COHUNA DISTRICT HOSPITAL

Annual Report of Operations and Financials 2020-2021

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Auditors:

AFS & Associates, Bendigo	Internal Auditors
Crowe Horwath (Aust) Pty Ltd	External Auditors as appointed by Victorian Auditor General's Office

Accountants:

Accounting & Audit Solutions (AASB), Bendigo

REPORTS & PUBLICATIONS

The following reports and publications outlining the functions and activities of the health service are available at Reception and on the website www.cdh.vic.gov.au

- By-Laws (endorsed 2019)
- Annual Report of Operations and Financial Statements 2020-2021
- Quality Account Calendar 2020-2021
- Strategic Plan 2021-24

ABBREVIATIONS

Australian Accounting Standards (AASB),
Independent broad-based anti-corruption commission (IBAC),
Financial Management Act 1994 (the Act),
Financial Reporting Direction (FRD),
Department of Treasury & Finance (DTF),
Victorian Auditor-General's Office (VAGO),
Health Purchasing Victoria (HPV),
Department of Health & Human Services (DHHS),
Cohuna District Hospital (CDH),
Minister of Parliament (MP),
Australian Council of Healthcare Standards (ACHS),
Full Time Equivalent (FTE),
Year to Date (YTD),
Business as Usual (BAU),
National Safety Quality Health Standards (NSQHS).

LEGISLATION

Freedom of Information Act 1982
Public Interest Disclosure Act 1993
Carers Recognition Act 2012
Victorian Industry Participation Policy Act 2003
Building Act 2004
Financial Management Act 1994
Safe Patient Care Act 2015

RELEVANT MINISTERS

The Minister for Health:

From July 1 2020 to 26 September 2020	Jenny Mikakos MP Minister for Health Minister for Ambulance Services
From 26 September 2020 to 30 June 2021	The Hon Martin Foley MP Minister for Health Minister for Ambulance Services Minister for Equity

The Minister for Mental Health:

From 1 July 2020 to 29 September 2020	The Hon Martin Foley MP Minister for Mental Health Minister for Equality
From 29 September 2020 to 30 June 2021	The Hon James Merlino MP Minister for Mental Health

VISITING MEDICAL OFFICERS

Dr Peter Barker
General Practitioner, Obstetrics, Radiology & Anaesthetics

Dr Clare Bottcher
General Practitioner & Radiology

Dr Narendra Rana
General Practitioner

Dr Ali Sheaar
General Practitioner & Radiology

Dr Amal Kadugodage
General Practitioner

VISITING SURGEONS

Mr Mohamed Atalla
General Surgeon

SUPPORTING SPECIALISTS

Dr Megan Belot
Anaesthetics

Dr Stewart Gough
Obstetrics

Dr Ajiboye Olusegun
Anaesthetics

Dr Paramapathan Shoban
Obstetrics

INTRODUCTION

Purpose

Cohuna District Hospital (CDH) will report on annual performance in two separate documents;

- Annual Report – which complies with statutory reporting requirements as set out by the Department of Health and Human Services.
- The Quality of Care Report – allows accountability to the community, by publishing information on how we are tracking in relation to quality and safety standards.

Acknowledgment of Country

We acknowledge the traditional owners and custodians of the land and pay respect to elder's past, present and emerging.

Manner of Establishment

The Cohuna District Hospital (CDH) was established as a public hospital in 1952. The hospital was originally operated as a private hospital and was purchased from the owner, Dr. Stewart, in that year. Between the 1950's and today there have been many changes to health service and buildings.

In 1983, a community appeal raised funds for a nursing home. A 14-bed nursing home wing was built adjacent to the hospital and opened in 1985. A further two beds were added during 1994. Cohuna District Hospital incorporating Cohuna Community Nursing Home was established under the Health Services Act. 1988.

Email: info@cdh.vic.gov.au
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Fax: 03 5456 2435

Find us on:

https://www.facebook.com/cdh.vic.gov.au/

https://www.instagram.com/cohunadistricthospital

THE PLEDGE

Who is making the commitment?

The Board, Chief Executive and Executive Directors of Cohuna District Hospital

What are we committing to?

- Building a workplace with a positive culture that is free from bullying, harassment and discrimination
- Preventing and responding to inappropriate behaviour
- Respecting others as equals
- Supporting a diverse and inclusive workforce
- Calling out inappropriate behaviour
- Minimising risk and responding well to incidents

Why are we making the commitment?

- All staff should feel safe and supported at work
- We care for our people
- Our workplace should be positive, respectful and safe
- A positive workplace culture supports staff wellbeing and patient outcomes

OUR VISION

We are recognised for Excellence in Rural Healthcare

OUR MISSION

To deliver best of available health and wellbeing services to our community.


R
RESPECT
. Acknowledge each other with eye contact, a smile and a warm greeting
. Treat others how you would like to be treated
. We have honest and open communication
. We share knowledge and praise with our team mates.
. We show pride though the quality of our work and the quality of our interactions
I
INTEGRITY
. Act in the best interest of others
. Take responsibility for our actions
. Use manners and actively listen
. Be punctual and attentive
. Celebrate others success
T
TEAMWORK
. Brings solutions, not problems, see the opportunity in adversity
. Involve others and be inclusive
. There is no blame, only opportunity to do better as a team
. Provide positive feedback, share knowledge and Mentor others
. Everyone is valued and recognised, we are links in the chain of a quality service to the community.
E
ETHICAL BEHAVIOUR
. Act in the best interests of others, show tolerance and compassion for your colleagues
. Speak using appropriate tone and language
. Accept constructive feedback,
. Engaging and influencing change is more productive than purely opposing it
. Take ownership of your actions and your behavior
COHUNA DISTRICT HOSPITAL
PATHWAY TO EXCELLENCE
WE CAN DO BETTER
AT CDH WE CARE
RESPECT
. Using bad manners / swearing / rudeness
. Not listening, not acknowledging or talking over others
. Participating in harassment and denigrating behavior
. Ignoring and excluding others
. Withholding information
INTEGRITY
. Ignoring and excluding others / Refusing to work with others
. Participating in rumours, gossip and back stabbing
. Not allowing others to work to their full potential, undermining others roles and autonomy as a professional
. Discussing work practices outside of work
TEAMWORK
. Bringing problems with no solutions
. Putting self-interest above others, not supporting a team approach
. Withholding information or misrepresenting facts to influence others in their thinking
. Being tardy, wasting resources and time better spent on service over self interest
. Not acknowledging the work of others / claiming others work
ETHICAL BEHAVIOR
. Evading responsibilities
. Ignoring or excluding others
. Blaming others and setting unrealistic expectations
. Opposing organisational Values
. Deliberately undermining the organisation / colleagues / community trust
R
I
T
E

OUR HEALTH SERVICE

The Cohuna township is situated on the Murray Valley Highway, 68 km from Echuca (to the East) and 33 km from Kerang (to the West). Bendigo is the nearest “regional centre” located 120 km to the south.

Cohuna District Hospital employs approx. 100 people from within the town and surrounding area. Together, staff work in a team environment to ensure the best possible care, services are delivered, and the best possible outcomes are achieved for patients, residents and clients.

Cohuna District Hospital is a small rural health service and is expected to play an essential role in the provision of healthcare to its local communities, and facilitate patient access to appropriate services through referral pathways. Cohuna District Hospital can safely provide low risk, low complexity surgery, emergency stabilisation and urgent care, community and primary care services, residential aged care and prevention and management of disease. Cohuna District Hospital works with larger health services across the sub-region, region and metropolitan Melbourne to ensure its community can access the right care, at the right time in the right place.

ACCREDITATION STATUS

Accredited with the Australian Council on Healthcare Standards (ACHS) until December 2023
Accredited with the Australian Aged Care Quality Agency until October 2021

OUR FACILITIES

16 ACUTE HOSPITAL BEDS

- Medical
- Obstetric
- Surgical
- Transitional care

3 HAEMODIALYSIS CHAIRS

16 RESIDENTIAL AGED CARE BEDS

- High Care

URGENT CARE CENTRE

NATURE AND RANGE OF SERVICES PROVIDED

Antenatal Classes
Community Health Nursing
Discharge Planning
Domiciliary Care
Health Promotion
Hospital in the Home
Medical Day Procedure Unit
Maternal Antenatal Clinic
Palliative Care
Perioperative Day Surgery
Physiotherapy
Preoperative Clinic
Renal Dialysis
Social Support Group
Strengthening Hospital Responses to Family Violence
Telehealth
Transition Care Program
Volunteers

OTHER SERVICES

Rich River Physiotherapy - Echuca
Active Hearing – Echuca
Valsodar Consultancy – Social Worker
Swan Hill District Health – Geriatric Medicine Specialist Services
Meals on Wheels – Gannawarra Shire Council

PATHOLOGY

Australian Clinical Labs

RADIOLOGY

Bendigo Radiology

OUR PARTNERS

NCH

SOUTHERN MALLEE PRIMARY CARE PARTNERSHIP

MHP

BLG

CHAIRMAN & CHIEF EXECUTIVE REPORT

On behalf of the Board of Directors, the executive Leadership team and the staff of Cohuna District Hospital, we are pleased to present the 69th Report of Operations and Annual Report for the year ended 30 June 2021.

The Board of Directors consist of nine skill-based directors appointed by the Minister of Health.

As a team we are committed to excellence in rural health care and ensuring access to safer effective care for our local community.

This year, we launched our Strategic plan *Changing together 2021-2024*. This ambitious plan is our determination to deliver health care to our local community. Our community is defined by a higher rate of older persons, and a community that is in the bottom 10% of the State of Victoria when it comes to Relative Socio Demographic Disadvantage. Over the next ten years while we face a 10% reduction in total population, at the same time there will be a 10% increase in those over 70 years of age resulting in 40% of the population being over 70 years.

Strategic Priority One. To enhance the experience and health outcomes of individuals accessing our care.

We continue to provide surgical care to our local community under the clinical leadership of our GP Proceduralist and Visiting Surgeon. As well as improving access to care closer to home, this also means that our patients have shorter wait times and thus can have earlier intervention should malignancy be found.

The Covid-19 pandemic has presented new challenges for all of us. It has required modification of our models of care, service models and workforce models. We partnered with our peers across Loddon Mallee Health Network and Northern District Community Health to ensure access to screening and vaccination. This response has demonstrated our commitment to being and agile service and resilient team.

Due to the retirement of our GP obstetrician, the Capability framework of our birthing service was reviewed. This has triggered a redesign of our maternity service with the intent to develop and optimal model of care for our local mothers. We are collaborating with our local mothers to ensure this model of care will meet their needs and the needs of the newborn.

We have seen a significant growth in activity in our domiciliary service. This increase in demand allows us to provide care and treatment to our patients in the conform and safety of their own home. We continue to refine this model based on needs of our patients and their treatment plans.

This is a non-accreditation year for CDH, with National Standards accreditation due in 2022 and Aged Care Accreditation in 21/22. CDH passed it food safety audit in 2021. We commissioned an external review of our infection control service and this has resulted in key changes that are currently being rolled out.

CDH has commenced transition of its pathology service to a new provider, Austin Pathology. This will ensure there is ready access to a range of tests and qualitative analysis of our investigation ordering as well as expert pathologist advice for complex cases.
We enjoy a collaborative relationship with our Partnering with Consumers group and value their contribution. Similarly, we have a mature Hospital auxiliary that plays an important role in supporting our hospital.
The Strengthening Hospitals Response to Violence initiative was wound up. Resulting from this body of work is the Multi-Agency Risk Assessment and Management Framework, which is being embedded into the organisation and will provide consistent, effective responses for people experiencing family violence, with a shared understanding of the responsibilities of the professionals involved.

Strategic Priority Two: To enable the workforce capability and capacity so that they can work to their fullest scope of practice.
Attracting and retaining a generalist clinical workforce continues to be of paramount importance for our Board and Executive Leadership team. We continue to attract a large cohort of undergraduate nursing students. Similarly, we support enrolled nurse programs and Midwifery students. We continue to work with our local medical fraternity to attract medical officers to our rural community. We continue to invest in the professional development of our staff to ensure they perform to their scope of practice. This year has seen an investment in our infection control nurse, RIPERN nurses, lactation specialists and opportunities for our midwives to upskill in high volume birthing centers. We continue to engage a highly experience physiotherapy service and have this year engaged a Social worker to enable our community to access timely services after hospital care.
The safety and wellbeing of our staff is a key priority for our Board and Executive leaders. We continue to enhance our strategies to improve communication with staff, to understand what matters to them and to respond to their needs. We modified our flexible work practices during the acute phases of the pandemic. We are committed to a reward and recognition program for our staff. We support leadership development and succession planning.

Strategic Priority three: To design care environments that support safe, high quality health care.
The Cohuna District Hospital Masterplan and Feasibility Study was published in November 2020. This is an important first step in assessing the Cohuna District
hospital site for redevelopment of infrastructure. This enabled CDH to apply for funding for planning and design of a new Aged Care facility.
Victoria Government has funded the upgrade of our perioperative service. This includes upgrade to operating theatre, central sterile service department and recovery suite. This is an important initiative to comply with health care standards and ensure contemporary facilities to ensure surgical activity is sustained locally and that we continue to attract a skilled surgical workforce.

Similarly, CDH has been awarded funding to refurbish our existing aged care facility. Arising from the Royal Commission into Aged care, there is a concerted effort to ensure the care of our older population is contemporary and person centered.

Strategic priority Four: To integrate smart technology that makes health care better.
As a result of COVID we have moved to a telehealth platform for regular communication as well as some patient consults. Telehealth has also been a key strategy for our aged care residents to enable them to have visual communication with their families and friends. CDH has upgraded its nurse call system and this enables safer care and better response times to when our patients alert the staff.

Ben Maw departed as the Chief Executive Officer, after 2.5 years, and we welcomed Greg Pullen as Interim CEO while awaiting the appointment of Bernadette Loughnane as CEO in April 2021.

We continue to collaborate with Safer Care Victoria to ensure safer care for our local community as well as upskilling our staff in contemporary care models. Over 100 staff have been trained in speaking up for safety.

We are grateful to our local community for their ongoing support of our services. Their generosity and altruism are commendable. Of note is the annual Bridge to Bridge event, that is not only becoming an annual community fixture, but also raises significant funds for our hospital. Similarly, we continue to receive private donations from local residents and businesses.

Ross Dallimore
Chair of the Board of Directors
Cohuna District Hospital
14/10/2021

Bernadette Loughnane
Chief Executive Officer
Cohuna District Hospital
14/10/2021

DONOR NAME
Cohuna Progress Association - Bridge to Bridge
Jill North
Pethard Tarax Charitable Trust
Cohuna Fishing Competition
Cohuna Solar Farm Trust
Estate - The late Alan Westblade
CDH Ladies Auxiliary
Paul & Sue Neylan
The Alfred & Jean Dickson Foundation
Palliative care suite raffle ticket sales
Cohuna 500 Club
Cohuna & District Historical Society
Palliative Care Suite Raffle Ticket Sales
Bower Tavern – Bingo ticket sales

** Donations greater than $500.00*

LIFE GOVERNORS	
Chas Mues	Mrs I C Barr
C A Schier	Mr H Berry
R Ottrey	D F Hewitt
E E Heinrich	R N Hindhaugh
Mrs M Flannery	H (Driver) Robertson
F E Farrant	Mrs R W Farrant
M J Garner	A T Fry
J E Treacy	E B Lunghusen
L G Norman	G G Hill
H N Lithgow	Mrs V R Rowlands
Mrs E Winterbottom	G L Smith
Mrs Alec Lee	G N Munzel
Dr T K Tellesson	Mrs E B Turnour
Roy A Hawken	Dr Peter Barker
Alfred E Gow	Mr John Grant
Chas Ottrey	Mrs Roma Dye
E S Ferris	Alan Rickey
Dr P W Graham	Geoff Hall
T A R Cleave	Mrs Anne Graham
Alec E Lee	George Payne
A F Lester	Ron Stanton
T A Mackenzie	Mrs Elizabeth Lake
K C Mawson	Mrs Lois Drummond
R F Toll	

MANAGEMENT & STRUCTURE
BOARD OF DIRECTORS

President
Ross Dallimore, FAICD
Appointed as Chairman in August 2019
Appointed 01/07/2017

Vice President
Deanne Van der Drift
Appointed 01/07/2015

Treasurer
Rick Henery
Appointed 01/07/2017

Nicole Bourke
Appointed 01/07/2017

Jean Sutherland
Appointed 01/07/2015

Sam Manduskar
Appointed 01/07/2017

Adam Dowell
Appointed 01/07/2017

Anthea Toma
Appointed 01/07/2018

Nicholas Greer
Appointed 01/07/2020

Dianne Bowles – Appointed 01/07/2019 – Resigned 09/03/2021

BOARD OF DIRECTORS SUB-COMMITTEES

AUDIT & RISK COMMITTEE

Member Name	
Jean Sutherland (Chairperson)	Board Member
Sam Manduskar	Board Member
Deanne Van der Drift	Board Member
Anthea Toma	Board Member
Nicholas Greer	Board Member
Janine Dickson	Community Member
David Turnour	Community Member
Katie Dempster	AFS & Associates
Dannielle Mackenzie	Crowe Horwath (Aust) Pty Ltd

PARTNERING WITH CONSUMERS REFERENCE GROUP

Member Name	
Kerri Sidorow	Chairperson
Ben Maw Greg Pullen Bernadette Loughnane	Chief Executive Officer Interim Chief Executive Officer Chief Executive Officer
Lynne Sinclair	Director of Clinical Services
Wendy Lunghusen	Acting Director of Clinical Services
Angela Clark-Grundy	Community Engagement Officer
Dianne Bowles	Board Member
Deanne Van der Drift	Board Member
Jean Sutherland	Board Member
Anne Graham	Community Member
Katrina Toma	Community Member
Brenda Holderhead	Community Member
Jan Holderhead	Community Member
Sasha Keir	Community Member
Shelly Bradley	Community Member
Betty Thompson	Community Member
Helen Keely	Community Member
Rhonda Bibby	Community Member

SENIOR EXECUTIVE OFFICERS

Chief Executive Officer Bernadette Loughnane

Commenced 19/04/2021

Director of Clinical Services Lynne Sinclair

Director of Medical Services Dr Craig Winter

Chief Executive Officer (CEO)

Ben Maw - Chief Executive Officer – Resigned 24/01/2021
Greg Pullen – Interim Chief Executive Officer – 11/07/2021 – 16/04/2021

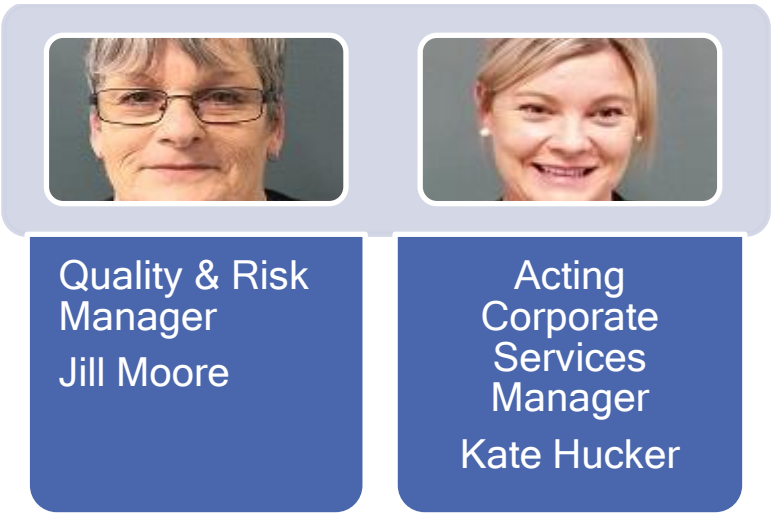
The Chief Executive Officer is responsible to the Board of Directors for the efficient and effective management of Cohuna District Hospital. Key responsibilities include the development and implementation of operational and strategic planning, maximising service efficiency, quality improvement and minimisation of risk.

Director of Clinical Services (DCS)

The Director of Clinical Services has a professional responsibility for nursing across clinical streams and executive responsibility for acute nursing services including, Urgent Care, Renal Dialysis, General Medical, General Surgical, Maternity and Residential, Community Nursing, Social Support Group and Aged Care Services. Major areas of responsibility include Clinical Leadership and Standards of Practice, Nursing credentialing and resource management, service and strategic planning, clinical risk management and quality improvement.

Director of Medical Services (DMS)

All medical staff (Visiting Medical Officers and Visiting Specialists) report professionally to the Director of Medical Services. This role is also responsible for credentialing medical staff in addition to working with other members of the Executive to provide clinical governance, planning and resource management for the health service.



Quality & Risk Manager (QRM)

The Quality & Risk Manager leads and manages the Quality Improvement program to ensure compliance with the Australian Aged Care Quality Agency (AACQA) and National Safety and Quality Health Service (NSQHS) Standards. The Quality & Risk manager drives quality improvement and acts as a best practices coach to all staff, volunteers and members of the Board.

Corporate Services Manager (CSM)

Cara Van der Zande – Corporate Services Manager – Resigned 2/05/2021

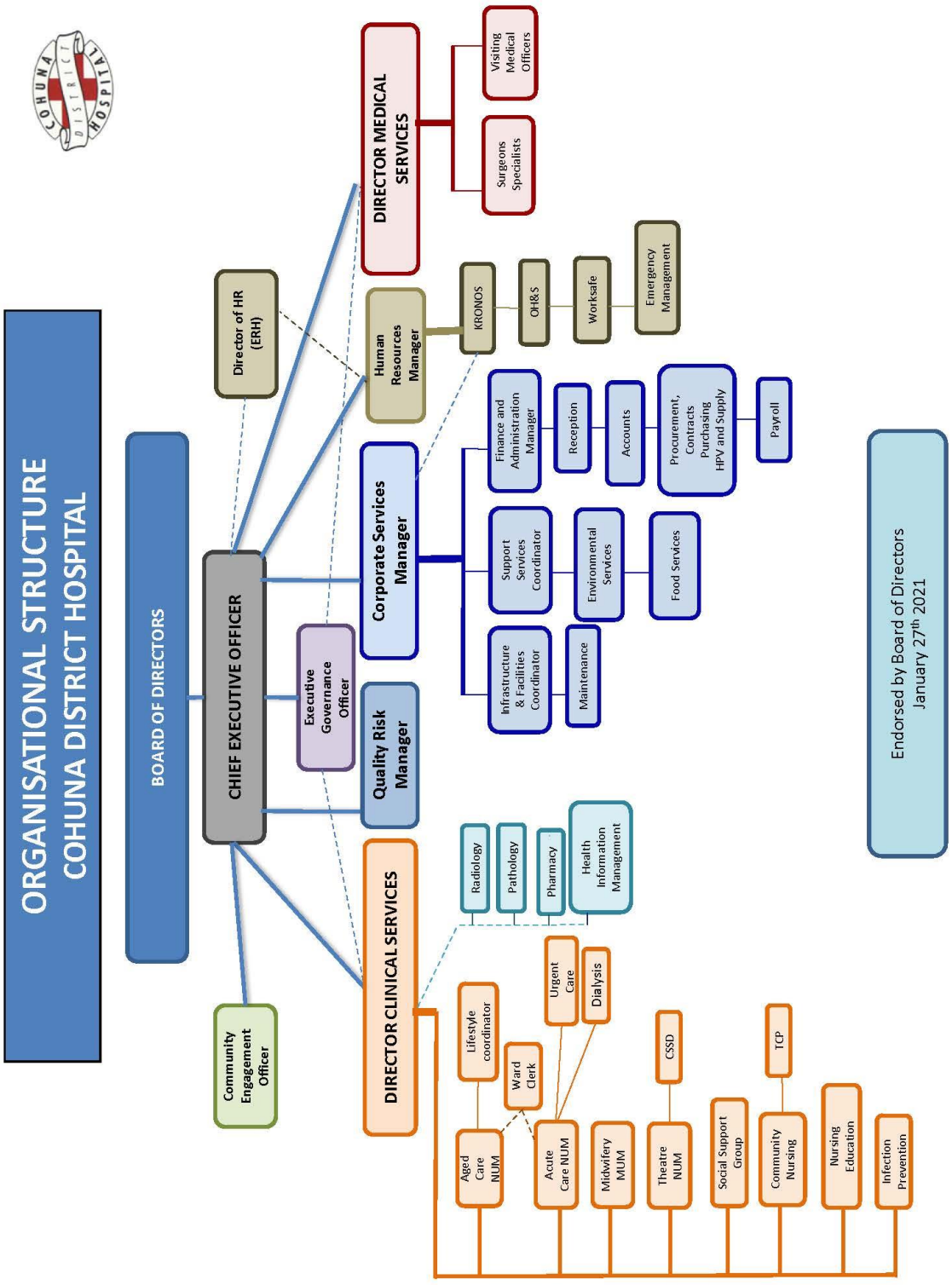
The Corporate Services Manager is responsible for the efficient and effective management of the non-clinical day-to-day operations of the Health Service. Key responsibilities include Support Services, Infrastructure & Facilities Maintenance, Finance, Administration, Human Resources, Occupational Health & Safety, Emergency Management, Contracts and Procurement.

YEARS OF SERVICE

Presented at the Annual General Meeting held in February 2021

35 years	Robyn Gladman	Clinical Services
	Heather Spence	Clinical Services
	Sherryn Bond	Clinical Services
	Maxine Rush	Support Services
30 years	Kaye Tuohey	Clinical Services
20 years	Gabriel Dunne	Support Services
	Mandy Lyons	Support Services
15 years	Glenda Crichton	Clinical Services
	Sharee Edge	Clinical Services
	Michelle Gladman	Support Services
10 years	Wendy McInnes	Clinical Services
	Caitlin Taylor-Irvin	Administration Services
	Cliff Dwyer	Clinical Services
	Helen Cramer	Executive Services
	Daniella Mathers	Clinical Services

ORGANISATION STRUCTURE



WORKFORCE DATA

Hospitals Labour Category	JUNE Current Month FTE*		Average Monthly FTE**	
	2020	2021	2020	2021
Nursing	40.73	33.33	41.24	34.82
Administration and Clerical	7.9	14.52	7.63	13.29
Hotel and Allied Services	16.19	11.92	17.27	13.13

The FTE figures required in the table are those excluding overtime. These do not include contracted staff (e.g. Agency nurses, Fee-for-Service Visiting Medical Officers) who are not regarded as employees for this purpose. The data should be consistent with that provided in the Minimum Employee Data Set.

OCCUPATIONAL HEALTH AND SAFETY DATA

Occupational Health and Safety Statistics	2020-21	2019-20	2018-19
The number of reported hazards/incidents for the year per 100 FTE	24	39	91
The number of 'lost time' standard Workcover claims for the year per 100 FTE	2.37	3.02	4.45
The average cost per Workcover claim for the year ('000)	25,299	18,530.39	10,047.45

OCCUPATIONAL VIOLENCE

Victorian public health services are required to monitor and publicly report incidents of occupational violence in the health service annual report. To ensure consistency in annual reporting, Health Services are required, as a minimum, to report the following occupational violence statistics in the following format, including the definitions listed underneath the table.

Occupational Violence Statistics	2020-21
Workcover accepted claims with an occupational violence cause per 100 FTE	0
Number of accepted Workcover claims with lost time injury with an occupational violence cause per 1,000,000 hours worked.	0
Number of occupational violence incidents reported	4
Number of occupational violence incidents reported per 100 FTE	3.9
Percentage of occupational violence incidents resulting in a staff injury, illness or condition	0

For the purposes of the Occupational Violence Statistics, the following definitions apply:

Occupational violence – any incident where an employee is abused, threatened or assaulted in circumstances arising out of, or in the course of their employment.

Incident – an event or circumstance that could have resulted in, or did result in, harm to an employee. Incidents of all severity rating must be included. Code Grey reporting is not included, however, if an incident occurs during the course of a planned or unplanned Code Grey, the incident must be included.

Accepted Workcover claims – Accepted Workcover claims that were lodged in 2020-21.

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 work or submitted a claim.

FINANCIAL INFORMATION

	2021 $	2020 $	2019 $	2018 $	2017 $
OPERATING RESULT*	390	155	(248)	182	(96)
- Total revenue	11,841	10,481	10,424	9,811	9,011
- Total expenses	11,951	11,075	10,671	9,832	9,151
- Net result from transactions	(110)	(594)	(248)	(21)	(140)
- Total other economic flows	30	(32)	(25)	(7)	13
- Net result	(80)	(626)	(273)	(28)	(127)
- Total assets	13,866	12,872	13,043	9,209	9,003
- Total liabilities	5,340	4,265	3,810	3,431	3,197
- Net assets/Total equity	8,526	8,607	9,233	5,778	5,806

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

Reconciliation between the Net result from transactions reported in the model to the Operating result as agreed in the Statement of Priorities.

	2021 $000
Net operating result *	**$390**
Capital purpose income	320
Specific income	0
COVID 19 State Supply Arrangements -Assets received free of charge or for nil consideration under the State Supply	124
State supply items consumed up to 30 June 2021	-124
Assets provided free of charge	0
Assets received free of charge	14
Expenditure for capital purpose	68
Depreciation and amortization	-872
Impairment of non-financial assets	0
Finance costs (other) (not general finance cost)	0
Net result from transactions	-80

There were no significant changes or subsequent events that affected the Financial Position during the year.

CONSULTANICIES INFORMATION

Details of consultancies (under $10,000)

In 2020-21, there were two consultancies where the total fees payable to the consultants was less than $10,000. The total expenditure incurred during 2020-201 in relation to these consultancies is $10,701.29 (excl. GST).

Consultant	Purpose of consultancy	Start date	End date	Total approved project fee (excl GST)	Expenditure 2020-21 (excl GST)	Future expenditure (excl GST)
Porter Novelli	Public Relations Maternity Transition	23/09/2021	01/05/2021	$5,000.00	$4,781.56	0
Echuca Regional Health	Sterilising Services & Infection Prevention	01/02/2021	16/04/2021	$5,919.73	$5, 919.73	0

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

In 2020-21, there were two consultancies where the total fees payable to the consultants was $10,000 or greater. The total expenditure incurred during 2020-21 in relation to these consultancies is $34,972.00 (excl. GST).

Consultant	Purpose of consultancy	Start date	End date	Total approved project fee (excl GST)	Expenditure 2020-21 (excl GST)	Future expenditure (excl GST)
The Aligned Health Group	Planning Support Strategic Planning	08/10/2020	23/02/2021	$22, 000.00	$22,000.00	0
Loss Prevention Group of Australia	Workplace Investigation	02/01/2021	16/04/2021	$12,972.00	$12,972.00	0

INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) EXPENDITURE

The total ICT expenditure incurred during 2020-21 is $51,620.76 (excluding GST) with the details shown below.

Business as Usual (BAU) ICT expenditure	**Non-Business as Usual (non BAU) ICT expenditure**		
(Total) Excluding GST	Total=Operational expenditure and Capital Expenditure) (excluding GST) (a) = (b)	Operational expenditure (excluding GST) (a)	Capital expenditure (excluding GST) (b)
$0.51 million	$0.00 million	$0.00 million	$0.00 million

DISCLOSURES REQUIRED UNDER LEGISLATION

Freedom of Information Act 1982 – FRD 22I section 5.18(a)

During 2020/21, there were twenty (20) requests for access to documents under the Freedom of Information Act 1982. The Director of Clinical Services (DCS), who is named as the Principle Officer, approved all twenty (20) requests

Building Act 1993 – FRD22H section 5.18 (b)

The Building Act 1993 sets standards for the construction of new buildings and for the maintenance of existing buildings. It includes provisions to protect the safety and health of building users and cost-effective construction is encouraged.

All building work carried out during 2020/21 complies with current Building Standards and to the best of our knowledge, the Health Service complies with building, maintenance and condition assessments, Fire safety audits and essential safety measures maintenance provisions as per the Act.

Public Interest Disclosure Act 2012

Cohuna District Hospital has policies and procedures consistent with the requirements of the Public Interest Disclosure Act 2012, which supports staff to disclose improper or corrupt conduct within the health service. There were no disclosures notified to IBAC under section 21(2) during the financial year.

Statement on National Competition Policy – FRD 22I section 5.18 (e)

Cohuna District Hospital applies competitive neutral costing and pricing arrangement to significant business units within its operations. These arrangements are in line with the Government policy and the model principles applicable to the health sector.

Carers Recognition Act 2012

Cohuna District Hospital recognises its obligations under Section 12.12 of the Carers Recognition Act 2012 by ensuring that;

- Its employees and agents have an awareness and understanding of the care relationship principles;
- All practicable measures are taken to ensure that persons who are in care relationships and are receiving services, understand the care relationship principles;
- All practicable measures are taken to ensure that the organisation and its employees and agents reflect the principles in developing, supporting and providing assistance for persons in care relationships.

Local Jobs Act 2003

Cohuna District Hospital abides by the Local Jobs First Act 2003 – FRD 25D. In 2020/21 there were no contracts to which the Act applied.

Gender Equality Act 2020

Cohuna District Hospital is working towards a workforce inclusion initiative as part of its workforce inclusion policy consistent with the Gender Equality Act 2020. This work will include a Workforce Plan which is currently being drafted and Gender Equality Action Plans, which will provide data against a range of workplace gender equality indicators.

Environmental Performance - FRD 22I section 5.18 (h)

Cohuna District Hospital is committed to protecting the environment. When developing changes or making improvements, consideration is given to conserving energy and water, reducing greenhouse emissions and improving waste management.

GREENHOUSE GAS EMISSIONS	2020-21	2019-20	2018-19
Total greenhouse gas emissions (tonnes CO2e)			
Scope 1	29	62	74
Scope 2	415	438	475
TOTAL	**1,545**	**1,598**	**549**
Normalised greenhouse gas emissions			
Emissions per unit of floor space (kgCO2e/m2)	166.97	188.03	206.55
Emissions per unit of Separations (kgCO2e/Separations)	466.54	511.94	425.90
Emissions per unit of bed-day (LOS+Aged Care OBD) (kgCO2e/OBD)	61.95	67.03	62.88

STATIONARY ENERGY	2020-21	2019-20	2018-19
Total stationary energy purchased by energy type (GJ)			
Electricity	1,524	1,545	1,598
Liquefied Petroleum Gas	485	1,029	1,227
TOTAL	**2,008**	**2,575**	**2,825**
Normalised stationary energy consumption			
Energy per unit of floor space (GJ/m2)	0.75	0.97	1.06
Energy per unit of Separations (GJ/Separations)	2.11	2.64	2.19
Energy per unit of bed-day (LOS+Aged Care OBD) (GJ/OBD)	0.28	0.35	0.32

WATER		2020-21	2019-20	2018-19
Total water consumption by type (kL)				
Potable Water		6,586	4,511	5,485
	TOTAL	**6,586**	**4,511**	**5,485**
Normalised water consumption (Potable + Class A)				
Water per unit of floor space (kL/m2)		2.48	1.70	2.06
Water per unit of Separations (kL/Separations)		6.92	4.62	4.25
Water per unit of bed-day (LOS+Aged Care OBD) (kL/OBD)		0.92	0.60	0.63

WASTE AND RECYCLING	2020-21	2019-20	2018-19
Waste			
Total waste generated (kg clinical waste+kg general waste+kg recycling waste)	12,401	1,196	2,458
Total waste to landfill generated (kg clinical waste+kg general waste)	10,391	1,196	1,802
Total waste to landfill per patient treated ((kg clinical waste+kg general waste)/PPT)	1.28	0.14	0.18
Recycling rate % (kg recycling / (kg general waste+kg recycling)	18.47	N/A	100.00

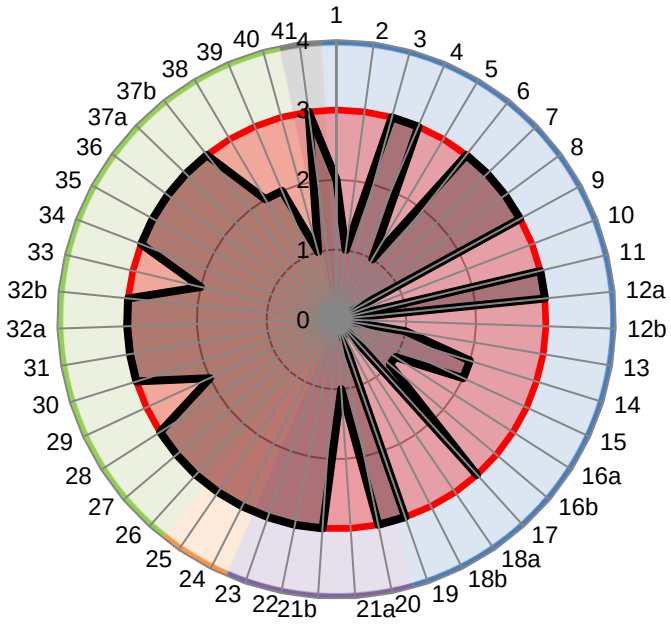
* The significant increase in waste is a direct result of increased usage of Personal Protective Equipment to protect staff from COVID-19.

Asset Management Accountability Framework (AMAF) maturity assessment

The following sections summarise Cohuna District Hospitals assessment of maturity against the requirements of the Asset Management Accountability Framework (AMAF). The AMAF is a non-prescriptive, devolved accountability model of asset management that requires compliance with 41 mandatory requirements. These requirements can be found on the DTF website (https://www.dtf.vic.gov.au/infrastructure-investment/asset-management-accountability-framework).

Cohuna District Hospital target maturity rating is 'competence', meaning systems and processes fully in place, consistently applied and systematically meeting the AMAF requirement, including a continuous improvement process to expand system performance above AMAF minimum requirements.

Results:



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

Target Overall

Leadership and Accountability (requirements 1-19)

CDH mostly complies with requirements within this category. CDH did identify some areas of partial compliance in relation to skills and resourcing, monitoring asset performance and asset management systems and practices. An action plan has been developed to improve our maturity rating in these areas.

Planning (requirements 20-23)

CDH has met its target maturity level for requirements within this category including asset management strategy and risk management.

Acquisition (requirements 24 and 25)

CDH has met its target maturity level for requirements within this category.

Operation (requirements 26-40)

CDH has met its target maturity level for requirements within this category. CDH did identify some areas of partial compliance in relation to monitoring and preventative action, information management, record keeping and asset valuation. An action plan has been developed to improve our maturity rating in these areas.

Disposal (requirement 41)

CDH has met its target maturity level for this category.

ADDITIONAL INFORMATION AVAILABLE ON REQUEST

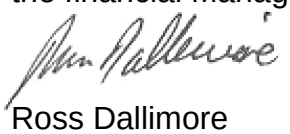
FRD 22I section 5.19 requires agencies to provide the following statement:
Details in respect of the items listed below have been retained by the health service and are available to the relevant Ministers, Members of Parliament and the public on request (subject to the freedom of information requirements, if applicable):

- Declarations of pecuniary interests have been duly completed by all relevant officers;
- Details of shares held by senior officers as nominee or held beneficially;
- Details of publications produced by the entity about itself, and how these can be obtained;
- Details of changes in prices, fees, charges, rates and levies charged by the Health Service;
- Details of any major external reviews carried out on the Health Service;
- Details of major research and development activities undertaken by the Health Service that are not otherwise covered either in the report of operations or in a document that contains the financial statements and report of operations;
- Details of overseas visits undertaken including a summary of the objectives and outcomes of each visit;
- Details of major promotional, public relations and marketing activities undertaken by the Health Service to develop community awareness of the Health Service and its services;
- Details of assessments and measures undertaken to improve the occupational health and safety of employees;
- A general statement on industrial relations within the Health Service and details of time lost through industrial accidents and disputes, which is not otherwise detailed in the report of operations;
- A list of major committees sponsored by the Health Service, the purposes of each committee and the extent to which those purposes have been achieved;
- Details of all consultancies and contractors including consultants/contractors engaged, services provided, and expenditure committed for each engagement.

ATTESTATIONS AND DECLARATIONS

Financial Management Compliance attestation – SD 5.1.4

I, Ross Dallimore, on behalf of the Responsible Body, certify that the Cohuna District Hospital has no Material Compliance Deficiency with respect to the applicable Standing directions under the financial Management Act 1994 and Instructions.



Ross Dallimore
Responsible Officer
Cohuna District Hospital
14/10/2021

Responsible bodies declaration – SD 5.2.3 Declaration in report of operations

In accordance with the Financial Management Act 1994, I am pleased to present the report of operations for Cohuna District Hospital for the year ending 30 June 2021.

Ross Dallimore
Chair of the Board of Directors
14/10/2021

Data Integrity Declaration

I Bernadette Loughnane certify that Cohuna District Hospital has put it place appropriate internal controls and processes to ensure that reported data accurately reflects actual performance. Cohuna District Hospital has critically reviewed these controls and processes during the year.

Bernadette Loughnane
Chief Executive Officer
Cohuna District Hospital
14/10/2021

Conflict of Interest Declaration

I, Bernadette Loughnane, certify that Cohuna District Hospital has put in place appropriate internal controls and processes to ensure that it has complied with the requirements of hospital circular 07/2017 Compliance reporting in health portfolio entities (Revised) and has implemented a 'Conflict of Interest' policy consistent with the minimum accountabilities required by the VPSC. Declaration of private interest forms have been completed by all executive staff within Cohuna District Hospital and members of the board, and all declared conflicts have been addressed and are being managed. Conflict of interest is a standard agenda item for declaration and documenting at each executive board meeting.

Bernadette Loughnane
Chief Executive Officer
Cohuna District Hospital
14/10/2021

Integrity, Fraud and Corruption Declaration

I, Bernadette Loughnane certify that Cohuna District Hospital has put it place appropriate internal controls and processes to ensure that Integrity, fraud and corruption risks have been reviewed and addressed at Cohuna District Hospital during the year.

Bernadette Loughnane
Chief Executive Officer
Cohuna District Hospital
14/10/2021

Safe Patient Care Act 2015

The hospital has no matters to report in relation to its obligations under section 40 of the Safe Patient Care Act 2015.

DISCLOSURE INDEX

The annual report of the Cohuna District Hospital 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
FRD 22I	Application and operation of Carers Recognition Act 2012	25
FRD 22I	Summary of the entity's environmental performance	26
FRD 22I	Additional information available on request	30

Other relevant reporting directives

FRD 25D	Local Jobs First Act disclosures	26
SD 5.1.4	Financial Management Compliance attestation	31
SD 5.2.3	Declaration in report of operations	31

Attestations

Other reporting requirements

STATEMENT OF PRIORITIES 2020-21

PART A: STRATEGIC OVERVIEW

Strategic Priorities	CDH Strategy and Outcome
Maintain your robust COVID-19 readiness and response, working with my department to ensure we rapidly respond to outbreaks, if and when they occur, which includes providing testing for your community and staff, where necessary and if required	Cohuna District Hospital has a well-developed Pandemic Plan that is leading the response to COVID19. Rapid identification, encouraging home isolation treatment, management at a tertiary facility, reducing transmission contacts within the healthcare setting, minimising risk of transmission, and adjusting control measures as required.
Engage with your community to address the needs of patients, especially our vulnerable Victorians whose care has been delayed due to the pandemic and provide the necessary "catch-up" care to support them to get back on track	The Loddon Mallee Health Network (LMHN) are leading the cluster implementation of the Elective Surgery Blitz. This funding source enabled CDH to increase theatre (169 patients were operated on in 2020-21). The Community Nursing and Transitional Care workforce increased enabling more people to receive timely access to care.
As providers of care, respond to the recommendations of the Royal Commission into Victoria's Mental Health system and the Royal Commission into Aged Care Quality and Safety	The Royal Aged Care Commission handed down 148 recommendations in its final report. Cohuna District Hospital Residential Aged Care took a proactive approach in implementing all new legislative changes at the time of notification, in preparation for Accreditation in late 2021. So far this has included Restrictive Practice, introduction of SIRS (Serious Incident Response Scheme) and Basic Daily Fee Supplement ($10 per resident per day). New processes have been introduced to ensure that additional requirements are met with Myagedcare, NDIS commission and VICNISS.
Develop and foster your local health partner relationships, which have been strengthened during the pandemic response, to continue delivering	Local health partnerships have been developed and strengthened during the pandemic response. CDH Nurse Immunisers have collaboratively worked with the Bendigo Rapid Response Team and Northern District Community Health to deliver vaccinations to the

collaborative approaches to planning, procurement and service delivery at scale.	community. Cohuna District Hospital engages and liaises with local aboriginal groups and individuals to develop and maintain collaborative partnerships. This ensures information provided is culturally appropriate and CDH is a culturally safe and welcoming physical environment. CDH partnered with Gannawarra Local Agency Meeting (GLAM) to develop and implement the Reconciliation Action Plan.

PART B: HEALTH SERVICE PERFORMANCE PRIORITIES

HIGH QUALITY AND SAFE CARE

Key performance measure	Target	Actual
Infection prevention and control		
Compliance with the Hand Hygiene Australia program	83%	94%
Percentage of healthcare workers immunised for influenza	90%	100%
Patient experience		
Victorian Healthcare Experience Survey – percentage of positive patient experience responses	95%	*n/a
Victorian Healthcare Experience Survey – percentage of very positive responses to questions on discharge care	75%	*n/a
Healthcare associated infections (HAI's)		
Rate of patients with surgical site infection	No outliers	0
Rate of patients with ICU central-line-associated bloodstream infection (CLABSI)	Nil	0
Rate of patients with SAB per 10, 000 occupied bed days	≤ 1	0
Maternity and Newborn		
Rate of singleton term infants without birth anomalies with APGAR score <7 to 5 minutes	≤ 1.4%	2.9%
Rate of severe fetal growth restriction (FGR) in singleton pregnancy undelivered by 40 weeks	≤ 28.6%	0

*Result suppressed due to less than 30 responses

PART C: PERFORMANCE PRIORITIES

TIMELY ACCESS TO CARE

Key performance measure	Target	Actual
Elective surgery		
Percentage of urgency category 1 elective surgery patients admitted within 30 days	100%	56%
Percentage of urgency category 1, 2 and 3 elective surgery patients admitted within clinically recommended time	94%	81%
Percentage of patients on the waiting list who have waited longer than clinically recommended time for their respective triage category	5% or 15% proportional improvement from prior year	19%
Number of patients on the elective surgery waiting list as at 30 June 2021	n/a	n/a
Number of hospital-initiated postponements per 100s scheduled elective surgery admissions	≤ 7 / 100	7
Number of patients admitted from the elective surgery waiting list	n/a	n/a
EFFECTIVE FINANCIAL MANAGEMENT	**Target**	**Actual**
Key performance measure		
Operating result ($m)	0.10	0.39
Average number of days to pay trade creditors	60 days	48
Average number of days to receive patient fee debtors	60 days	62
Public and Private WEIS activity performance to target	100%	100%
Adjusted current asset ratio	0.7 or 3% improvement from health service base target	1.64

1 WEIS is a Weighted Inlier Equivalent Separation

PART D: COMMONWEALTH FUNDING CONTIRBUTION (MODELLED BUDGET)

TABLE 2; COMMONWEALTH CONTRIBUTION FOR PERIOD: 1 JULY 2020 – 30 JUNE 2021	Service Category	Estimated National Weighted activity units (NWAU19)	Total funding ($'000)
Activity based funding	Acute admitted services	0	0
	Admitted mental health services	0	
	Admitted subacute services	0	
	Emergency services	0	
	Non-admitted services	0	
Block funding	Non-admitted mental health services	n/a	67
	Teaching, training and research	n/a	
	Other non-admitted services	n/a	
Other funding			7,918
Total		**0**	**7,984**

ACTIVITY REPORTING

Service	Type of Activity	Activity 2019-20	Activity 2020-21
Acute inpatients	Number of admissions (excl. Dialysis and Unqualified Newborns)	851	896
Acute inpatients	Total Bed Days (excl. Dialysis and Unqualified Newborns)	2013	780
Bed Day Average	(excl. Dialysis and Unqualified Newborns)	2.37	2.76
Urgent Care	Total Presentations	2310	2504
District Nursing	Occasions of Service	1800	2547
Births	Number of births	32	30
Renal Dialysis	Number of sessions held for 3 Chairs	216	154
Aged Care	% Bed Occupancy	87.7%	83.9%
Surgical Procedures	Overnight stay	14	19
Surgical Procedures	One Day Stay	126	150
Social Support Group	Total Number of attendances	795	730
Meals on Wheels	Total Number of Meals delivered	5238	6328
Transitional Care Program	Hospital Based	184	137
Transitional Care Program	Community Based	489	595

Independent Auditor's Report

Victorian Auditor-General's Office

To the Board of Cohuna District Hospital

Opinion	I have audited the financial report of Cohuna District Hospital (the health service) which comprises the: • balance sheet as at 30 June 2021 • 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 member's, accountable officer's and chief finance & accounting officer's declaration. In my opinion the financial report presents fairly, in all material respects, the financial position of the health service as at 30 June 2021 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the *Financial Management Act 1994* and applicable Australian Accounting Standards.
Basis for Opinion	I have conducted my audit in accordance with the *Audit Act 1994* which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. My independence is established by the *Constitution Act 1975.* My staff and I are independent of the health service in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.
Board's responsibilities for the financial report	The Board of the health service is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the *Financial Management Act 1994*, and for such internal control as the Board determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error. In preparing the financial report, the Board is responsible for assessing the health service's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.
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.

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

Auditor's responsibilities for the audit of the financial report	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.
(*continued*)	As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also: • identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. • obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the health service's internal control • evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board • conclude on the appropriateness of the Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the health service's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the health service to cease to continue as a going concern. • evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation. I communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

MELBOURNE
20 October 2021

Dominika Ryan
as delegate for the Auditor-General of Victoria

Financial Statements
Financial Year ended 30 June 2021

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

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

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2021 and the financial position of Cohuna District Hospital at 30 June 2021.

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 this day, 14th October 2021.

Board member	**Accountable Officer**	**Chief Finance & Accounting Officer**
		
Ross Dallimore Chair	Bernadette Loughnane Chief Executive Officer	Steve Jackel Chief Finance and Accounting Officer
Cohuna 14/10/2021	Cohuna 14/10/2021	Cohuna 14/10/2021

Cohuna District Hospital
Comprehensive Operating Statement
For the Financial Year Ended 30 June 2021

	Note	Total 2021 $'000	Total 2020 $'000
Revenue and income from transactions			
Operating activities	2.1	11,829	10,448
Non-operating activities	2.1	12	32
Total revenue and income from transactions		**11,841**	**10,480**
Expenses from transactions			
Employee expenses	3.1	(8,372)	(7,960)
Supplies and consumables	3.1	(835)	(787)
Depreciation and amortisation	3.1	(871)	(855)
Other administrative expenses	3.1	(1,473)	(1,062)
Other operating expenses	3.1	(400)	(409)
Other non-operating expenses	3.1	-	(2)
Total Expenses from transactions		**(11,951)**	**(11,075)**
Net result from transactions - net operating balance		**(110)**	**(595)**
Other economic flows included in net result			
Net gain/(loss) on sale of non-financial assets	3.4	-	(22)
Net gain/(loss) on financial instruments	3.4	-	(3)
Other gain/(loss) from other economic flows	3.4	30	(7)
Total other economic flows included in net result		**30**	**(32)**
Net result for the year		**(80)**	**(627)**
Other comprehensive income			
Items that will not be reclassified to net result			
Changes in property, plant and equipment revaluation surplus	4.1(b)	-	-
Total other comprehensive income		**-**	**-**
Comprehensive result for the year		**(80)**	**(627)**

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

Cohuna District Hospital
Balance Sheet
As at 30 June 2021

	Note	Total 2021 $'000	Total 2020 $'000
Current assets			
Cash and cash equivalents	6.2	4,768	3,232
Receivables and contract assets	5.1	308	349
Inventories	4.3	124	130
Prepaid expenses		88	119
Total current assets		**5,288**	**3,830**
Non-current assets			
Receivables and contract assets	5.1	406	405
Property, plant and equipment	4.1 (a)	8,172	8,636
Total non-current assets		**8,578**	**9,041**
Total assets		**13,866**	**12,871**
Current liabilities			
Payables and contract liabilities	5.2	1,810	1,130
Borrowings	6.1	6	140
Employee benefits	3.2	1,981	1,982
Other liabilities	5.3	1,441	892
Total current liabilities		**5,238**	**4,144**
Non-current liabilities			
Borrowings	6.1	26	-
Employee benefits	3.2	76	121
Total non-current liabilities		**102**	**121**
Total liabilities		**5,340**	**4,265**
Net assets		**8,526**	**8,606**
Equity			
Property, plant and equipment revaluation surplus	4.1(f)	9,518	9,518
Contributed capital	SCE	2,688	2,688
Accumulated surplus/(deficit)	SCE	(3,680)	(3,600)
Total equity		**8,526**	**8,606**

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

Cohuna District Hospital
Statement of Changes in Equity
For the Financial Year Ended 30 June 2021

Total	Note	Property, Plant and Equipment Revaluation Surplus $'000	Contributed Capital $'000	Accumulated Surplus/(Deficits) $'000	Total $'000
Balance at 30 June 2019		**9,518**	**2,688**	**(2,973)**	**9,233**
Net result for the year		-	-	(627)	(627)
Balance at 30 June 2020		**9,518**	**2,688**	**(3,600)**	**8,606**
Net result for the year		-	-	(80)	(80)
Balance at 30 June 2021		**9,518**	**2,688**	**(3,680)**	**8,526**

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

Cohuna District Hospital
Cash Flow Statement
For the Financial Year Ended 30 June 2021

	Note	Total 2021 $'000	Total 2020 $'000
Cash Flows from operating activities			
Operating grants from government		10,440	8,979
Capital grants from government - State		186	50
Patient fees received		575	672
Net GST received/(paid) to ATO		(22)	13
Interest and investment income received		12	32
Commercial Income Received		134	87
Other receipts		1,053	550
Total receipts		**12,378**	**10,383**
Employee expenses paid		(8,586)	(7,822)
Payments for supplies and consumables		(642)	(858)
Payments for medical indemnity insurance		(112)	(107)
Payments for repairs and maintenance		(156)	(147)
Cash outflow for leases		(7)	(6)
Other payments		(1,561)	(1,261)
Total payments		**(11,064)**	**(10,201)**
Net cash flows from/(used in) operating activities	8.1	**1,314**	**182**
Cash Flows from investing activities			
Purchase of property, plant and equipment		(391)	(488)
Capital donations and bequests received		129	29
Other capital receipts		42	-
Net cash flows from/(used in) investing activities		**(220)**	**(459)**
Cash flows from financing activities			
Repayment of borrowings		(108)	(140)
Net receipts of accommodation deposits		550	430
Net cash flows from /(used in) financing activities		**442**	**290**
Net increase/(decrease) in cash and cash equivalents held		**1,536**	**13**
Cash and cash equivalents at beginning of year		3,232	3,219
Cash and cash equivalents at end of year	6.2	**4,768**	**3,232**

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

Notes to the Financial Statements

Cohuna District Hospital
Notes to the Financial Statements
For the Financial Year Ended 30 June 2021

Note 1: Basis of preparation

Structure

Cohuna District Hospital
Notes to the Financial Statements
For the Financial Year Ended 30 June 2021

Note 1: Basis of preparation

These financial statements represent the audited general purpose financial statements for Cohuna District Hospital for the year ended 30 June 2021. The report provides users with information about Cohuna District Hospital's stewardship of the resources entrusted to it.

This section explains the basis of preparing the financial statements and identifies the key accounting estimates and judgements.

Note 1.1: Basis of preparation of the financial statements
These financial statements are general purpose financial statements which have been prepared in accordance with the *Financial Management Act 1994* and applicable Australian Accounting Standards, which include interpretations issued by the Australian Accounting Standards Board (AASB). They are presented in a manner consistent with the requirements of AASB 101 *Presentation of Financial Statements.*

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

Cohuna District Hospital 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.

Cohuna District Hospital operates on a fund accounting basis and maintains three funds: Operating, Specific Purpose and Capital Funds. Cohuna District Hospital's Capital and Specific Purpose Funds include:
- Donation and Fundraising Funds
- Commercial activities.

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

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

The financial statements are in Australian dollars.

Cohuna District Hospital
Notes to the Financial Statements
For the Financial Year Ended 30 June 2021

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 Cohuna District Hospital on 14th October, 2021.

Note 1.2 Impact of COVID-19 pandemic

In March 2020 a state of emergency was declared in Victoria due to the global coronavirus pandemic, known as COVID-19. Since this date, to contain the spread of COVID-19 and prioritise the health and safety of our community, Cohuna District Hospital was required to comply with various directions announced by the Commonwealth and State Governments, which in turn, has continued to impact the way in which Cohuna District Hospital operates.

Cohuna District Hospital introduced a range of measures in both the prior and current year, including:

- introducing restrictions on non-essential visitors
- greater utilisation of telehealth services
- implementing reduced visitor hours
- deferring elective surgery and reducing activity
- performing COVID-19 testing
- administering COVID-19 vaccinations
- implementing work from home arrangements where appropriate.

As restrictions have eased towards the end of the financial year Cohuna District Hospital has revised some measures where appropriate including returning to work onsite, recommencement of surgical activities and opening access for visitors during periods where we are able.

The financial impacts of the pandemic are disclosed at:

- Note 2: Funding delivery of our services
- Note 3: The cost of delivering services.
- Note 4: Key assets to support service delivery
- Note 5: Other assets and liabilities
- Note 6: How we finance our operations.

Cohuna District Hospital
Notes to the Financial Statements
For the Financial Year Ended 30 June 2021

Note 1.3 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
SD	Standing Direction
VAGO	Victorian Auditor General's Office
WIES	Weighted Inlier Equivalent Separation

Note 1.4 Joint arrangements

Interests in joint arrangements are accounted for by recognising in Cohuna District Hospital's financial statements, its share of assets and liabilities and any revenue and expenses of such joint arrangements.

Cohuna District Hospital has the following joint arrangements:

- Loddon Mallee Rural Health Alliance - Joint Operation

Details of the joint arrangements are set out in Note 8.7.

Note 1.5 Key accounting estimates and judgements
Management make estimates and judgements when preparing the financial statements.

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

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

The accounting policies and significant management judgements and estimates used, and any changes thereto, are identified at the beginning of each section where applicable and are disclosed in further detail throughout the accounting policies.

Cohuna District Hospital
Notes to the Financial Statements
For the Financial Year Ended 30 June 2021

Note 1.6 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 Cohuna District Hospital and their potential impact when adopted in future periods is outlined below:

Standard	Adoption Date	Impact
AASB 17: *Insurance Contracts*	Reporting periods on or after 1 January 2023	Adoption of this standard is not expected to have a material impact.
AASB 2020-1: *Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current*	Reporting periods on or after 1 January 2022.	Adoption of this standard is not expected to have a material impact.
AASB 2020-3: *Amendments to Australian Accounting Standards – Annual Improvements 2018-2020 and Other Amendments*	Reporting periods on or after 1 January 2022.	Adoption of this standard is not expected to have a material impact.
AASB 2020-8: *Amendments to Australian Accounting Standards – Interest Rate Benchmark Reform – Phase 2*	Reporting periods on or after 1 January 2021.	Adoption of this standard is not expected to have a material impact.

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

Note 1.7 Goods and Services Tax (GST)

Income, expenses and assets 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, which are disclosed as operating cash flows.

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

Cohuna District Hospital
Notes to the Financial Statements
For the Financial Year Ended 30 June 2021

Note 1.8 Reporting Entity
The financial statements include all the controlled activities of Cohuna District Hospital.

Its principal address is:

King George Street
Cohuna, Victoria 3568

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

Note 2: Funding delivery of our services

Cohuna District Hospital's overall objective is to provide quality health service that support and enhance the wellbeing of all Victorians. Cohuna District Hospital is predominantly funded by grant funding for the provision of outputs. Cohuna District Hospital 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
2.3 Other income

Telling the COVID-19 story

Revenue recognised to fund the delivery of our services increased during the financial year which was partially attributable to the COVID-19 Coronavirus pandemic

Funding provided included:

- COVID-19 operational funding
- Specified funding for Covid-19 Vaccination

Key judgements and estimates

This section contains the following key judgements and estimates:

Key judgements and estimates	Description
Identifying performance obligations	Cohuna District Hospital applies significant 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 criteria is met, the contract/funding agreement is treated as a contract with a customer, requiring Cohuna District Hospital to recognise revenue as or when the health service transfers promised goods or services to customers. If this criteria is not met, funding is recognised immediately in the net result from operations.
Determining timing of revenue recognition	Cohuna District Hospital applies significant judgement to determine when a performance obligation has been satisfied and the transaction price that is to be allocated to each performance obligation. A performance obligation is either satisfied at a point in time or over time.
Determining time of capital grant income recognition	Cohuna District Hospital applies significant 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.

Note 2.1 Revenue and income from transactions

	Total 2021 $'000	Total 2020 $'000
Operating activities		
Revenue from contracts with customers		
Government grants (State) - Operating	525	300
Government grants (Commonwealth) - Operating	1,014	1,028
Patient and resident fees	575	656
Commercial activities [1]	134	87
Total revenue from contracts with customers	**2,248**	**2,071**
Other sources of income		
Government grants (State) - Operating	7,889	7,428
Government grants (Commonwealth) - Operating	203	191
Government grants (State) - Capital	186	50
Other capital purpose income	42	-
Capital donations	129	-
Assets received free of charge or for nominal consideration	140	37
Other revenue from operating activities (including non-capital donations)	992	671
Total other sources of income	**9,581**	**8,377**
Total revenue and income from operating activities	**11,829**	**10,448**
Non-operating activities		
Income from other sources		
Other interest	12	32
Total other sources of income	**12**	**32**
Total income from non-operating activities	**12**	**32**
Total revenue and income from transactions	**11,841**	**10,480**

1. Commercial activities represent business activities which Cohuna District Hospital enter into to support their operations.

Note 2.1 Revenue and income from transactions

How we recognise revenue and income from transactions
Government operating grants

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

When both these conditions are satisfied, the health service:

- Identifies each performance obligation relating to the revenue
- recognises a contract liability for its obligations under the agreement
- recognises revenue as it satisfied its performance obligations, at the time or over time when services are rendered.

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.

The types of government grants recognised under AASB 15: *Revenue from Contracts with Customers* includes:

Government grant	Performance obligation	
Activity Based Funding (ABF) paid as Weighted Inlier Equivalent Separation (WIES) casemix. Cohuna District Hospital is eligible for WIES funding in relation to Department of Veterans Affairs, Renal Dialysis and Transport Accident Commission patients.	The performance obligations for ABF are the number and mix of patients admitted to hospital (defined as 'casemix') in accordance with the levels of activity agreed to, with the Department of Health in the annual Statement of Priorities. Revenue is recognised at a point in time, which is when a patient is discharged, in accordance with the WIES activity when an episode of care for an admitted patient is completed. WIES activity is a cost weight that is adjusted for time spent in hospital, and represents a relative measure of resource use for each episode of care in a diagnosis related group.	
Commonwealth Residential Aged Care Grants	Funding is provided for the provision of care for aged care residents within facilities at Cohuna District Hospital. The performance obligations include provision of residential accommodation and care from nursing staff and personal care workers. Revenue is recognised at the point in time when the service is provided within the residential aged care facility.	

Note 2.1 Revenue and income from transactions (continued)

Capital grants

Where Cohuna District Hospital 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 Cohuna District Hospital'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.

Commercial activities

Revenue from commercial activities includes items such as meal sales and provision of accommodation. Commercial activity revenue is recognised at a point in time, upon provision of the goods or service to the customer.

Non-cash contributions from the Department of Health

The Department of Health makes some payments on behalf of Cohuna District Hospital as follows:

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

Note 2.2 Fair value of assets and services received free of charge or for nominal consideration

	Total 2021 $'000	Total 2020 $'000
Cash donations and gifts	-	29
Plant and equipment	16	-
Personal protective equipment	124	8
Total fair value of assets and services received free of charge or for nominal consideration	**140**	**37**

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 Cohuna District Hospital usually obtained control of the asset) as they do not contain sufficiently specific and enforceable performance obligations. Where sufficiently specific and enforceable performance obligations exist, revenue is recorded as and when the performance obligation is satisfied.

Personal protective equipment

In order to meet the State of Victoria's health system supply needs during the COVID-19 pandemic, arrangements were put in place to centralise the purchasing of essential personal protective equipment (PPE) and other essential plant and equipment.

The general principles of the State Supply Arrangement were that Health Share Victoria sourced, secured and agreed terms for the purchase of the PPE products, funded by the Department of Health, while Monash Health took delivery, and distributed an allocation of the products to Cohuna District Hospital as resources provided free of charge. Health Share Victoria and Monash Health were acting as an agent of the Department of Health under this arrangement.

Contributions

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

On initial recognition of the asset, Cohuna District Hospital recognises related amounts being contributions by owners, lease liabilities, financial instruments, provisions and revenue or contract liabilities arising from a contract with a customer.

Cohuna District Hospital recognises income immediately in the profit or loss as the difference between the initial fair value of the asset and the related amounts.

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

Voluntary Services

Contributions by volunteers, in the form of services, are only recognised when fair value can be reliably measured, and the services would have been purchased if they had not been donated. Cohuna District Hospital has considered the services provided by volunteers and has determined the value of volunteer services cannot be readily determined and therefore it has not recorded any income related to volunteer services.

Note 2.3 Other income

	Total 2021 $'000	Total 2020 $'000
Interest	12	32
Total other income	**12**	**32**

How we recognise other income

Interest Income

Interest revenue is recognised on a time proportionate basis that considers the effective yield of the financial asset, which allocates interest over the relevant period.

Note 3: The cost of delivering our services

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

Structure

3.1 Expenses from transactions
3.2 Employee benefits in the balance sheet
3.3 Superannuation
3.4 Other economic flows

Telling the COVID-19 story

Expenses incurred to deliver our services increased during the financial year which was partially attributable to the COVID-19 Coronavirus pandemic.

Additional costs were incurred to deliver the following additional services:

- implement COVID safe practices throughout Cohuna District Hospital including increased cleaning, increased security, consumption of personal protective equipment provided as resources free of charge.
- establish vaccination clinics to administer vaccines to staff and the community resulting in an increase in employee costs, additional equipment purchased.

Key judgements and estimates

This section contains the following key judgements and estimates:

Key judgements and estimates	Description
Measuring and classifying employee benefit liabilities	Cohuna District Hospital applies significant judgment when measuring and classifying its employee benefit liabilities. Employee benefit liabilities are classified as a current liability if Cohuna District Hospital 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 Cohuna District Hospital 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. The health service also 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. All other entitlements are measured at their nominal value.

Note 3.1 Expenses from transactions

	Note	Total 2021 $'000	Total 2020 $'000
Salaries and wages		6,911	6,643
On-costs		581	580
Agency expenses		11	8
Fee for service medical officer expenses		805	649
Workcover premium		64	80
Total employee expenses		**8,372**	**7,960**
Drug supplies		66	63
Medical and surgical supplies (including Prostheses)		440	395
Diagnostic and radiology supplies		55	49
Other supplies and consumables		274	280
Total supplies and consumables		**835**	**787**
Other administrative expenses		1,473	1,062
Total other administrative expenses		**1,473**	**1,062**
Fuel, light, power and water		125	149
Repairs and maintenance		48	41
Maintenance contracts		108	106
Medical indemnity insurance		112	107
Expenses related to leases of low value assets		7	-
Expenditure for capital purposes		-	6
Total other operating expenses		**400**	**409**
Total operating expense		**11,080**	**10,218**
Depreciation and amortisation	4.2	871	855
Total depreciation and amortisation		**871**	**855**
Bad and doubtful debt expense		-	2
Total other non-operating expenses		**-**	**2**
Total non-operating expense		**871**	**857**
Total expenses from transactions		**11,951**	**11,075**

Note 3.1 Expenses from transactions

How we recognise expenses from transactions

Expense recognition

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

Employee expenses

Employee expenses include:

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

Supplies and consumables

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

Other operating expenses

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

- Fuel, light and power
- Repairs and maintenance
- Other administrative expenses
- Expenditure for capital purposes (represents expenditure related to the purchase of assets that are below the capitalisation threshold of $1,000).

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

Non-operating expenses

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

Note 3.2 Employee benefits in the balance sheet

	Total 2021 $'000	Total 2020 $'000
Current provisions		
Accrued days off		
Unconditional and expected to be settled wholly within 12 months [i]	16	12
	16	**12**
Annual leave		
Unconditional and expected to be settled wholly within 12 months [i]	530	540
Unconditional and expected to be settled wholly after 12 months [ii]	168	100
	698	**640**
Long service leave		
Unconditional and expected to be settled wholly within 12 months [i]	323	115
Unconditional and expected to be settled wholly after 12 months [ii]	787	998
	1,110	**1,113**
Provisions related to employee benefit on-costs		
Unconditional and expected to be settled within 12 months [i]	75	92
Unconditional and expected to be settled after 12 months [ii]	82	125
	157	**217**
Total current employee benefits	**1,981**	**1,982**
Non-current provisions		
Conditional long service leave	63	108
Provisions related to employee benefit on-costs	13	13
Total non-current employee benefits	**76**	**121**
Total employee benefits	**2,057**	**2,103**

[i] The amounts disclosed are nominal amounts.

[ii] The amounts disclosed are discounted to present values.

Note 3.2 Employee benefits in the balance sheet

How we recognise employee benefits
Employee benefit recognition

Provision is made for benefits accruing to 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.

Provisions
Provisions are recognised when Cohuna District Hospital has a present obligation, the future sacrifice of economic benefits is probable, and the amount of the provision can be measured reliably.

The amount recognised as a liability is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

Annual leave and accrued days off

Liabilities for annual leave and accrued days off are recognised in the provision for employee benefits as 'current liabilities' because Cohuna District Hospital does not have an unconditional right to defer settlements of these liabilities.

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

- Nominal value – if Cohuna District Hospital expects to wholly settle within 12 months or
- Present value – if Cohuna District Hospital 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 Cohuna District Hospital 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 Cohuna District Hospital expects to wholly settle within 12 months or
- Present value – if Cohuna District Hospital does not expect to wholly settle within 12 months.

Conditional LSL is measured at present value and is disclosed as a non-current liability. Any gain or loss following 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.

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 3.2 (a) Employee benefits and related on-costs

	Total 2021 $'000	Total 2020 $'000
Unconditional accrued days off	16	12
Unconditional annual leave entitlements	766	719
Unconditional long service leave entitlements	1,199	1,251
Total current employee benefits and related on-costs	**1,981**	**1,982**
Conditional long service leave entitlements	76	121
Total non-current employee benefits and related on-costs	**76**	**121**
Total employee benefits and related on-costs	**2,057**	**2,103**
Carrying amount at start of year	2,103	1,960
Additional provisions recognised	154	393
Unwinding of discount and effect of changes in the discount rate	30	(7)
Amounts incurred during the year	(230)	(243)
Carrying amount at end of year	**2,057**	**2,103**

Note 3.3 Superannuation

	Paid Contribution for the Year		Contribution Outstanding at Year End	
	Total 2021 $'000	Total 2020 $'000	Total 2021 $'000	Total 2020 $'000
Defined benefit plans:[i]				
First State Super	8	-	-	-
Defined contribution plans:				
First State Super	581	500	-	-
Hesta	68	79	-	-
Total	**657**	**579**	**-**	**-**

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

How we recognise superannuation

Employees of Cohuna District Hospital are entitled to receive superannuation benefits and it contributes to both defined benefit and defined contribution plans.

Defined benefit superannuation plans

The 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 Cohuna District Hospital to the superannuation plans in respect of the services of current Cohuna District Hospital's 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.

Cohuna District Hospital does not recognise any unfunded defined benefit liability in respect of the plans 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 DTF discloses the State's defined benefits liabilities in its disclosure for administered items. However superannuation contributions paid or payable for the reporting period are included as part of employee benefits in the Comprehensive Operating Statement of Cohuna District Hospital.

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

Defined contribution superannuation plans

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

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

Note 3.4 Other economic flows included in net result

	Total 2021 $'000	Total 2020 $'000
Net gain/(loss) on disposal of property plant and equipment	-	(22)
Total net gain/(loss) on non-financial assets	**-**	**(22)**
Other gains/(losses) from other economic flows	-	(3)
Total net gain/(loss) on financial instruments	**-**	**(3)**
Net gain/(loss) arising from revaluation of long service liability	30	(7)
Total other gains/(losses) from other economic flows	**30**	**(7)**
Total gains/(losses) from other economic flows	**30**	**(32)**

How we recognise other economic flows

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

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

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.

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

Note 4: Key assets to support service delivery

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

Structure

4.1 Property, plant & equipment
4.2 Depreciation and amortisation
4.3 Inventories

Telling the COVID-19 story

Assets used to support the delivery of our services during the financial year were not materially impacted by the COVID-19 Coronavirus pandemic.

Key judgements and estimates

This section contains the following key judgements and estimates:

Key judgements and estimates	Description
Measuring fair value of property, plant and equipment and investment properties	Cohuna District Hospital 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 and residual value of property, plant and equipment	Cohuna District Hospital assigns an estimated useful life to each item of property, plant and equipment, whilst also estimating the residual value of the asset, if any, at the end of the useful life. This is used to calculate depreciation of the asset. The health service reviews the useful life, residual value and depreciation rates of all assets at the end of each financial year and where necessary, records a change in accounting estimate.
Estimating useful life of right-of-use assets	The useful life of each right-of-use asset is typically the respective lease term, except where 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. Cohuna District Hospital applies significant judgement to determine whether or not it is reasonably certain to exercise such purchase options.

Key judgements and estimates (continued)

Key judgements and estimates	Description
Identifying indicators of impairment	At the end of each year, Cohuna District Hospital 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 services applies significant judgement and estimate to determine the recoverable amount of the asset.

Note 4.1 (a) Gross carrying amount and accumulated depreciation

	Total 2021 $'000	Total 2020 $'000
Land at fair value - Freehold	692	692
Total land at fair value	**692**	**692**
Buildings at fair value	7,697	7,676
Less accumulated depreciation	(1,406)	(703)
Total buildings at fair value	**6,291**	**6,973**
Works in progress at fair value	**341**	**166**
Total land and buildings	**7,324**	**7,831**
Plant and equipment at fair value	480	427
Less accumulated depreciation	(332)	(301)
Total plant and equipment at fair value	**148**	**126**
Motor vehicles at fair value	75	75
Less accumulated depreciation	(72)	(66)
Total motor vehicles at fair value	**3**	**9**
Medical equipment at fair value	1,070	986
Less accumulated depreciation	(650)	(582)
Total medical equipment at fair value	**420**	**404**
Computer equipment at fair value	268	249
Less accumulated depreciation	(171)	(128)
Total computer equipment at fair value	**97**	**121**
Furniture and fittings at fair value	373	352
Less accumulated depreciation	(225)	(207)
Total furniture and fittings at fair value	**148**	**145**
Right of use plant, equipment, furniture, fittings and vehicles at fair value	35	-
Less accumulated depreciation	(3)	-
Total right of use plant, equipment, furniture, fittings and vehicles at fair value	**32**	**-**
Total plant, equipment, furniture, fittings and vehicles at fair value	**848**	**805**
Total property, plant and equipment	**8,172**	**8,636**

Note 4.1 (b) Reconciliations of the carrying amounts of each class of asset

	Note	Land $'000	Buildings $'000	Building works in progress $'000	Plant & equipment $'000	Motor vehicles $'000	Medical Equipment $'000	Computer Equipment $'000
Balance at 1 July 2019		**692**	**7,676**	**72**	**96**	**15**	**350**	**71**
Additions		-	-	93	59	-	141	84
Disposals		-	-	-	(1)	-	(13)	(2)
Assets provided free of charge		-	-	-	-	-	-	-
Net transfers between classes		-	-	-	-	-	-	-
Depreciation	4.2	-	(703)	-	(28)	(6)	(74)	(31)
Balance at 30 June 2020	4.1 (a)	**692**	**6,973**	**165**	**126**	**9**	**404**	**122**
Additions		-	21	176	52	-	84	2
Disposals		-	-	-	-	-	-	-
Assets provided free of charge		-	-	-	-	-	-	16
Revaluation increments/(decrements)		-	-	-	-	-	-	-
Net Transfers between classes		-	-	-	-	-	-	-
Depreciation	4.2	-	(703)	-	(30)	(6)	(68)	(43)
Balance at 30 June 2021	4.1 (a)	**692**	**6,291**	**341**	**148**	**3**	**420**	**97**

	Note	Furniture & Fittings $'000	Right of use - PE, FF&V $'000	Total $'000
Balance at 1 July 2019		**51**	**-**	**9,023**
Additions		112	-	489
Disposals		(5)	-	(21)
Assets provided free of charge		-	-	-
Revaluation increments/(decrements)		-	-	-
Depreciation	4.2	(13)	-	(855)
Balance at 30 June 2020	4.1 (a)	**145**	**-**	**8,636**
Additions		21	35	391
Disposals		-	-	-
Assets provided free of charge		-	-	16
Revaluation increments/(decrements)		-	-	-
Depreciation	4.2	(18)	(3)	(871)
Balance at 30 June 2021	4.1 (a)	**148**	**32**	**8,172**

Note 4.1 (b) Reconciliations of the carrying amounts of each class of asset

Land and Buildings and Leased Assets Carried at Valuation

The Valuer-General Victoria undertook to re-value all of Cohuna District Hospitals owned and leased land and buildings to determine their fair value. The valuation, which conforms to Australian Valuation Standards, was determined by reference to the amounts for which assets could be exchanged between knowledgeable willing parties in an arm's length transaction. The valuation was based on independent assessments. The effective date of the valuation was 30 June 2019.

How we recognise property, plant and equipment

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

Initial recognition

Items of property, plant and equipment (excluding right-of-use assets) are initially measured at cost. Where an asset is acquired for no or nominal cost, being far below the fair value of the asset, the deemed cost is its fair value at the date of acquisition. Assets transferred as part of an amalgamation/machinery of government change are transferred at their carrying amounts.

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

Subsequent measurement

Items of property, plant and equipment (excluding right-of-use assets) 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 below.

Note 4.1 (b) Reconciliations of the carrying amounts of each class of asset

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, Cohuna District Hospital perform a managerial assessment to estimate possible changes in fair value of land and buildings since the date of the last independent valuation with reference to Valuer-General of Victoria (VGV) indices.

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

An independent valuation of Cohuna District Hospital's property, plant and equipment was performed by the VGV on 30 June 2019. 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 managerial assessment performed at 30 June 2021 indicated an overall:

- increase in fair value of land of 6.0% ($41,520)
- Buildings were deemed an immaterial movement by the Valuer General Victoria for health agencies in 2021.

As the cumulative movement was less than 10% for land and buildings since the last revaluation a managerial revaluation adjustment was not required as at 30 June 2021.

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

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

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

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

Note 4.1 (b) Reconciliations of the carrying amounts of each class of asset

Impairment

At the end of each financial year, Cohuna District Hospital assesses if there is any indication that an item of property, plant and equipment may be impaired by considering internal and external sources of information. If an indication exists, Cohuna District Hospital estimates the recoverable amount of the asset. Where the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recognised. An impairment loss of a revalued asset is treated as a revaluation decrease as noted above.

Cohuna District Hospital has concluded that the recoverable amount of property, plant and equipment which are regularly revalued is expected to be materially consistent with the current fair value. As such, there were no indications of property, plant and equipment being impaired at balance date.

How we recognise right-of-use assets

Where Cohuna District Hospital enters a contract, which provides the health service with the right to control the use of an identified asset for a period of time in exchange for payment, this contract is considered a lease.

Unless the lease is considered a short-term lease or a lease of a low-value asset (refer to Note 6.1 for further information), the contract gives rise to a right-of-use asset and corresponding lease liability. Cohuna District Hospital presents its right-of-use assets as part of property, plant and equipment as if the asset was owned by the health service.

Right-of-use assets and their respective lease terms include:

Class of right-of-use asset	Lease term
Leased vehicles	3 years

Presentation of right-of-use assets

Cohuna District Hospital presents right-of-use assets as ‘property plant equipment’ unless they meet the definition of investment property, in which case they are disclosed as ‘investment property’ in the balance sheet.

Initial recognition

When a contract is entered into, Cohuna District Hospital assesses if the contract contains or is a lease. If a lease is present, a right-of-use asset and corresponding lease liability is recognised. The definition and recognition criteria of a lease is disclosed at Note 6.1.

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.

Note 4.1 (b) Reconciliations of the carrying amounts of each class of asset

Subsequent measurement

Right-of-use assets 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).

Impairment

At the end of each financial year, Cohuna District Hospital assesses if there is any indication that a right-of-use asset may be impaired by considering internal and external sources of information. If an indication exists, Cohuna District Hospital estimates the recoverable amount of the asset. Where the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recognised.

Cohuna District Hospital performed an impairment assessment and noted there were no indications of its right-of-use assets being impaired at balance date.

Note 4.1 (c) Fair value measurement hierarchy for assets

	Note	Total carrying amount 30 June 2021 $'000	Fair value measurement at end of reporting period using: Level 1 [i] $'000	Level 2 [i] $'000	Level 3 [i] $'000
Specialised land		692	-	-	692
Total land at fair value	4.1 (a)	**692**	**-**	**-**	**692**
Specialised buildings		6,291	-	-	6,291
Total buildings at fair value	4.1 (a)	**6,291**	**-**	**-**	**6,291**
Plant and equipment at fair value	4.1 (a)	148	-	-	148
Motor vehicles at fair value	4.1 (a)	3	-	3	-
Medical equipment at Fair Value	4.1 (a)	420	-	-	420
Computer equipment at fair value	4.1 (a)	97	-	-	97
Furniture and fittings at fair value	4.1 (a)	148	-	-	148
Right of use assets	4.1 (a)	32	-	32	-
Total plant, equipment, furniture, fittings and vehicles at fair value		**848**	**-**	**35**	**813**
Total property, plant and equipment at fair value		**7,831**	**-**	**35**	**7,796**

		Total carrying amount 30 June 2020 $'000	Fair value measurement at end of reporting period using: Level 1 [i] $'000	Level 2 [i] $'000	Level 3 [i] $'000
Specialised land		692	-	-	692
Total land at fair value	4.1 (a)	**692**	**-**	**-**	**692**
Specialised buildings		6,973	-	-	6,973
Total buildings at fair value	4.1 (a)	**6,973**	**-**	**-**	**6,973**
Plant and equipment at fair value	4.1 (a)	126	-	-	126
Motor vehicles at fair value	4.1 (a)	9	-	9	-
Medical equipment at Fair Value	4.1 (a)	404	-	-	404
Computer equipment at fair value	4.1 (a)	121	-	-	121
Furniture and fittings at fair value	4.1 (a)	145	-	-	145
Total plant, equipment, furniture, fittings and vehicles at fair value		**805**	**-**	**9**	**796**
Total Property, Plant and Equipment		**8,470**	**-**	**9**	**8,461**

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

4.1 (d): Reconciliation of level 3 fair value measurement

Total	Note	Land $'000	Buildings $'000	Plant and equipment $'000	Medical equipment $'000	Computer equipment $'000	Furniture & fittings $'000
Balance at 1 July 2019	4.1 (b)	**692**	**7,676**	**97**	**350**	**71**	**51**
Additions/(Disposals)	4.1 (b)	-	-	57	128	82	107
Assets provided free of charge		-	-	-	-	-	-
Net Transfers between classes	4.1 (b)	-	-	-	-	-	-
Gains/(Losses) recognised in net result		-	-	-	-	-	-
- Depreciation and amortisation	4.2	-	(703)	(28)	(74)	(31)	(13)
- Impairment loss		-	-	-	-	-	-
Items recognised in other comprehensive income		-	-	-	-	-	-
- Revaluation		-	-	-	-	-	-
Balance at 30 June 2020	4.1 (c)	**692**	**6,973**	**126**	**404**	**122**	**145**
Additions/(Disposals)	4.1 (b)	-	21	52	84	2	21
Assets provided free of charge		-	-	-	-	16	-
Net Transfers between classes	4.1 (b)	-	-	-	-	-	-
Gains/(Losses) recognised in net result		-	-	-	-	-	-
- Depreciation and Amortisation	4.2	-	(703)	(30)	(68)	(43)	(18)
- Impairment loss		-	-	-	-	-	-
Items recognised in other comprehensive income		-	-	-	-	-	-
- Revaluation		-	-	-	-	-	-
Balance at 30 June 2021	4.1 (c)	**692**	**6,291**	**148**	**420**	**97**	**148**

[i] Classified in accordance with the fair value hierarchy, refer Note 4.1(c).

Note 4.1 (e) Property, plant and equipment (fair value determination)

Asset class	Likely valuation approach	Significant inputs (Level 3 only)
Specialised land (Crown/freehold)	Market approach	Community Service Obligations Adjustments [(i)]
Specialised buildings	Depreciated replacement cost approach	- Cost per square metre - Useful life
Vehicles	Market approach	N/A
	Depreciated replacement cost approach	- Cost per unit - Useful life
Plant and equipment	Depreciated replacement cost approach	- Cost per unit - Useful life

(i) A community service obligation (CSO) of 20% was applied to Cohuna District Hospital's specialised land.

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.

For the purpose of fair value disclosures, Cohuna District Hospital has determined classes of assets on the basis of the nature, characteristics and risks of the asset and the level of the fair value hierarchy as explained above.

In addition, Cohuna District Hospital determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Valuer-General Victoria (VGV) is Cohuna District Hospital’s independent valuation agency.

The estimates and underlying assumptions are reviewed on an ongoing basis.

Note 4.1 (e) Property, plant and equipment (fair value determination)

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.

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.

Consideration of highest and best use (HBU) for non-financial physical assets

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

In accordance with AASB 13 Fair Value Measurement paragraph 29, Cohuna District Hospital has assumed the current use of a non-financial physical asset is its HBU 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 taken into account until it is virtually certain that any restrictions will no longer apply. Therefore, unless otherwise disclosed, the current use of these non-financial physical assets will be their highest and best uses.

Note 4.1 (e) Property, plant and equipment (fair value determination)

Specialised land and specialised buildings

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

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

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

The CSO adjustment is a reflection of the valuer's assessment of the impact of restrictions associated with an asset to the extent that is also equally applicable to market participants. This approach is in light of the highest and best use consideration required for fair value measurement and takes into account the use of the asset that is physically possible, legally permissible and financially feasible. As adjustments of CSO are considered as significant unobservable inputs, specialised land would be classified as Level 3 assets.

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

An independent valuation of Cohuna District Hospital's specialised land and specialised buildings was performed by the Valuer-General Victoria. The effective date of the valuation is 30 June 2019.

Vehicles

Cohuna District Hospital 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

Furniture, fittings, plant and equipment (including medical equipment, computers and communication equipment) 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 depreciated 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 depreciated replacement cost will be materially different from the existing carrying amount.

There were no changes in valuation techniques throughout the period to 30 June 2021.

Note 4.1 (f) Property, plant and equipment revaluation reserve

	Note	Total 2021 $'000	Total 2020 $'000
Balance at the beginning of the reporting period		9,518	9,518
Balance at the end of the Reporting Period*		**9,518**	**9,518**
*** Represented by:**			
- Land		448	448
- Buildings		9,070	9,070
		9,518	**9,518**

Note 4.2 Depreciation and amortisation

	Total 2021 $'000	Total 2020 $'000
Depreciation		
Buildings	703	703
Plant and equipment	30	28
Motor vehicles	6	6
Medical equipment	68	74
Computer equipment	43	31
Furniture and fittings	18	13
Right of use - plant, equipment, furniture, fittings and motor vehicles	3	-
Total depreciation	**871**	**855**

How we recognise depreciation

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

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

How we recognise amortisation

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

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

	2021	2020
Buildings		
- Structure shell building fabric	15 years	15 years
- Site engineering services and central plant	7 to 10 years	7 to 10 years
Central Plant		
- Fit Out	20 to 30 years	20 to 30 years
- Trunk reticulated building system	30 to 40 years	30 to 40 years
Plant and equipment	3 to 7 years	3 to 7 years
Medical equipment	7 to 10 years	7 to 10 years
Computers and communication	3 to 9 years	3 to 9 years
Furniture and fitting	10 to 13 years	10 to 13 years
Motor Vehicles	10 years	10 years

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

Note 4.3 Inventories

	Total 2021 $'000	Total 2020 $'000
General stores at cost	124	130
Total inventories	**124**	**130**

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 5: Other assets and liabilities

This section sets out those assets and liabilities that arose from Cohuna District Hospital's operations.

Structure

5.1 Receivables and contract assets
5.2 Payables and contract liabilities
5.3 Other liabilities

Telling the COVID-19 story

The measurement of other assets and liabilities were not materially impacted by the COVID-19 Coronavirus pandemic and its impact on our economy and the health of our community.

Key judgements and estimates

This section contains the following key judgements and estimates:

Key judgements and estimates	Description
Estimating the provision for expected credit losses	Cohuna District Hospital 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.
Measuring deferred capital grant income	Where Cohuna District Hospital 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. Cohuna District Hospital applies significant judgement when measuring the deferred capital grant income balance, which references the estimated the stage of completion at the end of each financial year.
Measuring contract liabilities	Cohuna District Hospital applies significant 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.

Note 5.1 Receivables and contract assets

	Notes	Total 2021 $'000	Total 2020 $'000
Current receivables and contract assets			
Contractual			
Trade debtors		73	170
Patient fees		98	98
Provision for impairment		(8)	(8)
Amounts receivable from governments and agencies		77	43
Total contractual receivables		**240**	**303**
Statutory			
GST receivable		68	46
Total statutory receivables		**68**	**46**
Total current receivables and contract assets		**308**	**349**
Non-current receivables and contract assets			
Contractual			
Long service leave - Department of Health		406	405
Total contractual receivables		**406**	**405**
Total non-current receivables and contract assets		**406**	**405**
Total receivables and contract assets		**714**	**754**
(i) Financial assets classified as receivables and contract assets (Note 7.1(a))			
Total receivables and contract assets		714	754
Provision for impairment		8	8
GST receivable		(68)	(46)
Total financial assets	7.1(a)	**654**	**716**

Note 5.1 Receivables and contract assets (continued)

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

	Total 2021 $'000	Total 2020 $'000
Balance at the beginning of the year	8	8
Increase in allowance	-	-
Amounts written off during the year	-	-
Reversal of allowance written off during the year as uncollectable	-	-
Balance at the end of the year	**8**	**8**

How we recognise receivables

Receivables consist of:

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

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

Trade debtors are carried at nominal amounts due and are 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* .

Cohuna District Hospital 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 7.1 (a) for Cohuna District Hospital's contractual impairment losses.

Note 5.2 Payables and contract liabilities

	Note	Total 2021 $'000	Total 2020 $'000
Current payables and contract liabilities			
Contractual			
Trade creditors		253	170
Accrued salaries and wages		58	256
Accrued expenses		159	181
Deferred grant income	5.2(a)	989	120
Contract liabilities	5.2(a)	313	373
Inter hospital creditors		20	7
Amounts payable to governments and agencies		18	23
Total contractual payables		**1,810**	**1,130**
Total current payables and contract liabilities		**1,810**	**1,130**
Total payables and contract liabilities		**1,810**	**1,130**
(i) Financial liabilities classified as payables and contract liabilities (Note 7.1(a))			
Total payables and contract liabilities		1,810	1,130
Deferred grant income		(989)	(120)
Contract liabilities		(313)	(373)
Total financial liabilties	7.1(a)	**508**	**637**

How we recognise payables and contract liabilities
Payables consist of:

- Contractual payables, which mostly includes payables in relation to 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 Cohuna District Hospital prior to the end of the financial year that are unpaid.

- **Statutory payables**, which most includes amount payable to the Victorian Government and 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 usually Net 60 days.

Note 5.2 (a) Deferred grant income

	Total 2021 $'000	Total 2020 $'000
Opening balance of deferred grant income	120	-
Grant consideration for capital works received during the year	1,109	120
Deferred grant revenue recognised as revenue due to completion of capital works	(240)	-
Closing balance of deferred grant income	**989**	**120**

How we recognise deferred capital grant revenue

Grant consideration was received in 2019-20 from the Department of Health to support masterplanning for a major redevelopment of our hospital. Capital grant revenue is recognised progressively as the asset is constructed, since this is the time when Cohuna District Hospital satisfies its obligations. The progressive percentage of costs incurred is used to recognise income because this most closely reflects the percentage of completion of the building works. As a result, Cohuna District Hospital deferred recognition of a portion of the grant consideration received as a liability for the outstanding obligations.

Cohuna District Hospital fully expended these funds during the current financial year.

Note 5.2 (a) Contract liabilities

	Total 2021 $'000	Total 2020 $'000
Opening balance of contract liabilities	373	396
Payments received for performance obligations not yet fulfilled	525	363
Revenue recognised for the completion of a performance obligation	(585)	(386)
Total contract liabilities	**313**	**373**
*** Represented by:**		
- Current contract liabilities	313	373
	313	**373**

How we recognise contract liabilities

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 ageing analysis of payables.

Note 5.3 Other liabilities

	Notes	Total 2021 $'000	Total 2020 $'000
Current monies held it trust			
Refundable accommodation deposits		1,437	887
Other monies		4	5
Total current monies held in trust		**1,441**	**892**
Total other liabilities		**1,441**	**892**
*** Represented by:**			
- Cash assets	6.2	1,441	892
		1,441	**892**

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

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

Structure

6.1 Borrowings
6.2 Cash and cash equivalents
6.3 Commitments for expenditure
6.4 Non-cash financing and investing activities

Telling the COVID-19 story

Our finance and borrowing arrangements were not materially impacted by the COVID-19 Coronavirus pandemic because the health service's response was funded by Government.

Key judgements and estimates

This section contains the following key judgements and estimates:

Key judgements and estimates	Description
Determining if a contract is or contains a lease	Cohuna District Hospital applies significant 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	Cohuna District Hospital applies significant 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	Cohuna District Hospital 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, Cohuna District Hospital 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.
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 Cohuna District Hospital is reasonably certain to exercise such options. Cohuna District Hospital 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 2021 $'000	Total 2020 $'000
Current borrowings			
Lease liability [(i)]	6.1 (a)	6	-
Advances from government (ii)		-	140
Total current borrowings		**6**	**140**
Non-current borrowings			
Lease liability [(i)]	6.1 (a)	26	-
Total non-current borrowings		**26**	**-**
Total borrowings		**32**	**140**

[i] Secured by the assets leased.

How we recognise borrowings

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

Initial recognition

All borrowings are initially recognised at fair value of the consideration received, less directly attributable transaction costs. The measurement basis subsequent to initial recognition depends on whether Cohuna District Hospital 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
Please refer to Note 7.2(b) for the maturity analysis of borrowings.
Defaults and breaches
During the current and prior year, there were no defaults and breaches of any of the loans.

Note 6.1 (a) Lease liabilities

Cohuna District Hospital's lease liabilities are summarised below:

	Total 2021 $'000	Total 2020 $'000
Total undiscounted lease liabilities	34	-
Less unexpired finance expenses	(2)	-
Net lease liabilities	**32**	**-**

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

	Total 2021 $'000	Total 2020 $'000
Not longer than one year	6	-
Longer than one year but not longer than five years	28	-
Longer than five years	-	-
Minimum future lease liability	**34**	**-**
Less unexpired finance expenses	(2)	-
Present value of lease liability	**32**	**-**
*** Represented by:**		
- Current liabilities	6	-
- Non-current liabilities	26	-
	32	**-**

How we recognise lease liabilities
A lease is defined as a contract, or part of a contract, that conveys the right for Cohuna District Hospital to use an asset for a period of time in exchange for payment.

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

Cohuna District Hospital's lease arrangements consist of the following:

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

Note 6.1 (a) Lease liabilities

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 Cohuna District Hospitals incremental borrowing rate. Our lease liability has been discounted by rates of between [3%] to [5%].

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.

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).

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-substance 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 2021 $'000	Total 2020 $'000
Cash on hand (excluding monies held in trust)		-	1
Cash at bank (excluding monies held in trust)		472	439
Cash at bank - CBS (excluding monies held in trust)		2,855	1,805
Total cash held for operations		**3,327**	**2,245**
Cash at bank (monies held in trust)		1,441	902
Term deposits < 3 months (monies held in trust)		-	85
Total cash held as monies in trust		**1,441**	**987**
Total cash and cash equivalents	7.1 (a)	**4,768**	**3,232**

How we recognise cash and cash equivalents

Cash and cash equivalents recognised on the balance sheet comprise cash on hand and in banks, deposits at call and highly liquid investments (with an original maturity date of three months or less), which are held for the purpose of meeting short term cash commitments rather than for investment purposes, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

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

Note 6.3 Commitments for expenditure

There are no capital or operating commitments at 30 June 2021 (2020 $Nil)

	Total 2021 $'000	Total 2020 $'000
Capital expenditure commitments		
Less than one year	3,679	-
Longer than one year but not longer than five years	-	-
Five years or more	-	-
Total capital expenditure commitments	**3,679**	**-**
Total commitments for expenditure (exclusive of GST)	**3,679**	**-**
Less GST recoverable from Australian Tax Office	(334)	-
Total commitments for expenditure (exclusive of GST)	**3,345**	**-**

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

How we disclose our commitments

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

Expenditure commitments

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

Short term and low value leases

Cohuna District Hospital 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.

Cohuna District Hospital has agreed to record and report all of the obligations of the State of Victoria reflecting Cohuna District Hospital's position as the government agency that controls the assets.

Refer to Note 6.1 for further information.

Note 6.4 Non-cash financing and investing activities

	Total 2021 $'000	Total 2020 $'000
Acquisition of plant and equipment by means of Leases	35	-
Total non-cash financing and investing activities	**35**	**-**

Note 7: Risks, contingencies and valuation uncertainties

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

Structure

7.1 Financial instruments
7.2 Financial risk management objectives and policies
7.3 Contingent assets and contingent liabilities

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

Note 7.1 (a) Categorisation of financial instruments

Total 30 June 2021	Note	Financial Assets at Amortised Cost $'000	Financial Liabilities at Amortised Cost $'000	Total $'000
Contractual Financial Assets				
Cash and Cash Equivalents	6.2	4,768	-	4,768
Receivables and contract assets	5.1	654	-	654
Total Financial Assets [i]		**5,422**	**-**	**5,422**
Financial Liabilities				
Payables	5.2	-	508	508
Borrowings	6.1	-	32	32
Other Financial Liabilities - Refundable Accommodation Deposits	5.3	-	1,437	1,437
Other Financial Liabilities - Patient monies held in trust	5.3	-	4	4
Total Financial Liabilities [i]		**-**	**1,981**	**1,981**

Note 7.1 (a) Categorisation of financial instruments

Total 30 June 2020	Note	Financial Assets at Amortised Cost $'000	Financial Liabilities at Amortised Cost $'000	Total $'000
Contractual Financial Assets				
Cash and cash equivalents	6.2	3,232	-	3,232
Receivables and contract assets	5.1	716	-	716
Total Financial Assets [i]		**3,948**	**-**	**3,948**
Financial Liabilities				
Payables	5.2	-	637	637
Borrowings	6.1	-	140	140
Other Financial Liabilities - Refundable Accommodation Deposits	5.3	-	887	887
Other Financial Liabilities - Patient monies held in trust	5.3	-	5	5
Total Financial Liabilities [i]		**-**	**1,669**	**1,669**

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

How we categorise financial instruments

Categories of financial assets

Financial assets are recognised when Cohuna District Hospital becomes party to the contractual provisions to the instrument. For financial assets, this is at the date Cohuna District Hospital 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.

Note 7.1 (a) Categorisation of financial instruments

Financial assets at amortised cost

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

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

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

Cohuna District Hospital recognises the following assets in this category:

- cash and deposits
- receivables (excluding statutory receivables)

Note 7.1 (a) Categorisation of financial instruments

Categories of financial liabilities

Financial liabilities are recognised when Cohuna District Hospital 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.

Cohuna District Hospital recognises the following liabilities in this category:

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

Offsetting financial instruments

Financial instrument assets and liabilities are offset and the net amount presented in the consolidated balance sheet when, and only when, Cohuna District Hospital has a legal right to offset the amounts and intend either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Some master netting arrangements do not result in an offset of balance sheet assets and liabilities. Where Cohuna District Hospital does not have a legally enforceable right to offset recognised amounts, because the right to offset is enforceable only on the occurrence of future events such as default, insolvency or bankruptcy, they are reported on a gross basis.

Note 7.1 (a) Categorisation of financial instruments

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
- Cohuna District Hospital 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
- Cohuna District Hospital 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 Cohuna District Hospital has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset is recognised to the extent of Cohuna District Hospital's continuing involvement in the asset.

Derecognition of financial liabilities

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

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

Reclassification of financial instruments

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

A financial liability reclassification is not permitted.

Note 7.2: Financial risk management objectives and policies

As a whole, Cohuna District Hospital'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.

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

Cohuna District Hospital 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. Cohuna District Hospital's exposure to credit risk arises from the potential default of a counter party on their contractual obligations resulting in financial loss to Cohuna District Hospital. Credit risk is measured at fair value and is monitored on a regular basis.

Credit risk associated with Cohuna District Hospital'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, Cohuna District Hospital 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, Cohuna District Hospital'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 Cohuna District Hospital will not be able to collect a receivable. Objective evidence includes financial difficulties of the debtor, default payments, debtors that are more than 60 days overdue, and changes in debtor credit ratings.

Contract 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 Cohuna District Hospital's maximum exposure to credit risk without taking account of the value of any collateral obtained.

There has been no material change to Cohuna District Hospital's credit risk profile in 2020-21.

Note 7.2 (a) Credit risk

Impairment of financial assets under AASB 9

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

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

Contractual receivables at amortised cost

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

On this basis, Cohuna District Hospital determines the closing loss allowance at the end of the financial year as follows:

Note 7.2 (a) Contractual receivables at amortised cost

30 June 2021	Note	Current	Less than 1 month	1–3 months	3 months –1 year	1–5 years	Total
Expected loss rate		0.0%	0.0%	0.0%	15.0%	0.0%	
Gross carrying amount of contractual receivables	5.1	164	11	7	54	12	**248**
Loss allowance		-	-	-	**(8)**	-	**(8)**

30 June 2020	Note	Current	Less than 1 month	1–3 months	3 months –1 year	1–5 years	Total
Expected loss rate		0.0%	0.0%	0.0%	57.2%	0.0%	
Gross carrying amount of contractual receivables	5.1	296	1	0	14	0	**311**
Loss allowance		-	-	-	**(8)**	-	**(8)**

Note 7.2 (a) Contractual receivables at amortised cost

Statutory receivables and debt investments at amortised cost

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

Both the statutory receivables and investments in debt instruments are considered to have low credit risk, taking into account the counterparty's credit rating, risk of default and capacity to meet contractual cash flow obligations in the near term. As a result, no loss allowance has been recognised.

Note 7.2 (b) Liquidity risk

Liquidity risk arises from being unable to meet financial obligations as they fall due.

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

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

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

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

Note 7.2 (b) Payables and borrowings maturity analysis

				Maturity Dates				
Total		**Carrying Amount**	**Nominal Amount**	**Less than 1 Month**	**1-3 Months**	**3 months - 1 Year**	**1-5 Years**	**Over 5 years**
30 June 2021	**Note**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Payables	**5.2**	508	508	508	-	-	-	-
Borrowings	**6.1**	32	32	1	3	9	19	-
Other Financial Liabilities - Refundable Accommodation Deposits	**5.3**	1,437	1,437	-	-	1,437	-	-
Other Financial Liabilities - Patient monies held in trust	**5.3**	4	4	-	4	-	-	-
Total Financial Liabilities		**1,981**	**1,981**	**509**	**7**	**1,446**	**19**	**-**

				Maturity Dates				
Total		**Carrying Amount**	**Nominal Amount**	**Less than 1 Month**	**1-3 Months**	**3 months - 1 Year**	**1-5 Years**	**Over 5 years**
30 June 2020	**Note**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Financial Liabilities at amortised cost								
Payables	**5.2**	637	637	637	-	-	-	-
Borrowings	**6.1**	140	140	-	-	140	-	-
Other Financial Liabilities - Refundable Accommodation Deposits	**5.3**	887	887	-	-	887	-	-
Other Financial Liabilities - Other monies held in trust	**5.3**	5	5	-	5	-	-	-
Total Financial Liabilities		**1,669**	**1,669**	**637**	**5**	**1,027**	**-**	**-**

[i] Ageing analysis of financial liabilities excludes statutory financial liabilities (i.e. GST payable).

Note 7.3: Contingent assets and contingent liabilities

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

How we measure and disclose contingent assets and contingent liabilities

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

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

Contingent 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 8: Other disclosures

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

Structure

8.1 Reconciliation of net result for the year to net cash flow from operating activities
8.2 Responsible persons disclosure
8.3 Remuneration of executives
8.4 Related parties
8.5 Remuneration of auditors
8.6 Events occurring after the balance sheet date
8.7 Jointly controlled operations
8.8 Equity
8.9 Economic dependency

Telling the COVID-19 story

Our other disclosures were not materially impacted by the COVID-19 Coronavirus pandemic and its impact on our economy and the health of our community.

Note 8.1 Reconciliation of net result for the year to net cash flows from operating activities

	Note	Total 2021 $'000	Total 2020 $'000
Net result for the year		(80)	(627)
Non-cash movements:			
(Gain)/Loss on sale or disposal of non-financial assets	3.4	-	22
Depreciation and amortisation of non-current assets	4.3	871	855
Assets and services received free of charge	2.2	(16)	-
Bad and doubtful debt expense	3.1	-	-
Discount (interest) / expense on loan		-	3
Other non-cash movements		(171)	(29)
Movements in Assets and Liabilities:			
(Increase)/Decrease in receivables and contract assets		40	(156)
(Increase)/Decrease in inventories		6	8
(Increase)/Decrease in prepaid expenses		31	(55)
Increase/(Decrease) in payables and contract liabilities		680	20
Increase/(Decrease) in employee benefits		(46)	143
Increase/(Decrease) in other liabilities		(1)	(2)
Net cash inflow from operating activities		**1,314**	**182**

Note 8.2 Responsible persons

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

	Period
The Honourable Martin Foley:	
Minister for Mental Health	1 Jul 2020 - 29 Sep 2020
Minister for Health	26 Sep 2020 - 30 Jun 2021
Minister for Ambulance Services	26 Sep 2020 - 30 Jun 2021
Minister for the Coordination of Health and Human Services: COVID-19	26 Sep 2020 - 30 Jun 2021
The Honourable Jenny Mikakos:	
Minister for Health	1 Jul 2020 - 26 Sep 2020
Minister for Ambulance Services	1 Jul 2020 - 26 Sep 2020
Minister for the Coordination of Health and Human Services: COVID-19	1 Jul 2020 - 26 Sep 2020
The Honourable Luke Donnellan:	
Minister for Child Protection	1 Jul 2020 - 30 Jun 2021
Minister for Disability, Ageing and Carers	1 Jul 2020 - 30 Jun 2021
The Honourable James Merlino:	
Minister for Mental Health	29 Sep 2020 - 30 Jun 2021
Governing Boards	
Mr R. Dallimore	1 Jul 2020 - 30 Jun 2021
Mrs V. Sutherland	1 Jul 2020 - 30 Jun 2021
Mrs D Van der Drift	1 Jul 2020 - 30 Jun 2021
Mr R. Henery	1 Jul 2020 - 30 Jun 2021
Mr A. Dowell	1 Jul 2020 - 30 Jun 2021
Ms N. Bourke	1 Jul 2020 - 30 Jun 2021
Mr S. Manduskar	1 Jul 2020 - 30 Jun 2021
Ms A. Toma	1 Jul 2020 - 30 Jun 2021
Mrs D. Bowles	1 Jul 2020 - 09 Mar 2021
Mr N. Greer	1 Jul 2020 - 30 Jun 2021
Accountable Officers	
Mr B. Maw (Chief executive officer)	1 Jul 2020 - 24 Jan 2021
Mr G. Pullen (Interim Chief executive officer)	25 Jan 2021 - 16 Apr 2021
Ms B. Loughnane (Chief executive officer)	19 Apr 2021 - 30 June 2021

Note 8.2 Responsible persons (continued)

Remuneration of Responsible Persons

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

Income Band	Total 2021 No	Total 2020 No
$0,000 - $9,999	10	9
$30,000 - $39,999	2	1
$130,000 - $139,999	1	-
$140,000 - $149,999	-	1
Total Numbers	**13**	**11**

	Total 2021 $'000	Total 2020 $'000
Total remuneration received or due and receivable by Responsible Persons from the reporting entity amounted to:	**$259**	**$219**

Note 8.3 Remuneration of executives

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

Remuneration of executive officers	**Total Remuneration**	
(including Key Management Personnel disclosed in Note 8.4)	**2021**	**2020**
	$'000	**$'000**
Short-term benefits	322	357
Post-employment benefits	37	28
Other long-term benefits	16	8
Termination benefits	-	-
Total remuneration [i]	**375**	**393**
Total number of executives	3	4
Total annualised employee equivalent [ii]	3.0	3.0

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

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

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 (such as superannuation guarantee contributions) 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.

Note 8.4: Related Parties

Cohuna District Hospital is a wholly owned and controlled entity of the State of Victoria. Related parties of the health service include:

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

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

Key management personnel

The Board of Directors, Chief Exectuive Officer and the Executive Directors of Cohuna District Hospitals are deemed to be KMPs.

Entity	KMPs	Position Title
Cohuna District Hospital	Mr R. Dallimore	Board Chair
Cohuna District Hospital	Mrs V. Sutherland	Board Member
Cohuna District Hospital	Mrs D Van der Drift	Board Member
Cohuna District Hospital	Mr R. Henery	Board Member
Cohuna District Hospital	Mr A. Dowell	Board Member
Cohuna District Hospital	Ms N. Bourke	Board Member
Cohuna District Hospital	Mr S. Manduskar	Board Member
Cohuna District Hospital	Ms A. Toma	Board Member
Cohuna District Hospital	Mrs D. Bowles	Board Member
Cohuna District Hospital	Mr N. Greer	Board Member
Cohuna District Hospital	Mr B. Maw	Chief Executive Officer
Cohuna District Hospital	Mr G. Pullen	Interim Chief Executive Officer
Cohuna District Hospital	Ms B. Loughnane	Chief Executive Officer
Cohuna District Hospital	Mr C. Winter	Director of Medical Services
Cohuna District Hospital	Ms L. Sinclair	Director of Clinical Services
Cohuna District Hospital	Ms C Van der Zande	Corporate Services Manager

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 Department of Parliamentary Services' Financial Report.

Compensation - KMPs	Total 2021 $'000	Total 2020 $'000
Short-term Employee Benefits [i]	554	553
Post-employment Benefits	59	46
Other Long-term Benefits	21	13
Termination Benefits	-	-
Total [ii]	**634**	**612**

[i] Total remuneration paid to KMPs employed as a contractor during the reporting period through accounts payable has been reported under short-term employee benefits.

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

Note 8.4: Related Parties

Significant transactions with government related entities

Cohuna District Hospital received funding from the Department of Health of $9.57 m (2020: $7.71 m) and indirect contributions of $0.19 m (2020: $0.72 m). Balances outstanding as at 30 June 2021 are $0.24 m (2020 $0.237 m)

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

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

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

Transactions with KMPs and other related parties

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

Outside of normal citizen type transactions with Cohuna District Hospital, there were no related party transactions that involved key management personnel, their close family members or their personal business interests. No provision has been required, nor any expense recognised, for impairment of receivables from related parties. There were no related party transactions with Cabinet Ministers required to be disclosed in 2021 (2020: none).

There were no related party transactions required to be disclosed for Cohuna District Hospital Board of Directors, Chief Executive Officer and Executive Directors in 2021 (2020: none).

Note 8.5: Remuneration of Auditors

	Total 2021 $'000	Total 2020 $'000
Victorian Auditor-General's Office		
Audit of the financial statements	19	17
Total remuneration of auditors	**19**	**17**

Note 8.6: Events occurring after the balance sheet date

There are no events occurring after the Balance Sheet date.

Note 8.7 Joint arrangements

	Principal Activity	Ownership Interest 2021 %	Ownership Interest 2020 %
Loddon Mallee Rural Health Alliance (LMRHA)	Information Technology Services	3.14	3.07

Cohuna District Hospitals interest in the above joint arrangements are detailed below. The amounts are included in the consolidated financial statements under their respective categories:

	2021 $'000	2020 $'000
Current assets		
Cash and cash equivalents	203	191
Receivables	34	14
Inventories	-	34
Prepaid expenses	47	39
Total current assets	**284**	**278**
Non-current assets		
Property, plant and equipment	30	27
Total non-current assets	**30**	**27**
Total assets	**314**	**305**
Current liabilities		
Payables	83	129
Other Liabilities	9	17
Total current liabilities	**92**	**146**
Total liabilities	**92**	**146**
Net assets	**222**	**159**
Equity		
Accumulated surplus	222	159
Total equity	**222**	**159**

Note 8.7 Joint arrangements

Cohuna District Hospitals interest in revenues and expenses resulting from joint arrangements are detailed below:

	2021 $'000	2020 $'000
Revenue		
Operating Activities	653	313
Capital Purpose Income	39	18
Total revenue	**692**	**331**
Expenses		
Other Expenses from Continuing Operations	640	335
Depreciation	6	3
Total expenses	**646**	**338**
Net result	**46**	**(7)**

Contingent liabilities and capital commitments

There are no known contingent liabilities or capital commitments held by the joint arrangements at balance date.

Note 8.8: Equity

Contributed capital

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

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

Note 8.9: Economic dependency

Cohuna District Hospital is dependent on the Department of Health for the majority of its revenue used to operate the health service. At the date of this report, the Board of Directors has no reason to believe the Department of Health will not continue to support Cohuna District Hospital.