goals, namely:

- Opportunities for Victorian Aboriginal people
- Opportunities for disadvantaged Victorians
- Sustainable Victorian Regions

## FY 2024-25: Priority Social Procurement Framework (SPF) objectives and outcomes

MDHS strategic priorities for 2024-25 sought the following Social Procurement Framework (SPF) objectives and corresponding outcomes through our procurement activities.

| <b>Priority SPF objectives</b>                         | <b>Priority SPF outcomes sought</b>   |
|--|---|
| <b>1.Opportunities for Victorian Aboriginal people</b> | MDHS has a number of procurement considerations to pursue SPF outcomes to promote Victorian Aboriginal people that have been incorporated into MDHS' Reconciliation Action Plan. MDHS engaged with two social benefit suppliers to a total value of \$93,005.30 |

|   |   |
|---|---|
| <b>2.Opportunities for Victorians with disability</b> | MDHS has undertaken direct social procurement by procuring services from Asteria Services Incorporated, which provide tailored disability support and commercial services to the people of central Victoria. MDHS engaged with this one social benefit supplier to a total value of \$21,288.62 |
|---|---|

|  |  |
|--|--|
| <b>3.Sustainable Victorian regions</b> | MDHS has a number of procurement considerations to pursue SPF outcomes to promote Sustainable Victorian Regions. MDHS engaged successfully with two social benefit suppliers to the total value of \$67,203.29 |
|--|--|

|   |
|---|
| <b>Summary of direct social procurement engagement for FY 2024-25</b>   |
| Number of social benefit suppliers engaged during the reporting period: Five<br>Total amount spent with social benefit suppliers during the reporting period: \$181,497.21. |

### Privacy

MDHS recognises, and is committed to, the protection of the privacy of patient, resident, client and staff information. MDHS has in place policies to ensure compliance with the Health Records Act 2001 (Vic), Privacy Act 2000 and the Information Privacy Act 2000 (Vic) Patients. Residents and clients are informed of their rights on first contact with MDHS that all health information collected and medical records held in relation to their treatment is respected and confidentiality is maintained.

### Additional information available on request

**Details in respect of the items listed below have been retained by MDHS and are available to the relevant Ministers, Members of Parliament and the public on request (subject to freedom of information requirements):**

- Declarations of pecuniary interests have been duly completed by all relevant officers;
- Details of shares held by senior officers as nominee or held beneficially;
- 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 Health Service;
- Details of any major external reviews carried out on the Health Service;
- Details of major research and development activities undertaken by the Health Service that are not otherwise covered either in the report of operations or in a document that contains the financial statements and report of operations;
- 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 Health Service to develop community awareness of the Health Service 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 Health Service and details of time lost through industrial accidents and disputes, which is not otherwise detailed in the report of operations;
- A list of major committees sponsored by the Health Service, the purposes of each committee and the extent to which those purposes have been achieved;
- Details of all consultancies and contractors including consultants/contractors engaged, services provided, and expenditure committed for each engagement.

## Attestations

### *Attestation for Integrity, Fraud and Corruption*

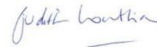
I, Nickola Allan certify that Maryborough District Health Service has put in place appropriate internal controls and processes to ensure that integrity, fraud and corruption risks have been reviewed and addressed at Maryborough District Health Service during the year.



Nickola Allan  
CEO  
Maryborough District Health Service  
30 June 2025

### *Attestation for Financial Management Compliance*


I, Judith Lowthian on behalf of the Responsible Body, certify that Maryborough District Health Service has no Material Compliance Deficiency with respect to the applicable Standing Directions under the Financial Management Act 1994 and instructions.



Judith Lowthian  
Chair  
Maryborough District Health Service  
30 June 2025

### *Attestation for Data Integrity*

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



Nickola Allan  
CEO  
Maryborough District Health Service  
30 June 2025

### *Attestation for Compliance with Health Share Victoria (HSV) Purchasing Policies*

I, Nickola Allan, certify that Maryborough District Health Service 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.



Nickola Allan  
CEO  
Maryborough District Health Service  
30 June 2025

### *Attestation for Conflict of Interest*

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



Nickola Allan  
CEO  
Maryborough District Health Service  
30 June 2025

## Disclosure Index

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

| Legislation | Requirement | Page Reference |
|-------------|-------------|----------------|
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### Ministerial Directions

#### Report of Operations

##### Charter and purpose

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| FRD 22 | Declaration in report of operations – responsible bodies declaration   | 4   |
| FRD 22 | Manner of establishment and the relevant Ministers                     | 4   |
| FRD 22 | Purpose, functions, powers and duties                                  | 3   |
| FRD 22 | Nature and range of services provided                                  | 5   |
| FRD 22 | Activities, programs and achievements for the reporting period         | 6+7 |
| FRD 22 | Significant changes in key initiatives and expectations for the future | 6+7 |

##### Management and structure

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| FRD 22 | Organisational Structure                          | 8  |
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##### Financial information

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| FRD 22 | Significant changes in financial position during the year               | 13  |
| FRD 22 | Operational and budgetary objectives and performance against objectives | 13  |
| FRD 22 | Details of consultancies under \$10,000                                 | 14  |
| FRD 22 | Details of consultancies over \$10,000                                  | 14  |
| FRD 22 | Disclosure of government advertising expenditure                        | N/A |
| FRD 22 | Disclosure of ICT expenditure   | 14  |
| FRD 22 | Emergency procurement   | N/A |
| FRD 22 | Social procurement framework  | 19  |
| FRD 22 | Procurement complaints  | N/A |
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| FRD 22 | Compliance with building and maintenance <i>provisions of Building Act 1993</i> | 15 |
| FRD 22 | Application and operation of the <i>Public Interest Act 2012</i>                | 15 |
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| FRD 22 | Additional information available on request                                     | 20 |
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## Other Relevant Compliance Requirements

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|  | Integrity, fraud and corruptions                                | 21  |
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|  | Car parking fees (where applicable)                             | N/A |

## Reporting of Outcomes from Statement of Priorities 2024-2025

|  |                           |    |
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|  | Part A Deliverables       | 24 |
|  | Part B KPIs               | 28 |
|  | Part C Activity + Funding | 29 |

# Statement of Priorities

## Part A – Deliverables

In 2024-2025 Maryborough District Health will contribute to the achievement of the Victorian Government’s commitments by:

| Mandatory: Excellence in clinical governance  |   |   |
|---|---|---|
| Goals   | Health Service Deliverables   | Achievements/Outcome  |
| <p><b>MA2</b> Strengthen all clinical governance systems, as per the Victorian Clinical Governance Framework, to ensure safe, high-quality care, with a specific focus on building and maintaining a strong safety culture, identifying, reporting, and learning from adverse events, and early, accurate recognition and management of clinical risk to and deterioration of all patients.</p> | <p><b>MA2</b> Improve paediatric patient outcomes by implementing the “ViCTOR track and trigger” observation chart and escalation system whenever children have observations taken.</p>   | <p><b>Achieved and Ongoing</b><br/>As part of transition to new hospital, a dedicated paediatric space within the inpatient unit, and workflows have been reviewed and implemented with input from a paediatric nurse specialist.</p> <p>The ViCTOR track and trigger charts are used in all areas in the care of paediatric patients.</p> <p>A review of all committees and reporting processes has been undertaken, in line with the Safer Care Victoria (SCV) updated Clinical Governance framework.</p> |
| <p><b>MA6</b> 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.</p>  | <p><b>MA6</b> Adopt models of care that ensure the appropriate skill mix, and senior decision makers in the right places to manage the volume of patients and health service demands.</p> | <p><b>Achieved and Ongoing:</b><br/>MDHS Urgent Care Centre (UCC) is a nurse-led model of care with support from Visiting Medical Officers (VMOs) and the Victorian Virtual Emergency Department (VVED)</p> <p>Criteria have been established to enable clinically stable patients to be admitted overnight (nurse-led) for review by a General Practitioner (GP) the next morning. (between 10pm – 8am)</p>  |
|   | <p><b>MA6</b> Embed internal standards and agreements that support the delivery of patient centred care, through identification of ‘how we do things here’ to support patient flow.</p>   | <p><b>Achieved and Ongoing:</b><br/>MDHS has implemented a new role to support patient flow: Deputy Director of Nursing – Workforce, Access and Flow. This role actively engages with surrounding health services within the Grampians Network and Bendigo Health to ensure care is provided closer to home.</p>  |

|  |  |  |
|--|--|--|
|  | <p><b>MA6</b> Implement initiatives that support early discharge of patients to appropriate settings to improve timely patient access to care.</p> | <p><b>Achieved and Ongoing:</b></p> <p>A weekly multidisciplinary meeting is conducted with senior clinicians and the executive (acute and aged care) to ensure each patient is reviewed and that discharge planning is timely and appropriate.</p> <p>The MDHS District Nursing Service provides Hospital in the Home (HITH) care to enable patients to be cared for in their home rather than in a regional health service hospital.</p> |
|--|--|--|

|   |  |   |
|---|--|---|
| <p><b>MA9</b> 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.</p> | <p><b>MA9</b> Implement and scale same day surgery models of care in line with Safer Care Victoria's Expanding Day Surgery recommendations.</p>          | <p><b>Commenced and ongoing:</b></p> <p>Due to the relocation to the new Maryborough Hospital in April 2025, considerable effort was required to ensure safe working practices with the transition from one operating theatre to a larger perioperative footprint. Workflows needed to be designed to accommodate CSSD on a different floor to theatre.</p> <p>Improvements to the paediatric patient and family experience were initiated in June 2025. Children undergoing ENT and dental procedures were admitted to the designated children's area of the inpatient unit. Initial feedback from consumers has been extremely positive.</p> <p>Planning for management of surgical preparation lists has commenced but will require a significant change management process.</p> |
|   | <p><b>MA9</b> Proactively manage preparation lists (formerly waiting lists) including validation and support of patients into optimal care pathways.</p> |   |
|   | <p><b>MA9</b> Implement and deliver strategic initiatives that foster collaboration, improve timeliness of care and progress the blueprint reforms.</p>  |   |

**Mandatory: Operate within Budget**

| Goals   | Health Service Deliverables  | Achievements/Outcome   |
|---|--|--|
| <p><b>MB1</b> Develop and implement a health service Budget Action Plan (BAP) in partnership with the Department to manage cost growth effectively to ensure the efficient operation of the health service.</p> | <p><b>MB1</b> Deliver on the key initiatives as outlined in the Budget Action Plan.</p> <p><b>MB1</b> Utilise data analytics and performance metrics to identify areas of inefficiency and waste to make evidence-based decisions to improve financial sustainability and operational performance.</p> | <p><b>Achieved and ongoing:</b></p> <p>As per the Budget Action Plan: Implementation of new Motor Vehicle fleet system has identified potential cost and environmental benefits from reduction in fleet size and efficiency of booking systems and allocations. .</p> <p>Review of ordering processes for procurement of supplies and consumables has identified cost savings and reduced wastage.</p> |

**Mandatory: Improving equitable access to healthcare and wellbeing**

| Goals   | Health Service Deliverables   | Achievements/Outcome   |
|---|---|--|
| <p><b>MC1</b> Address service access issues and equity of health outcomes for priority communities, including LGBTIQ+ communities, multicultural communities, people with disability and rural and regional people, including more support for primary, community, home-based and virtual care, and addiction services.</p>               | <p><b>MC1</b> Implement programs addressing barriers for rural and regional cohorts receiving care remotely, closer to, or in their homes.</p>  | <p><b>Achieved and ongoing:</b><br/>The Beautiful Shawl Project, a community-led initiative was implemented, offering a culturally safe and empowering breast screening experience for Aboriginal and Torres Strait Islander women. The project provides a shawl, designed by local Aboriginal artists for women to wear during their breast screen and take home as a gift. MDHS has partnered with BreastScreen Victoria (BSV) and the Victorian Aboriginal Community Controlled Health Organisation (VACCHO) for this ongoing initiative.</p> |
|   | <p><b>MC1</b> Partner with Aboriginal community-controlled health organisations, respected Aboriginal leaders and Elders, and Aboriginal communities to deliver healthcare improvements.</p>  | <p><b>Achieved and ongoing:</b><br/>As above</p>   |
| <p><b>MC4</b> Expand the delivery of high-quality cultural safety training for all staff to align with the Aboriginal and Torres Strait Islander cultural safety framework. This training should be delivered by independent, expert, community-controlled organisations or a Kinaway or Supply Nation certified Aboriginal business.</p> | <p><b>MC4</b> Implement mandatory cultural safety training and assessment for all staff in alignment with the Aboriginal and Torres Strait Islander cultural safety framework, and developed and/or delivered by independent, expert, and community-controlled organisations, Kinaway or Supply Nation certified Aboriginal businesses.</p> | <p><b>Achieved and ongoing:</b><br/>All MDHS staff are required to complete cultural awareness training as a mandatory component of their employment.</p>  |

**Mandatory: A stronger workforce**

| Goals   | Health Service Deliverables   | Achievements/Outcome   |
|---|---|--|
| <p><b>MD1</b> Improve employee experience across four initial focus areas to assure safe and high-quality care: leadership, health and safety, flexibility, and</p> | <p><b>MD1</b> Deliver programs to improve employee experience across four initial focus areas: leadership, safety and wellbeing, flexibility, and career development and agility.</p> | <p><b>Achieved and ongoing:</b><br/>A “Functional skills for Managers” program has been delivered to support managers in the following areas: employee relations, payroll and budget management.</p> |

|                                 |   |  |
|---------------------------------|---|--|
| career development and agility. | <b>MD1</b> Implement and/or evaluate new/expanded programs that uplift workforce flexibility such as a flexible policy for work arrangements. | <p><b>Achieved and ongoing:</b></p> <p>MDHS has processes in place relating to employees requesting flexible work arrangements, and current work-from-home arrangements to support the employee experience.</p> <p>MDHS has developed a workforce plan and continues to actively implement to ensure safe staffing requirements.</p> |
|---------------------------------|---|--|

|   |   |   |
|---|---|---|
| <b>MD2</b> Explore new and contemporary models of care and practice, including future roles and capabilities. | <b>MD2</b> Continual monitoring of the broader healthcare landscape to identify opportunities to modernise skills, capabilities, roles and models of care to meet future health sector needs. | <p><b>Achieved and ongoing:</b></p> <p>Leveraging the successful launch of our Sexual and Reproductive Advice Clinic (SaRAC) in May 2024, the clinic has further developed services throughout the year to now deliver a full scope of practice.</p> <p>Relocation to the new Maryborough Hospital has enabled review of current models of care and implementation of contemporary practice. Examples include:</p> <ul style="list-style-type: none"> <li>• Paediatric surgical model and a designated paediatric ward</li> <li>• Trial of dedicated triage nurse in the Urgent Care Centre (UCC)</li> <li>• Introduction of a Deputy Director of Nursing (DDON) Workforce, Access and Flow.</li> </ul> |
|---|---|---|

**Mandatory: Moving from competition to collaboration**

| Goals  | Health Service Deliverables  | Achievements/Outcome   |
|--|--|--|
| <p><b>ME1</b> Partner with other organisations (for example community health, ACCHOs, PHNs, General Practice, private health) to drive further collaboration and build an integrated system.</p> | <p><b>ME1</b> Work with the relevant PHN and community health providers to develop integrated service models that will provide earlier care to patients and support patients following hospital discharge.</p> | <p><b>Achieved and ongoing:</b></p> <p>In collaboration with Western Victoria Primary Health Network, MDHS is the lead agency and fund holder for “Your Care Path”. This initiative provides support for people living with chronic health condition(s) living in a rural or remote area.</p> <p>MDHS partners with Ballarat Regional Integrated Cancer Centre (BRICC) to provide same day chemotherapy services to our local patients requiring oncology treatment.</p> |
|  |  |  |

# Statement of Priorities

## Part B: Performance Priorities

### High quality and safe care

| Key Performance Measure   | Target  | Result   |
|---|---|----------|
| <b>Infection prevention and control</b>   |   |          |
| Percentage of healthcare workers immunised for influenza  | 94%   | 100%     |
| <b>Adverse events</b>   |   |          |
| Percentage of reported sentinel events for which a Root Cause Analysis (RCA) report was submitted within 30 business days from the notification of the events | All RCA reports submitted within 30 business days | 100%     |
| <b>Aged Care</b>  |   |          |
| Public sector residential aged care services overall star rating  | Minimum rating of 3 stars                         | Achieved |
| <b>Patient experience</b>   |   |          |
| Percentage of patients who reported positive experiences of their hospital stay   | 95%   | 99.4%    |
| <b>Aboriginal Health</b>  |   |          |
| The gap between the number of Aboriginal patients who discharged against medical advice compared to non-Aboriginal patients                                   | 0%  | 5%       |

### Strong governance, leadership and culture

| Key performance measure   | Target | Result |
|---|--------|--------|
| <b>Organisational culture</b>   |        |        |
| People Matter Survey – Percentage of staff with an overall positive response to safety culture survey questions | 80%    | 65%    |

### Effective financial management

| Key performance measure   | Target  | Result   |
|---|---|----------|
| Operating result (\$M)  | 0.00  | -2.56    |
| Adjusted current asset ratio 0.7 or 3% improvement from health service base target variance between forecast and actual | 0.7   | 0.58     |
| Net result from transactions (NRFT) for the current financial year ending 30 June                                       | 5% movement in forecast revenue and expenditure forecasts | Achieved |

<sup>1</sup> Further work will be undertaken on leave event measures terminology that better captures pt, experience and Aboriginal communities holistic understanding of health and wellbeing.

# Statement of Priorities

## Part C: Activity and Funding

Maryborough District Health Service funding summary for 1 July 2024 – 30 June 2025

| Funding Type   | Activity |
|--|----------|
| <b>Consolidated Activity Funding</b>                                     |          |
| Acute admitted, subacute admitted, emergency services, non-admitted NWAU | 4376.50  |
| <b>Acute Admitted</b>  |          |
| Acute admitted DVA   | 8.53     |
| <b>Sub-Acute /Non-Acute, Admitted &amp; Non-Admitted</b>                 |          |
|  |          |
| <b>Aged Care</b>   |          |
| Residential Aged Care*   | 31,702   |
| HACC   | 2280     |
| <b>Primary Health</b>  |          |
| Community Health / Primary Care Programs                                 | 5371     |
| <b>Other</b>   |          |
| Health workforce   | 14.2     |

*\*An error has been identified in the published 2024-25 Maryborough District Health Service Statement of Priorities (SoP). The Residential Aged Care Activity target on page 12 of the SoP should read 33,237, not 69,065*

# Donations

Each year we receive generous contributions through donations, sponsorships, bequests and philanthropic grants. We thank the numerous community members and organisations who have made a donation to MDHS this year. Total donations for the 2024-2025 year amount to \$250,592.39.

## **MDHS Charity Golf Day**

MDHS in conjunction with our major sponsor, True Foods, held our annual Charity Golf Day again on 27 March 2025. The event raised \$21,481.00. We extend our thanks to True Foods and all the golf hole sponsors for another successful event.

## **Major Community Supporters**

- Allround Packaging
- Alchemy Performance Packaging Pty Ltd
- Alexander Ingredients
- ASTERIA Services
- Adam Ski
- Anthony Passalick
- Bendigo Bank
- Bequest of the Late Elizabeth Tunkin
- Coghlan Bulk Haulage
- Estate of Late Marjorie Wilks
- Edlyn Foods
- Julie Driscoll
- Manildra Group
- Maryborough Carpet Bowls Club
- Maryborough Golf Club
- Maryborough Highland Society
- Maryborough Lions Club
- Maryborough Toyota
- Maryborough Transport
- Mike Webber
- Rheola Charity Carnival Inc.
- Transport Tyers
- Sonac
- True Foods
- VISY
- Vital Signs

# Financial Statements

## Financial Year ended 30 June 2025

### ***Board members', accountable officers', and chief finance & accounting officers' declaration***

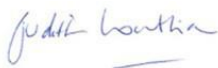
The attached financial statements for Maryborough District Health Service have been prepared in accordance with Direction 5.2 of the Standing Directions of the Minister for Finance under the *Financial Management Act 1994*, applicable Financial Reporting Directions, Australian Accounting Standards including 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 2025 and the financial position of Maryborough District Health Service at 30 June 2025.

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 24th September 2025.

#### **Board Member**



Dr Judy Lowthian

Chair

Maryborough  
24 September 2025

#### **Accountable Officer**



Ms Nickola Allan

Chief Executive Officer

Maryborough  
24 September 2025

#### **Chief Finance & Accounting Officer**



Mr Marc Sherwell

Chief Financial Officer

Maryborough  
24 September 2025

**Comprehensive Operating Statement  
Maryborough District Health Service  
For the Financial Year Ended 30 June 2025**

|  |             | 2025            | 2024            |
|--|-------------|-----------------|-----------------|
|  | Note        | \$'000          | \$'000          |
| <b>Revenue and income from transactions</b>                  |             |                 |                 |
| Revenue from contracts with customers                        | 2.1         | 46,981          | 40,617          |
| Other sources of income                                      | 2.1(b)      | 67,426          | 57,570          |
| Non-operating activities                                     | 2.1(b)      | 803             | 635             |
| <b>Total revenue and income from transactions</b>            |             | <b>115,210</b>  | <b>98,822</b>   |
| <b>Expenses from transactions</b>                            |             |                 |                 |
| Employee expenses  | 3.1         | (48,697)        | (47,097)        |
| Finance costs  |             | (20)            | (17)            |
| Depreciation   | 4.1(a), 4.2 | (6,419)         | (2,814)         |
| Other operating expenses                                     | 3.1         | (17,828)        | (15,181)        |
| <b>Total expenses from transactions</b>                      |             | <b>(72,964)</b> | <b>(65,109)</b> |
| <b>Net result from transactions - net operating balance</b>  |             | <b>42,246</b>   | <b>33,713</b>   |
| <b>Other economic flows included in net result</b>           |             |                 |                 |
| Net gain/(loss) on sale of non-financial assets              |             | 10              | 213             |
| Net gain/(loss) on financial instruments                     |             | (13)            | (27)            |
| Other gain/(loss) from other economic flows                  |             | 15              | 189             |
| <b>Total other economic flows included in net result</b>     |             | <b>12</b>       | <b>375</b>      |
| <b>Net result</b>  |             | <b>42,258</b>   | <b>34,088</b>   |
| <b>Other economic flows - other comprehensive income</b>     |             |                 |                 |
| <b>Items that will not be reclassified to net result</b>     |             |                 |                 |
| Changes in property, plant and equipment revaluation surplus |             | -               | 21,960          |
| <b>Total other comprehensive income</b>                      |             | <b>-</b>        | <b>21,960</b>   |
| <b>Comprehensive result</b>                                  |             | <b>42,258</b>   | <b>56,048</b>   |

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

**Balance Sheet**  
**Maryborough District Health Service**  
**As at 30 June 2025**

|                                   |        | 2025           | 2024           |
|-----------------------------------|--------|----------------|----------------|
|                                   | Note   | \$'000         | \$'000         |
| <b>Financial assets</b>           |        |                |                |
| Cash and cash equivalents         | 6.2    | 12,002         | 19,451         |
| Receivables                       | 5.1    | 3,584          | 2,867          |
| <b>Total financial assets</b>     |        | <b>15,586</b>  | <b>22,318</b>  |
| <b>Non-financial assets</b>       |        |                |                |
| Prepayments                       |        | 633            | 257            |
| Inventories                       |        | 49             | 192            |
| Property, plant and equipment     | 4.1    | 172,026        | 127,642        |
| Investment property               |        | 90             | 90             |
| <b>Total non-financial assets</b> |        | <b>172,798</b> | <b>128,181</b> |
| <b>Total assets</b>               |        | <b>188,384</b> | <b>150,499</b> |
| <b>Liabilities</b>                |        |                |                |
| Payables                          | 5.2    | 8,649          | 14,005         |
| Contract liabilities              | 5.3    | 164            | -              |
| Borrowings                        | 6.1    | 669            | 736            |
| Employee benefits                 | 3.1(b) | 10,766         | 10,051         |
| Other liabilities                 | 5.4    | 7,958          | 7,787          |
| <b>Total liabilities</b>          |        | <b>28,206</b>  | <b>32,579</b>  |
| <b>Net assets</b>                 |        | <b>160,178</b> | <b>117,920</b> |
| <b>Equity</b>                     |        |                |                |
| Reserves                          |        | 71,690         | 71,690         |
| Contributed capital               |        | 13,776         | 13,776         |
| Accumulated surplus               |        | 74,712         | 32,454         |
| <b>Total equity</b>               |        | <b>160,178</b> | <b>117,920</b> |

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

**Cash Flow Statement**  
**Maryborough District Health Service**  
**For the Financial Year Ended 30 June 2025**

| Note   | 2025<br>\$'000  | 2024<br>\$'000  |
|--|-----------------|-----------------|
| <b>Cash flows from operating activities</b>                        |                 |                 |
| Operating grants from State Government                             | 36,210          | 46,968          |
| Operating grants from Commonwealth Government                      | 14,274          | 8,628           |
| Capital grants from State Government                               | 9,806           | 1,403           |
| Commercial activity revenue received                               | 479             | 541             |
| GST received from ATO  | 1,766           | 1,481           |
| Interest and investment income received                            | 803             | 635             |
| Other receipts   | 9,094           | 7,413           |
| <b>Total receipts</b>  | <b>72,432</b>   | <b>67,069</b>   |
| Payments to employees  | (47,786)        | (42,110)        |
| Payments to suppliers and consumables                              | (10,483)        | (10,701)        |
| Finance costs  | (20)            | (23)            |
| GST paid to ATO  | (1,733)         | (1,561)         |
| Other payments   | (6,611)         | (5,381)         |
| <b>Total payments</b>  | <b>(66,633)</b> | <b>(59,776)</b> |
| <b>Net cash flows from/(used in) operating activities</b>          | <b>5,799</b>    | <b>7,293</b>    |
| <b>Cash flows from investing activities</b>                        |                 |                 |
| Proceeds from sale of non-financial assets                         | 10              | 510             |
| Purchase of non-financial assets                                   | (13,416)        | (953)           |
| Capital donations and bequests received                            | 114             | 134             |
| <b>Net cash flows from/(used in) investing activities</b>          | <b>(13,292)</b> | <b>(309)</b>    |
| <b>Cash flows from financing activities</b>                        |                 |                 |
| Repayment of borrowings and principal portion of lease liabilities | (140)           | (117)           |
| Repayment of accommodation deposits                                | (1,300)         | (1,324)         |
| Receipt of accommodation deposits                                  | 1,484           | 1,706           |
| <b>Net cash flows from/(used in) financing activities</b>          | <b>44</b>       | <b>265</b>      |
| <b>Net increase/(decrease) in cash and cash equivalents held</b>   | <b>(7,449)</b>  | <b>7,249</b>    |
| Cash and cash equivalents at beginning of year                     | 19,451          | 12,202          |
| <b>Cash and cash equivalents at end of year</b>                    | <b>12,002</b>   | <b>19,451</b>   |

6.2

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

**Statement of Changes in Equity**  
**Maryborough District Health**  
**For the Financial Year Ended 30 June 2025**

|   | <b>Property, Plant<br/>and Equipment<br/>Revaluation<br/>Surplus</b> | <b>Restricted<br/>Specific<br/>Purpose<br/>Reserve</b> | <b>Contribut<br/>ed<br/>Capital</b> | <b>Accumulated<br/>Surplus/(Deficit)</b> | <b>Total</b>   |
|---|--|--|-------------------------------------|--|----------------|
|   | <b>\$'000</b>  | <b>\$'000</b>  | <b>\$'000</b>                       | <b>\$'000</b>                            | <b>\$'000</b>  |
| <b>Balance at 1 July 2023</b>           | <b>49,244</b>  | <b>486</b>   | <b>13,776</b>                       | <b>(1,634)</b>                           | <b>61,872</b>  |
| Net result for the year                 | -  | -  | -                                   | 34,088                                   | 34,088         |
| Other comprehensive income for the year | 21,960   | -  | -                                   | -  | 21,960         |
| <b>Balance at 30 June 2024</b>          | <b>71,204</b>  | <b>486</b>   | <b>13,776</b>                       | <b>32,454</b>                            | <b>117,920</b> |
| Net result for the year                 | -  | -  | -                                   | 42,258                                   | 42,258         |
| <b>Balance at 30 June 2025</b>          | <b>71,204</b>  | <b>486</b>   | <b>13,776</b>                       | <b>74,712</b>                            | <b>160,178</b> |

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

**Notes to the Financial Statements  
Maryborough District Health Service  
For the Financial Year Ended 30 June 2025**

**Structure**

- 1.1 Basis of preparation**
- 1.2 Material accounting estimates and judgements**
- 1.3 Reporting entity**
- 1.4 Economic dependency**

## **Note 1 About this Report**

These financial statements represent the financial statements of Maryborough District Health Service for the year ending 30 June 2025.

Maryborough District Health Service (MDHS) is a not-for-profit entity established as a public agency under the *Health Services Act 1988 (Vic)*. A description of the nature of its operations and its principal activities is included in the Report of Operations, which does not form part of these financial statements.

This section explains the basis of preparing the financial statements.

### **Note 1.1 Basis of preparation**

These financial statements are general purpose financial statements which have been prepared in accordance with AASB 1060 *General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* (AASB 1060) and Financial Reporting Direction 101 *Application of Tiers of Australian Accounting Standards* (FRD 101).

Maryborough District Health Service is a Tier 2 entity in accordance with FRD 101. These financial statements are the first general purpose financial statements prepared in accordance with Australian Accounting Standards – Simplified Disclosures. Maryborough District Health Service's prior year financial statements were general purpose financial statements prepared in accordance with Australian Accounting Standards (Tier 1). As Maryborough District Health Service is not a 'significant entity' as defined in FRD 101, it was required to change from Tier 1 to Tier 2 reporting effective from 1 July 2024.

These general purpose financial statements have been prepared in accordance with the *Financial Management Act 1994* (FMA) and applicable Australian Accounting Standards (AASs), which include interpretations, issued by the Australian Accounting Standards Board (AASB).

Where appropriate, those AASs paragraphs applicable to not-for-profit entities have been applied. Accounting policies selected and applied in these financial statements ensure the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

The accrual basis of accounting has been applied in preparing these financial statements, whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

**Notes to the Financial Statements**  
**Maryborough District Health Service**  
**For the Financial Year Ended 30 June 2025**

Consistent with the requirements of AASB 1004 *Contributions*, contributions by owners (that is, contributed capital and its repayment) are treated as equity transactions and, therefore, do not form part of the income and expenses of Maryborough District Health Service.

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

The financial statements are presented in Australian dollars.

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

The annual financial statements were authorised for issue by the Board of Maryborough District Health Service on 24th September, 2025.

**Note 1.2 Material accounting estimates and judgements**

Management makes estimates and judgements when preparing the financial statements.

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

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

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

**Note 1.3 Reporting Entity**

The financial statements include all the controlled activities of Maryborough District Health Service.

Maryborough District Health Service's principal address is:

75-87 Clarendon Street  
Maryborough, Victoria 3465

**Note 1.4 Economic dependency**

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

**Notes to the Financial Statements**  
**Maryborough District Health Service**  
**For the Financial Year Ended 30 June 2025**

## Note 2 Funding delivery of our services

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

### Structure

#### 2.1 Revenue and income from transactions

##### Note 2.1 Revenue and income from transactions

|   |        | 2025<br>\$'000 | 2024<br>\$'000 |
|---|--------|----------------|----------------|
| Revenue from contracts with customers             | 2.1(a) | 46,981         | 40,617         |
| Other sources of income                           | 2.1(b) | 67,426         | 57,570         |
| <b>Total revenue and income from transactions</b> |        | <b>114,407</b> | <b>98,187</b>  |

##### Note 2.1(a) Revenue from contracts with customers

|  | 2025<br>\$'000 | 2024<br>\$'000 |
|--|----------------|----------------|
| Government grants (State) - Operating              | 27,269         | 22,767         |
| Government grants (Commonwealth) - Operating       | 13,842         | 11,755         |
| Patient and resident fees                          | 2,792          | 3,004          |
| Private practice fees                              | 2,599          | 2,550          |
| Commercial activities                              | 479            | 541            |
| <b>Total revenue from contracts with customers</b> | <b>46,981</b>  | <b>40,617</b>  |

#### How we recognise revenue from contracts with customers

##### Government grants

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

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

This policy applies to each of Maryborough District Health Service revenue streams, with information detailed below relating to Maryborough District Health Service material revenue streams:

**Notes to the Financial Statements  
Maryborough District Health Service  
For the Financial Year Ended 30 June 2025**

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

**Patient and resident fees**

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

**Notes to the Financial Statements**  
**Maryborough District Health Service**  
**For the Financial Year Ended 30 June 2025**

**Note 2.1(b) Other sources of income**

|   | 2025          | 2024          |
|---|---------------|---------------|
| Note  | \$'000        | \$'000        |
| Government grants (State) - Operating                       | 9,088         | 12,202        |
| Government grants (Commonwealth) - Operating                | 432           | 721           |
| Government grants (State) - Capital                         | 14,661        | 1,403         |
| Capital donations   | 114           | 134           |
| Assets received free of charge or for nominal consideration | 38,976        | 39,522        |
| Other income from operating activities                      | 4,155         | 3,588         |
| <b>Total operating income</b>                               | <b>67,426</b> | <b>57,570</b> |
| Interest Income   | 803           | 635           |
| <b>Total non-operating activities</b>                       | <b>803</b>    | <b>635</b>    |
| <b>Total other sources of income</b>                        | <b>68,229</b> | <b>58,205</b> |

**How we recognise other sources of income**

**Government Grants**

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

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

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

**Capital grants**

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

Income is recognised in accordance with AASB 1058 progressively as the asset is constructed which aligns with Maryborough District Health Services 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.

**Notes to the Financial Statements**  
**Maryborough District Health Service**  
**For the Financial Year Ended 30 June 2025**

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

|   | <b>2025</b><br><b>\$'000</b> | <b>2024</b><br><b>\$'000</b> |
|---|------------------------------|------------------------------|
| Land, buildings, road, infrastructure and earthworks at fair value                                  | 38,966                       | 39,443                       |
| Other Services  | 10                           | 79                           |
| <b>Total fair value of assets and services received free of charge or for nominal consideration</b> | <b>38,976</b>                | <b>39,522</b>                |

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

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

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

**Non-cash contributions from the Department of Health**

The Department of Health makes some payments on behalf of Maryborough District Health Service as follows:

| <b>Supplier</b>                       | <b>Description</b>   |
|---------------------------------------|--|
| Victorian Managed Insurance Authority | The Department of Health purchases non-medical indemnity insurance for Maryborough District Health Service which is paid directly to the Victorian Managed Insurance Authority. To record this contribution, such payments are recognised as income with a matching expense in the net result from transactions. |
| Victorian 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 2025, on behalf of Maryborough District Health Service.   |
| Department of Health                  | Long Service Leave (LSL) revenue is recognised upon finalisation of movements in LSL liability in line with the long service leave funding arrangements with the DH.   |

**Notes to the Financial Statements**  
**Maryborough District Health Service**  
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## **Note 3 The cost of delivering our services**

This section provides an account of the expenses incurred by the health service in delivering services and outputs. In Section 2, the funds that enable the provision of services were disclosed and in this note the costs associated with the provision of services are disclosed.

### **Structure**

#### **3.1 Expenses incurred in the delivery of services**

##### **Note 3.1 Expenses incurred in the delivery of services**

|  | <b>2025</b>   | <b>2024</b>   |
|--|---------------|---------------|
| <b>Note</b>  | <b>\$'000</b> | <b>\$'000</b> |
| Employee expenses  | 48,697        | 47,097        |
| Other operating expenses                                   | 17,828        | 15,181        |
| <b>Total expenses incurred in the delivery of services</b> | <b>66,525</b> | <b>62,278</b> |

##### **Note 3.1(a) Employee expenses**

|   | <b>2025</b>   | <b>2024</b>   |
|---|---------------|---------------|
|   | <b>\$'000</b> | <b>\$'000</b> |
| Salaries and wages                          | 40,753        | 39,119        |
| Defined contribution superannuation expense | 4,330         | 4,012         |
| Agency expenses                             | 1,189         | 3,372         |
| Fee for service medical officer expenses    | 2,425         | 594           |
| <b>Total employee expenses</b>              | <b>48,697</b> | <b>47,097</b> |

##### **How we recognise employee expenses**

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

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

**Notes to the Financial Statements**  
**Maryborough District Health Service**  
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**Note 3.1(b) Employee related provisions**

|   | <b>2025</b>   | <b>2024</b>   |
|---|---------------|---------------|
|   | <b>\$'000</b> | <b>\$'000</b> |
| <b>Current provisions for employee benefits</b>           |               |               |
| Accrued days off  | 119           | 119           |
| Annual leave  | 3,941         | 3,564         |
| Long service leave  | 4,772         | 4,424         |
| Provision for on-costs                                    | 998           | 1,128         |
| <b>Total current provisions for employee benefits</b>     | <b>9,830</b>  | <b>9,235</b>  |
| <b>Non-current provisions for employee benefits</b>       |               |               |
| Long service leave  | 817           | 713           |
| Provision for on-costs                                    | 119           | 103           |
| <b>Total non-current provisions for employee benefits</b> | <b>936</b>    | <b>816</b>    |
| <b>Total provisions for employee benefits</b>             | <b>10,766</b> | <b>10,051</b> |

**How we recognise employee-related provisions**

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

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

**Annual leave and accrued days off**

Liabilities for annual leave and accrued days off are recognised in the provision for employee benefits as current liabilities because Maryborough District Health Service does not have an unconditional right to defer settlement of these liabilities.

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

- Nominal value – if Maryborough District Health Service expects to wholly settle within 12 months or
- Present value – if Maryborough District Health Service does not expect to wholly settle within 12 months.

**Notes to the Financial Statements**  
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**Long service leave**

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

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

The components of this current LSL liability are measured at:

- Nominal value – if Maryborough District Health Service expects to wholly settle within 12 months or
- Present value – if Maryborough District Health Service does not expect to wholly settle within 12 months.

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

**Provisions**

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

**Notes to the Financial Statements**  
**Maryborough District Health Service**  
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**Note 3.1(c) Other expenses**

|  | <b>2025</b>   | <b>2024</b>   |
|--|---------------|---------------|
|  | <b>\$'000</b> | <b>\$'000</b> |
| <b>Other operating expenses</b>                      |               |               |
| Drug supplies  | 1,961         | 1,379         |
| Medical and surgical supplies (including Prostheses) | 1,897         | 2,358         |
| Diagnostic and radiology supplies                    | 873           | 993           |
| Other supplies and consumables                       | 2,442         | 2,130         |
| Low value lease expenses                             | 76            | 35            |
| Fuel, light, power and water                         | 797           | 615           |
| Repairs, maintenance and replacements                | 876           | 876           |
| Maintenance contracts                                | 538           | 420           |
| Medical indemnity insurance                          | 427           | 366           |
| Information technology and communication             | 3,183         | 2,806         |
| Other administration expenses                        | 4,758         | 3,203         |
| <b>Total other operating expenses</b>                | <b>17,828</b> | <b>15,181</b> |

**How we recognise other operating expenses**

**Expense recognition**

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

**Supplies and consumables**

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

The following lease payments are recognised on a straight-line basis:

- Short term leases – leases with a term of twelve months or less, and
- Low value leases – leases with the underlying assets fair value (when new, regardless of the age of the asset being leased) is no more than \$10,000.

Variable lease payments that are not included in the measurement of the lease liability, i.e. variable lease payments that do not depend on an index or a rate such as those based on performance or usage of the underlying asset, are recognised in the Comprehensive Operating Statement (except for payments which have been included in the carrying amount of another asset) in the period in which the event or condition that triggers those payments occurs. Maryborough District Health Service’s variable lease payments during the year ended 30 June 2025 was nil.

**Other operating expenses**

Other operating expenses generally represent the day-to-day running costs incurred in normal operations.

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

**Notes to the Financial Statements**  
**Maryborough District Health Service**  
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## Note 4 Key assets to support service delivery

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

### Structure

#### 4.1 Property, plant and equipment

#### 4.2 Depreciation and amortisation

#### Note 4.1 Property, plant and equipment

|   | Gross carrying amount |                | Accumulated depreciation |                | Net carrying amount |                |
|---|-----------------------|----------------|--------------------------|----------------|---------------------|----------------|
|   | 2025<br>\$'000        | 2024<br>\$'000 | 2025<br>\$'000           | 2024<br>\$'000 | 2025<br>\$'000      | 2024<br>\$'000 |
| Land at fair value - Crown                  | 3,315                 | 3,315          | -                        | -              | 3,315               | 3,315          |
| Buildings at fair value                     | 160,929               | 71,103         | (5,145)                  | (122)          | 155,784             | 70,981         |
| Works in progress at cost                   | 841                   | 47,428         | -                        | -              | 841                 | 47,428         |
| Plant, equipment and vehicles at fair value | 21,870                | 14,358         | (9,784)                  | (8,440)        | 12,086              | 5,918          |
| <b>Total property, plant and equipment</b>  | <b>186,955</b>        | <b>136,204</b> | <b>(14,929)</b>          | <b>(8,562)</b> | <b>172,026</b>      | <b>127,642</b> |

#### How we recognise property, plant and equipment

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

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

**Notes to the Financial Statements**  
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**Note 4.1(a) Reconciliation of the carrying amounts of each class of asset**

|                                | Land<br>\$'000 | Buildings<br>\$'000 | Works in<br>progress<br>\$'000 | Plant, equipment<br>and vehicles<br>\$'000 | Total<br>\$'000 |
|--------------------------------|----------------|---------------------|--------------------------------|--|-----------------|
| <b>Balance at 1 July 2024</b>  | <b>3,315</b>   | <b>70,981</b>       | <b>47,428</b>                  | <b>5,918</b>                               | <b>127,642</b>  |
| Additions                      | -              | 18                  | 52,073                         | 364  | 52,455          |
| Disposals                      | -              | -                   | (1,652)                        | -  | (1,652)         |
| Net transfers between classes  | -              | 89,806              | (97,008)                       | 7,202                                      | -               |
| Depreciation                   | -              | (5,021)             | -                              | (1,398)                                    | (6,419)         |
| <b>Balance at 30 June 2025</b> | <b>3,315</b>   | <b>155,784</b>      | <b>841</b>                     | <b>12,086</b>                              | <b>172,026</b>  |

Fair value assessments have been performed for all classes of assets in this purpose group and the decision was made that the movements were not material (less than or equal to 10%). As such, an independent revaluation was not required per FRD 103. In accordance with FRD 103, Maryborough District Health Service has elected to apply the practical expedient in FRD 103 *Non-Financial Physical Assets* and has therefore not applied the amendments to AASB 13 *Fair Value Measurement*. The amendments to AASB 13 will be applied at the next scheduled independent revaluation, which is planned to be undertaken in 2029, or if cumulative movements since the last independent revaluation are greater than 40%, in accordance with Maryborough District Health Service's revaluation cycle.

**Notes to the Financial Statements**  
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**Note 4.1(b) Right-of-use assets included in property, plant and equipment**

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

|   | Gross carrying amount |                | Accumulated depreciation |                | Net carrying amount |                |
|---|-----------------------|----------------|--------------------------|----------------|---------------------|----------------|
|   | 2025<br>\$'000        | 2024<br>\$'000 | 2025<br>\$'000           | 2024<br>\$'000 | 2025<br>\$'000      | 2024<br>\$'000 |
| Buildings at fair value                     | 199                   | 128            | (142)                    | (92)           | 57                  | 36             |
| Plant, equipment and vehicles at fair value | 814                   | 763            | (190)                    | (99)           | 624                 | 664            |
| <b>Total right-of-use assets</b>            | <b>1,013</b>          | <b>891</b>     | <b>(332)</b>             | <b>(191)</b>   | <b>681</b>          | <b>700</b>     |

|                                | Buildings<br>\$'000 | Plant, equipment<br>and vehicles<br>\$'000 | Total<br>\$'000 |
|--------------------------------|---------------------|--|-----------------|
| <b>Balance at 1 July 2024</b>  | <b>36</b>           | <b>664</b>                                 | <b>700</b>      |
| Additions                      | 70                  | 73   | 143             |
| Depreciation                   | (49)                | (113)                                      | (162)           |
| <b>Balance at 30 June 2025</b> | <b>57</b>           | <b>624</b>                                 | <b>681</b>      |

**How we recognise right-of-use assets**

**Initial recognition**

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

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

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

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

**Subsequent measurement**

Right-of-use assets are subsequently measured at fair value, with the exception of right-of-use assets 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.

Maryborough District Health Service has applied the exemption permitted under FRD 104 Leases, consistent with the optional relief in AASB 16.Aus25.1. Under this exemption, Maryborough District Health Service is not required to apply fair value measurement requirements to right-of-use assets arising from leases with significantly below-market terms and conditions, where those leases are entered into principally to enable the entity to further its objectives.

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 7.3.

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

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

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**Note 4.2 Depreciation**

**How we recognise depreciation**

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

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

**Useful lives of non-current assets**

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

|   | <b>2025</b>  | <b>2024</b>   |
|---|--------------|---------------|
| Buildings   | 5 - 54 years | 10 - 40 years |
| Plant, equipment and vehicles (including leased assets) | 3 - 33 years | 3 - 33 years  |

**Notes to the Financial Statements**  
**Maryborough District Health Service**  
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## Note 5 Other assets and liabilities

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

### Structure

#### 5.1 Receivables

#### 5.2 Payables

#### 5.3 Contract liabilities

#### 5.4 Other liabilities

**Notes to the Financial Statements**  
**Maryborough District Health Service**  
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### Note 5.1 Receivables

| Note  | 2025<br>\$'000 | 2024<br>\$'000 |
|---|----------------|----------------|
| <b>Current receivables</b>                              |                |                |
| <b>Contractual</b>                                      |                |                |
| Inter hospital debtors                                  | 10             | 40             |
| Trade receivables                                       | 1,234          | 760            |
| Patient fees  | 231            | 264            |
| Allowance for impairment losses                         | (85)           | (85)           |
| Accrued revenue   | 64             | 36             |
| <b>Total contractual receivables</b>                    | <b>1,454</b>   | <b>1,015</b>   |
| <b>Statutory</b>  |                |                |
| GST receivable  | 140            | 173            |
| <b>Total statutory receivables</b>                      | <b>140</b>     | <b>173</b>     |
| <b>Total current receivables</b>                        | <b>1,594</b>   | <b>1,188</b>   |
| <b>Non-current receivables</b>                          |                |                |
| <b>Contractual</b>                                      |                |                |
| Long service leave - Department of Health               | 1,990          | 1,679          |
| <b>Total contractual receivables</b>                    | <b>1,990</b>   | <b>1,679</b>   |
| <b>Total non-current receivables</b>                    | <b>1,990</b>   | <b>1,679</b>   |
| <b>Total receivables</b>                                | <b>3,584</b>   | <b>2,867</b>   |
| <i>(i) Financial assets classified as receivables</i>   |                |                |
| Total receivables                                       | 3,584          | 2,867          |
| GST receivable  | (140)          | (173)          |
| <b>Total financial assets classified as receivables</b> | <b>3,444</b>   | <b>2,694</b>   |

7.1

**Notes to the Financial Statements**  
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**How we recognise receivables**

Receivables consist of:

- **Contractual receivables**, including debtors that relate to goods and services. These receivables are classified as financial instruments and are categorised as 'financial assets at amortised cost'. They are initially recognised at fair value plus any directly attributable transaction costs. The health service holds contractual receivables with the objective to collect the contractual cash flows and therefore they are subsequently measured at amortised cost using the effective interest method, less any impairment.
- **Statutory receivables**, including Goods and Services Tax (GST) input tax credits that are recoverable. Statutory receivables do not arise from contracts and are recognised and measured similarly to contractual receivables (except for impairment) but are not classified as financial instruments for disclosure purposes. The health service applies AASB 9 for initial measurement of the statutory receivables and as a result, statutory receivables are initially recognised at fair value plus any directly attributable transaction cost.

**Notes to the Financial Statements**  
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**Note 5.2 Payables**

|   | 2025         | 2024          |
|---|--------------|---------------|
| Note  | \$'000       | \$'000        |
| <b>Current payables</b>                                   |              |               |
| <b>Contractual</b>  |              |               |
| Trade creditors   | 991          | 997           |
| Accrued salaries and wages                                | 1,451        | 1,270         |
| Accrued expenses  | 1,447        | 1,866         |
| Deferred capital grant income                             | 4,104        | 8,959         |
| Inter hospital creditors                                  | 489          | 514           |
| Amounts payable to governments and agencies               | 12           | 334           |
| Other   | 155          | 65            |
| <b>Total contractual payables</b>                         | <b>8,649</b> | <b>14,005</b> |
| <b>Total current payables</b>                             | <b>8,649</b> | <b>14,005</b> |
| <b>Total payables</b>                                     | <b>8,649</b> | <b>14,005</b> |
| <i>(i) Financial liabilities classified as payables</i>   |              |               |
| Total payables  | 8,649        | 14,005        |
| Deferred grant income                                     | (4,104)      | (8,959)       |
| <b>Total financial liabilities classified as payables</b> | <b>4,545</b> | <b>5,046</b>  |

**How we recognise payables**

Payables consist of:

- **Contractual payables**, including payables that relate to the purchase of goods and services. These payables are classified as financial instruments and measured at amortised cost. Accounts payable and salaries and wages payable represent liabilities for goods and services provided to the Maryborough District Health Service prior to the end of the financial year that are unpaid.
- **Statutory payables**, including Goods and Services Tax (GST) payable are recognised and measured similarly to contractual payables but are not classified as financial instruments and not included in the category of financial liabilities at amortised cost, because they do not arise from contracts.

The normal credit terms for accounts payable are usually Net 30 days.

**Notes to the Financial Statements**  
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**Note 5.2(a) Movement in deferred capital grant income**

|   | <b>2025</b>   | <b>2024</b>   |
|---|---------------|---------------|
|   | <b>\$'000</b> | <b>\$'000</b> |
| <b>Opening balance of deferred capital grant income</b>                               | 8,959         | 292           |
| Grant consideration for capital works received during the year                        | 9,702         | 8,667         |
| Deferred capital grant income recognised as income due to completion of capital works | (14,557)      | -             |
| <b>Closing balance of deferred capital grant income</b>                               | <b>4,104</b>  | <b>8,959</b>  |

**How we recognise deferred capital grant income**

Grant consideration was received from the Department of Health to support hospital redevelopment works.

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

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**Note 5.3 Contract liabilities**

|   | <b>2025</b>   | <b>2024</b>   |
|---|---------------|---------------|
|   | <b>\$'000</b> | <b>\$'000</b> |
| <b>Current</b>                            |               |               |
| Contract liabilities                      | 164           | -             |
| <b>Total current contract liabilities</b> | <b>164</b>    | <b>-</b>      |
| <b>Total contract liabilities</b>         | <b>164</b>    | <b>-</b>      |

**How we recognise contract liabilities**

Contract liabilities include consideration received in advance from customers in respect of Commonwealth Home Support Programs. The balance of contract liabilities was significantly higher than the previous reporting period due to difficulties in meeting funding activity levels during the current financial year.

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

**Notes to the Financial Statements  
Maryborough District Health Service  
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**Note 5.4 Other liabilities**

| Note                                      | 2025<br>\$'000 | 2024<br>\$'000 |
|---|----------------|----------------|
| <b>Current monies held in trust</b>       |                |                |
| Patient monies                            | 83             | 96             |
| Refundable accommodation deposits         | 7,875          | 7,691          |
| <b>Total current monies held in trust</b> | <b>7,958</b>   | <b>7,787</b>   |
| <b>Total other liabilities</b>            | <b>7,958</b>   | <b>7,787</b>   |
| <b>* Represented by:</b>                  |                |                |
| - Cash assets                             | 6.2      7,958 | 7,787          |
|   | <b>7,958</b>   | <b>7,787</b>   |

**How we recognise other liabilities**

**Refundable Accommodation Deposit (RAD)/Accommodation Bond liabilities**

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

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

**Notes to the Financial Statements**  
**Maryborough District Health Service**  
**For the Financial Year Ended 30 June 2025**

## Note 6 How we finance our operations

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

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

### Structure

#### 6.1 Borrowings

#### 6.2 Cash and cash equivalents

#### 6.3 Commitments for expenditure

#### Note 6.1 Borrowings

|                                     | 2025       | 2024       |
|-------------------------------------|------------|------------|
| Note                                | \$'000     | \$'000     |
| <b>Current borrowings</b>           |            |            |
| Lease liability                     | 180        | 147        |
| <b>Total current borrowings</b>     | <b>180</b> | <b>147</b> |
| <b>Non-current borrowings</b>       |            |            |
| Lease liability                     | 489        | 589        |
| <b>Total non-current borrowings</b> | <b>489</b> | <b>589</b> |
| <b>Total borrowings</b>             | <b>669</b> | <b>736</b> |

#### How we recognise borrowings

Borrowings refer to interest bearing liabilities mainly raised through lease liabilities.

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

**Notes to the Financial Statements**  
**Maryborough District Health Service**  
**For the Financial Year Ended 30 June 2025**

**Terms and conditions of borrowings**

|                                    |   | <b>Maturity Dates</b>                 |                                      |   |                              |   |                             |                                |          |
|------------------------------------|---|---------------------------------------|--------------------------------------|---|------------------------------|---|-----------------------------|--------------------------------|----------|
|                                    | <b>Weighted<br/>average<br/>interest rate<br/>(%)</b> | <b>Carrying<br/>Amount<br/>\$'000</b> | <b>Nominal<br/>Amount<br/>\$'000</b> | <b>Less than 1<br/>Month<br/>\$'000</b> | <b>1-3 Months<br/>\$'000</b> | <b>3 months - 1<br/>Year<br/>\$'000</b> | <b>1-5 Years<br/>\$'000</b> | <b>Over 5 years<br/>\$'000</b> |          |
| <b>30 June 2025</b>                | <b>Note</b>   |                                       |                                      |   |                              |   |                             |                                |          |
| Lease liabilities                  | 6.1   | 2.48%                                 | 669                                  | 703                                     | 15                           | 62                                      | 120                         | 506                            | -        |
| <b>Total Financial Liabilities</b> |   |                                       | <b>669</b>                           | <b>703</b>                              | <b>15</b>                    | <b>62</b>                               | <b>120</b>                  | <b>506</b>                     | <b>-</b> |

|                                    |   | <b>Maturity Dates</b>                 |                                      |   |                              |   |                             |                                |          |
|------------------------------------|---|---------------------------------------|--------------------------------------|---|------------------------------|---|-----------------------------|--------------------------------|----------|
|                                    | <b>Weighted<br/>average<br/>interest rate<br/>(%)</b> | <b>Carrying<br/>Amount<br/>\$'000</b> | <b>Nominal<br/>Amount<br/>\$'000</b> | <b>Less than 1<br/>Month<br/>\$'000</b> | <b>1-3 Months<br/>\$'000</b> | <b>3 months - 1<br/>Year<br/>\$'000</b> | <b>1-5 Years<br/>\$'000</b> | <b>Over 5 years<br/>\$'000</b> |          |
| <b>30 June 2024</b>                | <b>Note</b>   |                                       |                                      |   |                              |   |                             |                                |          |
| Lease liabilities                  | 6.1   | 2.59%                                 | 736                                  | 736                                     | 13                           | 26                                      | 117                         | 580                            | -        |
| <b>Total Financial Liabilities</b> |   |                                       | <b>736</b>                           | <b>736</b>                              | <b>13</b>                    | <b>26</b>                               | <b>117</b>                  | <b>580</b>                     | <b>-</b> |

**Notes to the Financial Statements**  
**Maryborough District Health Service**  
**For the Financial Year Ended 30 June 2025**

**Note 6.1(a) Lease liabilities**

|  | <b>2025</b>   | <b>2024</b>   |
|--|---------------|---------------|
|  | <b>\$'000</b> | <b>\$'000</b> |
| <b>Current lease liabilities</b>           |               |               |
| Lease liability                            | 180           | 147           |
| <b>Total current lease liabilities</b>     | <b>180</b>    | <b>147</b>    |
| <b>Non-current lease liabilities</b>       |               |               |
| Lease liability                            | 489           | 589           |
| <b>Total non-current lease liabilities</b> | <b>489</b>    | <b>589</b>    |
| <b>Total lease liabilities</b>             | <b>669</b>    | <b>736</b>    |

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

|   | <b>2025</b>   | <b>2024</b>   |
|---|---------------|---------------|
|   | <b>\$'000</b> | <b>\$'000</b> |
| Not longer than one year                            | 197           | 163           |
| Longer than one year but not longer than five years | 506           | 610           |
| <b>Minimum future lease liability</b>               | <b>703</b>    | <b>773</b>    |
| Less unexpired finance expenses                     | (34)          | (37)          |
| <b>Present value of lease liability</b>             | <b>669</b>    | <b>736</b>    |

**How we recognise lease liabilities**

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

To apply this definition, Maryborough District Health Service 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 Maryborough District Health Service and for which the supplier does not have substantive substitution rights
- Maryborough District Health Service 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 Maryborough District Health Service has the right to direct the use of the identified asset throughout the period of use and
- Maryborough District Health Service has the right to take decisions in respect of 'how and for what purpose' the asset is used throughout the period of use.

Maryborough District Health Service's lease arrangements consist of the following:

| <b>Type of asset leased</b> | <b>Lease term</b> |
|-----------------------------|-------------------|
| Leased buildings            | 4 years           |
| Leased vehicles             | 3 to 5 years      |

**Notes to the Financial Statements**  
**Maryborough District Health Service**  
**For the Financial Year Ended 30 June 2025**

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. Maryborough District Health Service has elected to apply the practical expedients for short-term leases and leases of low-value assets. As a result, no right-of-use asset or lease liability is recognised for these leases; rather, lease payments are recognised as an expense on a straight-line basis over the lease term, within “other operating expenses” (refer to Note 3.1).

The following low value and short-term lease payments are recognised in profit or loss:

|   | <b>2025</b>   | <b>2024</b>   |
|---|---------------|---------------|
|   | <b>\$'000</b> | <b>\$'000</b> |
| Expenses relating to leases of low-value assets | 76            | 35            |
| <b>Total amounts recognised as expense</b>      | <b>76</b>     | <b>35</b>     |

**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 Maryborough District Health Services incremental borrowing rate. Our lease liability has been discounted by rates of between 1.27% to 5.83%.

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

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

**Subsequent measurement**

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

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

**Notes to the Financial Statements**  
**Maryborough District Health Service**  
**For the Financial Year Ended 30 June 2025**

**Note 6.2 Cash and Cash Equivalents**

| Note  | 2025<br>\$'000 | 2024<br>\$'000 |
|---|----------------|----------------|
| Cash on hand (excluding monies held in trust) | 1              | 1              |
| Cash at bank (excluding monies held in trust) | 4,043          | 11,663         |
| <b>Total cash held for operations</b>         | <b>4,044</b>   | <b>11,664</b>  |
| Cash at bank (monies held in trust)           | 7,958          | 7,787          |
| <b>Total cash held as monies in trust</b>     | <b>7,958</b>   | <b>7,787</b>   |
| <b>Total cash and cash equivalents</b>        | <b>12,002</b>  | <b>19,451</b>  |

**Notes to the Financial Statements**  
**Maryborough District Health Service**  
**For the Financial Year Ended 30 June 2025**

**Note 6.3 Commitments for expenditure**

**30 June 2025**

|   | <b>Less than 1</b> |                  |                     |               |
|---|--------------------|------------------|---------------------|---------------|
|   | <b>year</b>        | <b>1-5 Years</b> | <b>Over 5 years</b> | <b>Total</b>  |
|   | <b>\$'000</b>      | <b>\$'000</b>    | <b>\$'000</b>       | <b>\$'000</b> |
| Capital expenditure commitments             | 5,933              | -                | -                   | 5,933         |
| <b>Total commitments (inclusive of GST)</b> | <b>5,933</b>       | <b>-</b>         | <b>-</b>            | <b>5,933</b>  |
| Less GST recoverable                        |                    |                  |                     | (539)         |
| <b>Total commitments (exclusive of GST)</b> |                    |                  |                     | <b>5,394</b>  |

**30 June 2024**

|  | <b>Less than 1</b> |                  |                     |               |
|--|--------------------|------------------|---------------------|---------------|
|  | <b>year</b>        | <b>1-5 Years</b> | <b>Over 5 years</b> | <b>Total</b>  |
|  | <b>\$'000</b>      | <b>\$'000</b>    | <b>\$'000</b>       | <b>\$'000</b> |
| Capital expenditure commitments                            | 4,762              | -                | -                   | 4,762         |
| Non-cancellable short term and low value lease commitments | 15                 | -                | -                   | 15            |
| <b>Total commitments (inclusive of GST)</b>                | <b>4,777</b>       | <b>-</b>         | <b>-</b>            | <b>4,777</b>  |
| Less GST recoverable                                       |                    |                  |                     | (434)         |
| <b>Total commitments (exclusive of GST)</b>                |                    |                  |                     | <b>4,343</b>  |

**How we disclose our commitments**

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

**Expenditure commitments**

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

**Short term and low value leases**

Maryborough District Health Service 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.

**Notes to the Financial Statements**  
**Maryborough District Health Service**  
**For the Financial Year Ended 30 June 2025**

## **Note 7 Financial instruments, contingencies and valuation judgements**

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

### **Structure**

#### **7.1 Financial instruments**

#### **7.2 Contingent assets and contingent liabilities**

#### **7.3 Fair value determination**

**Notes to the Financial Statements**  
**Maryborough District Health Service**  
**For the Financial Year Ended 30 June 2025**

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

|   |      | Carrying amount | Net<br>gain/(loss) | Total interest<br>income/<br>(expense) | Fee income/<br>(expense) | Impairment<br>loss |
|---|------|-----------------|--------------------|--|--------------------------|--------------------|
|   | Note | \$'000          | \$'000             | \$'000                                 | \$'000                   | \$'000             |
| <b>30 June 2025</b>   |      |                 |                    |  |                          |                    |
| <b>Financial assets at amortised cost</b>                       |      |                 |                    |  |                          |                    |
| Cash and cash equivalents                                       | 6.2  | 12,002          | -                  | 803                                    | -                        | -                  |
| Receivables   | 5.1  | 3,444           | -                  | -                                      | -                        | (13)               |
| <b>Total financial assets</b> <sup>i</sup>                      |      | <b>15,446</b>   | <b>-</b>           | <b>803</b>                             | <b>-</b>                 | <b>(13)</b>        |
| <b>Financial liabilities at amortised cost</b>                  |      |                 |                    |  |                          |                    |
| Payables  | 5.2  | 4,545           | -                  | -                                      | -                        | -                  |
| Borrowings  | 6.1  | 669             | -                  | (20)                                   | -                        | -                  |
| Other financial liabilities - Refundable Accommodation Deposits | 5.4  | 7,875           | -                  | -                                      | -                        | -                  |
| Other financial liabilities - patient monies held in trust      | 5.4  | 83              | -                  | -                                      | -                        | -                  |
| <b>Total financial liabilities</b> <sup>i</sup>                 |      | <b>13,172</b>   | <b>-</b>           | <b>(20)</b>                            | <b>-</b>                 | <b>-</b>           |

<sup>i</sup> The carrying amount excludes statutory receivables (i.e. GST receivable) and statutory payables (i.e. GST payable).

**Notes to the Financial Statements**  
**Maryborough District Health Service**  
**For the Financial Year Ended 30 June 2025**

|   |                 |                 | Total interest       |                          |                 |
|---|-----------------|-----------------|----------------------|--------------------------|-----------------|
|   | Carrying amount | Net gain/(loss) | income/<br>(expense) | Fee income/<br>(expense) | Impairment loss |
| <b>30 June 2024</b>   | <b>Note</b>     | <b>\$'000</b>   | <b>\$'000</b>        | <b>\$'000</b>            | <b>\$'000</b>   |
| <b>Financial assets at amortised cost</b>                       |                 |                 |                      |                          |                 |
| Cash and cash equivalents                                       | 6.2             | 19,451          | -                    | 635                      | -               |
| Receivables   | 5.1             | 2,694           | -                    | -                        | (27)            |
| <b>Total financial assets<sup>i</sup></b>                       |                 | <b>22,145</b>   | <b>-</b>             | <b>635</b>               | <b>(27)</b>     |
| <b>Financial liabilities at amortised cost</b>                  |                 |                 |                      |                          |                 |
| Payables  | 5.2             | 5,046           | -                    | -                        | -               |
| Borrowings  | 6.1             | 736             | -                    | (17)                     | -               |
| Other financial liabilities - Refundable Accommodation Deposits | 5.4             | 7,691           | -                    | -                        | -               |
| Other financial liabilities - patient monies held in trust      | 5.4             | 96              | -                    | -                        | -               |
| <b>Total financial liabilities<sup>i</sup></b>                  |                 | <b>13,569</b>   | <b>-</b>             | <b>(17)</b>              | <b>-</b>        |

<sup>i</sup> The carrying amount excludes statutory receivables (i.e. GST receivable) and statutory payables (i.e. GST payable).

**Notes to the Financial Statements**  
**Maryborough District Health Service**  
**For the Financial Year Ended 30 June 2025**

**How we categorise financial instruments**

**Financial assets at amortised cost**

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

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

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

Maryborough District Health Service recognises the following assets in this category:

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

**Categories of financial liabilities**

**Financial liabilities at amortised cost**

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

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

Maryborough District Health Service recognises the following liabilities in this category:

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

## **Notes to the Financial Statements**

### **Maryborough District Health Service**

### **For the Financial Year Ended 30 June 2025**

#### **Derecognition of financial assets**

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

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

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

#### **Derecognition of financial liabilities**

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

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

#### **Reclassification of financial instruments**

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

A financial liability reclassification is not permitted.

**Notes to the Financial Statements**  
**Maryborough District Health Service**  
**For the Financial Year Ended 30 June 2025**

**Note 7.2 Contingent assets and contingent liabilities**

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

**How we measure and disclose contingent assets and contingent liabilities**

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

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

**Contingent assets**

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

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

**Contingent liabilities**

Contingent liabilities are:

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

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

## **Notes to the Financial Statements**

### **Maryborough District Health Service**

### **For the Financial Year Ended 30 June 2025**

#### **Note 7.3 Fair value determination**

##### **How we measure fair value**

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

The following assets and liabilities are carried at fair value:

- Property, plant and equipment
- Right-of-use assets and
- Lease liabilities.

In addition, the fair value of other assets and liabilities that are carried at amortised cost, also need to be determined for disclosure.

##### **Valuation hierarchy**

In determining fair values, a number of inputs are used. To increase consistency and comparability in the financial statements, these inputs are categorised into three levels, also known as the fair value hierarchy. The levels are as follows:

- Level 1 – quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 – valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable, and
- Level 3 – valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

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

##### **Fair value determination: non-financial physical assets**

*AASB 2010-10 Amendments to Australian Accounting Standards – Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities* amended AASB 13 *Fair Value Measurement* by adding Appendix F *Australian Implementation Guidance for Not-for-Profit Public Sector Entities*. Appendix F explains and illustrates the application of the principles in AASB 13 on developing unobservable inputs and the application of the cost approach. These clarifications are mandatorily applicable annual reporting periods beginning on or after 1 January 2024. FRD 103 permits Victorian public sector entities to apply Appendix F of AASB 13 in their next scheduled formal asset revaluation or interim revaluation process (whichever is earlier).

## **Notes to the Financial Statements**

### **Maryborough District Health Service**

### **For the Financial Year Ended 30 June 2025**

The last scheduled full independent valuation of all of Maryborough District Health Service's non-financial physical assets was performed by VGV on 30 June 2024. The annual fair value assessment for 30 June 2025 using VGV indices does not identify material changes in value. In accordance with FRD 103, Maryborough District Health Service will reflect Appendix F in its next scheduled formal revaluation on 30 June 2029 or interim revaluation process (whichever is earlier). All annual fair value assessments thereafter will continue compliance with Appendix F.

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

#### **Non-specialised land and non-specialised buildings**

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

#### **Specialised land and specialised buildings**

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

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

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

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

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

**Notes to the Financial Statements**  
**Maryborough District Health Service**  
**For the Financial Year Ended 30 June 2025**

**Vehicles**

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

**Furniture, fittings, plant and equipment**

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

**Significant assumptions**

| Asset class                              | Valuation technique               | Significant assumption                                  | Range (weighted average) <sup>(i)</sup>                       |
|--|-----------------------------------|---|---|
| Specialised land                         | Market approach                   | Community Service Obligations adjustment <sup>(i)</sup> | 10-25%<br>(20%) <sup>(ii)</sup>                               |
| Specialised buildings                    | Current replacement cost approach | Cost per square metre<br>Useful life                    | \$1,000 - \$1,500/m <sup>2</sup><br>(\$1,300)<br>5 - 54 years |
| Vehicles                                 | Current replacement cost approach | Cost per unit<br>Useful life                            | \$9,000 - \$10,000<br>(\$9,500 per unit)<br>3 - 5 years       |
| Plant, equipment, furniture and fittings | Current replacement cost approach | Cost per unit<br>Useful life                            | \$3,000 - \$4,000<br>(\$3,500 per unit)<br>5 - 10 years       |

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

<sup>(ii)</sup> CSO adjustments ranging from 10% to 25% were applied to reduce the market approach value for Maryborough District Health Service's specialised land.

## **Note 8 Other disclosures**

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

### **Structure**

**8.1 Responsible persons disclosures**

**8.2 Remuneration of executives**

**8.3 Related parties**

**8.4 Remuneration of auditors**

**8.5 Events occurring after the balance sheet date**

**8.6 Joint arrangements**

**Notes to the Financial Statements**  
**Maryborough District Health Service**  
**For the Financial Year Ended 30 June 2025**

**Note 8.1 Responsible persons disclosures**

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

|                                     | <b>Period</b>                   |
|-------------------------------------|---------------------------------|
| The Honourable Mary-Anne Thomas MP: |                                 |
| Minister for Health                 | 1 July 2024 - 30 June 2025      |
| Minister for Ambulance Services     | 1 July 2024 - 30 June 2025      |
| Minister for Health Infrastructure  | 1 July 2024 - 19 December 2024  |
| The Honourable Ingrid Stitt MP:     |                                 |
| Minister for Mental Health          | 1 July 2024 - 30 June 2025      |
| Minister for Ageing                 | 1 July 2024 - 30 June 2025      |
| The Honourable Lizzy Blandthorn MP: |                                 |
| Minister for Children               | 1 July 2024 - 30 June 2025      |
| Minister for Disability             | 1 July 2024 - 30 June 2025      |
| The Honourable Melissa Horne MP:    |                                 |
| Minister for Health Infrastructure  | 19 December 2024 - 30 June 2025 |
| <b>Governing Boards</b>             |                                 |
| Ms J. Lowthian                      | 1 Jul 2024 - 30 Jun 2025        |
| Ms E. Chatham                       | 1 Jul 2024 - 30 Jun 2025        |
| Mr R. Camm                          | 1 Jul 2024 - 30 Jun 2025        |
| Mr R. Eason                         | 1 Jul 2024 - 30 Jun 2025        |
| Ms S. Stewart                       | 1 Jul 2024 - 30 Jun 2025        |
| Mr P. Le Leivre                     | 1 Jul 2024 - 30 Jun 2025        |
| Ms C. Noonan                        | 1 Jul 2024 - 30 Jun 2025        |
| Ms E. Livingstone                   | 1 Jul 2024 - 30 Jun 2025        |
| Ms K. Borserio                      | 1 Jul 2024 - 30 Jun 2025        |
| Ms R. Pantaleo                      | 1 Jul 2024 - 30 Jun 2025        |
| <b>Accountable Officers</b>         |                                 |
| Ms N. Allan                         | 1 Jul 2024 - 30 Jun 2025        |

**Notes to the Financial Statements**  
**Maryborough District Health Service**  
**For the Financial Year Ended 30 June 2025**

**Remuneration of Responsible Persons**

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

| <b>Income Band</b>   | <b>2025<br/>No</b>     | <b>2024<br/>No</b>     |
|--|------------------------|------------------------|
| \$0 - \$9,999  | 10                     | -                      |
| \$10,000 - \$19,999  | -                      | 9                      |
| \$310,000 - \$319,999  | 1                      | -                      |
| \$340,000 - \$349,999  | -                      | 1                      |
| <b>Total Numbers</b>   | <b>11</b>              | <b>10</b>              |
|  | <b>2025<br/>\$'000</b> | <b>2024<br/>\$'000</b> |
| <b>Total remuneration received or due and receivable by Responsible Persons from the reporting entity amounted to:</b> | <b>369</b>             | <b>392</b>             |

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

**Notes to the Financial Statements**  
**Maryborough District Health Service**  
**For the Financial Year Ended 30 June 2025**

**Note 8.2 Remuneration of executives**

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

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

Several factors affected total remuneration payable to executives over the year. A number of employment contracts were completed and renegotiated, and a number of executive officers retired, resigned or were retrenched in the past year. This has had a significant impact on remuneration figures for the termination benefits category.

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

Total remuneration <sup>i</sup>

Total number of executives

Total annualised employee equivalent <sup>ii</sup>

| Total Remuneration |        |
|--------------------|--------|
| 2025               | 2024   |
| \$'000             | \$'000 |
| 843                | 885    |
| 4                  | 4      |
| 4.0                | 4.0    |

<sup>i</sup> The total number of executive officers includes persons who meet the definition of Key Management Personnel (KMP) of Maryborough District Health Service under AASB 124 *Related Party Disclosures* and are also reported within Note 8.3 Related Parties.

<sup>ii</sup> Annualised employee equivalent is based on working 38 ordinary hours per week over the reporting period.

## Notes to the Financial Statements

### Maryborough District Health Service

### For the Financial Year Ended 30 June 2025

#### Note 8.3 Related parties

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

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

#### Significant transactions with government related entities

The Maryborough District Health Service received funding from the Department of Health of \$49.10M (2024: \$36.60M) and indirect contributions of \$39.44M (2024: \$40.11M). Balances outstanding as at 30 June 2025 are \$Nil (2024: \$1.68M).

Capital funding has been recognised for our hospital redevelopment project, with \$14.56M included in our total funding of \$49.10M and \$38.97M included in indirect contributions.

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

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

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

#### Key management personnel

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

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

| Entity | KMPs              | Position Title  |
|--------|-------------------|---|
| MDHS   | Ms J. Lowthian    | Chair of the Board  |
| MDHS   | Ms E. Chatham     | Board Member  |
| MDHS   | Mr R. Camm        | Board Member  |
| MDHS   | Mr R. Eason       | Board Member  |
| MDHS   | Ms S. Stewart     | Board Member  |
| MDHS   | Mr P. Le Leivre   | Board Member  |
| MDHS   | Ms C. Noonan      | Board Member  |
| MDHS   | Ms E. Livingstone | Board Member  |
| MDHS   | Ms K. Borserio    | Board Member  |
| MDHS   | Ms R. Pantaleo    | Board Member  |
| MDHS   | Ms N. Allan       | Chief Executive Officer                                       |
| MDHS   | Mr M. Sherwell    | Executive Director of Finance & Corporate Services            |
| MDHS   | Ms D. Rogers      | Executive Director of Care                                    |
| MDHS   | Mr D. Edwards     | Executive Director of Infrastructure, Technology & Experience |
| MDHS   | Mr K. Payne       | Executive Director People, Culture & Wellbeing                |

**Notes to the Financial Statements**  
**Maryborough District Health Service**  
**For the Financial Year Ended 30 June 2025**

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

|  | <b>2025</b>   | <b>2024</b>   |
|--|---------------|---------------|
|  | <b>\$'000</b> | <b>\$'000</b> |
| Total compensation - KMPs <sup>i</sup> | 1,212         | 1,277         |

<sup>i</sup> KMPs are also reported in Note 8.1 Responsible Persons or Note 8.2 Remuneration of Executives.

**Transactions with KMPs and other related parties**

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

Outside of normal citizen type transactions with the Maryborough District Health Service, there were no related party transactions that involved key management personnel, their close family members or their personal business interests. No provision has been required, nor any expense recognised, for impairment of receivables from related parties. There were no related party transactions with Cabinet Ministers required to be disclosed in 2025 (2024: none).

There were no related party transactions required to be disclosed for the Maryborough District Health Service Board of Directors, Chief Executive Officer and Executive Directors in 2025 (2024: none).

Except for the transaction listed below, there were no other related party transactions required to be disclosed for the Maryborough District Health Service Foundation Board of Directors in 2025 (2024: none).

**Notes to the Financial Statements  
Maryborough District Health Service  
For the Financial Year Ended 30 June 2025**

**Note 8.4 Remuneration of Auditors**

**Victorian Auditor-General's Office**  
Audit of the financial statements  
**Total remuneration of auditors**

| <b>2025</b>   | <b>2024</b>   |
|---------------|---------------|
| <b>\$'000</b> | <b>\$'000</b> |
| 34            | 32            |
| <b>34</b>     | <b>32</b>     |

**Note 8.5 Events occurring after the balance sheet date**

There are no events occurring after the Balance Sheet date.

**Notes to the Financial Statements**  
**Maryborough District Health Service**  
**For the Financial Year Ended 30 June 2025**

**Note 8.6 Joint arrangements**

|   | Principal Activity              | Ownership Interest |           |
|---|---------------------------------|--------------------|-----------|
|   |                                 | 2025<br>%          | 2024<br>% |
| Loddon Mallee Rural Health Alliance (LMRHA) | Information Technology Services | 7.63               | 7.32      |

|                                   | 2025<br>\$'000 | 2024<br>\$'000 |
|-----------------------------------|----------------|----------------|
| Total revenue and income          | 1,385          | 1,440          |
| Total expenses                    | (1,592)        | (1,402)        |
| Total net result                  | (207)          | 38             |
| Total other economic flows        | -              | -              |
| Comprehensive result for the year | (207)          | 38             |
| Total assets                      | 1,764          | 1,710          |
| Total liabilities                 | 1,275          | 1,014          |
| Total equity                      | 489            | 696            |

**Contingent liabilities and capital commitments**

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

# Independent Auditor's Report

## To the Board of Maryborough District Health Service

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|  |   |
|--|---|
| <b>Opinion</b>   | <p>I have audited the financial report of Maryborough District Health Service (the health service) which comprises the:</p> <ul style="list-style-type: none"><li>• balance sheet as at 30 June 2025</li><li>• comprehensive operating statement for the year then ended</li><li>• statement of changes in equity for the year then ended</li><li>• cash flow statement for the year then ended</li><li>• notes to the financial statements, including material accounting policy information</li><li>• board member's, accountable officer's and chief finance &amp; accounting officer's declaration.</li></ul> <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the health service as at 30 June 2025 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the <i>Financial Management Act 1994</i> and Australian Accounting Standards – Simplified Disclosures.</p> |
| <b>Basis for Opinion</b>                                 | <p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. 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 <i>Code of Ethics for Professional Accountants (including Independence Standards)</i> (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.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>   |
| <b>Board's responsibilities for the financial report</b> | <p>The Board of the health service is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards – Simplified Disclosures and the <i>Financial Management Act 1994</i>, 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.</p> <p>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.</p>   |

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**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.



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MELBOURNE  
1 October 2025

Simone Bohan  
*as delegate for the Auditor-General of Victoria*



***Maryborough District Health Service***

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