



**ST VINCENT'S
HOSPITAL**
MELBOURNE

A FACILITY OF ST VINCENT'S HEALTH AUSTRALIA



Better and
fairer care.
Always.

St Vincent's Hospital Melbourne

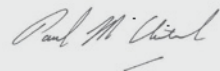
Annual Report 2023-24

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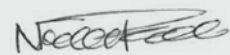
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Responsible Bodies Declaration

In accordance with the Financial Management Act 1994, we are pleased to present the Report of Operations for St Vincent's Hospital (Melbourne) Limited for the year ending 30 June 2024.



Paul McClintock AO
Chair
28 October 2024, Sydney



Nicole Tweddle
Chief Executive Officer
28 October 2024, Melbourne

As a facility of St Vincent's Health Australia, St Vincent's Hospital Melbourne acknowledges Aboriginal and Torres Strait Islander peoples as the Traditional Custodians of the lands and waters where we live and work. We respect their historical and continuing spiritual connections to country and community and pay our respects to their Elders past, present and emerging. As a health and aged care ministry, we commit ourselves to the ongoing journey of Reconciliation.

ABN: 22 052 110 755



Our vision

Every person, whoever and wherever they are, is served with excellent and compassionate care, by a better and fairer health and aged care system.

Our mission

As a Catholic health and aged care service, our Mission is to bring God's love to those in need through the healing ministry of Jesus.

We draw on the talents of our people and collaborate with others who share our vision and values to continue the pioneering spirit of Mary Aikenhead and the Sisters of Charity to provide care, first and foremost, to the most disadvantaged and marginalised members of our community.

We are committed to providing compassionate and innovative care, enabling hope for those we serve.

Our care is:

- Provided in an environment underpinned by mission and values
- Holistic and centred on the needs of each patient and resident
- Innovative and informed by current research using contemporary techniques
- High-quality, safe, and continuously improving to ensure best practice and technology
- Delivered by a team of dedicated, appropriately qualified people who are supported in continuing development of their skills and knowledge
- Committed to a respect for life in accordance with the tradition of Mary Aikenhead and the Sisters of Charity

Our values

We deliver person-centred care, inspired by the Sisters of Charity, and underpinned by our values:



Compassion



Justice



Integrity



Excellence

We are especially committed to people who are poor or vulnerable.

About St Vincent's

Delivering innovative care with heart

Founded by the Sisters of Charity at a time when Fitzroy was one of the poorest parts of Melbourne, the Sisters instilled a culture to care for the most vulnerable in an increasingly challenging public health sphere.

The Sisters of Charity and their pioneering work has had a profound effect on the health service we are today. They have instilled in our culture a mission which has guided our work in the years since and has attracted a workforce of people deeply committed to the dignity and betterment of the human person through exceptional healthcare.

For 130 years, St Vincent's Hospital Melbourne (SVHM) has carried out this mission.

Today, SVHM provides a range of services across Melbourne including acute medical and surgical services, emergency and critical care, aged care, diagnostics, rehabilitation, allied health services and mental health services. SVHM also delivers sub-acute services including community care, residential care, palliative care, mental health services, correctional health services and drug and alcohol services.

Operating from 16 sites across greater Melbourne, SVHM includes a major teaching, research and tertiary referral centre situated in Fitzroy, a Rapid Access Hub at St Vincent's Hospital on The Park, St George's Health Service Kew, palliative care at Caritas Christi, as well as aged care, correctional health, mental health and community centres.

SVHM has more than 7,600 staff and 880 beds in daily use and continues to be at the forefront of care for Victoria's vulnerable communities.

In 2023-24, SVHM treated more than 82,700 inpatients and more than 475,700 outpatients. The hospital attended to 51,000 emergency department presentations and performed 25,900 surgeries.

In 2023-24, SVHM delivered an operational gain of \$90,000 before capital income and expenses.

SVHM continues to play its role in supporting Victoria's evolving healthcare system through the implementation of initiatives to meet surgical targets and reduce waitlists, extend care beyond hospital walls, provide a better patient experience and deliver care to some of the most vulnerable groups in our community.

SVHM is a research-rich health service with 328 active research projects and 470 clinical trials underway. By participating in innovative, world-class research, we can translate the findings of our scientists into meaningful improvements in clinical care.

Message from the Chief Executive

In 2023-24, we celebrated 130 years of St Vincent's Hospital Melbourne (SVHM). This significant milestone provided the opportunity to proudly reflect on our past, reinforce our mission and look to the future knowing our work remains as important as ever.

As we celebrated this anniversary, it was humbling to see two key themes in the reflections shared – pride in our origin story of the Sisters of Charity, and the affirmation that St Vincent's will always strive for consistently excellent care for every person, every time.

There has been much to celebrate throughout 2023-24 and I want to take a moment to reflect on these achievements and thank the amazing team at SVHM.

SVHM was proud to be named a finalist in the Premier's Large Health Service of the Year category and receive the Excellence in Mental Health and Wellbeing Award at the 2023 Victorian Public Healthcare awards. Our Mental Health, Alcohol and Other Drug Hub has cared for more than 9000 patients, who would have otherwise waited longer and received care in an environment less conducive to their healing.

The Rapid Access Hub at St Vincent's on the Park contributed to significant reductions in our planned surgery waitlist, decreasing from 2704 in June 2023 to 2093 in June 2024. During the year, the number of 'long waiter' patients decreased from 1903 to 897 and 'extreme long waiter' patients decreased from 537 to 211. SVHM partnered with other health services to deliver more surgery, implementing a new model of care to enable endoscopy referrals from Austin Health, Eastern Health and Northern Health, and providing access to the Rapid Access Hub for Royal Melbourne Hospital patients.

We undertook a diligent and sustainable approach to financial management and continued reviewing our operational performance and identifying improvements to hospital access, surgery and out-of-hospital care.

As part of the Timely Emergency Care Collaborative, SVHM implemented targeted measures that improved patient flow in our emergency department and across our service. Our achievements included discharging more patients by 10am, increasing use of the transit lounge, more efficient transfers to sub-acute care and improving the flow through the emergency department.

We introduced a new Geriatrician in the Emergency Department program. The program aims to improve the delivery of care for elderly patients through optimising timely specialist assessments and, where possible, safely diverting care of elderly patients to community and home-based services, rather than hospital admissions. This initiative has helped to redirect many acute inpatient admissions to other forms of out-of-hospital care or avoid an admission altogether. Out-of-hospital services were essential and throughout 2023-24, SVHM experienced a 77 per cent increase in demand for at-home care.

To support the delivery of consistently excellent care, we developed SVHM's new clinical governance framework. This articulates for all staff how SVHM defines high-quality care and how every staff member at SVHM, regardless of their role, is responsible for contributing to patient care that is safe, personalised, effective and connected.

Central to achieving this is implementing our electronic medical record system. This \$35.7 million State Government investment that will play a critical role in improving the healthcare of Victorians. This technology will see us delivering safer and timelier patient care, providing efficiencies for staff, and boosting innovation and research for even better care in the future. Throughout 2023-24 work commenced on vendor selection and developing the project's implementation approach.

Our clinician researchers are pushing the boundaries to find ways to improve patient outcomes. There are 328 clinical trials and 470 active research projects currently underway across SVHM. As the only hospital partner for the Aikenhead Centre for Medical Discovery, under construction at SVHM's Fitzroy campus, SVHM is partnering with universities and research institutes to tackle challenging health problems, advance biomedical engineering solutions to improve disease treatment, diagnosis and prevention, and translate ground-breaking research into tangible healthcare solutions.

When the Sisters of Charity founded SVHM, they instilled in our culture a mission to care for the most vulnerable groups in our community. Over the past year, our people have continued to carry out this commitment, delivering specialised services to Aboriginal and Torres Strait Islander people, correctional patients, people experiencing homelessness and people struggling with addiction.

In April 2024, SVHM was proud to be announced as a partner in the new consortium operating the North Richmond Medically Supervised Injecting Room. We will work alongside North Richmond Community Health, Access Health and Community, and Your Community Health to deliver this much-needed service. As the tertiary hospital partner, we will provide our expertise in addiction medicine, and support pathways to care for vulnerable patients who may otherwise not engage with a health service.

None of these achievements would be possible without the dedication of our people. I thank everyone who has, once again, shown that SVHM remains a special place to work and to receive care. On behalf of St Vincent's, I would also like to thank and acknowledge Executive Team members Margaret Stewart, Fiona Prestedge and Craig Bosworth, who finished at SVHM during 2023-24 after making a significant contribution to our organisation.

As we navigate the inevitable challenges ahead, we will continue to be guided by our values of integrity, excellence, justice and compassion. More than 130 years after the Sisters of Charity founded our organisation, SVHM continues to demonstrate our pioneering spirit, compassion and unwavering commitment to care.

The new *St Vincent's Health Australia 2030 Strategy – Better and Fairer Care. Always.* articulates three key priorities for St Vincent's: 1) Enhance our Impact 2) Connect Care, and 3) Transform the System. Our work in 2023-24 lays the foundation for this ambitious future, a future that I know we will continue to work towards with vigour, skill and determination.



Nicole Tweddle
Chief Executive Officer
St Vincent's Hospital Melbourne

Governance

St Vincent's Hospital (Melbourne) Limited was incorporated as a company limited by guarantee on 19 June 1991. St Vincent's Hospital (Melbourne) Limited is a Denominational Hospital under Schedule 2 of the Health Services Act 1988 (Vic).

The responsible Minister for Health for the reporting period (1 July 2023 – 30 June 2024) was **The Hon. Mary-Anne Thomas**.

The responsible Ministers for Mental Health for the reporting period were **The Hon. Gabrielle Williams** (1 July 2023 – 2 October 2023) and **The Hon. Ingrid Stitt** (2 October 2023 – 30 June 2024).

St Vincent's Hospital (Melbourne) Limited is a private not-for-profit provider of public health services. The Hospital is part of the St Vincent's Health Australia group of companies and one of the Mary Aikenhead Ministries.

On 1 July 2009, Mary Aikenhead Ministries was established by the Congregation of Religious Sisters of Charity of Australia to succeed, continue and expand a number of the health and aged care, education and welfare ministries in which the Sisters of Charity have been engaged for over 150 years. Mary Aikenhead Ministries is both a tribute to, and reminder of, the extraordinary work of Mary Aikenhead, the Founder of the Sisters of Charity who dedicated her life to service of the poor.

St Vincent's Health Australia operates under the direction of Mary Aikenhead Ministries, providing leadership and governance of the health and aged care ministries in Victoria, New South Wales and Queensland. As a national group, St Vincent's Health Australia is the nation's largest not-for-profit Catholic health and aged care provider encompassing public, private and aged care, research and clinical education. St Vincent's Health Australia has a single national board and executive leadership team.

St Vincent's Hospital (Melbourne) Limited reports to the national St Vincent's Health Australia Board through the St Vincent's Health Australia CEO, Chris Blake. SVHM is led by Chief Executive Officer Nicole Tweddle and an executive team.

2023-24 snapshot



82,795
Inpatient
admissions



216
Residents



1,329
Mental health
admissions



51,088
Emergency Department
presentations



25,922
Surgeries
performed



29,254
Telehealth
appointments



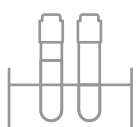
157,323
Medical imaging
procedures



16
Sites across
Melbourne



880
Beds in
daily use



328
Active research
projects



7,497
Staff



120
Volunteers



5,719
St Vincent's Foundation
Victoria donors

Year in Review

Celebrating 130 years of care

In November 2023, we celebrated 130 years of St Vincent's Hospital Melbourne (SVHM). Founded by the Sisters of Charity in 1893, the Sisters instilled a culture a mission to care for the most vulnerable in an increasingly challenging public health environment. For 130 years, SVHM has carried out this commitment and today we're proud to continue delivering healthcare that meets the changing needs of our community.

SVHM has played an integral role in improving the healthcare of Victorians, with milestones including opening Victoria's first inpatient palliative care unit in 1938, opening Australia's first Intensive Care Unit in 1961, performing Australia's first hand transplant in 2011 and running Victoria's largest COVID-19 vaccination centre. Today, we care for more than 71,800

inpatients each year, along with 170 aged care residents and thousands more people who attend our emergency department, outpatient clinics and home-based programs. Our dedicated team of more than 7,600 people continue the pioneering spirit of the Sisters of Charity, delivering expert and compassionate care to all who access our services.

"Happy Birthday St Vincent's and thank you to the Sisters of Charity, Trustees of Mary Aikenhead Ministries, and the staff, Boards and supporters of this wonderful Ministry. Always has been and always will be there to serve and care."

— Patient feedback

Clinical Excellence

More surgery for Victorians

In August 2023, SVHM’s Rapid Access Hub (RAH), at St Vincent’s on the Park, expanded to four theatres. The Hub has now performed more than 4,500 surgeries and continues playing a vital role in delivering surgery for Victorians. The Rapid Access Hub at St Vincent’s on the Park contributed to significant reductions in our planned surgery waitlist, which decreased by more than 600 patients throughout 2023-24.

Through partnerships with other health services, SVHM’s Rapid Access Hub provided statewide benefits. A new model of care supports endoscopy referrals from Austin Health, Eastern Health and Northern Health, achieving timelier endoscopies for more than 900 patients from these services. In April 2024, SVHM commenced a new partnership with The Royal Melbourne Hospital, with RMH urology and general surgery patients now accessing care at SVHOP.

The Hub was developed exclusively for same-day planned surgery, providing diagnostic and quality of life procedures without the disruption of emergency surgeries or hospital-inducted postponements. SVHOP is increasing equitable access to timely care, ensuring more patients are treated within clinically recommended timeframes and reducing risks associated with long wait times.

Statewide recognition for MHAOD Hub

SVHM was proud to receive the Excellence In Mental Health and Wellbeing Award at the 2023 Victorian Public Healthcare awards, for our Mental Health, Alcohol and Other Drug Hub (MHAOD).

This award recognises mental health and wellbeing initiatives that advance the Royal Commission’s vision of creating a compassionate mental health system based on lived experience leadership, holistic treatment, and support for all Victorians.

The MHAOD Hub provides both a location and a model-of-care that considers the

individualised needs of patients who present with MHAOD emergencies, from start to end.

More than 9,000 patients have been cared for via the MHAOD Hub who would have otherwise waited longer and received care in an environment less conducive to their healing.

Improving outcomes through the Timely Emergency Care Collaborative

As part of the Timely Emergency Care Collaborative (TECC), SVHM implemented targeted measures that improved patient flow in the ED and across the service, with achievements including:

- Discharging more patients by 10am - 8% improvement.
- Increased use of the transit lounge - 50 patients per week, up from baseline of 26.
- More efficient transfers to sub-acute care (saving 2.5 days/60 hours).
- Admitted ED length of stay reduced by 11 minutes (3%).
- Ambulance arrivals to ED released within 40 minutes - 13% improvement.
- Decision to admit patients from ED made an average of 27 minutes faster.

SVHM is trialling a Geriatrician in the Emergency Department (GED) program to improve the delivery of patient-centred care for elderly patients. This involves optimising timely specialist assessments for patients aged over 65 and First Nations patients aged over 50 to identify opportunities to provide safe care for older patients beyond the hospital walls.

The first two months of the program saw 170+ referrals to the GED service and a 4% reduction in older patients presenting to ED being admitted to hospital. This lowered the overall proportion of older patients admitted and created capacity for other patients needing acute inpatient care and represents approximately 366 acute bed days (4 less occupancy per day) and 185 sub-acute bed days saved.

Innovation

Celebrating 10 years of expert cardiac care and research

November 2023 marked the 10th anniversary of SVHM’s Heart Centre, which has cared for almost 140,000 patients and provided space for world-leading clinicians to engage in expert clinical care and research.

In 2013, when the centre opened, SVHM’s cardiology facilities had become too small to meet the demand of a growing number of patients and a need to better understand heart-related illness. The Heart Centre allowed the cardiology department to confront both sides of the challenge – massively expanding capacity for patients while creating space for experts to turn research into practice.

“When we opened the Heart Centre, it increased the number of patients we were seeing by 410 per cent in the first year, and it has grown steadily since,” said Associate Professor Andrew MacIsaac, SVHM’s Director of Cardiology.

World-first POEM endoscopy

In February 2024, St Vincent’s Gastroenterologist, Associate Professor Bronte Holt, and a team of specialised endoscopy nurses, performed the world’s first 3D Per Oral Endoscopic Myotomy (POEM).

A POEM is a minimally invasive procedure used to treat achalasia, an oesophagus disorder that makes it difficult to swallow food and liquid. The procedure can help patients avoid more invasive surgeries.

“Using 3D imaging enhances the different layers of the gastrointestinal tract, as well as critical structures like the blood vessels and muscle fibres, and these details help us perform the operation with greater precision,” Associate Professor Holt said.

“Regular endoscopy is performed with 2D vision, which is the same as watching a video or looking at a photo; in comparison, 3D imaging is as though the operation is occurring right in front of you.”

Space to grow haematology clinical trials

SVHM’s new cellular laboratory is supporting the growth of haematology clinical trials as clinician researchers continue working to find new treatments for blood cancer that may work better than those currently available as standard of care in Australia.

While haematology at SVHM covers all blood disorders, cancer remains a major focus due to its severity and the absence of a cure in many cases.

“Victoria has long been a world leader in clinical trials targeting life-threatening cancers – this new lab will play a pivotal role in supporting the discovery of treatments, giving hope of a cure to those living with these diseases,” said Minister Stitt, when visiting the lab in January 2024.

With more than 130 haematology clinical trials underway across the hospital, the new lab expands on SVHM’s existing laboratory space, and provides a dedicated area for trials involving CAR-T cells – making this innovative treatment available to more Victorians.

“Most haematological cancers are still incurable, so we need to continue undertaking innovative, ground-breaking studies, improve standard of care and ensure equitable access to treatment via clinical trials to all Australians, regardless of where they live – and having the new infrastructure at SVHM will help us keep getting closer to achieving this,” said SVHM Director of Haematology Professor Hang Quach.

Caring for those most vulnerable

Connecting health and homelessness outcomes

SVHM’s Better Health and Housing Program (BHHP) received funding from the Department of Families, Fairness and Housing to continue through to June 2024 and then in the 2024-25 state budget.

This partnership between SVHM, Homes Victoria, Launch Housing and The Brotherhood of St Laurence provides accommodation for people experiencing chronic homelessness with co-occurring mental health, substance dependence and physical health concerns.

The BHHP aims to improve the health, housing and wellbeing outcomes for people experiencing homelessness with co-occurring health conditions by providing an integrated health and housing service under the one roof. It targets residents who are experiencing chronic homelessness and co-occurring health conditions and works collaboratively on goals related to health and housing over a six-month period. More than 70 residents have benefited from the program to date.

As of April 2024, all BHHP participants had seen improvement in the management of their health conditions to at least some degree. Only 36% of residents had at least one health condition being actively managed at entry, compared to 75% at exit. Further benefits continue being identified across housing, wellbeing and healthcare service utilisation domains.

Partnering to reduce drug harm

In April 2024, SVHM was appointed a partner of the North Richmond Medically Supervised Injecting Room, alongside North Richmond Community Health, Access Health and Community, and Your Community Health to deliver this service and support the Government’s Statewide Action Plan to Save Lives and Reduce Drug Harm.

As the tertiary hospital partner, we will provide expertise in addiction medicine, wound care, infectious diseases and mental health, as well as supporting pathways to healthcare services, specialist treatment and rehabilitation for vulnerable patients who otherwise wouldn’t engage with a health service.

Marking 60 years of Australia’s first clinic for the care of people with alcohol problems

June 2024 marked the 60th anniversary of SVHM opening Australia’s first clinic for the care of people with alcohol problems and the study of alcohol use disorder (previously called ‘alcoholism’). It was the first medical unit in Australia to focus on addiction.

While progressive in Australia at the time, the clinic had limited capacity, caring for an estimated 100 patients each year, and there were limited treatment options to provide to patients.

Sixty years later, the clinic employs a multidisciplinary team of doctors, nurses, nurse practitioners, psychologists, social workers, peer or Lived Experience workers and others who proudly care for some of the most vulnerable members of our community. It is the only physician-led addiction medicine unit in Victoria, meaning it can address the full spectrum of physical and mental comorbidities that its patients experience.

In 2022-23, there were more than 2,000 presentations to the clinic, with SVHM’s addiction medicine unit providing holistic care that considers an individual’s social context, physical health, mental health.

“Our care is centred around the individual, so from the moment they come in they feel welcome, they feel there is no judgement or stigma, that we are really happy to see them and help them and they feel calm, which is very important in this area of healthcare,” said Professor Yvonne Bonomo, SVHM’s Director of Addiction Medicine.

Supporting First Nations patients and staff

SVHM has a long history of providing care to a large population of First Nations patients and in 2023-24, it continued finding new ways to enhance this care.

SVHM implemented a First Nations Identified Nurse Outreach service across SVHM and the Victorian Virtual Emergency Department (VVED), to support the delivery of culturally safe, high-quality healthcare, increase the use of virtual services and ensure appropriate follow-up for consultations for First Nations patients.

This model supports a patient’s self-determination in their healthcare decisions and has the advantage of being both based in the community and connected to hospitals, empowering community members to access emergency care on their terms and fostering trust in the healthcare system. Since introducing this role, the number of First Nation patients using the VVED per day has grown from an average of 1.3 to an average of 16.1, with repeat presentations indicating growing trust between patients and this service. It also demonstrated improvement in the health and wellbeing of First Nations patients, reduced wait times for emergency care and better management of chronic conditions.

For patients who need onsite care, SVHM implemented a formalised Rapid Identification and Engagement of First Nations People pathway in the ED, mandating minimum triage category three of First Nations patients, to ensure timely and prioritised care.

After conducting an in-depth review, SVHM identified that many First Nations patients who present to the ED are triaged as category 4 or 5 patients, extending their wait time. In March 2023, SVHM formalised a Rapid Identification and Engagement of First Nations People pathway in ED, introducing a more formal policy and procedure for minimum triage category 3 of First Nations patients, to ensure timely and prioritised care. Wait times for First Nations people reduced from 100 to 44 minutes and continues to decline.

Following this, further work is now underway to understand the number of First Nations patients leaving hospital against medical advice and the reasons behind this.

SVHM introduced an Identified Mental Health Nurse to support patients across the ED, MHAOD Hub, inpatient service and Victorian Aboriginal Health Service (VAHS) to reduce barriers to accessing care.

In July 2023, SVHM re-signed a Memorandum of Understanding with VAHS, who it has worked alongside for decades to improve the experience of Aboriginal and Torres Strait Islander people accessing both health services. The re-signing of this agreement signalled the strengthening of this long-standing partnership and outlined our shared and ongoing commitment to improving the experiences of First Nations people.

Correctional health

SVHM is a leader in correctional care, providing acute healthcare at Port Phillip Prison and in Victoria’s only purpose-built correctional health ward at our Fitzroy hospital. Following the success of our in-prison hepatitis programs, which have been successful in detecting and treating HCV within the prison cohort, in 2023-24, SVHM extended its care to individuals on community corrections orders (CCO) such as probation or parole.

In partnership with the Burnet Institute and Harm Reduction Victoria, SVHM piloted the C No More project, to evaluate the clinical efficiency of a same-day, nurse and peer-led mobile model of care for hepatitis C (HCV) at community corrections offices in Melbourne and to improve the rates of HCV diagnosis and management within the CCO population.

Of the 331 people tested as part of this pilot, the prevalence of HCV was 6%, much higher than in the general population, and 89% of those who tested positive commenced treatment.

The project is improving outcomes for the CCO population by diagnosing and treating HCV in a streamlined, discreet, non-judgmental and no-cost way. By connecting this cohort with healthcare, SVHM is not only providing clinical treatment but also providing a better patient experience and improving quality of life.

Care beyond hospital walls

At home

Between April 2023 and April 2024, SVHM experienced a 77% increase in demand for @home care.

In April 2023, average @home care occupancy across Geriatric Evaluation Management @Home, Hospital in the Home, Rehab@Home and Transition Care was 101 patients. In April 2024, this increased to 179 patients. SVHM met this demand with ongoing innovation and initiatives that enabled patients to receive the right care, in the right place at the right time.

In regional areas

SVHM established haematology clinical trials via satellite sites in Shepparton, Warrnambool and Launceston.

The clinical trials are made available to more people, reduce mortality from haematological cancers and improve patient quality-of-life.

The project adopted a hybrid teletrial model whereby trial investigators travelled in-person to the local centres to ensure adequate trial oversight and support. This initiative is using existing expertise, infrastructure and resources to effectively share knowledge, build regional capability, improve patient outcomes and, ultimately, support regional centres to run their own clinical trials.

Online

The establishment of an Emergency Multidisciplinary Team meeting in neurosurgery is improving the care of brain haemorrhage patients in regional and remote Australia.

The eMDT brings together emergency multidisciplinary teams within five to 10 minutes to better manage neurosurgical referrals through assessing treatment options. Referrals have come from Mildura, Gippsland, other Melbourne hospitals, Ambulance Victoria and Fiji, and 40 patients have benefited. Research shows 22% of patients with haemorrhagic stroke did not need to be transferred away from their local hospital. Avoiding transfer of patients unlikely to benefit from further treatment can also minimise the burden on healthcare system resources and create a better patient and family experience during end-of-life care.

Sustainability

Playing our role in a sustainable future

Addressing our role in mitigating climate change is a top priority and SVHM actively creates a sustainable environment by minimising energy consumption, optimising waste management and promoting eco-friendly practices across all our facilities.

A key initiative is our monthly Environmental Sustainability Grand Rounds, which builds on the successful clinical model to raise awareness about healthcare’s environmental impact, provide education and support for staff to take action, encourage idea-sharing, and foster collaborative efforts to scale up sustainable healthcare.

The Sustainability Grand Rounds were established by staff champions who saw an opportunity to share the efforts of sustainability champions across the organisation, educate and support staff to take action, and collaborate to scale up action for sustainability. Fifteen Sustainability Grand Rounds have now been held, with approximately 200 staff members involved. Topics have included recycling in the operating theatre, National sustainable healthcare policy, climate risk governance and tackling food waste in hospitals.

Staff have taken information they’ve learned at the Grand Rounds back to their work areas and implemented change initiatives. One example of this is PVC recycling being rolled out in additional areas in the hospital after staff learnt it was possible and how to go about it. Originally implemented in the Intensive Care Unit, this initiative has diverted 18 kg of landfill per week so far and approximately 30% of the unit has been strongly engaged in the project. Through the Grand Rounds, this initiative is planned to be implemented in various wards using the logistics, communication and education approach, and learnings from ICU as a guide and saving.

In 2023, SVHM also stopped using the anaesthetic gas desflurane, reducing emissions by an estimated 35,514 kg CO2e annually.

Research Excellence

A new approach to ‘one-size-fits-all’ treatment

SVHM researchers are leading a world-first, multi-centre clinical trial of a personalised treatment approach that could potentially transform the outcome for multiple myeloma patients based on genetic abnormalities.

The Viber-M trial is being carried out in nine Australian and New Zealand hospitals, and seeks to provide tailored treatment for a specific group of patients who are currently treated with a ‘one-size-fits-all’ approach.

The trial provides hope for the one in five multiple myeloma patients who carry a genetic abnormality, known as the T(11:14) lesion. Previous research suggests the T(11:14) abnormality responds particularly well to drugs called BCL2 inhibitors, including a drug named venetoclax.

With this knowledge, SVHM researchers established the world’s first clinical trial combining two approved medications – venetoclax and another immune-stimulating medication, lberdomide – to assess how effective they are together and if they can provide more personalised medicine. The study will test if the two drugs can work together against multiple myeloma by forcing cancerous cells to kill themselves and stimulating the immune system to better fight the disease.

Professor Hang Quach, Director of Haematology at SVHM and the Viber-M trials’ co-lead investigator, said the trial is about using a disease-focused strategy to find the optimum treatment for each patient and their disease.

“The Viber-M study represents the first of hopefully many targeted treatment modalities and sparks the era of personalised medicine for multiple myeloma which has never happened until now,” said Prof Quach.

At the forefront of psilocybin-assisted therapy

SVHM has undertaken an innovative, world-first clinical trial, with clinical psychologist Dr Margaret Ross and psychiatrist Dr Justin Dwyer examining the use of psilocybin-assisted therapy, to potentially offer an effective treatment for the depression and death-anxiety often experienced by terminally ill patients.

The trial aimed to reduce depression and death-anxiety in terminally ill patients, particularly those nearing end-of-life and suffering fear, demoralisation and depression, who don’t respond to traditional anti-depressant and anti-anxiety therapies.

“There are very few treatments available for people experiencing distress around dying. We are hopeful the trial treatment will not only alleviate existential fear and distress but may potentially offer an enriching and beneficial experience for people

approaching end-of-life. It is a privilege to lead research into this innovative treatment that has the potential to help some of our most vulnerable patients,” said Dr Margaret Ross, Lead Therapist and Chief Principal Investigator of the trial.

Dr Ross says findings from overseas trials and the experiences of SVHM’s trial participants suggest that the benefits of psychedelic-assisted therapy can be significant if used correctly in a clinical setting.

“It is important that people are aware that the drug and therapy are inseparable. It is not a simple pill that is taken in isolation. It is a week-long psychotherapy process that uses the psychedelic drug to amplify the psychotherapy experience.”

The trial results are expected to be published later in 2024.

Our people

Access and Inclusion

To help guide us in making SVHM a more accessible service provider and employer, we launched our Access and Inclusion Plan for People with Disability 2023-25.

Patients, consumers and staff shared their thoughts and experiences to help shape the plan, which sets out four key priorities to help set our direction across the next few years.

- Deepen our understanding review our current practice to find ways to improve equity.
- Elevate lived experience create opportunities for staff and consumers with disability to have meaningful input.
- Enable access and inclusion provide systems and tools so all staff can put our intentions into action.
- Embed inclusive organisational structure to ensure equity is embedded in our culture, recruitment, training as well as service planning, design and implementation.

Other key areas of focus are enabling access and inclusion by providing systems and tools so all staff can put our intentions into action, and, to embed an inclusive organisational structure to ensure equity is firmly part of our culture, recruitment, and training, as well as service planning, design and implementation. We want all people with disability to feel welcome in our hospital and get the support they need; this plan is our pathway forward. The Plan, including an Easy English version, is available on the SVHM website.

Growing and supporting our team

SVHM continued building workforce capability this year with:

- 99 nurses supported to undertake postgraduate study
- 29 enrolled nurses undertaking the EN to RN Transition Program
- 3 First Nations Cadets undertaking the Aboriginal Nursing, Midwifery and Allied Health Cadetship Program
- 12 Refresher nurses

SVHM’s Clinical Supervision Professional Development Project, established through the state government’s ‘Boosting Our Healthcare Workforce’ program, created an interprofessional three-tiered training program (online course, professional learning communities and Graduate Certificate in Clinical Education) to increase SVHM’s clinical supervision capacity. It both expanded current workforce capability and boosted the capacity and capability of Victoria’s future workforce, allowing 7000+ more placement days to occur.

In 2023, more than 330 staff celebrated a service milestone, including three staff for 50 years and five staff for 40 years. Staff embraced opportunities to celebrate the achievements of their peers, with 63 staff nominated for our annual Allied Health Excellence Awards, 26 nominated for organisation-wide Excellence Awards, 22 nominated for Everyday Hero Awards and 43 nominated for Nursing Excellence Awards.

A foundation of generosity

Philanthropy has always been at the heart of St Vincent’s. Our community of donors inspires us to keep lifting our aspirations and enables us to strive for excellence in our work.

We are so grateful for the support we receive from individuals, community groups and organisations, funding much-needed equipment, providing scholarships and training, and enabling cutting-edge research.

On behalf of our staff, patients and volunteers, we would like to express our heartfelt thanks to our donors for their ongoing support. To find out more about the impact of philanthropy at St Vincent’s and the work of our St Vincent’s Foundation Victoria, visit stvfoundation.org.au

Compassionate donors support our Emergency Department

Donations to the 2023 Emergency Department Christmas Appeal helped the countless patients treated at our ED, not only during the busy holiday period but throughout the entire year.

Thanks to kind gifts from generous donors, the team was able to purchase life-saving equipment such as a revolutionary Hover Mat, which means our teams can transfer patients without lifting or straining.

The large number of patients needing emergency care year-round means our doctors and nurses work flat out to give them the best care – that’s why donor generosity is so important.

Thank you to everyone who donated to the Emergency Department. This essential support is already making a difference in alleviating pain, shortening wait times and offering comfort to distressed family members.

“We consider treating our patients a privilege. We know the community is counting on us to be there if they or a loved one need emergency medical care.”
— Dr Jonathan Karro, SVHM Director, Emergency Medicine

2023-24
snapshot



\$5,775,337
in donations received

5,719 17
Donors Gifts-in-Will
(bequests)

53
Trusts and Foundations
grants

Donor support is changing nurses’ lives

Thanks to an outpouring of generosity from our donor community, we have established the Nursing Excellence Scholarship Fund. The Fund will allow countless nurses to further their training and expand their knowledge by exposing them to the most up-to-date innovations in patient care. Our nurses want all our donors to know that their support is beyond anything they could imagine—it’s a kind and selfless act that will never be forgotten.

“This support means the world to all our nurses. They will be forever grateful.”
— Allison Mawson, St Vincent’s Hospital Melbourne Postgraduate Coordinator

A true appreciation of the wonders of engineering and medicine

What if you could help save lives through the combined wonders of engineering and medicine? That’s what inspired Philip Spry-Bailey, former Board Chairman of St Vincent’s Hospital, to support the Aikenhead Centre for Medical Discovery (ACMD).

Phil has had the good fortune to personally benefit from the wonders of two ground-breaking medical devices.

“It’s thanks to St Vincent’s and its doctors that I’m alive today. I’m a recipient of several remarkable devices, a pacemaker and an artificial sphincter,” Philip said.

A recent generous gift from The Patricia Spry-Bailey Charitable Foundation went towards constructing a Faraday Room within the ACMD. This special room is used to conduct experiments to develop hearing and vision devices. It’s fitted with a shield

to block electromagnetic fields and any electrical, sound, or light interference.

“You can clearly see the great benefit when you combine engineering and medical technology – it’s a wonderful scientific world we live in. Researchers need our support now to help future generations,” Philip said.

“It’s because of medical research and technology that people can live longer and spend precious time with their families.”
— Philip Spry-Bailey, ACMD donor

Breakthrough program to tackle First Nations youth mental health crisis

In 2022, more than 130 First Nations youth visited the St Vincent’s Hospital Melbourne Emergency Department (ED) because they were suffering a mental health crisis.

That’s why The William Buckland Foundation chose to support the establishment of a First Nations Mental Health Wellbeing Pilot Program.

The Program, which is the first of its kind in Australia, will create a position for a First Nations Mental Health Nurse to address this crisis by assisting youth presenting at ED. This will have a significant impact on our community.

Project Lead and Manager of the Aboriginal Hospital Liaison Service, Nicole Watt, said, “This pilot program was designed in collaboration with the Victorian Aboriginal Health Service who were pivotal in the consultation and support of this role.

“We are so thankful to be given the opportunity to complete our vision to improve the lives of First Nations youth. It wouldn’t have been possible without the incredibly generous support from The William Buckland Foundation.”

A love that will last beyond a lifetime

Chelsea and Brock first met at the tender age of 16. “He was a really positive person. He was also very patient and kind. Somehow, he managed to see the best in everyone,” Chelsea said.

Chelsea and Brock’s lives were first turned upside down in 2014 when Brock started feeling tired and a bit off.

One morning around 2am, he woke suffering from a bad migraine and nausea. Following a series of tests, Brock was diagnosed with a grade 2 anaplastic astrocytoma brain tumour.

During the next five years, they got married and travelled to the USA. They also bought a house and added a new addition to their family, a Jack Russell named Benny.

Brock passed away on 22 June 2019 at just 33 years old. It was his wish to be an organ donor and to die at St Vincent’s.

“Everyone was so caring; they always went out of their way to care for both of us. The ICU team went above and beyond to make Brock’s wish to be an organ donor a reality,” Chelsea said.

Almost a year after Brock passed away, Chelsea decided to make her first donation to St Vincent’s. She continues to give a donation every year.

“It’s to thank the team for Brock’s incredible care. I hope it helps in some way.”

Better and fairer care. Always.

In 2024, St Vincent’s Health Australia was proud to launch its new strategy to 2030, underpinned by our vision that every person, whoever and wherever they are, is served with excellent and compassionate care, by a better and fairer health and aged care system.

To achieve this vision, SVHA will make unique contributions in key arenas including health equity, chronic care platforms, health ageing, virtual and at-home care, research and innovation, and health leadership. Three priorities are outlined in the new strategy:

Enhance our impact: Continuously improve our care, enhancing positive impacts for our patients, people and planet.

Connect care: Work together, building our shared capabilities and services to create the future of connected health and aged care.

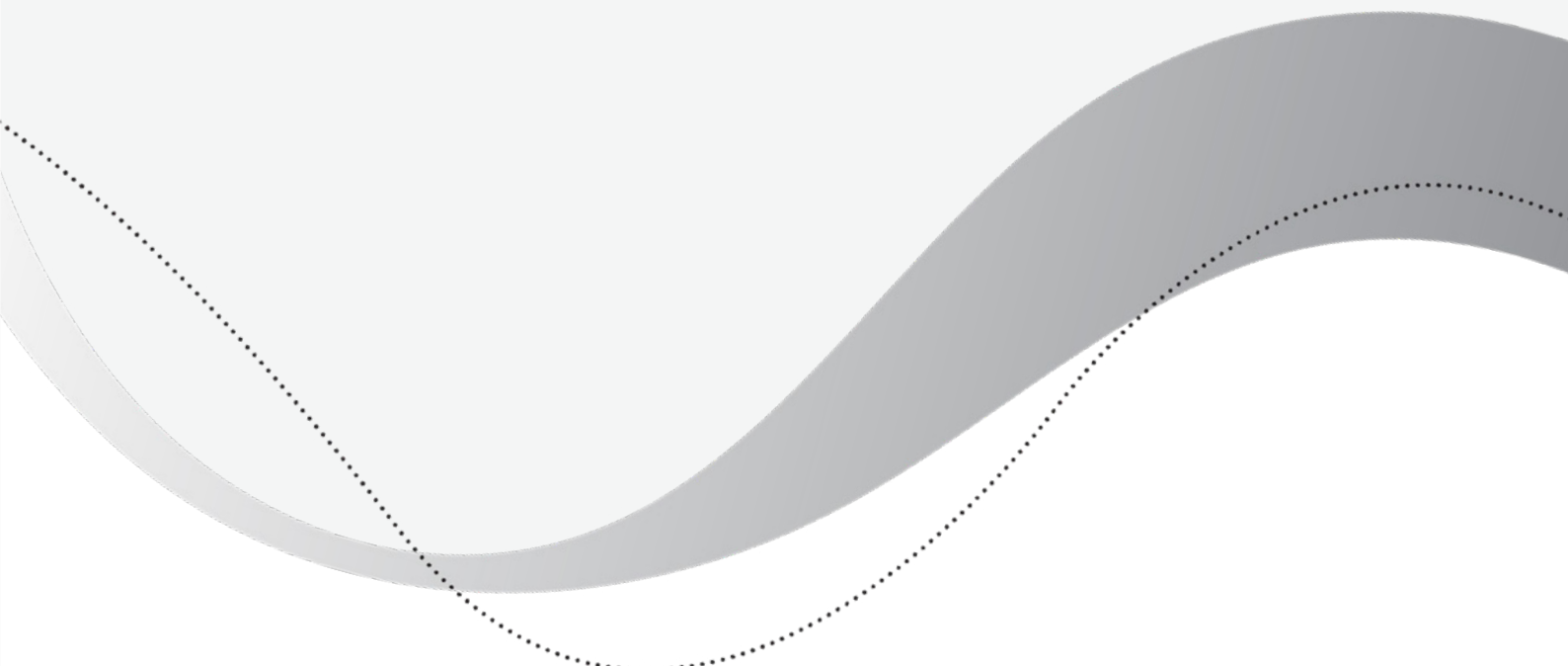
Transform the system: Work with partners to shape a better and fairer health and aged care system.

Better represents our continual pursuit of improving all that we do and the impact we make.

Fairer represents our passion and heart to provide care to all, no matter their wealth or status, and particularly for the most disadvantaged.

Always represents our past, present, and future commitments to ourselves and our community.

Report of Operations

A decorative graphic consisting of a solid grey wavy line and a dotted grey wavy line, both flowing from the bottom left towards the right side of the page.

Summary financial results

	2024* \$000	2023* \$000	2022* \$000	2021* \$000	2020* \$000
Operating result					
Total revenue^	1,120,231	1,066,199	1,001,436	924,452	851,125
Total expenses^	1,068,515	1,040,748	980,157	904,800	835,202
Net result from transactions	51,716	25,451	21,279	19,652	15,923
Total other economic flows	1,287	2,739	(2,459)	12,280	(4,047)
Net result	53,003	28,190	18,820	31,932	11,876
Total assets	687,805	668,052	548,810	474,694	428,244
Total liabilities	454,933	488,305	397,736	342,900	328,440
Net assets/Total equity	232,872	179,747	151,074	131,794	99,804

[^] For further detail, refer to Total Revenue and Total Expenses in the Comprehensive Operating Statement
* Incorporates share of Victorian Comprehensive Cancer Centre joint venture

	2024 \$000
Net operating result	97
VCCC	-
Capital and specific items	-
Capital purpose income	88,721
COVID-19 State supply assets received free of charge	-
COVID-19 State supply items consumed	-
Assets received free of charge	30
Expenditure for capital purpose	(532)
Depreciation and amortisation	(35,771)
Finance costs (other)	(829)
Net result from transactions as per the Comprehensive Operating Statement:	51,716

Summary of significant change in financial position

There have been no significant changes in the hospital’s state of affairs during the financial year.

Operational and financial performance

St Vincent’s Hospital Melbourne delivered an operational gain of \$97,000 before capital income and expenses. After including capital income and expenses and other economic flows, the net entity result was a gain of \$53,003,000. Movement in total equity includes the net equity result and a revaluation adjustment for cultural assets of \$124,000.

Subsequent events

There have been no material transactions or events occurring subsequent to year end that require adjustment to, or disclosure in the financial statements.

Consultancies

Details of consultancies
(under \$10,000)

In 2023-24, there were 8 consultancies where the total fees payable to the consultants were less than \$10,000. The total expenditure incurred during 2023-24 in relation to these consultancies is \$32,565 (excluding GST).

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

In 2023-24, there were 8 consultancies where the total fees payable to the consultants were \$10,000 or greater. The total expenditure incurred during 2023-24 in relation to these consultancies is \$449,985 (excluding GST). Details of the individual consultancies are listed below.

Consultant	Purpose of consultancy	Start date	End date	Total approved project fee \$	Expenditure 2023-24 (ex GST) \$	Future expenditure \$
Bastion	Foundation major giving - engaging multicultural community	Feb-24	May-24	33,000	33,000	-
Benefolk Pty Ltd	Gifts in Wills Strategic Review Program	Aug-23	May-24	60,083	60,083	-
Du Chateau Chun	SVHM asset condition audit	Nov-23	May-24	99,500	99,500	-
Du Chateau Chun	Planning services	Jul-23	Aug-24	85,214	85,214	-
Nigel Harris & Associates	Aikenhead Centre for Medical Discovery (ACMD)	Nov-23	Jun-24	23,125	23,125	-
Open Advisory	Health system analysis, planning and design	Aug-23	May-24	115,031	115,031	-
The Australian Centre for Social Innovation	Mental Health	Feb-24	Mar-24	23,858	23,858	-
Wurundjeri Woi Wurrung Cultural Heritage Aboriginal Corp	Cultural consultations - ACMD	Sep-23	Oct-23	10,175	10,175	-

Information and communication technology (ICT) expenditure

The total information and communication technology (ICT) expenditure incurred during 2023-24 was \$26.5M (excluding GST). Details shown below:

Business as usual ICT expenditure	Non-business as usual ICT expenditure		
Total (excluding GST)	Total = operational expenditure and capital expenditure (excluding GST)	Operational expenditure (excluding GST)	Capital expenditure (excluding GST)
17.8	8.7	0.0	8.7

Workforce data

SVHM is an equal opportunity workplace. All staff can expect to be treated fairly on the basis of ability and merit. The hospital has an Equal Opportunity (EEO) policy and program designed to reinforce workplace practices and behaviour that are consistent with this principle.

Labour category	June Current month FTE*		June YTD FTE**	
	2023	2024	2023	2024
Nursing	1,944	1,953	1,877	1,927
Administration and Clerical	717	688	709	694
Medical Support	306	327	296	311
Hotel and Allied Services	668	669	658	664
Medical Officers	86	86	83	87
Hospital Medical Officers	488	499	479	491
Sessional Clinicians	188	207	185	196
Ancillary Staff (Allied Health)	532	551	529	534
Total	4,929	4,980	4,816	4,904

* FTE - full-time equivalent positions

** YTD FTE - Year to Date represents the average number of FTE throughout the year

Employees have been correctly classified in workforce data collections.

Note: The 2023 nursing FTE figures have been restated to better align with guidelines on the use of contracted staff.

Health and safety

The actions from the 2022-23 internal WHS Management System audit have been completed and the results of the 2023-24 audit indicate continuous improvement with our health and safety system. Injuries related to manual handling continued to be the highest number of WorkCover claims. The use of an online audit tool has seen high completion rates for workplace safety inspections and leadership walkarounds.

A high-level risk assessment of psychosocial risk has been completed and the recommendations will form part of the 2024-25 safety plan.

Incident and WorkCover statistics	2021-22	2022-23	2023-24	Comments on variance
The number of reported hazards/incidents for the year per 100 FTE	34.39	36.05	37.80	Reporting culture remains strong, particularly for/behaviour incidents, with no injury sustained.
The number of ‘lost time’ standard WorkCover claims per 100 FTE	0.82	0.78	0.80	
The average cost of WorkCover “claims for the year	\$111,914	\$126,686	\$133,140	

Occupational violence

Occupational violence statistics	2022-23	2023-24
Workcover accepted claims with an occupational violence cause per 100 FTE	0.16	0.12
Number of accepted WorkCover claims with lost time injury with an occupational violence cause per 1,000,000 hours worked	1	0.78
Number of occupational violence incidents reported	444	633
Number of occupational violence incidents reported per 100 FTE	9.13	12.96
Percentage of occupational violence incidents resulting in a staff injury, illness or condition. This includes a high number of first aid injuries where mental health first aid was provided following an incident.	31.30%	23.83%

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 result 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 is included.

Accepted WorkCover claims

Accepted WorkCover claims that were lodged in 2023-24.

Lost time

Is defined as greater than one day.

Injury, illness or condition

This includes all reported harm as a result of the incident, regardless of whether the employee required time off or submitted a claim.

Building and maintenance compliance

Essential services maintenance

Essential services are maintained in accordance with AS 1851-2005 by All Essential Fire and Security (AEFS) Pty Ltd, as required by building regulations. Annual essential service records audits are completed on a quarterly basis by Philip Chun & Associates and an Annual Essential Safety Measures Report is issued.

The hospital uses the Department of Health publication Maintenance Standards for Critical Areas in Victorian Health as a guide.

- Each essential safety measure is operating at the required level of performance to fulfil its purpose.
- Where applicable, each essential safety measure has been maintained in accordance with the occupancy permit or maintenance determination and generally fulfils its purpose.
- Since the last annual essential safety measure report, to the best of our knowledge, there have been no penetrations to required fire resistant constructions, smoke curtains and the like, in buildings inspected other than those for which a building permit has been issued.

Buildings

SVHM certifies the following compliance with its buildings:

- All existing buildings have valid approvals and certifications to operate based on their intended purposes;
- Works under planning and construction are subject to the standards, compliance and approvals of statutory authorities;
- The hospital has an up-to-date management plan to address pre-existing asbestos and hazardous materials found within buildings;
- The hospital is working with the Department of Health to risk assess and cost the implications of non-compliant cladding materials on the main hospital building. In the interim, the hospital has ensured that all major risks are mitigated; and
- St Vincent’s has undertaken a five-yearly fire audit under the Department of Health Capital Guidelines and is implementing recommendations to achieve any updated fire safety standards.

General maintenance

SVHM certifies that there have been no notices issued or orders to cease occupancy in relation to:

- All renovations to existing buildings comply with regulations in force at the time of construction.

SVHM, through the Engineering Department, uses Pulse (formerly known as BEIMS) facilities management software to manage preventative and reactive maintenance activities. As far as practicable, all maintenance schedules and regimes are based on DA 19 and pertinent Australian Standards, building codes and Department guidelines.

SVHM has a periodic regime in place to inspect the condition of the external building facades and to address any pressing issues that are subsequently found.

SVHM has undertaken a review and update of the campus asset condition and building fabric report in 2024. The findings have helped SVHM to identify and prioritise Asset, Building and Fabric elements and assist with the ongoing management of the asset renewal program.

Other highlights

SVHM assumed the facilities management and general maintenance of St Vincent’s Hospital on the Park (SVHOP) campus, East Melbourne (the former Peter MacCallum Cancer Centre) from the incumbent facilities manager, Royal Eye & Ear Hospital on 1 July 2023.

SVHM is actively supporting St Vincent’s Health Australia’s sustainability objectives. In particular, the Engineering Department has been embarking on initiatives and studies (i) to transition away from the reliance of natural gas for back-up power generation, heating and sterilisation, (ii) the installation of targeted consumption metering for detailed monitoring of high energy/resources consuming building equipment, (iii) the replacement of end-of-life building plant and equipment with energy efficient alternatives, (iv) the adoption of green design practices and building material in new project developments and (v) the implementation of solar power generation on building rooftops.

Projects completed during 2023-24 include:

- Refurbishment and fitting out of Rapid Access Hub at St Vincent’s Hospital on the Park (SVHOP)
- Interim generator back-up at SVHOP
- Natural gas co-generation power plant decommissioning
- Replacement of second Bolte Wing chiller
- Upgrade of heating ventilation cooling air conditioning unit (HVAC) in IPS main server room
- Refurbishment of Prague House
- Daly Wing fire upgrade works, level 4 and 5
- Renovation of inpatient services building patient ensuite
- Staged replacement of inpatient services building operating theatre lights
- Five-yearly fire audit and implementation
- SVHM asset condition, building fabric and DDA audit

Key projects commenced during 2023-24 and works in-progress include:

- Aikenhead Centre for Medical Discovery main building works
- Refurbishment of new fluoroscopy room in inpatient services building
- Mental health ground floor upgrade and refurbishment
- Extension of Normanby House
- Replacement of IPS back-of-house lift generators and hardware
- St George’s Hospital infrastructure upgrade, phase 1
- Replacement of fire panels and fire services infrastructure at 55 Victoria Parade building and Footbridge building
- Prague House infrastructure upgrade
- Repair and rejuvenation of building facades at The Cottages
- St George’s Hospital fire system upgrade
- Fitzroy campus fire system upgrade
- Pathology laboratory automation
- Disability Discrimination Act ramp at 80 Fitzroy Street, The Cottages
- Replacement air handling unit at Experimental Medical Surgical Unit (EMSU) and Bioresources
- SVPH Victoria Parade staff carpark extension interfacing works
- Spinal prosthesis, neuro navigation and imaging building works

Sustainability and environmental performance

SVHM aims to create a health service that delivers quality healthcare with sustainable practices. St Vincent’s Environmental Sustainability Strategy and Action Plan includes five focus areas:

- Organisational culture and leadership
- Energy efficiency and emissions
- Waste management
- Procurement, transport and travel
- Building and infrastructure

Environmental sustainability highlights for 2023-24 include:

- A monthly Sustainability Grand Rounds program.
- Development of a sustainability initiative tracker to understand and share sustainability initiatives occurring across SVHM.
- Sustainability Officer role reestablished to support the organisation to achieve our Environmental Sustainability Strategy and Action Plan and to build on sustainable practices culture.
- Ceasing use of the anaesthetic gas desflurane, reducing our greenhouse gas emissions significantly. This is a significant achievement due to the well documented impact of desflurane on global warming, when compared to other anesthetic gases.
- Installation of two additional solar photovoltaic (PV) systems increasing SVHM’s total solar capacity to 268KW.
- Continued recycling of many different resource streams to improve our waste management and overall diversion rates.

Reporting boundary for environmental data

This report has been prepared to fulfil the obligations of the Victorian Government’s Financial Reporting Directions (FRD) 24. SVHM is required to report on environmental metrics to the Victorian Government each financial year. SVHM’s FY24 reporting boundary includes:

- St Vincent’s Hospital Melbourne, Fitzroy
- St George’s Hospital, Kew
- St Vincent’s on the Park, East Melbourne
- Caritas Christi Hospice, Kew
- Residential facilities, office spaces, community clinics and some pathology collection centres

In 2023-24 SVHM worked to improve our measurement and reporting of environmental data. As a result of this refinement, along with factors outlined in relevant sections below, there are variations in the quantities reported compared to 2022-23. Data contained in this report is a true representation of information available at the time of publication.

Electricity use

Due to capital funding made available by the Department of Health, two additional solar photovoltaic (PV) systems were installed in 2023-24. A 38KW solar PV system was installed at St George’s Hospital and a 30KW solar PV system was installed at Auburn House. These additional systems take SVHM’s total solar generation capacity to 268KW.

SVHM’s gas-fired co-generation (power and steam) plant was stood down from July 2023, remaining in standby mode in case of need during grid disruption until March 2024. Grid electricity consumption has increased, and electricity exported to the grid has decreased in 2023-24, as the co-generation plant did not generate electricity as it had in previous years.

Electricity use	Jul 23–Jun 24	Jul 22–Jun 23	Jul 21–Jun 22
EL1 Total electricity consumption segmented by source [MWh]			
Purchased	44,061.52	40,044.23	29,590.62
Self-generated	2,007.59	4,338.82	3,218.44
EL1 Total electricity consumption [MWh]	46,069.11	44,383.05	32,809.06
EL2 On site-electricity generated [MWh] segmented by:			
Consumption behind-the-meter			
Solar electricity	224.05	207.77	
Cogeneration electricity	1,783.55	4,131.05	3,218.44
Total consumption behind-the-meter [MWh]	2,007.59	4,338.82	3,218.44
Exports			
Solar electricity	0.66	-	-
Cogeneration electricity	40.03	548.45	881.06
Total electricity exported [MWh]	40.69	548.45	881.06
EL2 Total onsite electricity generated [MWh]	2,048.29	4,887.27	4,099.49
EL3 On-site installed generation capacity [kW converted to MW] segmented by:			
Cogeneration plant	6.00	6.00	6.00
Diesel generator	5.16	5.16	5.16
Solar system	0.27	0.10	-
EL3 Total onsite installed generation capacity [MW]	11.33	11.26	11.16
EL4 Total electricity offsets segmented by offset type [MWh]			
RPP (Renewable Power Percentage in the grid)	8,283.57	7,528.32	5,082.62
EL4 Total electricity offsets [MWh]	8,283.57	7,528.32	5,082.62

Stationary energy

An increase in diesel use has been recorded over the last 12 months. There are several complex reasons for this increase including:

- SVHM taking over facility management of St Vincent’s on the Park and began reporting on all the diesel used in this building for 2023-24, including a component of diesel that powers operations outside of SVHM’s organisational boundary;

- A third diesel generator was added at SVHM’s Fitzroy’s campus. Commissioning and testing of this generator increased fuel use in 2023-24. As of 1 July, SVHM inherited an additional black start generator for the steam plant which was previously managed by Victorian Health Building Authority.

Stationary energy	Jul 23–Jun 24	Jul 22–Jun 23	Jul 21–Jun 22
F1 Total fuels used in buildings and machinery segmented by fuel type [MJ]			
Natural gas 1	164,410,577.15	262,362,930.62	201,400,680.88
Diesel	796,634.60	322,086.10	30,331.80
F1 Total fuels used in buildings [MJ]	165,980,472.75	262,685,016.72	201,431,012.68
F2 Greenhouse gas emissions from stationary fuel consumption segmented by fuel type [tonnes CO2-e]			
Natural gas	8,472.08	13,519.56	10,378.18
Diesel	55.92	22.61	2.13
F2 Greenhouse gas emissions from stationary fuel consumption [tonnes CO2-e]	8,528.00	13,542.17	10,380.31

1 The reduction in natural gas consumption in 2022-23 is due to less natural gas required to power the co-generation plant that was stood down in July 2023.

Transport energy

T2 Number and proportion of vehicles in the organisational boundary segmented by engine/fuel type and vehicle category			
	No.	%	
Hybrid/petrol	193	96%	
Diesel	7	3.5%	
LPG	1	0.5%	
Total	201	100%	
Transportation energy	Jul 23–Jun 24	Jul 22–Jun 23	Jul 21–Jun 22
T1 Total energy used in transportation (vehicle fleet) within the Entity, segmented by fuel type [MJ]			
Road vehicles			
Petrol	4,320,486.00	4,374,532.00	4,248,805.60
Petrol (E10)	15,897.60	13,913.70	10,065.20
Diesel	228,512.00	320,770.00	288,592.90
LPG	25,414.00	30,132.30	25,540.00
Total energy used in transportation (vehicle fleet) [MJ]	4,590,309.60	4,739,348.00	4,573,003.70
T3 Greenhouse gas emissions from transportation (vehicle fleet) segmented by fuel type [tonnes CO2-e]			
Road vehicles			
Petrol	292.15	295.81	287.30
Petrol (E10)	0.97	0.85	0.61
Diesel	16.09	22.59	20.32
LPG	1.55	1.84	1.56
Total greenhouse gas emissions from transportation (vehicle fleet) [tonnes CO2-e]	310.76	321.08	309.79
T4 Total distance travelled by commercial air travel (passenger km travelled for business purposes by entity staff on commercial or charter aircraft)			
Total distance travelled by commercial air travel	133,190.00	226,507.00	-

Total energy use

Transportation energy	Jul 23–Jun 24	Jul 22–Jun 23	Jul 21–Jun 22
E1 Total energy usage from fuels, including stationary fuels (F1) and transport fuels (T1) [MJ]			
Total energy usage from stationary fuels (F1) [MJ]	165,207,211.75	262,685,016.72	201,431,012.68
Total energy usage from transport (T1) [MJ]	4,590,309.60	4,739,348.00	4,573,003.70
Total energy usage from fuels, including stationary fuels (F1) and transport fuels (T1) [MJ]	169,797,521.35	267,424,364.72	206,004,016.38
E2 Total energy usage from electricity [MJ]			
Total energy usage from electricity [MJ]	165,848,809.87	159,778,981.70	118,112,621.83
E3 Total energy usage segmented by renewable and non-renewable sources [MJ]			
Renewable	30,628,994.97	27,851,306.08	18,298,425.21
Non-renewable (E1 + E2 - E3 Renewable)	305,823,905.14	400,100,019.54	305,818,213.00
E4 Units of Stationary Energy used normalised: (F1+E2)/normaliser			
Energy per unit of aged care OBD [MJ/aged care OBD]	9,405.27	13,687.48	11,611.75
Energy per unit of LOS [MJ/LOS]	1,408.74	1,906.74	1,530.12
Energy per unit of bed-day (LOS+aged care OBD) [MJ/OBD]	1,225.23	1,673.60	1,351.97
Energy per unit of separations [MJ/separations]	4,173.26	5,981.45	4,816.25
Energy per unit of floor space [MJ/m2]	1,568.29	1,994.60	1,494.35

Sustainable buildings and infrastructure

In 2023-24 SVHM has not completed construction on any entity-owned buildings, and no substantial office fit-outs occurred. SVHM has successfully consolidated two external leased properties in 2023-24. SVHM is developing a process to consider environmental performance ratings when new entity leases are established.

Two of SVHM’s sites received environmental performance ratings:

Building	Address	Rating scheme	Rating
St Vincent’s Hospital	51-77 Princes St, Fitzroy	NABERS – Energy	2.5 stars
St Vincent’s Hospital	51-77 Princes St, Fitzroy	NABERS – Water	3 stars
St Georges Hospital	253-283 Cotham Rd, Kew	NABERS – Energy	3 stars
St Georges Hospital	253-283 Cotham Rd, Kew	NABERS – Water	2.5 stars

Sustainable procurement

Initiatives relating to sustainable procurement at SVHM in 2023-24 include:

– **The establishment of the Clinical Product Evaluation Committee:**
SVHM has introduced a Clinical Product Evaluation Committee dedicated to ensuring that all medical devices and consumables entering our patient care environment are thoroughly evaluated. This initiative considers various aspects, including environmental impacts, to promote responsible procurement practices.

- **Consolidation of oxygen tubing:**
By consolidating oxygen tubing, we have saved an impressive 10,000 metres of tubing. This initiative streamlines our operations and contributes to minimising our environmental footprint.
- **Reduction in exam gloves packaging:**
By making a change in the packaging of exam gloves, SVHM has saved 10,000 dispensing boxes and over 1,000 cardboard carton boxes annually.

Water use

	Jul-23 to Jun-24	Jul-22 to Jun-23	Jul-21 to Jun-22
W1 Total units of metered water consumed by water source (kL)			
Potable water [kL]	219,475.47	214,619.18	165,711.01
Total units of water consumed [kL]	219,475.47	214,619.18	165,711.01
W2 Units of metered water consumed normalised by FTE, headcount, floor area, or other entity or sector specific quantity			
Water per unit of aged care OBD [kL/aged care OBD]	6.24	6.95	6.02
Water per unit of LOS [kL/LOS]	0.93	0.97	0.79
Water per unit of bed-day (LOS+aged care OBD) [kL/OBD]	0.81	0.85	0.70
Water per unit of separations [kL/separations]	2.77	3.04	2.50
Water per unit of floor space [kL/m2]	1.04	1.01	0.77

Waste and recycling

	Jul 23–Jun 24	Jul 22–Jun 23	Jul 21–Jun 22
WR1 Total units of waste disposed of by waste stream and disposal method [kg]			
Landfill (total)			
General waste - bins	379,185.36	-	-
General waste - compactors	629,758.36	1,000,250.00	918,000.00
General waste - skips	22,950.00	-	-
Offsite treatment			
Clinical waste - incinerated	21,900.67	14,018.00	14,278.00
Clinical waste - sharps	27,785.97	28,764.00	26,985.00
Clinical waste - treated	222,190.49	257,922.00	255,566.00
Recycling/recovery (disposal)			
Batteries	1,152.00	670.00	1,000.00
Cardboard (previously reported as paper recycling)	23,686.00	990.00	
Commingled	274,478.00	253,670.00	248,030.00
E-waste ¹	7,488.25	2,330.00	2,290.00
Fluorescent tubes	486.50	558.00	-
Metals	300.00	345.00	-
Mobile phones	4.95	-	-
Other recycling	403.00	60.00	15.00
Packaging plastics/films	1,638.00	-	-
Paper (confidential)	156,282.00	100,640.00	70,010.00
Polystyrene foam	630.00	2,980.00	3,120.00
PVC ²	520.99	2,453.00	1,970.00
Sterilization wraps	477.00	6,770.00	6,050.00
Toner and print cartridges ³	-	1,430.00	1,560.00
Wood	4,995.00	7,290.00	9,630.00
Total units of waste disposed [kg]	1,776,312.55	1,681,140.00	1,558,504.00
WR1 Total units of waste disposed of by waste stream and disposal method [%]			
Landfill (total)			
General waste	58.09%	59.50%	58.90%
Offsite treatment			
Clinical waste - incinerated	1.23%	0.83%	0.92%
Clinical waste - sharps	1.56%	1.71%	1.73%
Clinical waste - treated	12.51%	15.34%	16.40%

¹The increase in e-waste recycling is due to including data from all e-waste management providers
²PVC was overestimated in previous years
³Data for toner and print cartridges are not reported in FY24 as data is not available from waste management providers

Waste and recycling

Recycling/recovery (disposal)	Jul 23–Jun 24	Jul 22–Jun 23	Jul 21–Jun 22
Batteries	0.06%	0.04%	0.06%
Cardboard (previously reported as paper recycling)	1.33%	0.06%	-
Commingled	15.45%	15.09%	15.91%
E-waste ¹	0.42%	0.14%	0.15%
Fluorescent tubes	0.03%	0.03%	-
Metals	0.02%	0.02%	-
Mobile phones	0.00%		-
Other recycling	0.02%	0.00%	0.00%
Packaging plastics/films	0.09%	-	-
Paper (confidential)	8.80%	5.99%	4.49%
Polystyrene foam	0.04%	0.18%	0.20%
PVC ²	0.03%	0.15%	0.13%
Sterilization wraps	0.03%	0.40%	0.39%
Toner and print cartridges ³	-	0.09%	0.10%
Wood	0.28%	0.43%	0.62%
WR3 Total units of waste disposed normalised by FTE, headcount, floor area, or other entity or sector specific quantity, by disposal method			
Total waste to landfill per patient treated [(kg general waste)/PPT]	2.58	2.69	2.60
Total waste to offsite treatment per patient treated [(kg offsite treatment)/PPT]	0.68	0.81	0.84
Total waste recycled and reused per patient treated [(kg recycled and reused)/PPT]	1.18	1.02	0.97
WR4 Recycling rate [%]			
Weight of recyclable and organic materials [kg]	472,541.69	380,186.00	343,675.00
Weight of total waste [kg]	1,776,312.55	1,681,140.00	1,558,504.00
Recycling rate [%]	26.60%	22.61%	22.05%
WR5 Greenhouse gas emissions associated with waste disposal [tonnes CO2-e]			
Tonnes CO2-e	1,685.69	1,685.34	1,573.27
¹ The increase in e-waste recycling is due to including data from all e-waste management providers			
² PVC was overestimated in previous years			
³ Data for toner and print cartridges are not reported in FY24 as data is not available from waste management providers			
WR2 Percentage of office sites covered by dedicated collection services for each waste stream¹			
Printer cartridges	86%	25%	-
Batteries	71%	25%	-
e-waste	100%	25%	-
Soft plastics	0%	25%	-

¹The process for collecting this information was refined for 2023-24

Greenhouse gas (GHG) emissions

	Jul 23–Jun 24	Jul 22–Jun 23	Jul 21–Jun 22
G1 Total scope one (direct) greenhouse gas emissions [tonnes CO2e]			
Carbon dioxide	8,816.06	13,827.89	10,662.80
Methane	16.62	26.37	20.24
Nitrous oxide	6.08	8.98	7.05
Total	8,838.76	13,863.25	10,690.10
Scope 1 GHG emissions from stationary fuel (F2 Scope 1) [tonnes CO2-e]	8,528.00	13,542.17	10,380.31
Scope 1 GHG emissions from vehicle fleet (T3 Scope 1) [tonnes CO2-e]	310.76	321.08	309.79
Medical/refrigerant gases			
Desflurane ¹	8.94	43.18	-
Nitrous oxide	108.65	145.75	-
Refrigerant - R134A (HFC-134A) ²	-	147.55	-
Refrigerant - R401A (MP39) (blend HCFC-22/HFC-152a/HCFC-124) ²	-	1.18	-
Sevoflurane	48.28	44.20	-
Total scope one (direct) greenhouse gas emissions [tonnes CO2e]	9,004.63	14,245.11	10,690.10
G2 Total scope two (indirect electricity) greenhouse gas emissions [tonnes CO2e]			
Cogen electricity	-	-	1,957.38
Electricity	28,980.14	27,508.46	19,965.41
Steam (intentionally blank to avoid double-counting)	-	-	1,195.90
Total scope two (indirect electricity) greenhouse gas emissions [tonnes CO2e]	28,980.14	27,508.46	23,118.68
G3 Total scope three (other indirect) greenhouse gas emissions associated with commercial air travel and waste disposal (tonnes CO2e)			
Commercial air travel	45.11	61.79	-
Waste emissions (WR5)	1,685.69	1,685.34	1,573.27
Indirect emissions from stationary energy	4,249.22	4,599.26	2,986.99
Indirect emissions from transport energy	124.12	143.24	16.47
Any other Scope three emissions	368.30	363.54	311.27
Total scope three greenhouse gas emissions [tonnes CO2e]	6,472.44	6,853.17	4,888.01
G(Opt) Net greenhouse gas emissions (tonnes CO2e)			
Gross greenhouse gas emissions (G1 + G2 + G3) [tonnes CO2e]	44,457.21	48,606.75	38,696.79
Any reduction measures offsets purchased (EL4-related)	-	-	-
Any offsets purchased	-	-	-
Net greenhouse gas emissions [tonnes CO2e]	44,457.21	48,606.75	38,696.79

¹Desflurane reduced as SVHM stopped using this gas in 2023-24

²Refrigerants are not reported for 2023-24 as SVHM's maintenance regime has reduced refrigerant leakage to a level where top ups were not required for this period.

Normalisation factors

Normalisation factors	Jul 23–Jun 24	Jul 22–Jun 23	Jul 21–Jun 22
Aged care OBD	35,199.00	30,865.00	27,519.00
ED departures	51,093.00	49,409.00	49,837.00
LOS	235,001.00	221,564.00	208,835.00
OBD	270,200.00	252,429.00	236,354.00
PPT	400,621.00	372,467.00	352,538.00
Separations	79,328.00	70,629.00	66,347.00
Total Area M²	211,093.00	211,804.17	213,835.00
Note: Indicators are not reported where data is unavailable, or an indicator is not relevant to the organisation’s operations.			

Freedom of Information

SVHM complies with the Victorian Freedom of Information Act 1982. Members of the public can apply for access to documents held by SVHM that is not publicly available by making a Freedom of Information request. A request must be in writing and sufficiently clear to enable a thorough search for documents. Applications become valid once the relevant officer receives either a \$31.80 application fee or evidence of financial hardship such as a copy of the patient’s Health Care or Pension Card.

During 2023-24, the majority of FOI requests were from law firms and insurance companies.

Agencies subject to the Health Services Act are permitted under section 141(3)(a) to disclose an individual’s health records with the express or implied consent of that person. Applications received via Freedom of Information by patients or their next of kin are processed under the Health Services Act. SVHM has 45 days to process these applications and no fees or charges are applied.

A total of 1,251 applications were received and the outcomes are listed below.

For further information, please contact the Freedom of Information Officer on (03) 9231 1588. Additional information can also be found on the hospital’s website www.svhm.org.au or the Office of the Victorian Information Commissioner www.ovic.vic.gov.au

	2023-24	2022-23
Total number of applications received	1,251	855
Health Services Act		
Applications processed within 45 days and released in full	297	0
FOI Act		
Applications that remain outstanding	68	0
Applications cancelled by the applicant	12	11
Request for amendment of records	2	1
Applications processed	874	855
Records destroyed	3	0
Released in full	854	855
Partially released	17	14
Denied in full	5	1
Percentage of requests fulfilled within 30 days	85%	92%
Application fees collected	\$23,627.40	\$21,970.80
Access charges collected	\$5,417.02	\$5,441.00
Total fees and charges collected	\$29,044.42	\$27,411.80
Application fees waived	\$6,709.50	\$4,192.20
Access charges waived	\$2,110.00	\$3,980.00
Total fees and charges waived	\$8,819.15	\$8,172.12

Car parking fees

St Vincent’s Hospital Melbourne complies with the Department of Health Hospital circular on car parking fees and details of car parking fees and concession benefits can be viewed at <https://www.svhm.org.au/patients-visitors/campus-information>.

Statement of Priorities

The Statement of Priorities (SOP) is the key document of accountability between the Department of Health and St Vincent’s Hospital (Melbourne) Limited (SVHM). St Vincent’s Hospital Melbourne is pleased to publish its outcomes achieved during 2023-24.

Part A: Strategic Priorities

Department of Health priority	Department of Health goal	Department of Health deliverable	Response	
Excellence in clinical governance	Strengthen clinical governance systems that support safe care, including clear recognition, escalation, and addressing clinical risk and preventable harm.	Review and refresh the Clinical Governance Framework across SVHM which strengthens engagement with clinicians and supports safe care, clinical risk reporting and analysis.	In progress	SVHM has developed a refined Clinical Governance Framework. This framework is designed to enhance care delivery and improve patient outcomes across the organisation, with a steadfast focus on placing patients at the forefront of all endeavours. Our patients are at the centre of everything we do. We are committed to providing exceptional care through a new clinical governance framework that supports our people to provide <i>Safe, Effective, Connected and Personalised care</i>. The Framework focuses on five key domains: — Leadership and culture — Consumer partnerships — Workforce — Risk management — Clinical practice Implementation of this framework is currently in progress and entails comprehensive consultation and engagement with key clinicians and stakeholders. Embedding of key components of the framework will commence in September 2024 and will continue to be a deliverable of our 2024-25 Statement of Priorities.
Working to achieve long-term financial sustainability	Co-operate with and support Department of Health-led reforms that look towards reducing waste and improving efficiency to address financial sustainability, operational and safety performance, and system management.	Collaborative partnerships: Collaborate with other health service providers, community organisations, the department, and stakeholders to explore opportunities for shared services, joint procurement, and resource sharing to reduce cost an improve efficiency.	In progress	SVHM is a member of the Northeast Metro corporate services project control group tasked with investigating opportunities for shared corporate services within the cluster. SVHM has continued to develop innovative financial solutions to manage the new virtual and home services division that enabled the treatment of more patients at home and freed up in-patient bed capacity. SVHM has leveraged the St Vincent’s Health Australia corporate structure to implement shared corporate services across multiple departments, generating operating efficiencies and cost reductions. At Chief Financial Officer (CFO) level: — Participated in the weekly DH CFO7 forum, a forum that facilitates seven key Chief Financial Officers meeting with the Department of Health. — Helped establish, and participated in, the Health Finance Advisory Group (involving Department of Health Department of Treasury and Finance, and Department of Premier and Cabinet) that was initiated to advise and test financial sustainability and budgetary initiatives. — Chaired the CFO industry forum that has expanded considerably during the year, and worked to deliver a policy paper highlighting sector wide agency and locum workforce issues, with a particular emphasis on regional areas. — Worked collaboratively with senior Department of Health staff during the year on funding proposals. SVHM has established a sustainability working group to highlight sustainability initiatives, and support and encourage staff to be both innovative and participative in developing sustainable healthcare.

Report of Operations

Department of Health priority	Department of Health goal	Department of Health deliverable	Response
Mandatory: Working to achieve long-term financial sustainability	Development of a health service financial sustainability plan in partnership with the Department with a goal to achieving long-term health service safety and sustainability.	Financial forecasting and risk management: Develop robust financial forecasting models to project future revenue and expenditure, identify financial risks and implement mitigation strategies to ensure long- term sustainability.	In progress SVHM has delivered favourable to budget financial results each month and has developed and achieved a financial recovery plan to improve financial sustainability. SVHM has continued to refine financial forecasting methodologies to ensure financial risks were properly identified and shared on a timely basis both internally and with the Department of Health.
Improving equitable access to healthcare and wellbeing	Strengthen programs that support Aboriginal people to access early intervention and prevention services.	Work towards strengthening Social and Emotional Wellbeing Services within our hospital. This will support Aboriginal people to access culturally safe, holistic care, and improve cultural capability of non- Indigenous staff.	In progress In February 2024, SVHM commenced an evaluation of the Koori Program model of care in the Adult Mental Health Inpatient Unit. The evaluation of the five-bed unit will provide recommendations for service development and improvement activities that will improve the social and emotional wellbeing outcomes for Aboriginal people accessing our care. SVHM introduced a First Nations Mental Health Nurse in March 2024. This new position is providing culturally safe mental health assessment and treatment, aiming to support continuity of care for First Nations patients. A key component of this role is the provision of secondary consultation, which has been instrumental in improving the overall cultural safety and cultural capacity of non-Indigenous staff.
Improving equitable access to healthcare and wellbeing	Enhance the provision of appropriate and culturally safe services, programs and clinical trials for and as determined by Aboriginal people, embedding the principles of self-determination.	Design of clinical practice and treatment guidelines and learning modules that support optimal clinical assessment, treatment, and management of Aboriginal patients, including protocols that recognise cultural needs, patient complexity and condition prevalence. Partnerships with Aboriginal community-controlled health organisations, respected Aboriginal leaders and Elders, and Aboriginal communities to deliver healthcare improvements.	In progress In June 2022, the Rapid Identification of Firth Nations Patients Pathway was implemented, which supports the early clinical assessment and commencement of treatment for First Nations patients. In April 2024, the SVHM Aboriginal Health Unit and emergency department (ED) partnered with the Victorian Aboriginal Community Controlled Health Organisation (VACCHO) and the Department of Health to implement a policy that allocates First Nations people, at minimum, as a Category 3 patient using the Australasian Triage Category scale. Since implementing this policy, the difference in average time to be seen by an ED clinician between First Nations and non-First Nations patients has reduced significantly from 20% to less than 2%. Improving equitable access to healthcare and the wellbeing of First Nations patients and clients remains a high priority for SVHM, therefore the continuation of these goals and deliverables will be reflected on the FY 2024-25 Statement of Priorities.
A stronger workforce	Improve employee experience across four initial focus areas to assure safe, high-quality care: Leadership, health and safety, flexibility, and career development and agility.	Deliver programs to improve employee experience across four initial focus areas: leadership, safety and wellbeing, flexibility, and career development and agility. Implement and/or evaluate a new/expanded wellbeing and safety program that delivers improvement in workforce wellbeing.	In progress SVHM sponsors a key program of work in building and facilitating awareness and capability in improvement and problem solving. Facilitated interventions within teams have been instrumental in identifying efficiencies, cost savings and wellbeing initiatives. Continuous Improvement foundational skills learning programs and a secondment model support the development of expertise and capability building across the organisation. Learning and development programs are coordinated by the Education and Learning Team in collaboration with Continuous Improvement (CI) and subject matter experts. Integration of leadership principles and behaviours and CI principles occurs across a broad range of programs. Key programs delivered over the past year that have supported leadership development, flexibility, career development and agility include: – Leadership programs that support staff across interdisciplinary and craft teams that focus on effective delegation, feedback and conflict resolution. – Programs that support provision of clinical supervision, leadership and adaptation skills, consumer and employee safety and delivering on key strategic priorities. – The annual mentor program facilitates career and leadership development using an interdisciplinary mentor support and coaching approach. – The Workplace Skills Capability and Mobility Committee includes representation from the non-clinical and health support workforce. This consultative interdisciplinary committee has a role in identifying the learning needs and delivery mechanisms that best support the SVHM non-clinical and Health Support Workforce. This enables expansion of the capacity of staff to better support the clinical teams. Scholarships support employees in non-clinical and health support roles to attain formal qualifications to expand their role and contribution to the organisation. A high-level psychosocial risk assessment has been completed. The outcome of this will drive our psychosocial program for 2024-25. This includes opportunities to combine wellbeing events with St Vincent’s Private Hospital, to provide increased access for staff.

Report of Operations

Department of Health priority	Department of Health goal	Department of Health deliverable	Response
A stronger workforce	Explore new and contemporary models of care and practice, including future roles and capabilities.	Pilot, implement or evaluate new and contemporary models of care and practice, including future roles and building capability for multidisciplinary practice. 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.	In progress SVHM strives to deliver excellent patient care through the continual review and improvement of care delivery models. In response to model of care changes, SVHM is committed to providing staff with the capability needed to deliver modernised and exceptional care. Changes to models of care highlights include the implementation of the Geriatrician in ED (GED) model of care and refinement of the model of care in the Mental Health, Alcohol and Other Drug Hub in the emergency department as the service matures. The creation and appointment of the National Learning and Development Coordinator role demonstrates St Vincent’s Health Australia’s ongoing commitment to prioritising the capability and career progression of all staff. This year, an internal review of SVHM’s Education and Learning department provided educators and clinical nursing leaders the opportunity to share their ideas and recommendations to respond to changes to the nursing workforce. A consultative interdisciplinary committee is working to identify the learning needs and delivery mechanisms that best support the non-clinical and health support workforce now and into the future.
Moving from competition to collaboration	Partner with other organisations (for example community health, ACCHOs, PHNs, General Practice, private health) to drive further collaboration and build a more integrated system.	Engage local ACCHO groups in the identification and delivery of initiatives that improve Aboriginal safety.	Achieved SVHM Aboriginal Hospital Liaison Service staff participate in Aboriginal Liaison network meetings and events, led by Victorian Aboriginal Community Controlled Health Organisation (VACCHO). The SVHM First Nations Outreach Nurse has partnered with VACCHOs in an educational role to implement the Victorian Virtual Emergency Department (VVED) as an alternative treatment pathway for patients needing emergency care at community organisations. The team actively outreaches into rural and regional VACCHOs and community health services to develop relationships and deliver education packages regarding First Nations populations utilising the VVED. Ongoing service improvement of the VVED has been implemented based on community feedback from First Nations people and VACCHOs. The SVHM Aboriginal Health Unit regularly present at VACCHOs on the practical aspects of VVED and the cultural safety and appropriateness of VVED for First Nations populations. The First Nations Outreach Nurse is available as a resource for VVED consult advice for community organisations. SVHM continues to have a strong relationship with Victorian Aboriginal Health Service (VAHS) collaborating recently on research and service improvement activities. These activities focus on establishing the VVED as an alternative treatment pathway and using feedback and patient experiences to improve accessibility and the appropriateness of VVED for First Nations communities.
Moving from competition to collaboration	Engage in integrated planning and service design approaches, while assuring consistent and strong clinical governance, with partners to join up the system to deliver seamless and sustainable care pathways and build sector collaboration.	Undertake joint clinical service plans that agree a joint approach to coordinating the delivery of health services at a regional level as opposed to individual health service planning.	Achieved Following extensive consultation with our clinical leaders, Executive and key partners – in conjunction with activity data analysis, forecasting and population and catchment analysis – the SVHM Clinical Service Plan was delivered in May 2024. The Clinical Service Plan will be used to inform master planning which will commence in August 2024. This will ensure SVHM will be best positioned and equipped to continue to provide contemporary and excellent care well into the future. This deliverable will also be featured on the FY2024-25 Statement of Priorities.
Care close to home	Improve pathways through the health system and implement models of care to enable more people to access care closer to, or in their homes .	Implement and/or evaluate new/expanded models of shared care between health services that enable more people to access care closer to, or in their homes.	Achieved SVHM has significantly expanded its at-home services, allowing patients to receive treatment in the comfort of their own homes. SVHM’s bed substitution services (including Hospital in the Home, Geriatric Evaluation and Management @ home, Rehab@Home, Palliative Care@Home and Transition Aged Care @Home services) have responded to a 77% increase in demand by expanding their at-home care options. In April 2023, the average home care occupancy across various programs was 101 patients, which rose to 179 patients by April 2024. SVHM introduced the Geriatrician in ED (GED) model to provide older patients with specialised care in a timely manner, leading to a 4%-point reduction in acute ward admissions for the older person compared to 2023. The GED program diverted 61% of patients initially planned for an acute admission, saving 366 acute bed days (4 less occupancy per day). Significantly, 57% of patients were referred directly from the emergency department to SVHM’s subacute and subacute@home services. SVHM collaborated with the Royal Victorian Eye and Ear Hospital (RVEEH) to administer IV Methylprednisolone to specific groups of RVEEH ophthalmology patients through the SVHM Hospital in the Home service. This collaboration streamlined patient education and support and demonstrated significant success with more than 50 patients referred since December 2023, and 91% of them receiving intervention.

Report of Operations

Department of Health priority	Department of Health goal	Department of Health deliverable	Response
Care close to home	Identify and develop clinical service models of care that can be delivered via virtual care (videocall, telehealth, remote monitoring) where safe and appropriate to enable care closer to home.	Identify appropriate clinical cohorts that would benefit from virtual care. At all times respecting the consumers choice to use virtual care as a preferred method receive their care	Achieved This year, SVHM surpassed its goal, achieving over 25% of specialist clinic appointments through virtual means. SVHM remains steadfast in its mission to offer contemporary healthcare models with a focus on virtual care capabilities. As a result, virtually enabled discharge care coordination has seen a remarkable 40% increase. The use of predictive AI tools to support timely referral management is also being expanded beyond Hospital in the Home (HITH) to support the experience and care for heart failure patients. SVHM is actively exploring the integration of virtual wound care capabilities into our HITH and district nursing services, streamlining and enhancing the assessment and management of wounds in the community. Additionally, SVHM extends its clinical reach through participation in regional and metropolitan multidisciplinary meetings, further enriching our commitment to comprehensive patient care. SVHM takes pride in its collaboration with the Victorian Aboriginal Community Controlled Health Organisations (VACCHOs), resulting in the creation of the virtual specialist clinics partnership model. This innovative approach allows SVHM to provide specialist clinic services remotely to VACCHOs, ensuring the delivery of expert care to Aboriginal Victorians directly on Country via telehealth. By overcoming barriers to accessing specialist care, particularly in endocrinology, cardiology, and respiratory units, this model demonstrates SVHM’s commitment to expanding healthcare accessibility. Looking ahead, the specialist clinics team aims to extend this model to additional units in the near future.
A health system that takes effective climate action	Build a better understanding of the health service’s carbon footprint , including Scope 3 (indirect emissions), to inform effective action.	Plan for and initiate a project to improve the health service’s understanding of its full carbon footprint.	In progress SVHM understands its carbon footprint from Scope 1, Scope 2 and limited Scope 3 emissions, and will continue to ensure data sources are up to date. Emissions from some purchased goods and services (Scope 3) will be estimated in 2024-25, and opportunities to estimate emissions from staff transport (Scope 3) will be explored 2024-25.
A health system that takes effective climate action	Reduce clinical and operational practices that are wasteful and environmentally harmful to effectively contribute towards achieving net zero emissions across the health, wellbeing, and care system, including by delivering more energy efficient health services.	Develop an evidence-based plan and commence an initiative to reduce operational or clinical practices that are wasteful; identify appropriate data sources and outcome measured to demonstrate a positive environmental impact (i.e. avoid greenhouse gas emissions), reductions in resource use, reductions in waste).	In progress SVHM has developed an Environmental Sustainability Strategy and Action Plan with five focus areas: — Organisational culture and leadership — Energy and emissions — Waste management — Procurement, transport and travel — Buildings and infrastructure. Initiatives set out in the action plan are either completed, in progress or planned for future implementation. In 2024-25, we will further refine and expand our sustainability action plan to encompass the period between 2024-27.
Excellence in clinical governance	Develop strong and effective systems to support early and accurate recognition and management of deterioration in paediatric patients.	Partner with SCV and relevant multidisciplinary groups to establish protocols and auditing processes to manage effective monitoring and escalation of deterioration in paediatric patients via ViCTOR charts. Improve paediatric patient outcomes through implementation of the ‘ViCTOR track and trigger’ observation chart and escalation systems whenever children have observations taken. Implement staff training on the ‘ViCTOR’ track and trigger tool to enhance identification and prompt response to deteriorating paediatric patient conditions.	Achieved The SVHM Emergency Department (ED) provides care to adult patients. Very rarely do paediatric patients present to our ED. When this happens, immediate care is provided as appropriate before transfer to a health service with a paediatric ED if required. In the event a paediatric patient was to present to the ED, ViCTOR charts are available for use and patient management. This is supported by our partnership with The Royal Children’s Hospital (RCH), and the Emergency Nursing post graduate program, which facilitates the rotation of SVHM nurses to the RCH ED where they receive specialist paediatric training. Education regarding the use of ViCTOR charts is delivered through internal nurse education courses. SVHM Emergency Registrars and consultant medical staff have completed neonatal and paediatric medical training through the registrar Australasian College for Emergency Medicine (ACEM) training program. There are mandatory paediatric requirements of the ACEM training program and SVHM is compliant with these requirements. There are regular neonatal resuscitation sessions held as part of the ED Registrar training program in conjunction with the RCH. SVHM will continue to work with Safer Care Victoria to review and update ViCTOR charts as appropriate and implement future auditing tools. We will continue to provide education to all ED staff regarding the use of ViCTOR charts for paediatric patients.

Report of Operations

Department of Health priority	Department of Health goal	Department of Health deliverable	Response
Excellence in clinical governance	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.	Implement initiatives that support early discharge of patients to appropriate settings to improve timely patient access to care.	Achieved SVHM continues to be a proud participant and contributor to the Timely Emergency Care Collaborative (TECC), a statewide initiative involving 15 health services and Ambulance Victoria which aims to identify and implement systemic opportunities to improve access to emergency care. The Geriatrician in ED (GED) – which works to reduce avoidable admissions for patients above 65 years of age has commenced and has seen 56% of such patients being diverted from hospital admission with 432 bed days saved during a 14-week trial period. In addition, SVHM has implemented several initiatives to support the early discharge of patients to appropriate settings to improve timely access to emergency department and hospital flow. Through the implementation of multidisciplinary discharge huddles on all acute inpatient wards, SVHM has seen an uptake in discharges prior to 10am allowing the early transfer of admitted patients out of the ED. The SVHM transit lounge has continued to improve access to inpatient beds. In addition, work continues as an organisation to create agreed organisational patient flow processes (acute-subacute-@home) including, ED to inpatient Principles, Escalation Processes and Bed Management improvements and MOU creation with regional/metro health services.

Part B: Performance Priorities

High quality and safe care

Key performance measure	2023-24 target	2023-24 actual
Infection prevention and control		
Compliance with the Hand Hygiene Australia program	85%	81%
Percentage of healthcare workers immunised for influenza	94%	98%
Continuing care		
Average change in the functional independence measure (FIM) score per day of care for rehabilitation separations	≥ 0.645	0.62
Healthcare associated infections (HAIs)		
Rate of central-line associated blood stream infections (CLABSI) in intensive care units, per 1,000 central-line days	Zero	Zero
Rate of healthcare-associated S. aureus bloodstream infections per 10,000 bed days	≤ 0.7	0.6
Unplanned readmission		
Unplanned readmissions to SVHM following treatment for a hip replacement	≤ 6%	4%
Mental health		
Rate of seclusion episodes per 1,000 occupied bed days - inpatient (adult)	≤ 8	4
Rate of seclusion episodes per 1,000 occupied bed days - inpatient (older persons)	≤ 5	0.5
Percentage of consumers followed up within 7 days of separation - inpatient (adult)	88%	95%
Percentage of consumers followed up within 7 days of separation - inpatient (older persons)	88%	95%
Percentage of consumers re-admitted within 28 days of separation - inpatient (adult)	<14%	12%
Percentage of consumers re-admitted within 28 days of separation - inpatient (older persons)	<7%	5%
Patient experience		
Percentage of patients who reported positive experiences of their hospital stay	95%	93%
Patient experience – mental health		
Percentage of consumers who rated their overall experience of care with a service in the last 3 months as positive	80%	90.9%
Percentage of mental health consumers reporting they ‘usually’ or ‘always’ felt safe using this service	90%	92.2%
Percentage of families/carers reporting a ‘very good’ or ‘excellent’ overall experience of the service	80%	72.1%
Percentage of families/carers who report they were ‘always’ or ‘usually’ felt their opinions as a carer were respected	90%	85%
Cultural safety		
Percentage of admitted patients who left against medical advice – Aboriginal and non-Aboriginal patients	3.8%	Not achieved (actual result 4%)
Percentage of patients that did not wait for treatment for Aboriginal and non-Aboriginal patients presenting to hospital emergency departments	8.4%	Not achieved (actual result 9%)

Timely access to care

Key performance measure	2023-24 target	2023-24 actual
Planned surgery		
Percentage of urgency category 1 planned surgery patients admitted within 30 days	100%	100%
Percentage of urgency category 1, 2 and 3 planned surgery patients admitted within clinically recommended time	94%	77%
Number of patients on the planned surgery waiting list	2,150	2,082
Number of patients admitted from the planned surgery waiting list	6,699	6,699
Number of patients (in addition to base) admitted from the planned surgery waiting list	3,193	2,043
Percentage of patients on the waiting list who have waited longer than clinically recommended for their respective triage category	5% / 15% proportional improvement from prior year	27%
Number of hospital-initiated postponements per 100 scheduled planned surgery admissions	≤ 7	6%
Emergency care		
Percentage of patients transferred from ambulance to emergency department within 40 minutes	90%	65%
Percentage of triage category 1 emergency patients seen immediately	100%	100%
Percentage of triage category 1 to 5 emergency patients seen within clinically recommended time	80%	58%
Percentage of emergency patients with a length of stay in the emergency department of less than four hours	81%	54%
Number of patients with a length of stay in the emergency department greater than 24 hours	-	3
Percentage of ‘urgent’ (category C) mental health triage episodes with face-to-face contact received within 8 hours	80%	85%
Percentage of mental health-related emergency department presentations with a length of stay less than 4 hours	81%	68%
Specialist clinics		
Percentage of urgent patients referred by a GP or external specialist who attended a first appointment within 30 days	100%	92%
Percentage of routine patients referred by GP or external specialist who attended a first appointment within 365 days	90%	89%
Home-based care		
Percentage of admitted bed days delivered at home	Equal to better than prior year result	9%*
Percentage of admitted episodes delivered at least partially at home	Equal to better than prior year result	7%

**New KPI for 2023-24 - previous year comparison not available.*
***The data included in this annual report was accurate at the time of publication and is subject to validation by official sources from the Department of Health.*

Effective financial management

Key performance measure	2023-24 target	2023-24 actual
Operating result (\$M)	-	\$0.10
Average number of days to paying trade creditors	60	50
Average number of days to receiving patient fee debtors	60	51
Adjusted current asset ratio (Variance between actual ACAR and target, including performance improvement over time or maintaining actual performance)	0.70	0.94
Variance between forecast and actual Net result from transactions (NRFT) for the current financial year ending 30 June.	Variance ≤ \$250,000	Not achieved
Actual number of days available cash, measured on the last day of each month	60	51

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

Part C: State funding

Funding type	2023-24 activity
Consolidated activity funding	
Acute admitted, subacute admitted, emergency services, non-admitted NWAU	94,823
Acute admitted	
National Bowel Cancer Screening Program NWAU	66
Acute admitted DVA	188
Acute admitted TAC	115
Acute non-admitted	
Home enteral nutrition NWAU	181
Home renal dialysis NWAU	504
Total parenteral nutrition NWAU	109
Subacute/non-acute, admitted and non-admitted	
Subacute NWAU - DVA	79
Transition care - bed days	9,202
Transition care - home days	16,532
Aged care	
Residential aged care	21,900
HACC	3,491
Mental health and drug services	
Mental health ambulatory	79,576
Mental health inpatient - available bed days	23,360
Mental health residential	21,900
Mental health service system capacity	1
Mental health subacute	10,950
Drug services	2,642
Other	
NFC – islet cell transplantation	-

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

Attestation on Data Integrity

I, Nicole Tweddle, Chief Executive Officer certify that St Vincent’s Hospital (Melbourne) Limited has put in place appropriate internal controls and processes to ensure that reported data accurately reflects actual performance. St Vincent’s Hospital (Melbourne) Limited has critically reviewed these controls and processes during the year.

Conflict of Interest

I, Nicole Tweddle, Chief Executive Officer certify that St Vincent’s Hospital (Melbourne) Limited (SVHM) has put in place appropriate internal controls and processes to ensure that it has complied with the requirements of Hospital circular 07/2017 Compliance reporting in health portfolio entities (Revised) and has implemented a ‘Conflict of Interest’ policy consistent with the minimum accountabilities required by the VPSC. SVHM has in place the SVHA Code of Conduct, as well as the SVHA Gifts and Benefit Policy and SVHA Whistleblower Policy. Declaration of private interest forms have been completed by all executive staff within SVHM 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 Board meeting.

Integrity, Fraud and Corruption

I, Nicole Tweddle, Chief Executive Officer certify that St Vincent’s Hospital (Melbourne) Limited (SVHM) has put in place appropriate internal controls and processes to ensure that integrity, fraud and corruption risks have been reviewed and are addressed at SVHM during the year.

Compliance with Health Share Victoria (HSV) Purchasing Policies

I, Nicole Tweddle, Chief Executive Officer certify that St Vincent’s Hospital (Melbourne) Limited (SVHM) 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.



Nicole Tweddle
Chief Executive Officer
28 October 2024, Melbourne

Additional information

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

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

Report availability

This report is readily available to Members of Parliament and the public at www.svhm.org.au or by calling the Office of the CEO on 03 9231 3938 to request a copy.

Disclosure index

The annual report of St Vincent’s Hospital (Melbourne) Limited 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 number
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Charter and purpose		
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FRD 22	Purpose, functions, powers and duties	5
FRD 22	Nature and range of services provided	62
FRD 22	Activities, programs and achievements for the reporting period	6
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Management and structure		
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Financial information		
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FRD 22	Significant changes in financial position during the year	38
FRD 22	Operational and budgetary objectives and performance against objectives	38
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Legislation		
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Attestation on Integrity, Fraud and Corruption		52
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Reporting obligations under the <i>Safe Patient Care Act 2015</i>		63
Reporting of compliance regarding car parking fees		37

Company Directory

Directors

St Vincent's Health Australia Ltd (SVHA) is a group of not-for-profit non-listed entities. SVHA is a public company limited by guarantee and is registered with the Australian Charities and Not-for-profits Commission.

SVHA is governed by a Board of Directors ("Board") chaired by Mr Paul McClintock AO. The Board exists to ensure there is effective integration and growth of the mission of Mary Aikenhead Ministries throughout the health and aged care services and to govern the SVHA Group of companies pursuant to the Australian Charities and Not-for-profits Commission Act 2012 (Cth), Canon law and all other relevant civil legislation. The Board must at all times operate within the Mary Aikenhead Ministries Ethical Framework and the Catholic Health Australia Code of Ethical Standards of Health and Aged Care Services in Australia (2001).

The day-to-day running of SVHA is the responsibility of the Executive Leadership Team led by Mr Chris Blake, Group Chief Executive Officer.

The following persons were Directors of SVHA during the period 1 July 2023 to 30 June 2024.

– Mr Paul McClintock AO, Chair	– Ms Anne Cross AM	– Mr Paul O'Sullivan
– Ms Kathleen Bailey-Lord	– Ms Anne McDonald	– Prof Vlado Perkovic
– Ms Arianne Barker (appointed 1 June 2024)	– Ms Sheila McGregor	– Ms Jill Watts
– A/Prof Michael Coote	– Ms Sandra McPhee AM	
	– Mr Damien O'Brien	

Secretary

– Mr Pat Garcia (appointed 1 September 2023)	– Mr Rob Beetson (resigned 1 September 2023)	– Mr Paul Fennessy
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Chief Executive Officer, St Vincent's Hospital (Melbourne) Limited

Ms Nicole Tweddle

Registered office

Level 22,
100 William Street
Woolloomooloo NSW 2011

Auditor

Ernst & Young
200 George Street
Sydney, NSW 2000

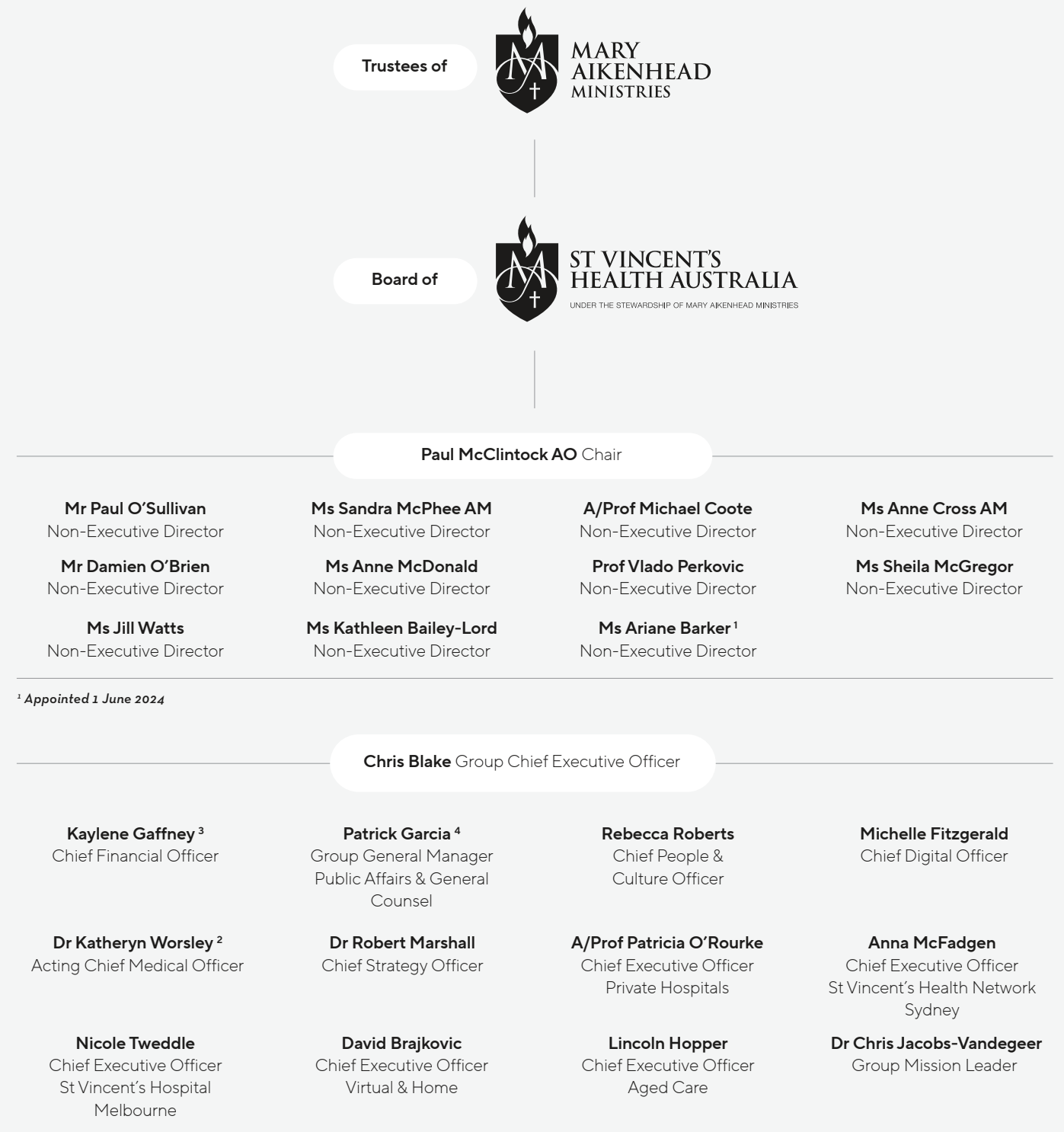
Bankers

National Australia Bank

Ultimate parent

St Vincent's Hospital (Melbourne) Limited (the 'Company') is a public company limited by guarantee. The sole member of the Hospital is St Vincent's Health Australia Limited. The ultimate controlling entity of the Hospital is the Trustees of Mary Aikenhead Ministries.

Structure and management



² Appointed 29 Jul 23 (post resignation of Professor Erwin Loh); Dr Michael Franco commenced as CMO 29 Jul 24

³ Appointed 21 Aug 23 (post resignation of Ruth Martin)

⁴ Appointed 4 September 23 (post resignation of Rob Beetson)

(as at 30 June 2024)

SVHA Board of Directors

The Board is accountable for its key purpose to The Trustees of Mary Aikenhead Ministries (TMAM). Mary Aikenhead Ministries builds on the charism and traditions of the Sisters of Charity and Mary Aikenhead, founder of the Sisters of Charity. The Trustees are the canon law and civil stewards of SVHA. All Directors serve as independent non-Executive Directors and are appointed by TMAM.

Board Committees

All Board Committees operate under their own Charter which is annually reviewed and approved by the Board. Committees are permitted to appoint external experts to assist them in their consideration of matters. SVHA is grateful to those individuals who have given their time, skills and expertise ensuring our committees operate at the highest level to meet the needs of those we serve.

The Board is supported by seven standing committees:

- Audit & Risk
- Finance & Investment
- Mission, Ethics & Advocacy
- People & Culture Committee
- Clinical Governance & Experience
- Research & Education
- Aged Care
- *ad hoc* Cyber Security (established January 2024)

Directors' Report

The Directors present their report on the hospital for the financial year ended 30 June 2024. The financial statements have been prepared pursuant to the provisions of the *Australian Charities and Not-for-Profits Commission Act 2012 (Cth)* and the *Financial Management Act 1994 (Vic)* with the exception of the application of FRD103F Non-Financial Physical Assets and FRD114A Financial Instruments.

Mr Paul McClintock AO Chair

Graduated in Arts and Law from the University of Sydney

Honorary Fellow of the Faculty of Medicine of University of Sydney

Life Governor of the Woolcock Institute of Medical Research

Paul was appointed to the Board of SVHA and its subsidiary Boards on 1 January 2013 and was appointed Chair on 18 October 2019 and holds the additional positions of:

- Member – SVHA Aged Care Board Committee
- Chair – SVHA *ad hoc* Cyber Security Board Committee.

Paul also serves as a trustee of St Vincent's Hospital Sydney. Paul is Chair of Icon Group and Chair of Metlifecare Limited in New Zealand and is on the Board of Catholic Health Australia (CHA). Paul served as the Secretary to Cabinet and Head of the Cabinet Policy Unit reporting directly to the Prime Minister as Chairman of Cabinet with responsibility for supervising Cabinet processes and acting as the Prime Minister's most senior personal adviser on strategic directions in policy formulation. His former positions include Chairman of I-MED Network, Medibank Private, the COAG Reform Council, the Committee for the Economic Development of Australia, Symbion Health, Sydney Health Partners, Affinity Health and the Woolcock Institute of Medical Research. He has also served as Commissioner of the Health Insurance Commission.

Ms Kathleen Bailey-Lord

Bachelor of Arts (Honours), University of Melbourne

Graduate of the Macquarie Advanced Management Program

*Harvard Executive Program,
Sustainability Leadership Program*

Appointed non-executive director of SVHA and its subsidiary Boards on 17 April 2023 and holds the additional positions of:

- Member – Finance & Investment Board Committee; People & Culture Board Committee; and *ad hoc* Cyber Security Board Committee.

Kathleen is an experienced company director and corporate advisor with deep expertise in digital technology as well as adapting to and benefiting from disruptive change. Kathleen has 20 years of senior executive experience leading businesses through complex environments and has enjoyed a career within a wide range of industries including technology (IBM), professional services (Law and Accounting) and Financial Services (ANZ Bank, Fordham Group). She is President Victorian Council AICD and an active member of Chief Executive Women. Kathleen is currently Chair of Janison Education Group, and serves as a Director on the Boards of Datacom and AMP Ltd. Past Board positions include Alinta Energy, Melbourne Water Corporation, QBE Insurance (Auspac), Bank of Queensland, Monash College Pty Ltd, Trinity College at the University of Melbourne, and the Australian Government Solicitor. Between 2018 and 2022, Kathleen provided her skills to the Parkville Health Precinct (comprises Melbourne Health, Royal Women's, Royal Children's, and Peter Mac Cancer Centre) chairing its Connecting Care Board which has oversight of the implementation of precinct shared services, including electronic medical records.

Ms Ariane Barker

B.A. Economics & Mathematics (Boston University, USA)

Fellow of the Australian Institute of Company Directors

Securities & Managed Investments Accreditation Program (ASIC RGS146)

VC Catalyst Program at the Wade Institute, MBS University of Melbourne

Appointed non-executive director of SVHA and its subsidiary Boards on 1 June 2024.

Ariane is on the Board of Commonwealth Superannuation Corporation and chair of its Governance Committee as well as a member of its HR and remuneration committee. She also currently serves as Board Director and Chair of the Audit and Risk Committee for ASX listed IDP Education. Ariane is an experienced global executive and board member with a background in financial services spanning over 25 years. She has worked in tier 1 global investment banks in New York, London, Asia, and Australia, also experienced supporting high growth companies at C-Suite and board level across capital markets, superannuation, and venture capital. Ariane is a Member of Australian Institute of Superannuation Trustees, Association of Superannuation Funds of Australia (ASFA), Women in Super (WIS) and Chief Executive Women (CEW). Previously, she was a member of the Murdoch Childrens Research Institute (MCRI) Investment Committee for 13 years.

Ms Anne Cross AM

Master of Social Work (Research)

Bachelor of Social Work

Fellow of Australian Institute of Company Directors

Member of Chief Executive Women

Appointed non-executive director of SVHA and its subsidiary Boards on 1 January 2019 and holds the additional positions of:

- Chair – SVHA Aged Care Board Committee
- Member – SVHA Audit and Risk Board Committee; and Clinical Governance & Experience Board Committee.

Anne concluded her executive career as Chief Executive of Uniting Care Queensland, one of Australia's largest not for profit health, aged care and community service organisations late in 2017. Currently she is Deputy Chair of the Australian Institute of Company Directors, Chair of Uniting Church in Australia Redress Ltd and a Director of Deakin TopCo Pty Ltd (trading as Levande). Anne is a Member, Senate of the University of Queensland and an Adjunct Professor in the Faculty of Health and Behavioural Sciences University of Queensland. Anne received recognition in the Queen's Birthday 2018 Honours List for significant service to the community and to women, was named Telstra's National Businesswoman of the Year in 2014; and awarded the University of Queensland's Alumni Excellence Award in 2016.

A/Prof Michael Coote

MB BS FRANZCO GAICD

Clinical Associate Professor University of Melbourne

Member of Australian Medical Association

Graduate of Australian Institute of Company Directors

Appointed non-executive director of SVHA and its subsidiary Boards on 4 August 2016 (and served on the boards of several St Vincent’s entities prior to 2010), and holds the additional positions of:

- Chair – Research & Education Board Committee
- Member – Clinical Governance & Experience Board Committee
- Director – Board of the Aikenhead Centre for Medical Discovery Ltd

Michael is an Associate Professor and senior glaucoma consultant at the Royal Victorian Eye and Ear Hospital (RVEEH) Melbourne and is the previous Clinical Director of Ophthalmology. He is the managing partner of Melbourne Eye Specialists – an academic private practice in Melbourne specialising in Glaucoma management. He is Lead Investigator Glaucoma Surgery Unit Centre for Eye Research Australia. Michael is an active researcher, mainly in glaucoma surgery research. He developed the CERA model of bleb porosity testing and has published 50 peer reviewed manuscripts, authored eight book chapters and has given over 50 international lectures. He is currently on the Executive Board of the International Society for Glaucoma Surgery.

Ms Anne McDonald

Bachelor of Economics

Chartered Accountant, Fellow of the Institute of Chartered Accountants ANZ

Graduate and Member of the Australian Institute of Company Directors

Appointed non-executive director of SVHA and its subsidiary Boards on 1 June 2017 (and previously served on the boards of several St Vincent’s entities prior to 2010), and holds the additional positions of:

- Chair – Audit & Risk Board Committee
- Member – Finance & Investment Board Committee; and *ad hoc* Cyber Security Board Committee

Anne is an experienced non-executive Director (NED) with a solid understanding of corporate governance. She has pursued a full-time career as a NED since 2006. She is currently a director of Smartgroup (SIQ) and Transport Assets Holding Entity of NSW. Anne has previously served as non-executive director or chair on a range of public and private companies and State Government Boards including The GPT Group, Spark Infrastructure, Specialty Fashion Group, Sydney Water and Water NSW. Prior to her NED career, she spent 15 years as a partner of EY.

Ms Sheila McGregor

BA (Hons), LLB (Sydney University)

Graduate Australian Institute of Company Directors

Member of Chief Executive Women

Appointed non-executive director of SVHA and its subsidiary Boards on 1 December 2019 and holds the additional positions of:

- Member – People & Culture Board Committee; Clinical Governance Board Committee; Aged Care Board Committee; and *ad hoc* Cyber Security Board Committee.

Sheila is a Consultant at Gilbert + Tobin Lawyers, and prior partner at Herbert Smith Freehills (then Freehills), and in those roles has advised private and public sector organisations on a range of complex legal and governance issues focused on information technology & data. Sheila is on the board of Crestone Holdings Limited and Sydney Writers’ Festival. She is Chair of Loreto School Kirribilli, in Sydney.

Ms Sandra McPhee AM

Diploma in Education

Fellow of the Australian Institute of Company Directors

Member of Chief Executive Women

Member of Women Corporate Directors

Appointed non-executive director of SVHA and its subsidiary Boards on 1 October 2017 (and has a long history with SVHA having served on the Sydney Regional Boards prior to 2010 and as Chair of the Sydney Regional Advisory Committee), and holds the additional positions of:

- Chair – People & Culture Board Committee
- Member – Mission, Ethics & Advocacy Board Committee

Sandra is Chair of the NSW Public Service Commission, Chancellor of Southern Cross University, and a member of the Advisory Council of JP Morgan. In 2018 she was appointed by the Commonwealth Government to Chair the Employment Services Expert Advisory Panel Review resulting in the “I Want to Work” Employment Services 2020 Report”. Sandra has previously served as a Non-Executive Director on a diverse number of public companies, state, federal government and not for profit boards including Scentre Group, Westfield Retail Trust, AGL Energy, Fairfax Media, Coles Group, Kathmandu Holdings, Perpetual, Australia Post, Tourism Australia, South Australia Water, Care Australia and the Starlight Foundation. Sandra has extensive global leadership experience in the airline and tourism industries in Australia, UK, Europe, SE Asia, the Indian sub-Continent and Africa.

Mr Damien O’Brien

Bachelor of Economics (UNSW)

MBA (Columbia University)

Diploma in Theology & Philosophy (St Columban’s College)

Appointed non-executive director of SVHA and its subsidiary Boards on 1 November 2019 and holds the additional positions of:

- Chair – Mission, Ethics & Advocacy Committee
- Member – Audit & Risk Board Committee; and Research & Education Board Committee

Damien is the former Chair and CEO of Egon Zehnder, a leading global advisory firm specialising in Board advisory services and executive recruitment and was based in Hong Kong, Sydney, Paris, London and Zurich, and served as chair between 2010 and 2018. Prior to that he was an Associate Consultant to McKinsey & Company. He is currently a non-executive director at Ardagh Group, and a Member of the Board of US listed company Ardagh Metal Packaging; and a member of the Supervisory Board of IMD Business School, Lausanne, Switzerland. He previously served on the Board of St Vincent’s Private Hospital Sydney from 2002 to 2008 and the Advisory Board of Jesuits Australia from 2004 to 2007.

Mr Paul O’Sullivan

B.A. Economics, (First Class), Trinity College Dublin

Advanced Management Program, Harvard Business School

Appointed non-executive director of SVHA and its subsidiary Boards on 1 August 2019 and holds the additional positions of:

- Deputy Chair of the Board
- Chair – Finance & Investment Board Committee
- Member – Mission, Ethics & Advocacy Board Committee; and *ad hoc* Cyber Security Board Committee

Paul is an experienced chief executive with extensive domestic and international experience in ASX and SGX companies driving business transformation, growth and managing mergers and acquisitions, as well as working with Board Remuneration and Audit Committees. Previous roles include CEO Optus Australia and CEO Group Consumer Singtel (SGP). Paul is currently Chair of Singtel Optus, Western Sydney Airport Company, and ANZ bank.

Prof Vlado Perkovic

MBBS, PhD (University of Melbourne), FRACP
Doctor of Philosophy

Appointed non-executive director of SVHA and its subsidiary Boards on 1 October 2021 and holds the additional positions of:

- Chair - Clinical Governance & Experience Board Committee
- Member - Research & Education Board Committee

Professor Vlado Perkovic is the Provost and Scientia Professor at the University of New South Wales in Sydney, Australia, and was previously the Dean of the Faculty of Medicine & Health at UNSW. He holds non-executive director roles at Victor Chang Cardiac Research Institute, Mindgardens Network and several other independent Medical Research Institutes. He is a distinguished clinical researcher and has led several major international clinical trials that have identified new treatments to prevent kidney failure. Vlado holds a Doctor of Philosophy from the University of Melbourne and completed his undergraduate training at The Royal Melbourne Hospital. He is a Fellow of the Royal Australasian College of Physicians, the Australian Academy of Health and Medical Sciences, and the American Society of Nephrology. He serves on the editorial boards of a number of leading journals, including the New England Journal of Medicine.

Ms Jill Watts

Wharton Fellow, MBA
Grad Dip Health Admin & Information Systems; RM; RN

Appointed non-executive director of SVHA and its subsidiary Boards on 1 August 2019 and holds the additional positions of:

- Member - People & Culture Board Committee; and Finance & Investment Board Committee
- Environmental Social Governance (ESG) Champion

Jill has over 40 years international business experience achieved through high profile executive and non-executive Board roles in Australia, UK, France, South Africa and South-East Asia. Jill currently holds non-executive director roles on NIB Australia Board, Icon Group Board, Keyton Retirement Trust and IHH Healthcare. Prior to establishing a non-executive board portfolio, Jill was an advisor to Macquarie Capital and spent 10 years in the United Kingdom as Group CEO of two of the largest hospital Groups, BMI Healthcare and Ramsay UK. Jill has previously served on several high-profile Boards including the Australian Chamber of Commerce and the Royal Flying Doctor Service in the UK, Ramsay Santé in France and the Netcare Group in South Africa. Between 2008 and 2012 Jill was Chair of NHS Partners Network and in 2010 was voted the most influential leader in UK Private Health Care, and in 2013 as one of healthcare’s most inspirational women. In combination with over 12 years as a surveyor with the Australian College of Healthcare Standards, Jill has facilitated a unique knowledge base in managing both corporate and clinical risk.

Mr Pat Garcia
Company Secretary

Bachelor of Law, Finance & Marketing, Public Policy, International Law and Security

Appointed 1 September 2023

Pat Garcia was the CEO of Catholic Health Australia, the largest not for profit grouping of health and aged care services in Australia. He is a lawyer, policy expert and political strategist who has worked in all three levels of government including as the Director of Policy to the NSW Premier, as a Senior Adviser in the Department of Prime Minister & Cabinet, and as Chair of a local government planning committee. Pat is an experienced Board director whose experience spans the boards of the St Vincent de Paul Society National Council, the Law Council of Australia, the Law Society of New South Wales, Shine for Kids, Surf Life Saving Sydney and Youth Action. He is a former Club Captain of Coogee Surf Life Saving Club and former Army Reserves Officer.

Mr Paul Fennessy
Company Secretary

Bachelor of Engineering (Civil) (Hons)/Bachelor of Laws (Monash)

Paul is the Group General Counsel for St Vincent’s Health Australia. He joined the group legal team at St Vincent’s in 2014 and was appointed as alternate Company Secretary in 2016. He has over 25 years’ experience as a lawyer, having worked in law firms in Australia and the UK, and as part of in-house legal teams for ASX listed organisations. He is admitted as a Solicitor to both the Supreme Court of NSW and the Supreme Court of Victoria and holds an unrestricted NSW Practising Certificate.

Mr Rob Beetson

Mr Beetson resigned as Company Secretary 1 September 2023.

Meetings of the Board and Committees

Number of Board Meetings held	9	7	8	6	6	6	4	5	2
Directors	Board	Audit & Risk	Finance & Investment	Clinical Governance & Experience	Research & Education	People & Culture	Mission, Ethics & Advocacy	Aged Care	Cyber Security (ad-hoc)
Mr Paul McClintock AO (Chair)	9/9							5/5	2/2*
Ms Anne McDonald	9/9	7/7*	8/8						2/2
Ms Sandra McPhee AM	8/9			6/6		6/6*	4/4		
Mr Paul O’Sullivan	7/9		8/8*			2/2	3/4		2/2
Ms Anne Cross AM	9/9	7/7		4/6				5/5*	
A/Prof Michael Coote	8/9			6/6	6/6*				
Ms Jill Watts	7/9		6/8			6/6		0/3	
Ms Sheila McGregor	9/9					4/4		5/5	2/2
Mr Damien O’Brien	8/9	7/7					4/4*		
Prof Vlado Perkovic	8/9			6/6*	5/6				
Ms Kathleen Bailey-Lord ¹	9/9		5/5			3/4			2/2
Ms Ariane Barker ²	1/1								

* Committee chair ¹ Appointed 17 April 2023 ² Appointed 1 June 2024

Principal activities

SVHM provides medical and surgical services, sub-acute care, aged care, correctional health, mental health services, a range of community and outreach services, and virtual care. The hospital is a major teaching, research and tertiary referral centre.

SVHM is part of the St Vincent’s Health Australia Limited Group (SVHA) of not-for-profit companies. SVHA is the nation’s largest not-for-profit health and aged care provider. There were no significant changes in the nature of the Group’s activities during the year.

The objectives as stated in SVHA’s constitution are:

- To provide direct relief of sickness, suffering and distress through supporting the health service facilities operating hospitals, aged care facilities and other health care facilities and by itself conducting such facilities; and
- To provide relief without discrimination.

Key objectives

SVHM key short and long-term objectives are outlined in the SVHA *Better and fairer care* strategic plan. These core objectives include:

- Expanding existing sites and services, including delivering more connected care beyond the hospital walls;
- Establishing and strengthening partnerships and stakeholder support, while expanding the SVHM footprint in growth corridors;
- Extending St Vincent’s impact with poor and vulnerable populations to address social determinants of health; and
- Developing Centres of Excellence to ensure SVHM is recognised for its excellence, innovation and focus on achieving the best patient outcomes.

SVHM measures its performance in detailed monthly finance and activity reports that are issued to the Senior Executive, SVHA Board and Department of Health.

Trading result

The result of the company for the financial year was \$53,003,000.

Review of operations

A review of the operations of SVHM during the financial year and the result of those operations are set out below:

	2024	2023
Total revenue for the year	1,120,231	1,066,199
Results for the year	53,003	28,190

Members’ guarantee

If SVHA is wound up the constitution states that each member is required to contribute a maximum of \$100 each towards meeting the obligations of SVHA. At 30 June 2024, SVHA had 1 member (2023: 1) so the maximum amount to be contributed towards meeting the obligations of SVHA would be \$100 (2023: \$100).

Significant changes in the state of affairs

There were no significant changes in the state of affairs of SVHM.

Remuneration

Under the legislation, the SVHA Group is not required to present a Remuneration Report but seeks to provide fair and responsible remuneration within the bands expected for a not-for-profit organisation.

Rounding of amounts

The amounts contained in Directors’ report and financial report have been rounded to the nearest \$1,000 (where rounding is applicable) where noted (\$’000), or in certain cases to the nearest dollar, under the option available to the Group under ASIC Corporations (Rounding in Financial/ Directors’ Reports) Instrument 2016/191.

Indemnifying officer or auditor

SVHA has indemnified the Directors and executives of the Company for costs incurred, in their capacity as a Director or executive, for which they may be personally held liable, except where there is a lack of good faith. The Directors have not included details of the indemnity as disclosure of those details is prohibited under the indemnity agreement. The Group has not indemnified or made a relevant agreement for indemnifying against a liability, any person who is, or has been an auditor of the Group.

Legislative compliance

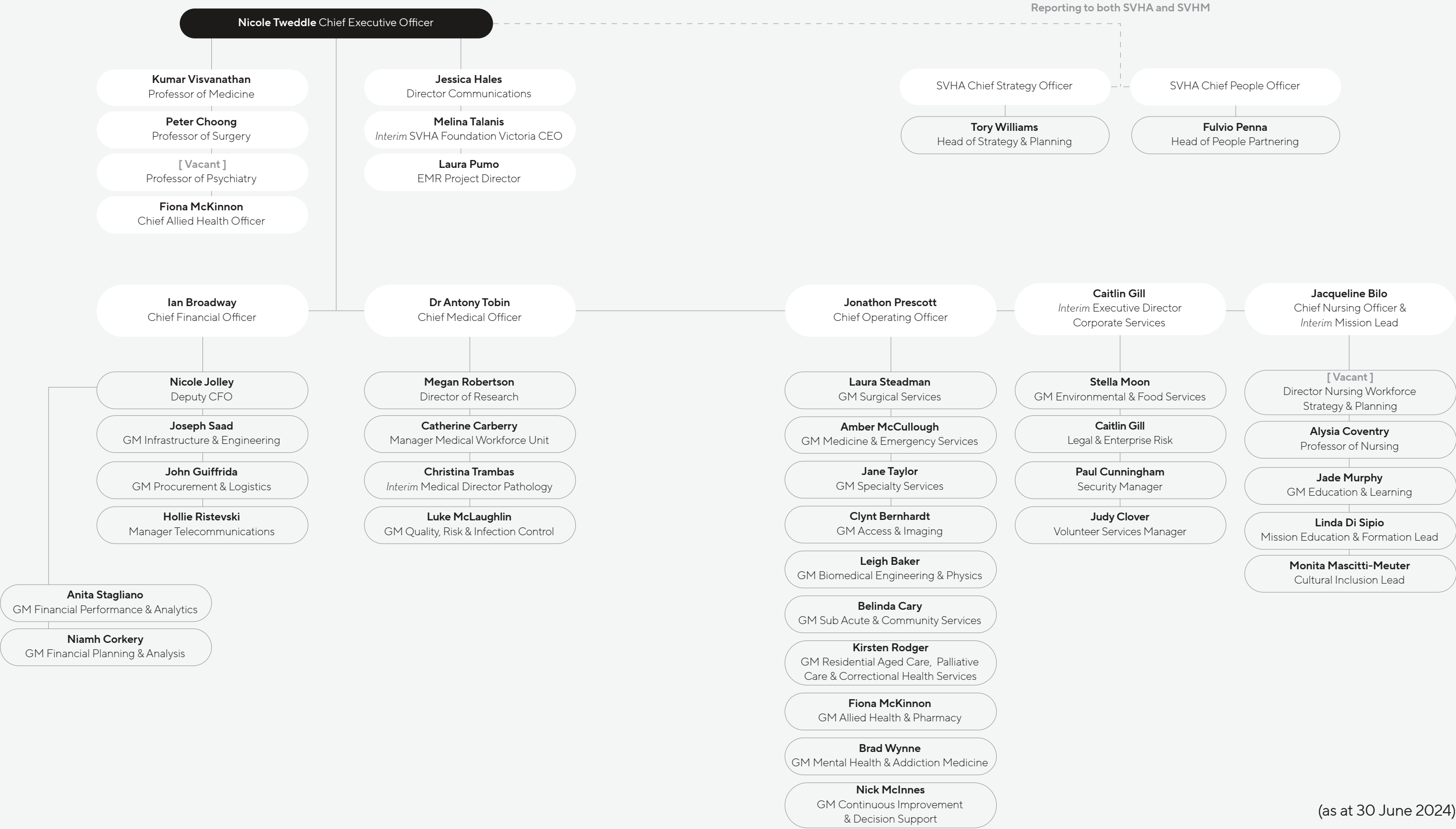
SVHM is committed to promoting a culture of legislative compliance as a core component of the organisation’s overall risk management strategy. Legislative Compliance is reported to the SVHA Board annually. Any serious or non-compliant issues are managed in a proactive and transparent manner and at an appropriate level of seniority. In particular, SVHM notes its compliance with the following legislation:

- **Financial Management Act 1994 (Vic).** This Act legislates the financial administration, accountability and annual reporting requirements for the public sector and publicly funded entities. St Vincent’s has complied with all relevant sections of the Act.
- **Public Interest Disclosures Act 2012 (Vic)** The purpose of the Act is to encourage and facilitate the making of disclosures of corrupt or improper conduct by public officers and public bodies, its employees and members, without the fear of reprisal. A disclosure or allegation of improper conduct, or detrimental action taken in reprisal for a protected disclosure by SVHM or its employees and directors, may be made directly by the complainant to the Victorian Independent Broad-based Anti-corruption Commission (IBAC). SVHM is not an entity capable under the Act of receiving or notifying IBAC of such a disclosure or allegation.

- **Carers Recognition Act 2012 (Vic)** The purpose of the Act is to recognise people in care relationships and the role of carers in our community. The Act sets out principles that recognise and support people in care relationships and includes obligations for organisations such as SVHM that are funded by the State Government to develop and provide policies, programs or services that affect people in care relationships. SVHM has taken all practical measures to comply with its obligations under the Act.
- **National Competition Policy** In accordance with the Competition Principles Agreement (CPA) the State of Victoria is obliged to apply competitive neutrality policy and principals to all significant business activities undertaken by government agencies. SVHM has regard to this policy in relevant significant business activities.
- **Freedom of Information Act 1982 (Vic)** The purpose of the Act is to give members of the public rights of access to official documents of the Government of Victoria and its agencies. See [page 17] of this report for details of SVHM compliance.

- **Building Act 1993 (Vic)** The building and maintenance provisions of the Building Act 1993 (Vic) and Minister for Finance Guideline Building Act 1993/Standards for Publicly Owned Buildings/ November 1994) to the extent that these provisions are applicable noting that not all SVHM buildings are publicly owned.
- **Gender Equality Act 2020** As a privately owned public hospital, St Vincent’s Public Hospital Melbourne (SVHM) does not have legislative obligations under the Gender Equality Act 2020 as this Act applies to Public Sector organisations only. However, under the Workplace Gender Equality Act 2012, SVHM, as a non-public sector employer with 100 or more employees does have obligations and minimum standards to comply with concerning gender equality issues. SVHM submitted their most recent annual mandatory reporting compliance program to the Workplace Gender Equality Agency on the 27 June 2024.
- **Safe Patient Care Act 2015 (Vic)** SVHM has nil reports in relation to its obligations under clause 40 of the Safe Patient Care Act 2015 (Vic).

SVHM organisational chart



(as at 30 June 2024)

Financial Statements

For the financial year ended 30 June 2024

Board members', Accountable officers' and Chief Finance Officer's declaration

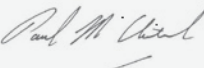
We declare that:

The attached financial statements for St Vincent's Hospital (Melbourne) Limited have been prepared in accordance with Direction 5.2 of the Standing Directions of the Assistant Treasurer under the Financial Management Act 1994, applicable Financial Reporting Directions, Australian Accounting Standards including Interpretations, Australian Charities and Not-for-Profits Commission Act 2012 and other mandatory professional reporting requirements.

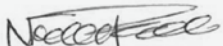
We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and accompanying notes, presents a true and fair view of the financial transactions during the year ended 30 June 2024 and the financial position of St Vincent's Hospital (Melbourne) Limited at 30 June 2024.

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

We authorise the attached financial statements for issue on 28 October 2024.



Paul McClintock AO
Chair
28 October 2024, Sydney



Nicole Tweddle
Chief Executive Officer
28 October 2024, Melbourne



Nicole Jolley
Chief Financial Officer
28 October 2024, Melbourne

Contact us

St Vincent's Hospital Melbourne
PO Box 2900
Fitzroy VIC 3065, Australia
(03) 9231 2211
svhm.org.au



Auditor-General's Independence Declaration

To the Board, St Vincent's Hospital (Melbourne) Limited

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General, an independent officer of parliament, is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised.

Under the *Audit Act 1994*, the Auditor-General is the auditor of each public body and for the purposes of conducting an audit has access to all documents and property, and may report to parliament matters which the Auditor-General considers appropriate.

Independence Declaration

As auditor for St Vincent's Hospital (Melbourne) Limited for the year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been:

- no contraventions of auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit.
- no contraventions of any applicable code of professional conduct in relation to the audit.



MELBOURNE
30 October 2024

Dominika Ryan
as delegate for the Auditor-General of Victoria

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

Independent Auditor’s Report

To the Board of St Vincent’s Hospital (Melbourne) Limited



Opinion	I have audited the financial report of St Vincent’s Hospital (Melbourne) Limited (the health service) which comprises the: - Balance Sheet as at 30 June 2024 - Comprehensive Operating Statement for the year then ended - Statement of Changes in Equity for the year then ended - Cash Flow Statement for the year then ended - Notes to the financial statements, including significant accounting policies - Board members, Accountable officer’s and Chief finance officer’s declaration. In my opinion the financial report is in accordance with Part 7 of the <i>Financial Management Act 1994</i> and Division 60 of the <i>Australian Charities and Not-for-profits Commission Act 2012</i>, including: - giving a true and fair view of the financial position of the health service as at 30 June 2024 and of its financial performance and its cash flows for the year then ended - complying with Australian Accounting Standards and Division 60 of the <i>Australian Charities and Not-for-profits Commission Regulations 2022</i>.
Basis for Opinion	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. 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 auditor independence requirements of the <i>Australian Charities and Not-for-profits Commission Act 2012</i> and the ethical requirements of the Accounting Professional and Ethical Standards Board’s APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Australia. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.
Other Information	The Board of the health service is responsible for the Other Information, which comprises the information in the health service’s annual report for the year ended 30 June 2024, but does not include the financial report and my auditor’s report thereon. My opinion on the financial report does not cover the Other Information and accordingly, I do not express any form of assurance conclusion on the Other Information. However, in connection with my audit of the financial report, my responsibility is to read the Other Information and in doing so, consider whether it is materially inconsistent with the financial report or the knowledge I obtained during the audit, or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude there is a material misstatement of the Other Information, I am required to report that fact. I have nothing to report in this regard.
Board’s responsibilities for the financial report	The Board of the health service is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, the <i>Financial Management Act 1994</i> and the <i>Australian Charities and Not-for-profits Commission Act 2012</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.

(continued)

(continued)

Board’s responsibilities for the financial report

In preparing the financial report, the Board is responsible for assessing the health service’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.

Auditor’s responsibilities for the audit of the financial report

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

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

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

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

I also provide the Board with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.


Dominika Ryan
as delegate for the Auditor-General of Victoria

Comprehensive Operating Statement
For the Financial Year Ended 30 June 2024

	Note	2024 \$'000	2023 \$'000
Revenue and Income from Transactions			
Operating Activities	2.1	1,110,417	1,059,251
Non-Operating Activities	2.1	9,814	6,948
Total Revenue and Income from Transactions		1,120,231	1,066,199
Expenses from Transactions			
Employee Expenses	3.1	(763,826)	(741,833)
Supplies and Consumables	3.1	(148,805)	(145,433)
Finance Costs	3.1	(829)	(892)
Depreciation and Amortisation	4.5	(35,771)	(33,823)
Other Administrative Expenses	3.1	(76,115)	(73,967)
Other Operating Expenses	3.1	(43,169)	(44,800)
Total Expenses from Transactions		(1,068,515)	(1,040,748)
Net Result from Transactions – Net Operating Balance		51,716	25,451
Other Economic Flows included in Net Result			
Net gain/(loss) on non-financial assets	3.2	(2,190)	(987)
Net gain/(loss) on financial instruments	3.2	2,880	11,035
Derecognition of Joint Arrangement	3.2	(825)	-
Other gains/(losses) from other economic flows	3.2	1,422	(7,309)
Total Other Economic Flows Included in Net Result		1,287	2,739
Net Result for the Year		53,003	28,190
Other Economic Flows – Other Comprehensive Income			
Items that will not be reclassified to Net Result			
Changes in Property, Plant and Equipment Revaluation Surplus	SCE	124	483
Total Other Comprehensive Income		124	483
Comprehensive result for the year		53,127	28,673

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

Balance Sheet as at 30 June 2024

	Note	2024 \$'000	2023 \$'000
Assets			
Current Assets			
Cash and Cash Equivalents	6.2	127,085	184,833
Receivables	5.1	22,964	32,013
Contract Assets	5.2	10,511	9,178
Investments and Other Financial Assets	4.1	6,608	7,033
Inventories	4.7	10,271	10,217
Prepaid Expenses		2,010	2,907
Total Current Assets		179,449	246,181
Non-Current Assets			
Receivables	5.1	79,848	70,824
Investments and Other Financial Assets	4.1	110,529	90,842
Property, Plant and Equipment	4.2(a)	295,019	224,323
Right of Use Assets	4.3(a)	15,038	18,146
Intangible Assets	4.4(a)	4,822	14,571
Investment Property	4.6(a)	3,100	3,163
Total Non-Current Assets		508,356	421,869
Total Assets		687,805	668,050

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

Balance Sheet as at 30 June 2024 *continued*

Liabilities	Note	2024 \$'000	2023 \$'000
Current Liabilities			
Payables	5.3	158,187	210,196
Contract Liabilities	5.4	10,279	12,046
Borrowings	6.1	12,062	10,649
Employee Benefits	3.3	208,654	190,859
Other Liabilities	5.5	17,853	17,717
Total Current Liabilities		407,035	441,467
Non-Current Liabilities			
Borrowings	6.1	21,877	16,201
Employee Benefits	3.3	26,021	30,637
Total Non-Current Liabilities		47,898	46,838
Total Liabilities		454,933	488,305
Net Assets		232,872	179,745
Equity			
General Purpose Surplus	SCE	113	113
Property, Plant & Equipment Revaluation Surplus	SCE	2,058	1,934
Restricted Specific Purpose Reserve	SCE	32,168	41,389
AIB Surplus	SCE	6,538	6,269
Funds Held in Perpetuity	SCE	250	250
Contributed Capital	SCE	25,850	25,850
Accumulated Surplus	SCE	165,895	103,940
Total Equity		232,872	179,745

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

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

		General Purpose Surplus	Property, Plant & Equipment Revaluation Surplus	Restricted Specific Purpose Reserve	AIB Surplus	Funds Held in Perpetuity	Contributed Capital	Accum. Surplus	Total
	Note	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
Balance at 1 July 2022	8.9	113	1,451	43,011	6,108	250	25,850	74,289	151,072
Net result for the Year		-	-	-	-	-	-	28,190	28,190
Other Comprehensive Income		-	483	-	-	-	-	-	483
Transfer to/(from) Accum Surplus		-	-	(1,622)	-	-	-	1,622	-
Transfer to/(from) AIB Surplus		-	-	-	161	-	-	(161)	-
Balance at 30 June 2023	8.9	113	1,934	41,389	6,269	250	25,850	103,940	179,745
Net result for the Year		-	-	-	-	-	-	53,003	53,003
Other Comprehensive Income		-	124	-	-	-	-	-	124
Transfer to/(from) Accum Surplus		-	-	(9,221)	-	-	-	9,221	-
Transfer to/(from) AIB Surplus		-	-	-	269	-	-	(269)	-
Balance at 30 June 2024	8.9	113	2,058	32,168	6,538	250	25,850	165,895	232,872

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

Cash Flow Statement
For the Financial Year Ended 30 June 2024

	Note	2024 \$'000	2023 \$'000
Cash Flows From Operating Activities			
Operating Grants from State Government		778,696	761,383
Operating Grants from Commonwealth Government		76,740	74,291
Capital Grants from Government		85,239	101,533
Patient and Resident Fees Received		29,266	27,540
Private Practice and Pathology Fees Received		39,967	39,841
Donations and Bequests Received		5,163	5,967
Interest and Investment Income Received		9,814	6,933
Other Receipts		144,766	146,575
Total Receipts		1,169,651	1,164,063
Employee Expenses Paid		(754,915)	(728,959)
Payments for Supplies and Consumables		(163,685)	(157,987)
Payments for Repairs and Maintenance		(8,904)	(7,190)
Payments for Medical Indemnity Insurance		(8,547)	(7,375)
Finance Costs		(829)	(892)
Other Payments		(123,942)	(100,012)
GST Paid to ATO		(67,745)	(67,559)
Total Payments		(1,128,567)	(1,069,974)
Net Cash Inflow/(Outflow) from Operating Activities	8.1	41,084	94,089

Cash Flow Statement
For the Financial Year Ended 30 June 2024 *continued*

	Note	2024 \$'000	2023 \$'000
Cash Flows From Investing Activities			
Purchase of Non-Financial Assets		(79,275)	(49,474)
Proceeds from Disposal of Non-Financial Assets		-	72
Purchase of Intangible Assets		(8,827)	(5,997)
Purchases of Investments		(14,420)	(1,565)
Capital Donations and Bequests Received		-	22
Other Capital Receipts		6,722	39,286
Net Cash Inflow/(Outflow) from Investing Activities		(95,800)	(17,656)
Cash Flows From Financing Activities			
Proceeds from Borrowings		12,783	5,690
Repayment of Borrowings		(6,577)	(1,465)
Repayment of Principal Portion of Lease Liabilities		(9,978)	(11,757)
Receipt of Accommodation Deposits		6,783	5,631
Repayment of Accommodation Deposits		(6,043)	(2,644)
Net Cash Inflow/(Outflow) From Financing Activities		(3,032)	(4,545)
Net Increase/(Decrease) In Cash and Cash Equivalents Held		(57,748)	71,888
Cash and Cash Equivalents at Beginning of the Financial Year		184,833	112,945
Cash and Cash Equivalents at End of the Financial Year	6.2	127,085	184,833

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

Notes to the Financial Statements

For the Financial Year Ended 30 June 2024

Note 1: Basis of preparation

These financial statements represent the audited general purpose financial statements for St Vincent’s Hospital (Melbourne) Limited (‘Health Service’) for the year ended 30 June 2024. The report provides users with information about the Health Services’ stewardship of resources entrusted to it.

This section explains the basis of preparing the financial statements.

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

Note 1.1 Basis of preparation of the financial statements

These financial statements are general purpose financial statements which have been prepared in accordance with the Financial Management Act 1994, Australian Charities and Not-for-profits Commission Act 2012 and applicable Australian Accounting Standards, which include interpretations issued by the Australian Accounting Standards Board (AASB). They are presented in a manner consistent with the requirements of AASB 101 Presentation of Financial Statements.

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

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

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

The financial statements have been prepared on a going concern basis (refer to Note 1.8 Going Concern and Note 8.10 Economic dependency).

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

The annual financial statements were authorised for issue by the Board of the Health Service on 28 October 2024.

Note 1.2 Abbreviations and terminology used in the financial statements

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

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

Note 1.3 Joint arrangements

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

In respect of any interest in joint operations, the Health Service recognises in the financial statements, its share of assets and liabilities and any revenue and expenses of such joint arrangements.

Details of the Health Service’s joint arrangements are outline in Note 8.8 Joint Arrangements.

Note 1.4 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 best available information and assume any reasonable expectation of future events. Actual results may differ.

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

The material accounting judgements and estimates used, and any changes thereto, are identified at the beginning of each section where applicable and relate to the following disclosures:

- Note 2.1: Revenue and income from transactions
- Note 3.3: Employee benefits and related on-costs
- Note 4.2: Property, plant and equipment
- Note 4.3: Right-of-use assets
- Note 4.4: Intangible assets
- Note 4.5: Depreciation and amortisation
- Note 4.8: Impairment of Assets
- Note 5.1: Receivables
- Note 5.2: Contract assets
- Note 5.3: Payables
- Note 5.4: Contract liabilities
- Note 6.1(a): Lease liabilities
- Note 7.4: Fair value determination

Financial Statements

Note 1.5 Accounting standards issued but not yet effective

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

Standard	Summary	Adoption Date	Impact
AASB 2022-10: Amendments to Australian Accounting standards – Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities	AASB 2022-10 amends AASB 13 Fair Value Measurement by adding authoritative implementation guidance and illustrative examples for fair value measurements of non-financial assets of not-for-profit public sector entities not held primarily for their ability to generate net cash inflows. The Standard: – specifies that an entity needs to consider whether an asset’s highest and best use differs from its current use only when it is held for sale or held for distributions to owners under AASB 5 Non-current Assets Held for Sale and Discontinued Operations or if it is highly probable that it will be used for an alternative purpose; – clarifies that an asset’s use is ‘financially feasible’ if market participants would be willing to invest in the asset’s service capacity, considering both the capacity to provide needed goods or services and the resulting costs of those goods and services; – specifies that if both market selling price and some market participant data required to fair value the asset are not observable, an entity needs to start with its own assumptions and adjust them to the extent that reasonably available information indicates that other market participants would use different data; and – provides guidance on the application of the cost approach to fair value, including the nature of costs to be included in a reference asset and identification of economic obsolescence.	Reporting periods beginning on or after 1 January 2024.	An assessment has not been undertaken to determine if there is a material impact on adoption of this standard.

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

Note 1.6 Goods and Services Tax (GST)

Income, expenses, assets and liabilities are recognised net of the amount of GST, except where the GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

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

Cash flows are included in the Cash Flow Statement on a gross basis, except for the GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the ATO. These GST components are disclosed as operating cash flows. Commitments, contingent assets and contingent liabilities are presented on a gross basis.

Note 1.7 Reporting entity

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

The Health Service’s principal place of business is:

St Vincent’s Hospital (Melbourne) Limited
41 Victoria Parade
Fitzroy, Victoria 3065

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

Note 1.8 Going concern

The Health Service has a net asset position of \$232.872m at 30 June 2024 (2023: \$179.745m).

The Health Service’s Balance Sheet shows an excess of current liabilities over current assets of \$227.586m (2023: \$195.286m). However, included within current liabilities are employee provisions of \$208.654m (2023: \$190.859m) which are presented

as current even though it is probable that amounts will be paid out over several years. The Health Service has estimated in the twelve months following 30 June 2024, \$82.679m (2023: \$77.413m) may be paid out related to these employee provisions as disclosed in note 3.3. Also related to these provisions, the Health Service has a non-current receivable of \$79.848m (2023: \$70.681m) from the Department of Health as disclosed in note 5.1 that may be called upon where required.

The Health Service is dependent on the continued financial support of the State Government, and in particular, the DH to be able to operate.

The DH has provided written confirmation that it plans the continued operation and funding of the Health Service and recognises the Health Service’s dependency on its financial support.

At the date of this report the directors believe that the DH will continue to financially support the Health Service. On that basis the financial statements have been prepared on a going concern basis.

Note 2: Funding delivery of our services

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

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

Structure	
2.1	Revenue and income from transactions
2.2	Fair value of assets and services received free of charge or for nominal consideration

Material judgements and estimates

This section contains the following key judgments and estimates.

Material judgements and estimates	Description
Identifying performance obligations	The Health Service applies material judgment when reviewing the terms and conditions of funding agreements and contracts to determine whether they contain sufficiently specific and enforceable performance obligations. If this criterion is met, the contract/funding agreement is treated as a contract with a customer, requiring the Health Service to recognise revenue as or when the Health Service transfers promised goods or services to the beneficiaries. If this criterion is not met, funding is recognised immediately in the net result from operations.
Determining timing of revenue recognition	The Health Service applies material judgement to determine when a performance obligation has been satisfied and the transaction price that is to be allocated to each performance obligation. A performance obligation is either satisfied at a point in time or over time.
Determining timing of capital grant income recognition	The Health Service applies material judgement to determine when its obligation to construct an asset is satisfied. Costs incurred is used to measure the health service’s progress as this is deemed to be the most accurate reflection of the stage of completion.
Assets and services received free of charge or for nominal consideration	The Health Service applies material judgement to determine the fair value of assets and services provided free of charge or for nominal value.

Note 2.1: Revenue and Income from Transactions

	Note	Total 2024 \$'000	Total 2023 \$'000
Operating Activities			
Revenue from Contracts with Customers			
Government Grants (State) – Operating		568,339	514,571
Government Grants (Commonwealth) – Operating		69,762	66,828
Patient and Resident Fees		26,501	25,674
Commercial Activities ¹		83,472	78,415
Pathology		34,484	33,295
Diagnostic Imaging		14,360	13,437
Total Revenue from Contracts with Customers		796,918	732,220
Other Sources of Income			
Government Grants (State) – Operating		190,855	223,762
Government Grants (State) – Capital		85,239	59,462
Other Capital Purpose Income		86	3,382
Assets received Free of Charge or for Nominal Consideration	2.2	706	5,881
Other Revenue from Operating Activities (including Non-Capital Donations)		36,613	34,544
Total Other Sources of Income		313,499	327,031
Total Revenue and Income from Operating Activities		1,110,417	1,059,251
Non-operating Activities			
Capital Interest		3,396	2,437
Other Interest		5,289	4,016
Dividends		1,129	495
Total Income from Non-Operating Activities		9,814	6,948
Total Revenue and Income from Transactions		1,120,231	1,066,199

¹ Commercial activities represent business activities which the Health Service enters into to support its operations.

2.1(a) Timing of revenue from contracts with customers

	Total 2024 \$'000	Total 2023 \$'000
The Health Service disaggregates revenue by the timing of revenue recognition		
Goods and services transferred to customer		
At a point in time	770,417	706,546
Over time	26,501	25,674
Total Revenue from Contracts with Customers	796,918	732,220

How We Recognise Revenue and Income from Operating Activities

Government Operating Grants To recognise revenue, the Health Service assesses each grant to determine whether there is a contract that is enforceable and has sufficiently specific performance obligations in accordance with AASB 15: Revenue from Contracts with Customers. When both these conditions are satisfied, the Health Service: – identifies each performance obligation relating to the revenue; – recognises a contract liability for its obligations under the agreement; and – recognises revenue as it satisfied its performance obligations, at a point in time or over time as and when services are rendered. If a contract liability is recognised, the Health Service recognises revenue in profit or loss as and when it satisfies its obligations under the contract.	Where the contract is not enforceable and/or does not have sufficiently specific performance obligations, the Health Service: – recognises the asset received in accordance with the recognition requirements of other applicable Accounting Standards (for example, AASB 9, AASB 16, AASB 116 and AASB 138); – recognises related amounts (being contributions by owners, lease liabilities, financial instruments, provisions, revenue or contract liabilities from a contract with a customer); and – recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount in accordance with AASB 1058. In contracts with customers, the ‘customer’ is typically a funding body, who is the party that promises funding in exchange for the Health Service’s goods or services. The 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 the Health Service’s revenue streams, with information detailed below relating to the Health Service’s significant revenue streams: Government grant and performance obligation Activity Based Funding (ABF) paid as National Weighted Activity Unit (NWAU) NWAU is a measure of health service activity expressed as a common unit against which the national efficient price (NEP) is paid. The performance obligations for NWAU are the number and mix of admissions, emergency department presentations and outpatient episodes, and is weighted for clinical complexity. Revenue is recognised at point in time, which is when a patient is discharged. Specific Purpose and One-off Grants These are paid for a particular purpose or project and are recognised over time as the specific performance obligations and/or conditions regarding their use are met. Examples of specific purpose grants: Mental Health - Suicide Prevention Aftercare Drug Services - Adult residential drug withdrawal Mental Health - Early Intervention Psychosocial Response Mental Health – Prevention and Recovery Care
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Financial Statements

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

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

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

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

Pathology and Diagnostic Imaging
Pathology and Diagnostic Imaging fees are recognised as revenue at a point in time, upon provision of the service to the customer.

Commercial Activities
Revenue from commercial activities includes items such as car park income, private diagnostic services, correctional health services and Breast screen. Commercial activity revenue is recognised at a point in time, upon provision of the goods or service to the customer.

How We Recognise Income from Non-Operating Activities

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

Dividend Revenue
Dividend income is recognised when the right to receive payment is established. Dividends represent the income arising from the Health Service’s investments in Financial Assets.

Note 2.2: Fair Value of Assets Received Free of Charge or for Nominal Consideration

	Total 2024 \$'000	Total 2023 \$'000
During the reporting period, the fair value of assets received free of charge, was as follows:		
Capital Cash Donations	-	22
Unlisted Shares	-	1,750
Cultural Assets	30	13
Personal Protective Equipment and Other Consumables	676	4,096
Total	706	5,881

How We Recognise the Fair Value of Assets and Services Received Free of Charge or for Nominal Consideration

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

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

The exception to the 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 the Health Service as a capital contribution transfer.

Personal Protective Equipment
Under the State Supplies Agreement, Health Share Victoria supplies personal protective equipment to the Health Service for nil consideration.

- Voluntary Services**
The Health Service received volunteer services from members of the community in the following areas:
- Berengarra Residential Care and Auburn House
 - Caritas Christi Palliative Unit
 - Acute Units
 - Information desk located in foyer at 55 Victoria Pde and the clinics
 - Rehabilitation and GEM Units Bolte Wing and at St Georges
 - Briar Terrace
 - Varied Admin offices throughout the Fitzroy campus
 - Archives and the Art Department

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

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

Non-cash contributions from the Department of Health
The Department of Health makes some payments on behalf of the Health Service as follows:

Supplier and Description
Victorian Managed Insurance Authority The Department of Health purchases non-medical indemnity insurance for the 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.
Department of Health Long Service Leave (LSL) revenue is recognised upon finalisation of movements in LSL liability in line with the long service leave funding arrangements set out in the relevant Department of Health Hospital Circular.

Note 3: The cost of delivering services

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

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

Material judgements and estimates

This section contains the following key judgments and estimates.

Material judgements and estimates	Description
Classifying employee benefit liabilities	The Health Service applies material judgment when classifying its employee benefit liabilities.
	Employee benefit liabilities are classified as a current liability if the Health Service does not have an unconditional right to defer payment beyond 12 months. Annual leave, accrued days off and long service leave entitlements (for staff who have exceeded the minimum vesting period) fall into this category.
	Employee benefit liabilities are classified as a non-current liability if the Health Service has a conditional right to defer payment beyond 12 months. Long service leave entitlements (for staff who have not yet exceeded the minimum vesting period) fall into this category.
Measuring employee benefit liabilities	The Health Service applies material judgment when measuring its employee benefit liabilities.
	The Health Service applies judgement to determine when it expects its employee entitlements to be paid.
	With reference to historical data, if the health service does not expect entitlements to be paid within 12 months, the entitlement is measured at its present value, being the expected future payments to employees.
	Expected future payments incorporate:
	– an inflation rate of 4.450%, reflecting the future wages and salary levels
	– duration of service and employee departures, which are used to determine the estimated value of long service leave that will be taken in the future, for employees who have not yet reached the vesting period. The estimated rates are between 81% and 89%
	– discounting at the rate of 4.348% as determined with reference to market yields on government bonds at the end of the reporting period.
	All other entitlements are measured at their nominal value.

Note 3.1: Expenses from Transactions

	Note	Total 2024 \$'000	Total 2023 \$'000
Salaries and Wages		683,052	666,691
On-costs		66,386	61,759
Agency Expenses		8,564	8,213
Workcover Premium		5,824	5,170
Total Employee Expenses		763,826	741,833
Drug Supplies		56,334	59,681
Medical and Surgical Supplies		63,318	58,340
Diagnostic and Radiology Supplies		18,853	18,230
Other Supplies and Consumables		10,300	9,182
Total Supplies and Consumables		148,805	145,433
Finance Costs		829	892
Total Finance Costs		829	892
Other Administrative Expenses		76,115	73,967
Total Other Administrative Expenses		76,115	73,967
Fuel, Light, Power and Water		8,243	8,081
Repairs and Maintenance		8,904	7,190
Maintenance Contracts		16,870	14,745
Medical Indemnity Insurance		8,547	7,375
Expenses related to Short Term Leases		81	31
Expenditure for Capital Purposes		524	7,378
Total Other Operating Expenses		43,169	44,800
Total Operating Expense		1,032,744	1,006,925
Depreciation and Amortisation	4.5	35,771	33,823
Total Depreciation and amortisation		35,771	33,823
Total Expenses from Transactions		1,068,515	1,040,748

How We Recognise Expenses from Transactions

Expense recognition

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

Employee expenses

Employee expenses include:

- salaries and wages (including fringe benefits tax, leave entitlements, termination payments);
- on-costs;
- agency expenses; and
- Workcover premiums.

Supplies and consumables

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

Finance costs

Finance costs include:

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

Other operating expenses

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

- fuel, light and power;
- repairs and maintenance;
- other administrative expenses; and
- expenditure for capital purposes (represents expenditure related to the purchase of assets that are below the capitalisation threshold of \$1,000).

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

Non-operating expenses

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

Note 3.2: Other Economic Flows

	Total 2024 \$'000	Total 2023 \$'000
<i>Net gain/(loss) on non-financial assets</i>		
Revaluation of Investment Property	(63)	(130)
Disposal of Property, Plant and Equipment	(2,127)	(857)
Total net gain/(loss) on non-financial assets	(2,190)	(987)
<i>Net gain/(loss) on financial instruments</i>		
Allowance for impairment losses of contractual receivables	(1,960)	(945)
Financial assets at fair value	4,840	11,980
Total net gain/(loss) on financial instruments	2,880	11,035
<i>Net gain/(loss) on disposal of share in Joint Venture</i>		
Disposal of share in Joint Venture	(825)	-
Total net gain/(loss) on disposal of share in Joint Venture	(825)	-
<i>Other gains/(losses) from other economic flows</i>		
Arising from revaluation of long service liability	1,422	(7,309)
Total other gains/(losses) from other economic flows	1,422	(7,309)
Total gains/(losses) from Other Economic Flows	1,287	2,739

How We Recognise Other Economic Flows

Other economic flows are changes in the volume or value of an asset or liability that do not result from transactions.

Net gain/(loss) on non-financial assets

Net gain/(loss) on non-financial assets and liabilities includes realised and unrealised gains and losses as follows:

- net gain/(loss) on disposal of non-financial assets;
- any gain or loss on the disposal of non-financial assets is recognised at the date of disposal; and
- revaluation gains/(losses) of investment property.

Net gain/(loss) on financial instruments:

Net gain/(loss) on financial instruments at fair value includes:

- realised and unrealised gains and losses from revaluations of financial instruments at fair value;
- impairment and reversal of impairment for financial instruments at amortised cost (refer to Note 7.1 Investments and other financial assets); and
- disposals of financial assets and de-recognition of financial liabilities.

Net gain/(loss) on disposal of share in Joint Venture

– net gain/(loss) on disposal of share in joint arrangements relates to derecognition of SVHM’s share of assets and liabilities in Victorian Comprehensive Cancer Centre as joint control ceased effective from 31 October 2023 (refer to Note 8.8 Joint arrangements).

Other gains/(losses) from other economic flows

Other gains/(losses) include:

- the revaluation of the present value of the long service leave liability due to changes in the bond interest rates; and
- transfer of amounts from the reserves to accumulated surplus or net result due to disposal or derecognition or reclassification.

Note 3.3: Employee Benefits and Related On-Costs

	Total 2024 \$'000	Total 2023 \$'000
Current Employee Benefits and Related On-Costs		
Annual Leave		
- Unconditional and expected to be settled wholly within 12 months ⁱ	56,882	54,667
- Unconditional and expected to be settled wholly after 12 months ⁱⁱ	9,052	8,647
Long Service Leave		
- Unconditional and expected to be settled wholly within 12 months ⁱ	14,150	12,007
- Unconditional and expected to be settled wholly after 12 months ⁱⁱ	102,849	92,325
Accrued Days Off		
- Unconditional and expected to be settled wholly within 12 months ⁱ	2,519	2,516
	185,452	170,162
Provisions related to Employee Benefit On-Costs		
- Unconditional and expected to be settled wholly within 12 months ⁱ	9,128	8,223
- Unconditional and expected to be settled wholly after 12 months ⁱⁱ	14,074	12,474
	23,202	20,697
Total Current Employee Benefits	208,654	190,859
Non-Current Employee Benefits and Related On-Costs		
Conditional long service leave	23,113	27,251
Provisions related to Employee Benefit On-Costs	2,908	3,386
Total Non-Current Employee Benefits and Related On-Costs	26,021	30,637
Total Employee Benefits and Related On-Costs	234,675	221,496

ⁱ The amounts disclosed are nominal amounts.

ⁱⁱ The amounts disclosed are discounted to present values

3.3(a) Consolidated employee benefits and related on-costs

	Total 2024 \$'000	Total 2023 \$'000
Current Employee Benefits and Related On-Costs		
Unconditional long service leave entitlements	131,651	117,143
Unconditional annual leave entitlements	74,169	70,911
Unconditional accrued days off	2,834	2,805
Total Current Employee Benefits and Related On-Costs	208,654	190,859
Non-Current Employee Benefits and Related On-Costs		
Conditional long service leave entitlements	26,021	30,637
Total Non-Current Employee Benefits and Related On-Costs	26,021	30,637
Total Employee Benefits and Related On-Costs	234,675	221,496
Attributable to:		
Employee benefits	208,565	197,413
Provision for related on-costs	26,110	24,083
Total Employee Benefits and Related On-Costs	234,675	221,496

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

	Total 2024 \$'000	Total 2023 \$'000
Carrying amount at start of year	24,083	20,897
Additional provisions recognised	9,838	11,564
Amounts incurred during the year	(7,982)	(7,501)
Net gain/(loss) arising from revaluation of long service liability	171	(877)
Carrying amount at end of year	26,110	24,083

How We Recognise Employee Benefits

Employee Benefits Recognition

Employee benefits are accrued for employees in respect of accrued days off, annual leave and long service leave for services rendered to the reporting date as an expense during the period the services are delivered.

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 all recognised in the provision for employee benefits as ‘current liabilities’, because the Health Service does not have an unconditional right to defer settlements of these liabilities.

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

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

Long Service Leave

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

Unconditional LSL is disclosed in the notes to the financial statements as a current liability even where the 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 the Health Service expects to wholly settle within 12 months; or
- present value – if the Health Service does not expect to wholly settle within 12 months.

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

Termination Benefits

Termination benefits are payable when employment is terminated before the normal retirement date or when an employee accepts voluntary redundancy in exchange for these benefits.

Provision for On-Costs related to Employee Benefits

Provision for on-costs such as workers compensation and superannuation are recognised separately from provisions for employee benefits.

Note 3.4: Superannuation

	Paid Contribution for the Year		Contribution Outstanding at Year End	
	Total 2024 \$'000	Total 2023 \$'000	Total 2024 \$'000	Total 2023 \$'000
Defined Benefit Plans:				
Aware Super	128	178	-	-
Government State Super Funds	82	94	3	3
Defined Contribution Plans:				
Aware Super	31,694	31,853	769	593
HESTA	19,782	19,171	585	454
Host Plus	2,161	1,852	60	38
STA Super	2,856	2,297	83	50
UniSuper	1,428	1,021	34	18
Other	7,863	7,032	203	133
Total	65,994	63,498	1,737	1,289

How We Recognise Superannuation

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

Defined benefit superannuation plans

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

The Health Service does not recognise any unfunded defined benefit liability in respect of the plan because the Health Service has no legal or constructive obligation to pay future benefits relating to its employees; its only obligation is to pay superannuation contributions as they fall due. The Department of Treasury and Finance discloses the Victorian State’s defined benefit liabilities in its disclosure for administered items.

However superannuation contributions paid or payable for the reporting period are included as part of employee benefits in the Comprehensive Operating Statement of the Health Service.

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

Defined contribution superannuation plans

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

Note 4: Key Assets to support service delivery

The Health Service controls property, plant and equipment and other investments that are utilised in fulfilling its objectives and conducting its activities. They represent the key resources that have been entrusted to the Health Service to be utilised for delivery of those outputs.

Structure		
4.1	Investments and other financial assets	
4.2	Property, plant & equipment	
4.3	Right-of-use assets	
4.4	Intangible assets	
4.5	Depreciation and Amortisation	
4.6	Investment property	
4.7	Inventories	
4.8	Impairment of assets	

Material judgements and estimates

This section contains the following key judgments and estimates.

Material judgements and estimates	Description
Measuring fair value of investment properties	The Health Service obtains independent valuations for its non-current assets at least once every five years. If an independent valuation has not been undertaken at balance date, the Health Service estimates possible changes in fair value since the date of the last independent valuation with reference to Valuer-General of Victoria indices. Managerial adjustments are recorded if the assessment concludes a material change in fair value has occurred. Where exceptionally large movements are identified, an interim independent valuation is undertaken
Estimating useful life of property, plant and equipment	The Health Service assigns an estimated useful life to each item of property, plant and equipment. This is used to calculate depreciation of the asset. The Health Service reviews the useful life and depreciation rates of all assets at the end of each financial year and where necessary, records a change in accounting estimate.
Estimating useful life of right-of-use assets	The useful life of each right-of-use asset is typically the respective lease term, except where the Health Service is reasonably certain to exercise a purchase option contained within the lease (if any), in which case the useful life reverts to the estimated useful life of the underlying asset. The Health Service applies material judgement to determine whether or not it is reasonably certain to exercise such purchase options.
Estimating restoration costs at the end of a lease	Where a lease agreement requires the Health Service to restore a right-of-use asset to its original condition at the end of a lease, the Health Service estimates the present value of such restoration costs. This cost is included in the measurement of the right-of-use asset, which is depreciated over the relevant lease term.
Estimating the useful life of intangible assets	The Health Service assigns an estimated useful life to each intangible asset with a finite useful life, which is used to calculate amortisation of the asset.
Identifying indicators of impairment	At the end of each year, Health Service assesses impairment by evaluating the conditions and events specific to the health service that may be indicative of impairment triggers. Where an indication exists, the Health Service tests the asset for impairment. The Health Service considers a range of information when performing its assessment, including considering: – If an asset’s value has declined more than expected based on normal use – If a significant change in technological, market, economic or legal environment which adversely impacts the way the health service uses an asset – If an asset is obsolete or damaged – If the asset has become idle or if there are plans to discontinue or dispose of the asset before the end of its useful life – If the performance of the asset is or will be worse than initially expected. Where an impairment trigger exists, the Health Service applies material judgement and estimate to determine the recoverable amount of the asset.

Financial Statements

Note 4.1: Investments and other financial assets

	Operating Fund		Specific Purpose Fund		AIB Reserve Fund		Total	
	2024	2023	2024	2023	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Current								
Current financial assets at amortised cost								
Term Deposits	56	593	14	171	-	-	70	764
Guaranteed Bill Index Deposit in Escrow	-	-	-	-	6,538	6,269	6,538	6,269
Total Current	56	593	14	171	6,538	6,269	6,608	7,033
Non-Current								
Non-current financial assets at fair value through net result								
Managed Investment Funds	79,476	61,415	19,321	17,695	-	-	98,797	79,110
Shares in Epi Minder	11,732	11,732	-	-	-	-	11,732	11,732
Total Non-Current	91,208	73,147	19,321	17,695	-	-	110,529	90,842
Total Investments and Other Financial Assets	91,264	73,740	19,335	17,866	6,538	6,269	117,137	97,875
Represented by:								
Health Service Investments	91,264	73,740	19,335	17,866	6,538	6,269	117,137	97,875
Total Investments and Other Financial Assets	91,264	73,740	19,335	17,866	6,538	6,269	117,137	97,875

How We Recognise Investments and Other Financial Assets

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

Investments held by the Health Service do not fall in the scope of the Standing Directions as they are not public entity funds (i.e. not controlled by the government).

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

The Health Service classifies its other financial assets between current and non-current assets based on the Board’s intention at balance date with respect to the timing of disposal of each asset. Term deposits with original maturity dates of three to twelve months are classified as current, whilst term deposits with original maturity dates in excess of 12 months are classified as non-current.

All financial assets, except for those measured at fair value through the Comprehensive Operating Statement are subject to annual review for impairment.

Note 4.2: Property, Plant and Equipment

4.2(a) Gross carrying amount and accumulated depreciation

	Total 2024 \$'000	Total 2023 \$'000
Leasehold Improvements		
Leasehold Improvements at Fair Value	263,013	253,271
Less Accumulated Depreciation	(155,992)	(150,024)
Total Leasehold Improvements	107,021	103,247
Plant and Equipment		
Plant and Equipment at Fair Value	41,187	37,362
Less Accumulated Depreciation	(27,684)	(27,651)
Total Plant and Equipment	13,503	9,711
Medical Equipment		
Medical Equipment at Fair Value	119,219	114,723
Less Accumulated Depreciation	(91,364)	(90,797)
Total Medical Equipment	27,855	23,926
Computers and Communication		
Computers and Communication at Fair Value	30,272	10,574
Less Accumulated Depreciation	(10,732)	(6,659)
Total Computers and Communications	19,540	3,915
Furniture and Fittings		
Furniture and Fittings at Fair Value	3,926	3,958
Less Accumulated Depreciation	(3,412)	(3,427)
Total Furniture and Fittings	514	531
Motor Vehicles		
Motor Vehicles at Fair Value	3,932	4,270
Less Accumulated Depreciation	(3,049)	(3,356)
Total Motor Vehicles	883	914
Cultural Assets		
Cultural Assets at Fair Value	5,230	5,067
Total Cultural Assets	5,230	5,067
Works in Progress at Costⁱ	120,473	77,012
TOTAL PROPERTY PLANT AND EQUIPMENT	295,019	224,323

ⁱ Long term capital projects of leasehold improvements and plant and equipment are initially costed to “Works in Progress”. When the project is completed and the new asset commissioned for use, the cost of the project is re-classified to the appropriate class of asset.

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

	Leasehold Improvement \$'000	Plant & Equipment \$'000	Medical Equipment \$'000	Computers & Comms \$'000	Furniture & Fittings \$'000	Motor Vehicles \$'000	Cultural Assets \$'000	Works in Progress \$'000	Total \$'000
Balance at 1 July 2022	84,125	8,070	22,969	4,411	592	982	4,571	67,319	193,039
Additions	1,479	2,772	5,790	1,215	84	130	13	38,004	49,487
Transfers	27,661	530	119	-	-	-	-	(28,311)	(1)
Disposals	-	-	(6)	-	-	(1)	-	-	(7)
Revaluation	-	-	-	-	-	-	483	-	483
Depreciation	(10,018)	(1,661)	(4,946)	(1,711)	(145)	(197)	-	-	(18,678)
Balance at 30 June 2023	103,247	9,711	23,926	3,915	531	914	5,067	77,012	224,323
Additions	13,326	1,750	3,022	1,065	125	225	39	60,222	79,774
Transfers	2,105	4,324	6,184	19,356	-	-	-	(16,761)	15,208
Disposals	(2,148)	(63)	(21)	(89)	(8)	(29)	-	-	(2,358)
Revaluation	-	-	-	-	-	-	124	-	124
Depreciation	(9,509)	(2,219)	(5,256)	(4,707)	(134)	(227)	-	-	(22,052)
Balance at 30 June 2024	107,021	13,503	27,855	19,540	514	883	5,230	120,473	295,019

How We Recognise Property, Plant and Equipment

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

Initial Recognition

Items of property, plant and equipment are initially measured at cost. Where an asset is acquired for no or nominal cost, being 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.

Subsequent measurement

Items of property, plant and equipment are subsequently measured at fair value less accumulated depreciation and impairment losses where applicable.

Fair value is determined with reference to the asset’s highest and best use (considering legal or physical restrictions imposed on the asset, public announcements or commitments made in relation to the intended use of the asset).

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

Revaluation

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

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

An adjustment is recognised if the assessment concludes that the fair value of buildings has changed by 10% or more since the last revaluation (whether that be the most recent independent valuation or managerial valuation). Any estimated change in fair value of less than 10% is deemed immaterial to the financial statements and no adjustment is recorded. Where the assessment indicates there has been an exceptionally material movement in the fair value of buildings since the last

independent valuation, being equal to or in excess of 40%, the Health Service would obtain an interim independent valuation prior to the next scheduled independent valuation.

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

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

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

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

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

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Note 4.3: Right-of-use Assets

4.3(a) Gross carrying amount and accumulated depreciation

	Total 2024 \$'000	Total 2023 \$'000
Right-of-Use Plant, Equipment and Motor Vehicles at Fair Value	4,565	2,941
Less Accumulated Depreciation	(1,753)	(1,152)
Total Right-of-Use Plant, Equipment and Motor Vehicles at Fair Value	2,812	1,789
Right-of-Use Buildings at Fair Value	57,466	54,399
Less Accumulated Depreciation	(45,239)	(38,042)
Total Right-of-Use Buildings at Fair Value	12,226	16,357
TOTAL RIGHT-OF-USE ASSETS	15,038	18,146

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

	Right-of-Use PE & MV \$'000	Right-of-Use Buildings \$'000	Total \$'000
Balance at 1 July 2022	2,375	22,351	24,726
Additions	209	2,760	2,969
Modifications	-	1,450	1,450
Disposals	(5)	(179)	(184)
Depreciation	(790)	(10,025)	(10,815)
Balance at 30 June 2023	1,789	16,357	18,146
Additions	1,676	3,425	5,101
Modifications	-	2,915	2,915
Disposals	-	(769)	(769)
Depreciation	(653)	(9,702)	(10,355)
Balance at 30 June 2024	2,812	12,226	15,038

Initial Recognition

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

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

- any lease payments made at or before the commencement date;

- any initial direct costs incurred; and

- an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received.

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

Subsequent measurement

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

of right-of-use asset arising from leases with significantly below-market terms and conditions, which are subsequently measured at cost, less accumulated depreciation and accumulated impairment losses where applicable.

Right-of-use assets are also adjusted for certain remeasurements of the lease liability (for example, when a variable lease payment based on an index or rate becomes effective).

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

Note 4.4: Intangible Assets

4.4(a) Gross carrying amount and accumulated amortisation

	Total 2024 \$'000	Total 2023 \$'000
Computer Software and Development at cost	39,855	39,770
Less Accumulated Amortisation	(36,683)	(35,239)
Total Computer Software and Development	3,172	4,531
Patent at Cost	11	11
Less Accumulated Amortisation	(6)	(5)
Total Patent	5	6
Bed Licences at Cost	3,375	3,375
Less Accumulated Amortisation	(3,375)	(2,250)
Total Bed Licences	-	1,125
Intangible Work in Progress	1,645	8,909
Total Intangible Assets	4,822	14,571

4.4(b) Reconciliation of the carrying amounts of intangible assets

	Computer Software & Development \$'000	Intangible WIP \$'000	Patent \$'000	Bed Licences \$'000	Total \$'000
Balance at 1 July 2022	5,809	4,838	7	2,250	12,904
Additions	134	5,863	-	-	5,997
Transfers	1,792	(1,792)	-	-	-
Disposals	-	-	-	-	-
Depreciation/Amortisation	(3,204)	-	(1)	(1,125)	(4,330)
Balance at 30 June 2023	4,531	8,909	6	1,125	14,571
Additions	287	8,537	-	-	8,824
Transfers	592	(15,801)	-	-	(15,209)
Disposals	-	-	-	-	-
Depreciation/Amortisation	(2,238)	-	(1)	(1,125)	(3,364)
Balance as at 30 June 2024	3,172	1,645	5	-	4,822

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How We Recognise Intangible Assets

Intangible assets represent identifiable non-monetary assets without physical substance such as Aged Care bed licences, computer software and development costs.

Initial recognition

Purchased intangible assets are initially recognised at cost.

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

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

- the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

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

Subsequent measurement

Subsequently, intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses.

Aged Care bed licences

Bed licences are issued by the Federal Government to Approved Providers and can also be purchased and transferred from third party Approved Providers with approval from the Department of Health. Bed licences are stated at cost at acquisition less any accumulated impairment losses.

Until 2022, the bed licences were not amortised as the Directors, based on

current Government regulations, believe that they have a long indeterminate life and were not expected to diminish in value over time. Accordingly, no depreciable amount exists that requires amortisation. The carrying amounts of the bed licences are reviewed at the end of each reporting period to ensure that they are not valued in excess of their recoverable amounts.

In its response to the Royal Commission into Aged Care Quality and Safety ("Royal Commission"), the Federal Government has indicated that it will aim to end the Aged Care Approvals Round ("ACAR") process by July 2024 and remove the system of aged care providers controlling bed licences, instead transferring them to residents themselves.

As a result, the Directors have taken the decision to commence amortisation of the said assets over a period of 3 years commencing 1 July 2021. The impact of the change in accounting treatment has resulted the Health Services recognising an amortisation expense of \$1.125 million for the current year.

Note 4.5: Depreciation and Amortisation

	Total 2024 \$'000	Total 2023 \$'000
Depreciation		
Property, Plant and Equipment		
Plant and Equipment	2,219	1,661
Medical Equipment	5,256	4,946
Computers and Communication	4,707	1,711
Furniture and Fittings	134	145
Motor Vehicles	227	197
Leasehold Improvements	9,509	10,018
Total Depreciation – Plant and Equipment	22,052	18,678
Right of Use Assets		
Right of Use – Plant and Equipment	653	790
Right of Use – Buildings	9,702	10,025
Total Depreciation – Right of Use Assets	10,355	10,815
Amortisation		
Intangible Assets		
Computer Software & Development Costs	2,238	3,204
Bed Licences	1,125	1,125
Patent	1	1
Total Amortisation – Intangible Assets	3,364	4,330
Total Depreciation and Amortisation	35,771	33,823

How We Recognise Depreciation

All buildings, plant and equipment and other non-financial physical assets (excluding investment properties and land) 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 transfer's ownership of the underlying asset or the cost of the right-of-use asset reflects that the Health Service anticipates to exercise a purchase option, the specific right-of-use asset is depreciated over the useful life of the underlying asset.

How We Recognise Amortisation

Amortisation is allocated to intangible assets with finite useful lives and is the systematic allocation of the depreciable amount of an asset over its useful life.

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

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	2024	2023
Leasehold Improvements	10 to 40 years	10 to 40 years
Plant and Equipment	4 to 15 years	4 to 15 years
Medical Equipment	4 to 10 years	4 to 10 years
Computers and Communications	4 to 10 years	4 to 10 years
Motor Vehicles	6.6 years	6.6 years
Furniture and Fittings	6 to 18 years	6 to 18 years
Leased Assets	4 to 10 years	4 to 10 years
Computer Software & Development Costs	4 to 10 years	4 to 10 years
Bed Licences	3 years	3 years
Right of Use – Plant and Equipment	1 to 5 years	1 to 5 years
Right of Use – Buildings	1 to 9 years	1 to 9 years

The basis for leasehold improvements amortisation is determined in accordance with the receipt of letters from:

- i) the parent company advising of extension of the ground lease; and
- ii) the Department of Health advising of the proposed usage of the Health Service for public hospital services beyond 2024 and has allowed continuing application of the above expected useful lives of non- current assets.

Note 4.6: Investment Property

	Total 2024 \$'000	Total 2023 \$'000
a) Gross carrying amount		
Investment property at fair value	3,100	3,163
Total investment property at fair value	3,100	3,163
b) Reconciliation of carrying amount		
Balance at Beginning of Period	3,163	3,293
Net gain/(loss) from fair value adjustments	(63)	(130)
Balance at End of Period	3,100	3,163

How We Recognise Investment Properties

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

Initial recognition

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

Subsequent measurement

Subsequent to initial recognition at cost, investment properties are revalued to fair

value, determined annually by independent valuers. Fair values are determined based on a market comparable approach that reflects recent transaction prices for similar properties. Investment properties are neither depreciated nor tested for impairment. For investment properties measured at fair value, the current use of the asset is considered the highest and best use.

An independent valuation of the Health Service’s investment property, 26-28 Gertrude St, was performed by independent valuers Egan National Valuers on 30 June 2024. The valuation, which complies with Australian Valuation Standards, was determined by reference

to the amount for which assets could be exchanged between knowledgeable willing parties in an arm’s length transaction.

The Gertrude Street investment property is held for the purposes of long term capital gain. At balance date there is no commitment for expenditure relating to this property.

Rental revenue from leasing of investment properties is recognised in the comprehensive operating statement in the periods in which it is receivable on a straight line basis over the lease term.

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

Note 4.7: Inventories

	Total 2024 \$'000	Total 2023 \$'000
Current		
Drug Supplies	3,511	3,455
Medical and Surgical Lines	6,332	6,376
Food Supplies	107	95
Biomedical Supplies	321	291
Total Inventories at Cost	10,271	10,217

How We Recognise Inventories

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

Note 4.8: Impairment of assets

How We Recognise Impairment

At the end of each reporting period, the Health Service reviews the carrying amount of its tangible and intangible assets that have a finite useful life, to determine whether there is any indication that an asset may be impaired. The assessment will include consideration of external sources of information and internal sources of information.

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

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

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

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

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

Note 5: Other assets and liabilities

This note sets out those assets and liabilities that arose from the Health Service’s operation.

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

Material judgements and estimates

This section contains the following key judgments and estimates.

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

Note 5.1: Receivables

	Note	Total 2024 \$’000	Total 2023 \$’000
Current Receivables			
Contractual			
Trade Debtors		11,954	20,290
Patient Fees		6,714	6,628
Doctors' Fee Revenue		5,745	6,602
Allowance for impairment losses	5.1(a)	(1,595)	(1,537)
Receivables - St Vincent’s Health Australia Ltd	8.4	146	-
Loan – St Vincent’s Healthcare Ltd	8.4	-	30
Total Contractual Receivables		22,964	32,013
Total Current Receivables		22,964	32,013
Non-Current Receivables			
Contractual			
Department of Health - Long Service Leave		79,848	70,681
Loan – St Vincent’s Healthcare Ltd	8.4	-	143
Total Contractual Receivables		79,848	70,824
Total Non-Current Receivables		79,848	70,824
Total Receivables		102,812	102,837
(i) Financial assets classified as receivables (Note 7.1(a))			
Total Receivables		102,812	102,837
Total Financial Assets classified as receivables	7.1(a)	102,812	102,837

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

	Total 2024 \$’000	Total 2023 \$’000
Balance at beginning of year	1,537	1,555
Reversal of allowance written off during the year as uncollectable	(1,902)	(963)
Increase in allowance recognised in the net result	1,960	945
Balance at end of the year	1,595	1,537

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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 costs’. They are initially recognised at fair value plus any directly attributable transaction costs. The Health Service holds the contractual receivables with the objective to collect the contractual cash flows and therefore subsequently measured at amortised cost using the effective interest method, less any impairment.

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

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

The Health Service is not exposed to any significant credit risk exposure to any single counterparty or any

group of counterparties having similar characteristics. Trade receivables consist of a large number of customers in various geographical areas. Based on historical information about customer default rates, management consider the credit quality of trade receivables that are not past due or impaired to be good.

Impairment losses of contractual receivables

Refer to Note 7.2(a) Contractual receivables at amortised costs for the Health Service’s contractual impairment losses.

Note 5.2: Contract assets

	Total 2024 \$’000	Total 2023 \$’000
Current		
Contract assets	10,511	9,178
Total Contract Assets	10,511	9,178

5.2 (a) Movement in contract asset

	Total 2024 \$’000	Total 2023 \$’000
Balance at beginning of year	9,178	15,907
Add: Additional costs incurred that are recoverable from the customer	12,651	10,807
Less: Transfer to trade receivable or cash at bank	(11,318)	(17,536)
Total Contract Assets	10,511	9,178

How We Recognise Contract Assets

Contract assets relate to the Health Service’s right to consideration in exchange for goods transferred to customers for works completed, but not yet billed at the reporting date. The contract assets are transferred to receivables when the rights become unconditional, at this time an invoice is issued. Contract assets are expected to be recovered during the next financial year.

Note 5.3: Payables

	Note	Total 2024 \$’000	Total 2023 \$’000
Current – Contractual			
Trade Creditors		29,118	31,649
Department of Health		1,975	13,526
Accrued Expenses		25,375	35,543
Accrued Salaries and Wages		26,717	17,020
Related Party Payable – ACMD Capital Contribution	8.4	45,340	45,299
Deferred Capital Grant Income	5.3 ⁱ	27,056	62,662
Total Contractual Payables		155,581	205,699
Current – Statutory			
GST Payable		2,606	4,497
Total Statutory Payables		2,606	4,497
Total Current Payables		158,187	210,196
(i) Financial liabilities classified as receivables (Note 7.1(a))			
Total payables		158,187	210,196
Deferred Capital Grant Income		(27,056)	(107,961)
GST Payable		(2,606)	(4,497)
Total Financial Liabilities classified as payables	7.1(a)	128,525	97,738

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

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

The normal credit terms for accounts payable are 30 days after end of month.

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Note 5.3 (a) Movement in deferred capital grant income

	Total 2024 \$'000	Total 2023 \$'000
Opening balance of deferred grant income	62,662	29,986
Grant consideration for capital works received during the year	44,807	77,183
Grant income for capital works recognised consistent with the capital works undertaken during the year	(80,413)	(44,507)
Closing balance of Deferred Capital Grant Income	27,056	62,662

How We Recognise Deferred Capital Grant Income

Capital grant income is recognised progressively as the asset is constructed, since this is the time when the Health Service satisfies its obligations. The progressive percentage costs incurred is used to recognise income because	this most closely reflects the percentage of completion of the building works. As a result, the Health Service has deferred recognition of a portion of the grant consideration received as a liability for the outstanding obligations.	Grant consideration was received from the Department of Health to support; implementation of an Electronic Medical Records (EMR) system, construction of various infrastructure projects and purchase of medical equipment.
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Note 5.4: Contract Liabilities

	Total 2024 \$'000	Total 2023 \$'000
Current		
Current liabilities	10,279	12,046
Total Contract Liabilities	10,279	12,046

5.4(a) Movement in contract liabilities

	Total 2024 \$'000	Total 2023 \$'000
Opening balance of contract liabilities	12,046	21,637
Add: Payments received for performance obligations yet to be completed during the period	7,002	8,382
Add: Grant consideration for sufficiently specific performance obligations received during the year	113,295	81,270
Less: Revenue recognised in the reporting period for the completion of a performance obligation	(9,083)	(3,946)
Less: Grant revenue for sufficiently specific performance obligations recognised consistent with performance obligations met during the year	(112,981)	(95,297)
Total Contract Liabilities	10,279	12,046

How We Recognise Contract Liabilities

Contract liabilities include consideration received in advance from customers in respect of clinical research trials and department funded health programs.	Contract liabilities are derecognised and recorded as revenue when promised goods and services are transferred to the customer. Refer to Note 2.1.	Maturity analysis of payables Please refer to Note 7.2(b) for the maturity analysis of payables.
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Note 5.5: Other Liabilities

	Total 2024 \$'000	Total 2023 \$'000
Current		
Monies held in Trust		
– Security Deposits	587	1,095
– Salary Packaging Employees	2,310	2,206
– Patient Monies	96	230
– Refundable Accommodation Deposits	14,643	13,903
– Other Monies	217	283
Total Current	17,853	17,717
Total Monies Held in Trust Represented by the following assets:		
Cash and Cash Equivalents	17,853	17,717
Total	17,853	17,717

How We Recognise Other Liabilities

Refundable Accommodation Deposit (“RAD”)/Accommodation Bond liabilities

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

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

Note 6: How we finance our operations

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

Structure

6.1

Borrowings

6.2

Cash and cash equivalents

6.3

Commitments for expenditure

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

Material judgements and estimates

This section contains the following key judgments and estimates.

Material judgements and estimates	Description
Determining if a contract is or contains a lease	The Health Service applies material judgement to determine if a contract is or contains a lease by considering if the Health Service: – has the right-to-use an identified asset – has the right to obtain substantially all economic benefits from the use of the leased asset; and – can decide how and for what purpose the asset is used throughout the lease.
Determining if a lease meets the short-term or low value asset lease exemption	The Health Service applies material judgement when determining if a lease meets the short-term or low value lease exemption criteria. The Health Service estimates the fair value of leased assets when new. Where the estimated fair value is less than \$10,000, the Health Service applies the low-value lease exemption. The Health Service also estimates the lease term with reference to remaining lease term and period that the lease remains enforceable. Where the enforceable lease period is less than 12 months the Health Service applies the short-term lease exemption.
Discount rate applied to future lease payments	The Health Service discounts its lease payments using the interest rate implicit in the lease. If this rate cannot be readily determined, which is generally the case for the Health Service’s lease arrangements, the Health Service uses its incremental borrowing rate, which is the amount the Health Service would have to pay to borrow funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. For leased land and buildings the Health Service estimates the incremental borrowing rate is between 0.83% and 6.03%. For leased plant, equipment, and motor vehicles, the implicit interest rate is between 1.01% and 5.76%.
Assessing the lease term	The lease term represents the non-cancellable period of a lease, combined with periods covered by an option to extend or terminate the lease if the Health Service is reasonably certain to exercise such options. The Health Service determines the likelihood of exercising such options on a lease-by-lease basis through consideration of various factors including: – If there are significant penalties to terminate (or not extend), the Health Service is typically reasonably certain to extend (or not terminate) the lease. – If any leasehold improvements are expected to have a significant remaining value, the Health Service is typically reasonably certain to extend (or not terminate) the lease. – The Health Service considers historical lease durations and the costs and business disruption to replace such leased assets.

Note 6.1: Borrowings

	Note	Total 2024 \$’000	Total 2023 \$’000
Current			
– Lease Liability ⁱ	6.1(a)	7,351	8,631
– St Vincent’s Healthcare Ltd	8.4	1,398	142
– St Vincent’s Health Australia	8.4	3,313	1,876
Total Current		12,062	10,649
Non-Current			
– Lease Liability ⁱ	6.1(a)	8,223	10,476
– St Vincent’s Healthcare Ltd	8.4	6,404	301
– St Vincent’s Health Australia	8.4	7,250	5,424
Total Non-Current		21,877	16,201
Total Borrowings		33,939	26,850

ⁱ Secured by the assets leased.

How We Recognise Borrowings

Borrowings refer to interest bearing liabilities mainly raised through lease liabilities and other interest bearing arrangements. The Health Service had two related party loans with St Vincent’s Healthcare Ltd for which quarterly principal and interest payments were made during the financial year. Interest charged is at arm’s length basis at 3.90% and the loan will mature on 4 June 2026. The Health Service entered in an additional related party loan agreement with St Vincent’s Healthcare Ltd, which is interest-free and will mature on 30 June 2030. The Health Service had five related party loans with St Vincent’s Health Australia for which quarterly principal and interest payments were made during the financial	year. The Health Service entered in an additional related party loan agreement with St Vincent’s Health Australia, which is interest-free and will mature on 31 March 2028. Refer to Note 8.4 for more detail on transactions with related parties. Initial Recognition All borrowings are initially recognised at fair value of the consideration received, less directly attributable transaction costs. The measurement basis subsequent to initial recognition depends on whether the Health Service has categorised its liability as either ‘financial liabilities designated at fair value through profit or loss’, or financial liabilities at ‘amortised cost’.	Subsequent measurement Subsequent to initial recognition, interest bearing borrowings are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in the net result over the period of the borrowing using the effective interest method. Non-interest bearing borrowings are measured at ‘fair value through profit or loss’. Maturity analysis Refer to Note 7.2 (b) for maturity analysis of Interest bearing liabilities. Defaults and breaches During the current and prior year, there were no defaults and breaches of any of the borrowings.
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a) Lease Liabilities	Minimum future lease payments ⁱ		Present value of minimum future lease payments	
The Health Service’s lease liabilities are summarised below:	2024 \$’000	2023 \$’000	2024 \$’000	2023 \$’000
Not later than one year	7,769	8,990	7,351	8,631
Later than one year but not later than five years	8,668	10,786	8,223	10,476
Minimum future lease payments	16,437	19,776	15,574	19,107
Less future finance charges	(863)	(669)	-	-
TOTAL	15,574	19,107	15,574	19,107
Represented by:				
Current Liability	7,351	8,631	7,351	8,631
Non-Current Liability	8,223	10,476	8,223	10,476
Total	15,574	19,107	15,574	19,107

ⁱ The weighted average interest rate implicit in leases is 4.15% (2023 - 2.33%)

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How We Recognise Lease Liabilities

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

To apply this definition, the 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 the Health Service and for which the supplier does not have substantive substitution rights;
- the 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 the Health Service has the right to direct the use of the identified asset throughout the period of use; and
- the 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.

The Health Service’s lease arrangements consist of the following:

Type of asset leased	Lease term
Leased buildings	1 to 7 years
Leased plant, equipment and motor vehicles	1 to 5 years

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

Type of payment and description	Type of leases captured
Low value lease payments Leases where the underlying asset’s fair value, when new, is no more than \$10,000	Medical equipment leases
Short-term lease payments Leases with a term less than 12 months	Medical equipment leases

Separation of lease and non-lease components
At inception or on reassessment of a contract that contains a lease component, the lessee is required to separate out and account separately for non-lease components within a lease contract and exclude these amounts when determining the lease liability and right-of-use asset amount.

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 the Health Service’s incremental borrowing rate. Our lease liability has been discounted by rates of between 0.83% and 6.03%.

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

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

- payments arising from purchase and termination options reasonably certain to be exercised.

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

- Property leases for pathology collections centres, option to extend leases for further terms
- Property leases for office space, option to extend leases for further terms.

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

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

During the current financial year, the financial effect of revising lease terms to reflect the effect of exercising extension and termination options was an increase in recognised lease liabilities and right-of-use assets of \$2.915m (2023 – \$1.450m).

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

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

Note 6.2: Cash and Cash Equivalents

	Note	Total 2024 \$’000	Total 2023 \$’000
Cash at Bank and on Hand			
Cash on Hand		110	150
Cash at Bank		126,975	184,683
Total cash and cash equivalents		127,085	184,833
Represented by:			
Cash for Operations		109,232	167,116
Cash for Monies Held in Trust		17,853	17,717
Total cash and cash equivalents	7.1(a)	127,085	184,833

How We Recognise Cash and Cash Equivalents

Cash and cash equivalents recognised on the Balance Sheet comprise cash on hand and in banks and short-term deposits (with an original maturity date of three months or less).

Cash and cash equivalents are held for the purpose of meeting short term cash commitments rather than for investment purposes and are readily convertible to cash on hand, and are subject to an insignificant risk of change in value, net of outstanding bank overdrafts.

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

Note 6.3: Commitments for expenditure

	Total 2024 \$’000	Total 2023 \$’000
Capital Expenditure Commitments		
Less than 1 year	92,739	150,513
Longer than 1 year but not longer than 5 years	-	37,389
Total Capital Commitments	92,739	187,902
Operating Expenditure Commitments		
Less than 1 year	3,998	3,896
Total Operating Commitments	3,998	3,896
Total Commitments for Expenditure (inclusive of GST)	96,737	191,798
Less GST recoverable from the Australian Taxation Office	(8,794)	(17,436)
Total Commitments for Expenditure (exclusive of GST)	87,943	174,362

How We Disclose Our Commitments

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
The 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.

Non-cash financing and investing activities
During the year, new right of use assets and liabilities totalling \$5.101m (2023: \$2.969m) were recognised.

Note 7: Risks, contingencies & valuation uncertainties

The 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.

Material judgements and estimates

This section contains the following key judgments and estimates.

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

Structure

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

Note 7.1: Financial Instruments

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

Note 7.1 (a) Categorisation of Financial Instruments

	Note	Financial Assets at Amortised Cost \$’000	Financial Assets at Fair Value Through Net Result \$’000	Financial Liabilities at Amortised Cost \$’000	Total \$’000
2024					
Contractual Financial Assets					
Cash and Cash Equivalents	6.2	127,085	-	-	127,085
Receivables	5.1	102,812	-	-	102,812
Investments and other Financial Assets	4.1	6,608	110,529	-	117,137
Total Financial Assets ⁱ		236,505	110,529	-	347,034
Financial Liabilities					
Payables	5.3	-	-	128,525	128,525
Borrowings	6.1	-	-	33,939	33,939
Other financial liabilities	5.5	-	-	17,853	17,853
Total Financial Liabilities		-	-	180,317	180,317

	Note	Financial Assets at Amortised Cost \$’000	Financial Assets at Fair Value Through Net Result \$’000	Financial Liabilities at Amortised Cost \$’000	Total \$’000
2023					
Contractual Financial Assets					
Cash and Cash Equivalents	6.2	184,833	-	-	184,833
Receivables	5.1	102,837	-	-	102,837
Investments and other Financial Assets	4.1	7,033	90,842	-	97,875
Total Financial Assets ⁱ		294,703	90,842	-	385,545
Financial Liabilities					
Payables	5.3	-	-	97,738	97,738
Borrowings	6.1	-	-	26,850	26,850
Other financial liabilities	5.5	-	-	17,717	17,717
Total Financial Liabilities		-	-	142,305	142,305

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

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How We Categorise Financial Instruments

Categories of Financial Assets

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

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

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

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

Financial assets at amortised cost

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

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

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

The Health Service recognises the following assets in this category:

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

Financial assets at fair value through other comprehensive income

A financial asset that meets the following conditions is subsequently measured at fair value through other comprehensive income:

- the assets are held by the Health Service to achieve its objective both by collecting the contractual cash flows and by selling the financial assets; and
- the assets’ contractual terms give rise to cash flows that are solely payments of principal and interest.

Equity investments are measured at fair value through other comprehensive income if the assets are not held for trading and the Health Service has irrevocably elected at initial recognition to recognise in this category.

Financial assets at fair value through net result

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

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

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

The Health Service recognises listed and unlisted equity securities as mandatorily measured at fair value through net result and has designated all managed investment funds as fair value through net result.

Categories of Financial Liabilities

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

Financial liabilities at amortised cost

Financial liabilities are 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.

The Health Service recognises the following liabilities in this category:

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

Derecognition of financial assets

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

- the rights to receive cash flows from the asset have expired; or
- the 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
- the 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 the Health Service has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset is recognised to the extent of 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

Financial assets are required to be

reclassified between fair value through net result, fair value through other comprehensive income and amortised cost when and only when the Health Service’s business model for managing its financial assets has changes such that its previous model would no longer apply.

A financial liability reclassification is not permitted.

Note 7.2: Financial Risk Management Objectives and Policies

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

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

The Health Service’s main financial risks include credit risk, liquidity risk, interest rate risk and equity price risk. The Health Service manages these financial risks in accordance with its financial risk management policy.

The Health Service uses different methods to measure and manage the different risks to which it is exposed. Primary responsibility for the identification and management of financial risks rests with the Accountable Officer.

Note 7.2(a) Credit risk

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

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

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

Provision of impairment for contractual financial assets is recognised when there is objective evidence that the Health Service will not be able to collect a receivable. Objective evidence includes financial difficulties of the debtor, default payments, debtors that are more than 90 days overdue, and changes in debtor credit ratings.

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

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

There has been no material change to the Health Service’s credit risk profile in 2023-24.

Impairment of financial assets under AASB 9 Financial Instruments

The Health Service records the allowance for expected credit loss for the relevant financial instruments, in accordance with AASB 9 Financial Instruments Expected Credit Loss approach. Subject to AASB 9, the impairment assessment include the Health Service’s contractual receivables.

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

Credit loss allowance is classified as other economic flows in the net result. Contractual receivables are written off when there is no reasonable expectation of recovery and impairment losses are classified as a transaction expense. Subsequent recoveries of amounts previously written off are credited against the same line item.

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Interest rate risk

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

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Health Service’s sensitivity to cash flow interest rate risk is set out below.

		-1%	+1%
	Carrying Amount	Net result	Net result
2024			
Cash and Cash Equivalents	127,085	(1,271)	1,271
Total Impact	127,085	(1,271)	1,271
2023			
Cash and Cash Equivalents	184,833	(1,848)	1,848
Total Impact	184,833	(1,848)	1,848

Equity risk

The Health Service is exposed to equity risk through its investments in listed and unlisted shares and managed investment funds. Such investments are allocated and traded to match the Health Service’s investment objectives. The Health Service’s sensitivity to equity price risk is set out below.

		-15%	+15%
	Carrying Amount	Net result	Net result
2024			
Investments and other contractual financial assets	98,797	(14,820)	14,820
Total Impact	98,797	(14,820)	14,820
2023			
Investments and other contractual financial assets	79,110	(11,867)	11,867
Total Impact	79,110	(11,867)	11,867

Note 7.3: Contingent assets and contingent liabilities

The Health Service has no contingent assets as at 30 June 2024 (2023: nil).

The Health Service has no material contingent liabilities as at 30 June 2024 (2023: nil).

How We Measure and Disclose Contingent Assets and Contingent Liabilities

Contingent assets and contingent liabilities are not recognised in the balance sheet but are disclosed and, if quantifiable, are measured at nominal value. Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively.

Contingent assets

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

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

Contingent liabilities

Contingent liabilities are:

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

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

Note 7.4: Fair value determination

How we measure fair value

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

The following assets and liabilities are carried at fair value:

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

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

Valuation hierarchy

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

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

The 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.

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

Identifying unobservable inputs (level 3) fair value measurements

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

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

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

Carrying amount			Fair value measurement at end of reporting period using		
Note	30 June 2024		Level 1	Level 2	Level 3
Shares and Managed Investment Schemes	4.1	98,797	-	98,797	-
Unlisted Shares	4.1	11,732	-	-	11,732
Total financial assets held at fair value through net result		110,529	-	98,797	11,732
Total investments and other financial assets at fair value		110,529	-	98,797	11,732

Carrying amount			Fair value measurement at end of reporting period using		
Note	30 June 2023		Level 1	Level 2	Level 3
Shares and Managed Investment Schemes	4.1	79,110	-	79,110	-
Unlisted Shares	4.1	11,732	-	-	11,732
Total financial assets held at fair value through net result		90,842	-	79,110	11,732
Total investments and other financial assets at fair value		90,842	-	79,110	11,732

How we measure fair value of investments and other financial assets

Shares and Managed Investment Schemes The Health Service invests in managed funds, which are not quoted in an active market and which may be subject to restrictions on redemptions. The Health Service considers the valuation techniques and inputs used in valuing these funds as part of its due diligence prior to investment, to ensure they are reasonable and appropriate. The net asset value of these	funds is used as an input into measuring their fair value, and is adjusted as necessary, to reflect restrictions and redemptions, future commitments and other specific factors of the fund. The Health Service classifies these funds as Level 2. Unlisted Shares The fair value of financial assets and liabilities that are not traded in an active market is recorded at fair value. The	unlisted shares were valued based on the independent valuation which had regard to the requirements of the International Private Equity and Venture Capital Valuation Guidelines. The valuer considered the outcome of the most recent capital raising to arrive at the value of \$6 per share. A change in the value of \$1 would change the fair value by \$1.99m either way.
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Reconciliation of level 3 fair value measurement

Financial Assets at Fair Value through Net Result			
	Note	Total 2024 \$'000	Total 2023 \$'000
Opening Balance		11,732	1,813
Total gains/(losses) recognised in net result		-	8,169
Assets received free of charge		-	1,750
Purchases		-	-
Closing Balance	4.1	11,732	11,732

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

Consolidated carrying amount			Fair value measurement at end of reporting period using		
Note	30 June 2024 \$'000		Level 1 ⁽ⁱ⁾ \$'000	Level 2 ⁽ⁱ⁾ \$'000	Level 3 ⁽ⁱ⁾ \$'000
Leasehold improvements at fair value	4.2(a)	107,021	-	-	107,021
Plant and equipment at fair value	4.2(a)	13,503	-	-	13,503
Medical Equipment at fair value	4.2(a)	27,855	-	-	27,855
Computer Equipment at fair value	4.2(a)	19,540	-	-	19,540
Furniture and fittings at fair value	4.2(a)	514	-	-	514
Motor Vehicles at fair value	4.2(a)	883	-	-	883
Cultural assets at fair value	4.2(a)	5,230	-	5,230	-
Total plant, equipment, furniture, fittings and vehicles at fair value		174,546	-	5,230	169,316
Right-of-Use buildings at fair value	4.3(a)	12,226	-	-	12,226
Right-of-Use plant, equipment & vehicles	4.3(a)	2,812	-	-	2,812
Total right-of-use assets at fair value		15,038	-	-	15,038
Investment property	4.6(a)	3,100	-	3,100	-
Total investment property at fair value		3,100	-	3,100	-
Total non-financial physical assets at fair value		192,684	-	8,330	184,354

Consolidated carrying amount			Fair value measurement at end of reporting period using		
Note	30 June 2023 \$'000		Level 1 ⁽ⁱ⁾ \$'000	Level 2 ⁽ⁱ⁾ \$'000	Level 3 ⁽ⁱ⁾ \$'000
Leasehold improvements at fair value	4.2(a)	103,247	-	-	103,247
Plant and equipment at fair value	4.2(a)	9,711	-	-	9,711
Medical Equipment at fair value	4.2(a)	23,926	-	-	23,926
Computer Equipment at fair value	4.2(a)	3,915	-	-	3,915
Furniture and fittings at fair value	4.2(a)	531	-	-	531
Motor Vehicles at fair value	4.2(a)	914	-	-	914
Cultural assets at fair value	4.2(a)	5,067	-	5,067	-
Total plant, equipment, furniture, fittings and vehicles at fair value		147,311	-	5,067	142,244
Right-of-Use buildings at fair value	4.3(a)	16,357	-	-	16,357
Right-of-Use plant, equipment & vehicles	4.3(a)	1,789	-	-	1,789
Total right-of-use assets at fair value		18,146	-	-	18,146
Investment property	4.6(a)	3,163	-	3,163	-
Total investment property at fair value		3,163	-	3,163	-
Total non-financial physical assets at fair value		168,620	-	8,230	160,390

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

How we measure fair value of non-financial physical assets

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

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

The Health Service has assumed the current use of a non-financial physical asset is its highest and best use unless market or other factors suggest that a different use by market participants would maximise the value of the asset.

Theoretical opportunities that may be available in relation to the asset(s) are not considered until it is virtually certain that any restrictions will no longer apply. Therefore, unless otherwise disclosed, the

current use of these non-financial physical assets will be their highest and best uses.

Investment properties and cultural assets
Investment properties and cultural assets are valued using the market approach. Under this valuation method, the assets are compared to recent comparable sales or sales of comparable assets which are considered to have nominal or no added improvement value.

For investment properties fair value has been determined by an external valuation. The effective date of the valuation is 30 June 2024.

For cultural assets, Dwyer Fine Arts is the Health Service’s independent valuer.

Vehicles
The 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 the Health Service who set relevant depreciation rates

during use to reflect the consumption of the vehicles. As a result, the fair value of vehicles does not differ materially from the carrying amount (depreciated cost).

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

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

Note 8: Other Disclosures

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

Structure	
8.1	Reconciliation of net result for the year to net cash inflow/(outflow) from operating activities
8.2	Responsible persons disclosures
8.3	Remuneration of executives
8.4	Related parties
8.5	Remuneration of auditors
8.6	Ex-gratia expenses
8.7	Events occurring after the balance sheet date
8.8	Joint arrangements
8.9	Equity
8.10	Economic dependency

Note 8.1: Reconciliation of Net Result for the Year to Net Cash Inflow / (Outflow) from Operating Activities

	Total 2024 \$'000	Total 2023 \$'000
Net Result for the Year	53,003	28,190
Non-cash Movements:		
Depreciation and Amortisation	35,771	33,823
Revaluation of Investment Property	63	130
Allowance for impairment losses of contractual receivables	1,960	945
Revaluation of Long Service Leave	(1,422)	7,309
Assets Received Free of Charge	(30)	(1,785)
Net (Gain)/Loss on Financial Assets at Fair Value	(4,840)	(11,980)
Non Cash Investment Income	(1,026)	(826)
Management Fees for Managed Investments	237	221
Movements included in Investing and Financing Activities:		
Net (Gain)/Loss on Disposal of Non-Current Assets	2,127	857
Capital Donations Received	-	(22)
Other Capital Receipts	(6,722)	(39,286)
Movements in Operating Assets and Liabilities:		
(Increase)/Decrease in Receivables and Contract Assets	(1,308)	(4,387)
(Increase)/Decrease in Inventories	(54)	(1,168)
(Increase)/Decrease in Prepaid Expenses	897	(264)
Increase/(Decrease) in Payables and Contract Liabilities	(50,887)	55,164
Increase/(Decrease) in Employee Entitlements	13,179	25,810
Increase/(Decrease) in Other Liabilities	136	1,358
Net Cash Inflow from Operating Activities	41,084	94,089

Reconciliation of level 3 fair value measurement

Note	Leasehold improvement \$'000	Plant, equipment, furniture, fittings and vehicles \$'000	Right-of-use equipment & vehicles \$'000	Right-of -use buildings \$'000
Balance at 1 July 2022	84,125	37,024	2,375	22,351
Additions/(Disposals)	1,479	9,984	204	4,031
Net transfers between classes	27,661	649	-	-
- Depreciation and amortisation	4.5 (10,018)	(8,660)	(790)	(10,025)
Balance at 30 June 2023	7.4(b) 103,247	38,997	1,789	16,357
Additions/(Disposals)	11,178	5,977	1,676	5,571
Net transfers between classes	2,105	29,864	-	-
- Depreciation and amortisation	4.5 (9,509)	(12,543)	(653)	(9,702)
Balance at 30 June 2024	7.4(b) 107,021	62,295	2,812	12,226

Fair value determination of level 3 fair value measurement

Asset Class	Likely Valuation Approach	Significant Inputs (Level 3 only)
Plant and equipment	Current replacement cost approach	- Cost per unit, Useful life
Medical equipment	Current replacement cost approach	- Cost per unit, Useful life
Computers and communication	Current replacement cost approach	- Cost per unit, Useful life
Furniture and fittings	Current replacement cost approach	- Cost per unit, Useful life
Motor Vehicles	Current replacement cost approach	- Cost per unit, Useful life
Leasehold Improvements	Current replacement cost approach	- Cost per unit, Useful life
Right-of-use buildings	Market approach	- Fair value of similar properties

Note 8.2: Responsible Persons Disclosures

a) Remuneration of Responsible Persons

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

Responsible Ministers	Period
The Honourable Mary-Anne Thomas MP:	
Former Minister for Medical Research	01 Jul 2023 – 02 Oct 2023
Minister for Health	01 Jul 2023 – 30 Jun 2024
Minister for Health Infrastructure	01 Jul 2023 – 30 Jun 2024
Minister for Ambulance Services	02 Oct 2023 – 30 Jun 2024
The Honourable Gabrielle Williams MP:	
Former Minister for Mental Health	01 Jul 2023 – 02 Oct 2023
Former Minister for Ambulance Services	01 Jul 2023 – 02 Oct 2023
The Honourable Ingrid Stitt MP:	
Minister for Mental Health	02 Oct 2023 – 30 Jun 2024
Minister for Ageing	02 Oct 2023 – 30 Jun 2024
The Honourable Lizzy Blandthorn MP:	
Former Minister for Disability, Ageing and Carers	01 Jul 2023 – 02 Oct 2023
Minister for Children	02 Oct 2023 – 30 Jun 2024
Minister for Disability	02 Oct 2023 – 30 Jun 2024

Governing Board	
The Directors of the Health Service during the year were:	
Mr P McClintock AO	01 Jul 2023 – 30 Jun 2024
Ms A McDonald	01 Jul 2023 – 30 Jun 2024
A/Prof M Coote	01 Jul 2023 – 30 Jun 2024
Ms S McPhee AM	01 Jul 2023 – 30 Jun 2024
Ms A Cross AM	01 Jul 2023 – 30 Jun 2024
Mr P O’Sullivan	01 Jul 2023 – 30 Jun 2024
Ms J Watts	01 Jul 2023 – 30 Jun 2024
Mr D O’Brien	01 Jul 2023 – 30 Jun 2024
Ms S McGregor	01 Jul 2023 – 30 Jun 2024
Prof V Perkovic	01 Jul 2023 – 30 Jun 2024
Ms K Bailey-Lord	01 Jul 2023 – 30 Jun 2024
Ms Ariane Barker	01 Jun 2024 – 30 Jun 2024
Accountable Officers	
Ms N Tweddle (Chief Executive Officer)	01 Jul 2023 – 30 Jun 2024

b) Remuneration of Responsible Persons

Directors of the St Vincent’s Health Australia Board (also sitting as the St Vincent’s Hospital (Melbourne) Board), received payment for their roles as Directors. These amounts were paid and accounted for by St Vincent’s Health Australia Limited and not St Vincent’s Hospital (Melbourne) Limited.

Those Responsible persons who held Executive positions within the Health Service and those directors, who received remuneration for their management or professional duties, are shown in the relevant income bands below.

Total Remuneration	2024	2023
\$0 - \$9,999	1	-
\$10,000 - \$19,999	-	1
\$40,000 - \$49,999	-	1
\$80,000 - \$89,999	3	1
\$100,000 - \$109,999	7	8
\$170,000 - \$179,999	1	1
\$200,000 - \$209,999	-	1
\$380,000 - \$389,999	-	1
\$490,000 - \$499,999	1	-
Total	13	14
Total Remuneration \$’000	1,677	1,738

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

c) Retirement Benefits of Responsible Persons

There were no retirement benefits paid by the Health Service in connection with the retirement of Responsible Persons of St Vincent’s Hospital (Melbourne) Limited.

Financial Statements

Note 8.3: Remuneration of Executives

Executive Officer Remuneration

The number of Executive Officers, other than the Ministers and the Accountable Officer, and their total remuneration during the reporting period is shown in the table below.

Remuneration comprises employee benefits in all forms of consideration paid, payable or provided in exchange for services rendered, and is disclosed in the following categories:

Short-term Employee Benefits

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

Post-employment Benefits

Pensions and other retirement benefits paid or payable on a discrete basis when employment has ceased.

Other Long-term Benefits

Long service leave, other long-service benefit or deferred compensation.

Termination Benefits

Termination of employment payments, such as severance packages.

Total remuneration payable to executives during the year included additional executive officers and a number of executives who received bonus payments during the year. These bonus payments depend on the terms of individual employment contracts.

	2024 \$'000	2023 \$'000
Compensation		
Short-term employee benefits	3,048	2,840
Post-employment benefits	306	267
Other long-term benefits	151	144
Termination benefits	224	-
Total ⁱ	3,729	3,251
Total Number of Executives ⁱⁱ	16	17
Total Annualised Employee Equivalent ⁱⁱⁱ	12	11.9

ⁱ Total remuneration payable to St Vincent’s Hospital Melbourne’s Executives during the year ended 30 June 2024 included amounts related to Executives that retired during the year ended 30 June 2023.

ⁱⁱ The total number of executive officers includes persons who meet the definition of Key Management Personnel (KMP) of the Health Service under AASB 124 Related Party Disclosures and are also reported within Note 8.4 Related Parties.

ⁱⁱⁱ Annualised employee equivalent is based on working 38 ordinary hours per week over the reporting period and provides a measure of full time equivalent executive officers over the reporting period.

Note 8.4: Related parties

The Health Service is a wholly owned and controlled entity of the St Vincent’s Health Australia group. Related parties of the Health Service include:

- all key management personnel and their close family members;
- all cabinet ministers and their close family members;
- all other entities within the wholly-owned group;

- all jointly controlled operations; and
- all hospitals and public sector entities that are controlled and consolidated into the State of Victoria financial statements.

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

Key management personnel (KMP) are those people with the authority and responsibility for planning, directing and controlling the activities of the Health Servicers, directly or indirectly.

Key management personnel of the Health Service

St Vincent’s Health Australia

KMPs	Position Title
Chris Blake	Group Chief Executive Officer
Ms R Martin	Group Chief Financial Officer (Retired 16th August 2023)
Ms K Gaffney	Acting Group Chief Financial Officer (Appointed 17th August 2023 to 13th December 2023). Group Chief Financial Officer (Appointed 14th December 2023)
A/Prof P Garcia	Group General Manager, Public Affairs & General Counsel (Appointed 31st August 2023)
Mr R Beetson	Group General Manager, Legal, Governance & Risk (Retired 1st September 2023)
Prof P O’Rourke	Chief Executive Officer, Public Hospitals Division (Retired 16th July 2023) Chief Executive Officer, Private Hospitals Division (Appointed 17th July 2023)
Mr P McClintock AO	Chair of the Board
Ms A McDonald	Director of the Board
Ms A Cross AM	Director of the Board
A/Prof M Coote	Director of the Board
Ms S McPhee AM	Director of the Board
Mr P O’Sullivan	Director of the Board
Ms J Watts	Director of the Board
Mr D O’Brien	Director of the Board
Ms S McGregor	Director of the Board
Prof V Perkovic	Director of the Board
Ms K Bailey-Lord	Director of the Board
Ms A Barker	Director of the Board (Appointed 1st June 2024)

St Vincent’s Hospital Melbourne

KMPs	Position Title
Ms N Tweddle	Chief Executive Officer
Mr J Prescott	Chief Operating Officer (Appointed 10th July 2023)
Mr I Broadway	Chief Financial Officer (Retired 6th September 2024)
Ms N Jolley	Chief Financial Officer (Appointed 9th September 2024) Deputy Chief Financial Officer (Appointed 20th July 2023 to 6th September 2024)
Mr A Tobin	Chief Medical Officer
Ms J Bilo	Chief Nursing Officer Acting Executive Director Integrated Care Services (Appointed 24th April 2023 to 9th July 2023)
Ms C Gill	Director Legal & Risk (Retired 17th March 2024) Interim Executive Director, Corporate Services (Appointed 18th March 2024)
Ms J Hales	Director Communication & Media
Ms V Williams	Head of Strategy and Planning (Appointed 5th February 2024)
Ms L Pumo	EMR Project Director (Appointed 15th January 2024)
Mr F Penna	Head of People Partnering
Mr E Harvey	Chief Executive Officer, Aikenhead Centre for Medical Discovery (Retired 30th June 2024)
Ms M Stewart	Executive Director Identity & Purpose (Retired 29th March 2024)
Ms F Prestedge	Executive Director People & Corporate Support (Retired 23rd April 2024)
Mr D Jones	Acting Executive Director Acute Services (Appointed 21st November 2022 – 16th July 2023) (Retired 16th July 2023)
Mr C Bosworth	Executive Director Strategy, Quality & Improvement (Retired 29th December 2023)
Mr M Smith	Executive Director Integrated Care Services (Retired 30th June 2023)

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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 Financial Report.

	2024	2023
Compensation	\$’000	\$’000
Short-term employee benefits	6,985	7,425
Post-employment benefits	548	513
Other long-term benefits	290	194
Termination benefits	382	-
Total	8,205	8,132

Total Compensation of \$8.21m (2023: \$8.13m) includes remuneration of St Vincent’s Hospital Melbourne’s Executives and St Vincent’s Health Australia’s Executive Leadership Team, Board Members and Directors.

Transactions with key management personnel and other related parties
Given the breadth and depth of State government activities, related parties transact with the Victorian public sector in a manner consistent with other members of the public e.g. stamp duty and other government fees and charges. Further employment of processes within the Victorian public sector occur on terms and conditions consistent with the Public Administration Act 2004 and Codes of Conduct and Standards issued by the Victorian Public Sector Commission. Procurement processes occur on terms and conditions consistent with the Victorian Government Procurement Board requirements. Outside of normal citizen type transactions with the department, there were no related party transactions that involved key management personnel and their close family members. No provision has been required, nor any expense recognised, for impairment of receivables from related parties.

Significant transactions with government-related entities
The Health Service received funding from the Department of Health of \$789.10m (2023: \$829.19m).

Other significant transactions with government related entities were with Victorian Managed Insurance Authority (VMIA) \$7.17m (2023: \$6.15m), WorkSafe Victoria \$5.80m (2023: \$4.30m) and for long service leave debtor adjustment of \$0.82m (2023: \$15.92m).

Transactions with entities in the wholly-owned group
St Vincent’s Hospital (Melbourne) Limited is part of a wholly owned group. Transactions between St Vincent’s Hospital (Melbourne) Limited and other entities in the wholly owned group during the year ended 30 June 2024 consist of:

- i) Recoveries by St Vincent’s Hospital (Melbourne) Limited for the provision of management and administrative services
- ii) Recoveries by St Vincent’s Hospital (Melbourne) Limited for the provision of other health services at cost
- iii) Repayment of loans (including interest) and payment for group levy and other service costs to St Vincent’s Health Australia Limited; and
- iv) Repayment of loans (including interest) and payment of a car park lease to St Vincent’s Healthcare Ltd

Transactions with entities in the wholly-owned group

	2024	2023
	\$’000	\$’000
Aggregate amounts included in the determination of operating profit that resulted from transactions with entities in the wholly-owned group:		
Group levy, ICT shared services and costs charged by St Vincent’s Health Australia Ltd	39,926	34,006
Interest charge from St Vincent's Health Australia Ltd	239	267
Health Service carpark lease charge by St Vincent’s Healthcare Ltd	877	837
Interest charge from St Vincent's Healthcare Ltd	15	21
Interest revenue received from St Vincent’s Healthcare Ltd	26	10
Facility Lease charge by St Vincent’s Healthcare Ltd	199	39
Aggregate amounts receivable from, and payable to, entities in the wholly owned group at Statement of Financial Position date:		
Current loan receivables due from St Vincent’s Healthcare Ltd	-	30
Current receivables due from St Vincent’s Healthcare Ltd and St Vincent’s Health Australia Ltd	146	-
Non-Current loan receivables due from St Vincent’s Healthcare Ltd	-	143
Current borrowings owing to St Vincent’s Healthcare Ltd and St Vincent’s Health Australia Ltd	4,711	2,018
Current payables owing to St Vincent’s Healthcare Ltd and St Vincent’s Health Australia Ltd	45,340	45,299
Non-current borrowings owing to St Vincent’s Healthcare Ltd and St Vincent’s Health Australia Ltd	13,654	5,725
Aggregate amounts included in the determination of operating profit that resulted from transactions with each class of other related parties:		
Recoveries for the provision of management and administrative services to St Vincent’s Private Hospitals Ltd		
	4,826	6,235
Costs charged for the provision of other health services by St Vincent’s Private Hospitals Ltd	5,199	2,875
Aggregate amounts receivable from, and payable to, with each class of other related parties, at Statement of Financial Position date:		
Current receivables from St Vincent’s Private Hospitals Ltd	11	4
Current Payables to St Vincent’s Private Hospitals Ltd	17	214
Rent received for lease of property to St Vincent’s Care Services – VIC	702	685
Costs charged by St Vincent’s Care Services – VIC for lease of property	387	413
Costs charged for Aged Care account services by St Vincent’s Care Services – QLD	69	68

Pursuant to a Loan and Restructure Agreement between the Trustees of the Sisters of Charity and St Vincent’s Healthcare Ltd, land and building assets, including leasehold improvements, have been transferred to St Vincent’s Healthcare Ltd as at 1 January 2003 at written down value.

Financial Statements

Note 8.5: Remuneration of Auditors

	2024 \$'000	2023 \$'000
Victorian Auditor-General's Office		
Audit fees paid or payable for audit of the St Vincent’s Hospital (Melbourne) Limited’s financial statements	99	95
Other Service Providers		
HLB Mann Judd	6	4
Total Remuneration	105	99

Note 8.6: Ex-gratia expenses

	2024 \$'000	2023 \$'000
Payments made to terminated employees	1,089	1,107
Ex gratia expenses	1,089	1,107

Note 8.7: Events occurring after the balance sheet date

There were no events after balance sheet date which significantly affected or may affect the operations of the Health Service, the results of the operations or the state of affairs of the Health Service in the future financial years

Note 8.8: Joint Arrangements

Name of Entity	Principal Activity	Ownership Interest	
		2024	2023
Victorian Comprehensive Cancer Centre	The member entities have committed to the establishment of a world leading comprehensive cancer centre in Parkville, Victoria, through the Joint Venture, with a view to saving lives through the integration of cancer research, education and training and patient care.	-	10.0%

St Vincent’s Hospital (Melbourne) Limited is a Member of the Victorian Comprehensive Cancer Centre Joint Venture (the VCCC) and until October 2023, the health service held joint control over the arrangement, which was classified as a Joint Operation. The VCCC is a not-for-profit organisation and has been recognised by the Australian Taxation Office as a Health Promotion Charity. In October 2023, the VCCC enacted governance changes which resulted in St Vincent’s Hospital Melbourne no longer having joint control and as a result it is no longer able to carry any joint controlling interests. The Health Service has derecognised their share of the asset and liabilities of the VCCC and the impact of this has been included within the comprehensive operating statement. Proportional consolidation applied from 1 July 2023 to 31 October 2023 contributing \$82,800 to the net deficit. The impact of derecognition of net assets of share in VCCC joint arrangement is \$742,500.

Note 8.9: Equity

General purpose surplus

The general purpose reserve represents funds set aside by the Health Service for specific purpose, where the funds have been internally generated.

Property, plant and equipment revaluation surplus

The property, plant and equipment revaluation surplus arises on the revaluation of cultural assets. The revaluation surplus is not normally transferred to accumulated surpluses/ (deficits) on de-recognition of the relevant asset.

Restricted specific purpose reserves

The restricted specific purpose reserve is established where the Health Service has possession or title to the funds, but has no discretion to amend or vary the restriction and/or condition underlying the funds.

AIB surplus

The AIB (Annuity index bonds) surplus is a specific surplus used for deposit made to Treasury Corporation of Victoria. Annually, the Health Service recognises capitalised interest received as a surplus in this account.

Funds held in perpetuity

Funds held in perpetuity are funds held by the Health Service to cover the cash flow gap between payments made and recovered on behalf of St Vincent’s Institute of medical research.

Contributed capital

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

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

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

Accumulated surpluses/(Deficits)

Accumulated Surplus is where accumulated excess of revenues over expenses from prior years which has not been set aside for specific purposes. Accumulated Deficit arise where accumulated excess of expenses over revenue from prior years which has not been set aside for specific purposes.

Note 8.10: Economic dependency

The Health Service is a public health service governed and managed in accordance with the Health Services Act 1988. The Health Service provides essential services and is dependent on the continued financial support of the State Government. The DH has provided confirmation that it plans to continue Health Service operations into the future and recognises the Health Service’s ongoing dependency on its financial support.



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Better and
fairer care.
Always.