Annual Report
2025

Peninsula Health

Our Mission

Healthy lives for everyone through sustainable, innovative and compassionate care

Our Strategic Priorities

We aim to achieve our mission by focusing on three strategic goals:

Consumers, Care and Community

We will partner with consumers and communities to deliver the care they need to live healthy lives

People, Teams and Culture

We will co-create a culture where our people thrive, supporting healthy lives for everyone

Sustainability, Systems and Infrastructure

We will design and facilitate the delivery of progressive and sustainable healthcare

Our Values

Be the Best

We maximise our impact through learning and innovation

Be Open and Honest

We demonstrate integrity through our actions, which are transparent and accountable

Be a Role Model

We take initiative and inspire others

Be Compassionate and Respectful

We care with kindness and foster dignity and inclusion

Be Collaborative

We work as One Peninsula Health and seek diverse knowledge and perspectives

Peninsula Health acknowledges the Traditional Custodians of the lands where its health services are located. We acknowledge the Bunurong and Boon Wurrung people of the Kulin Nation. We pay our respects to Elders, past, present and emerging.

Table of Contents

2024–25 Year in review

99,227
people attended our Emergency Departments

24,247
surgeries were performed by surgeons

102,106
people were treated in our hospitals

41,331
people were admitted to hospital from our Emergency Departments

2,494
babies were born

18,641
children were cared for in our Emergency Departments

98,989
prescription items were dispensed from our Pharmacy

164,599
X-rays and scans were performed

16,091
patients were treated by our Community Dental team

46,457
clients were kept safe at home by our MePACS personal alarm service

4,510
people received care in their home with our ***At Home*** services

4,491
sole workers were kept safe by MePACS in the community

Data may include some patients treated more than once.

Board Chair and Chief Executive's Report

Board Chair and Chief Executive's Report

Introduction

The past year has been truly transformative, not just for Peninsula Health but also for the communities we serve across Frankston and the Mornington Peninsula.

Our teams have spent significant time preparing for the opening of the new hospital in Frankston, to be named Peninsula University Hospital, in early 2026. This change to the name of the hospital recognises our strong ties and commitment to research, teaching and learning in collaboration with Monash University, and the accessibility of the new facility to everyone on the Mornington Peninsula.

We also refreshed the health service brand in 2025 to better reflect who we are, what we do, and what we want to be known for: *Healthy Lives for Life.* As we prepare to merge with Alfred Health, Gippsland Southern Health Service, Bass Coast Health and Kooweerup Regional Health Service to form Bayside Health, we do so from a position of strength, compassion, and deep community connection.

Image (from left) Minister for Health Infrastructure, The Hon Melissa Horne MP; Chief Executive, Associate Professor Helen Cooper; Executive Dean, Faculty of Medicine, Nursing and Health Sciences, Monash University, Professor Christina Mitchell AO

Peninsula University Hospital: A new name for a new era

Among the most visible and exciting milestones in this transformation is the renaming of Frankston Hospital to Peninsula University Hospital in January 2026.

This new name reflects both the extraordinary facilities within the $1.1 billion redevelopment of the hospital, as well as our growing academic partnership with Monash University. Peninsula University Hospital honours our place on the Mornington Peninsula, and our future, as a centre of academic and clinical excellence. It signals a shift towards greater research capability, higher education integration, and the kind of innovation-led health care that will attract the best minds and benefit generations to come. The new clinical services tower will offer state-of-the-art surgical services, cancer care and maternity facilities, including a new Women's and Children's floor. Our Mental Health and Wellbeing Service will continue to grow with the opening of new integrated facilities for both adult and aged acute care. A helipad has been installed to ensure smooth and speedy access for any patients requiring urgent treatment.

Work on the new building has continued at a remarkable pace over the course of the last 12 months, with the final fit-out of the tower now underway. Peninsula University Hospital will incorporate outdoor areas for patients and staff on every level, with a spacious atrium and retail sector also being installed and finalised in the coming months. Staff will also benefit from a dedicated rest area, with access to outdoor spaces to relax away from the clinical environment in the warmer months.

From October to January, we will have greater access to the tower to complete our operationalising of the space, so that the first patients, clients and staff can move into the new wards and other areas from early 2026.

Delivering care and monitoring in the home

Peninsula Health's ***At Home*** virtual monitoring service continues to transform health care within the comfort of people's homes.

Since the service began, there has been an average growth rate of 13 new patients accepted by the service each month across Frankston and the Mornington Peninsula. This *At Home* monitoring service cares for patients with heart failure and respiratory conditions through virtual monitoring and providing care to clients in their own home. with the key aim of improved patient outcomes and reducing or preventing Emergency Department (ED) presentations and hospital admissions. The team assists people to detect and manage a deterioration in their condition as early as possible, and works to educate patients on how to self-manage their chronic condition.

Our MePACS Personal Alarm service is now caring for more than 48,000 clients across Australia. Our 24/7 call centre responds to more than 1,900 emergency alarms every day, with an average of 62 of those contacts being escalated daily to Triple Zero. Between 11am and 3pm every day, we contact between 500 - 700 clients who have failed to check in for their daily welfare check.

Working in collaboration with Peninsula Health, the MePACS customer care centre staff also commenced supporting the Virtual Monitoring Team in 2024, checking in on patients who have failed to complete their home-based health survey, and calling those patients who are unable to fill out their survey independently to assist them to complete.

Across all ***At Home*** services in 2024 we saw:

- **23% drop** in ED presentations from aged-care facilities
- **12% increase** in care delivered in the home
- **143 patients** remotely monitored for cardiac and respiratory conditions
- **16%** of rehabilitation and geriatric care delivered at home
- **12% increase** in cancer care delivered at home
- **tripling** of lymphoedema services delivered at home
- **350% increase** in Inflammatory Bowel Disease care delivered at home
- **50% reduction** in unplanned readmissions for patients receiving acute care at home

Bayside Health

In early 2025, the Boards of Peninsula Health, Alfred Health, Kooweerup Regional Health Service, Bass Coast Health, and Gippsland Southern Health Service decided to merge to form Bayside Health.

The creation of Bayside Health stemmed from discussions between the five health services, drawing on their existing partnerships as well as the recommendations from the Victorian Government's Health Services Plan.

All staff from the five health services will transfer across to Bayside Health on 1 January 2026. There will be no change to existing terms, conditions and entitlements for employees. All existing hospitals and healthcare sites operated by the five health services will continue to deliver programs and services for the community.

The new health service is an equitable joining of the five existing health services, and all hospitals and facilities will keep their names and identities across the new expanded region. We will keep our staff, patients and community up-to-date through regular communication and engagement over the course of the next year.

Through the voluntary merger, Bayside Health will care for more than 1.2 million people living in Victoria's south-east and deliver even better and more connected care in the community for the newly expanded south-east region.

Innovation and learning

Peninsula Health continues to break new ground in many parts of healthcare delivery.

- Peninsula Health is leading the way in Australia in defining optimal molecular oncology care for our patients. This innovative approach will enhance access and equity, ensuring all eligible patients benefit from precision oncology regardless of tumour type or postcode, improving patient outcomes and experience through timely access to targeted therapies and clinical trials. It will support research and innovation, and positions Peninsula Health favourably among other cancer services, given we are the first in the state to pilot this model of care. As an Australian-first, a Molecular Oncology Care Coordinator was appointed in January 2025 as part of a 12-month project supported by a Southern Melbourne Integrated Cancer Services (SMICS) Innovation Grant. The role is multifaceted, providing support and education to patients and clinicians, implementing IT solutions, and establishing key relationships.
- Thanks to some unique innovations conceived and implemented by our Emergency Department (ED) teams, we are providing our community with the best in timely, world-class emergency care. In April to June 2025, Frankston and Rosebud Hospitals were the highest performing hospitals in the state for Ambulance Victoria offload times. This means patients are transferred into the ED faster, and ambulances can get back into the community sooner. With the key measure set by the Victorian Department of Health, Peninsula Health teams have consistently surpassed the state-wide target of transferring patients from the ambulance to ED in less than 40 minutes.
- Frankston Hospital became the third hospital in Victoria to introduce an Impella program in October, when the cardiology team acquired an Impella heart pump. This purchase was made possible due to our generous donor community, which raised significant funds through our tax appeal and regular giving program.

Image: The cardiology team acquired an Impella heart pump, thanks to our generous donor community.

- Peninsula Health is the first health service in Victoria to establish a specialist nurse-led clinic for patients who return a positive stool sample in the Australian Government's National Bowel Cancer Screening Program.
- Over the last 12 months under Head of Gastroenterology, Associate Professor Marcus Robertson, we have started a new service at the hospital for people with liver cancer, meaning we offer every treatment available for liver cancer in our catchment. In addition to the two new weekly clinics, two specialist nurses are in place to coordinate liver services for patients.
- Peninsula Health was the first health service in Victoria to go live with the new digital application SystemView. This Hospital and Health Analytic Solution provides real-time hospital insights into bed management, Emergency Department and outpatient visibility by pulling together data from across multiple Peninsula Health systems. The implementation of SystemView has enhanced our ability to coordinate patient access and demand across healthcare services. Peninsula Health collaborated with Healthcare Logic, the vendor for SystemView, and Health Technology Services, a unit within the Department of Health, to design and implement this new system.

We have grown our education and training capacity, welcoming hundreds of students, interns, residents and registrars this year. Our simulation and clinical education programs ensure that staff are constantly learning, adapting and leading best practice.

As Peninsula University Hospital opens its doors in January 2026, we will continue to develop as a university-affiliated health service that not only delivers excellent care, but helps shape the future of health care in Australia.

Surgical initiatives

As part of a special initiative between Stryker and Peninsula Health, we were able to obtain a loan of a second MAKO robot to enable two intensive surgery sessions at the Frankston Hospital theatre complex.

The MAKO robot uses CT scans to create a 3D virtual model of a patient's joint, allowing for improved surgical procedures, and better and speedier recovery times.

The additional surgery sessions allowed patients who were scheduled for surgery to have their joint replaced using the MAKO robotic system. During these intensive sessions, 40 hip and knee replacements were performed, which were in addition to the ongoing MAKO robotics arthroplasty surgery at Frankston Public Surgical Centre (FPSC).

Another significant achievement in surgical care was achieved in endoscopy. We provided care for people requiring endoscopy services with 91 per cent of patients receiving their surgery within the recommended time. The additional capacity at FPSC has supported more than 2,500 patients to receive endoscopy procedures in the reporting period, which is a significant increase of 750 surgeries from the previous year.

Other initiatives to improve the management of people waiting for an endoscopy procedure include:

- the implementation of electronic tools for audit and validation
- the development of an electronic health questionnaire
- the instigation of electronic referrals for procedures
- improved pre-operative bowel preparation instructions and communication with patients.

We also further improved our processes with:

- the implementation of Digital Endoscopy Referrals; these are legible and standardised, providing clear guidance for perioperative management including anticoagulant, antiplatelet and antidiabetic medication management
- streamlined post-endoscopy pathways to improve follow-up of patients with clinically urgent histopathology and communication to GPs post endoscopy.

The implementation of an outpatient clinic to follow up positive at home stool tests has been successful. As a result of the clinic, all those patients are seen within two weeks for triaging and assessment to determine if a scope is required and clinically indicated. This has created a streamlined process from a GP referral to patients receiving a date for their procedure in a timely manner.

Research

This year has seen enormous progress in research at Peninsula Health, which is consistent with the emergence of the new Peninsula University Hospital set to open in January 2026.

A new Research Strategy will be launched in October 2025 for the next four years. Our vision is to establish a culture where research is integral to care.

We were delighted that some of our senior staff were recognised with Adjunct appointments at Monash University during the last 12 months:

- **Dr Charlene Lee** – Adjunct Lecturer (Department of Geriatric Medicine)
- **Dr Darsim Haji** – Adjunct Lecturer (Emergency, ICU Diagnostic & Pharmacy)
- **Dr Maheswaran Masilamany** – Adjunct Lecturer (Emergency, ICU, Diagnostic & Pharmacy)
- **Dr Chris Karayiannis** – Adjunct Lecturer (Department of Medicine)
- **Dr Antonio D'Costa** – Adjunct Senior Lecturer (Department of Mental Health)
- **Dr Peter Francis** – Adjunct Senior Lecturer (Surgery and Anaesthetics)
- **Dr Jonathan Henry** – Adjunct Lecturer (Emergency, ICU, Diagnostic & Pharmacy)

Highlights

Key conjoint academic appointments with Monash University include:

- **Associate Professor Cath Aspinall**, Associate Professor in Nursing, in the School of Nursing and Midwifery
- **Associate Professor Mahesh Iddawela**, Head of Medical Oncology and Associate Professor in Oncology, School of Translational Medicine.

The appointments above form the beginning of further planned strategic clinical-academic appointments, who by their activities and mentoring, will drive excellence in translational research and care for patients presenting to Peninsula Health.

- A substantial increase in the volume of clinical trials conducted in Peninsula Health (>90), ensuring access to new and developing therapies for our community.
- Strengthening research governance through a large body of work conducted by our Office for Research, to ensure that clinical trials and research at Peninsula Health conform to the new accreditation standards of the National Clinical Trials Governance Framework.

We would also like to recognise significant achievements from key senior staff.

- **Dr Laura Jolliffe** – Allied Health Research Translation Lead, was awarded the inaugural Monash Partners Award for Health Services research, receiving the award from Professor Steve Wesselingh, CEO of the National Health and Medical Research Council.
- **Dr Marianne Coleman** – post-doctoral fellow, National Centre for Healthy Ageing, was successful in securing a competitive $400,000 Mid-Career Fellowship from the Dementia Australia Research Foundation to improve eye-care for people with dementia.
- **Professor Velandai Srikanth** – Director, National Centre for Healthy Ageing, received a Medical Research Future Fund grant of $2 million with interstate collaborators for developing an electronic frailty index for acute care in hospitals.
- **Associate Professor Nadine Andrew** – Research Data Lead, National Centre for Healthy Ageing, secured a $500,000 grant from the Australian Research Data Commons, as well as $1.5 million from the Ideas Grant Scheme of the NHMRC, both going towards enhancing data and translational capacity of the NCHA Healthy Ageing Data Platform.
- **Dr Taya Collyer** and team from Peninsula Health and the National Centre for Healthy Ageing led a first-in country development of algorithms for predicting likelihood of dementia in hospitalised patients, using artificial intelligence techniques to derive data from unstructured text-based data.

The National Centre for Healthy Ageing (NCHA)

The National Centre for Healthy Ageing (NCHA) is now close to the completion of the establishment phase.

In addition to the Healthy Ageing Data Platform, and the National Aged Care Research Network, which were early milestones in development, six different technology-supported simulation facilities are to be unveiled by November 2025. These are all nationally unique facilities set within Monash University, Peninsula Health, and community campuses. On Peninsula Health grounds, the Australian-first Smart Ward will be opened at the Flinders Ward at The Mornington Centre. This innovative technology can generate sensor-based activity data and health information to improve care quality for our patients with complex aged-care needs.

The NCHA also launched a new platform to support impactful consumer engagement in research during the reporting period. The platform, Voice™ Australia, was originally developed in 2015 by Newcastle University in the United Kingdom, and after success in the UK has expanded globally. The platform offers a digital environment enabling the NCHA and its partners to easily engage and maintain a large and thriving community of people who are interested in leveraging their lived experiences for research and innovation.

Nurse Unit Manager, Felicity Leavold, and the Acute Care of the Elderly (ACE) nursing team have made a remarkable contribution to dementia care research, in a co-design study alongside Associate Professor Chris Moran and experts from Monash University under the NCHA. The research focuses on understanding how hospital environments can better cater to support individuals with dementia, ensuring more compassionate and person-centred care. The key findings of the study have been published in *BMC Geriatrics*, titled "Understanding and Integrating the Needs and Preferences of People Living with Dementia in the Inpatient Setting: A Qualitative Study."

Capital works

The physical transformation of our health service is not limited to the new hospital in Frankston. This year we made significant progress in upgrading our mental health and wellbeing facilities in the community. We also continued to oversee the construction of the new Early Parenting Centre at Hastings, in partnership with the Queen Elizabeth Centre, which will run the facility when it opens next year.

In April, we completed some significant improvements at The Mornington Centre. Over the course of 12 months working alongside the builder Quadracon, the patient bathrooms and rooms on the Sorrento and Gunnamatta wards were renovated, along with some common areas, while additional hoists were also fitted for greater safety and comfort for patients and staff. The works have greatly enhanced the environment for everyone spending time in the hospital.

We opened the renovated Youth Prevention and Recovery Care (YPARC) facility in Frankston in the middle of the year. The upgrade delivered refurbished bedrooms and bedroom pods, a new shared kitchen, living and activity spaces and more outdoor areas. The project was delivered by the Victorian Health Building Authority in partnership with us and the builder, Bowden Corporation. This building is part of our youth mental health precinct, with further works underway on Yuille Street to provide a permanent home for our newly commenced 0-11 years Mental Health and Wellbeing service, which commenced in late 2024, previously provided by Monash Health.

Also in mental health and wellbeing, the $1 million refurbishment of our Community Care Unit was completed, with significant renovation works to the nine residential units and the administration area. All of the residential units have been re-painted, the kitchens and bathrooms have been updated, new blinds and lights have been installed, as well as air conditioning and ceiling fans. The investment has delivered a significant facelift to the 30-year-old residential units. This will help us to continue to deliver the best care for people seeking treatment for mental health concerns and substance use challenges.

Image: Construction of the new Peninsula University Hospital in Frankston

Brand

Peninsula Health

Aligned with our strategic aim of *Healthy Lives 2028*, we refreshed our brand in 2025 to mark a new chapter in our commitment to providing compassionate, connected care for our community, driving innovation, and improving patient outcomes through evidence-based research.

Our defined brand and refreshed visual identity, along with a change in communication focus, is designed to reflect who we've become, what we do well, and where we are headed. The refreshed brand provides visual consistency for our people across all our sites, removing any confusion for the local community caused by maintaining differing representations of Peninsula Health at our hospitals and healthcare facilities.

When the merger to form Bayside Health takes effect, the Peninsula Health brand will remain in place for our community, on our website and at our hospitals and health care sites, so the roll-out of our refreshed identity will continue to touch staff and the public over the coming years. Our realised brand essence, Healthy Lives for Life, speaks to our strengths in local community connectivity and person-centred care, while also bringing our innovation and research achievements to the forefront.

Our People

Many of our dedicated team members were recognised over the last year and we are delighted to highlight some of them below.

- **Dr Astha Tomar** – assumed the role of President of the Royal Australian and New Zealand College of Psychiatrists in May 2025 for a two-year term.
- **Dr Nisha Khot** – Clinical Director, Obstetrics and Gynaecology – appointed as the President-Elect for the Fourteenth Royal Australian and New Zealand College of Obstetricians and Gynaecologists (RANZCOG) Council, serving from October 2025 to October 2027.
- **Judi McKee OAM** – retired Peninsula Health nurse - was awarded the Medal of the Order of Australia (OAM) in the 2025 Australia Day Honours, in recognition of her exceptional service to the community.
- **Dr Krystle Chong** – Peninsula Health Obstetrics and Gynaecology Registrar and Researcher – co-authored a ground-breaking primer on ectopic pregnancy for Nature Reviews Disease Primers.
- **Melissa Molenaar** – Director of Nursing, The Mornington Centre - was awarded a Bachelor of Nursing Honours Scholarship by Monash University and Peninsula Health, allowing her to undertake an honours degree in Nursing or Midwifery.
- **Jodie Howard** – Registered Midwife – was awarded a Bachelor of Nursing Honours Scholarship by Monash University and Peninsula Health, allowing her to undertake an honours degree in Nursing or Midwifery.
- **Colleen White** – Operations Director, Women's, Children's and Adolescent Health – was shortlisted as a finalist for the HESTA Midwife of the Year award.
- **Jessica Reece** – AOD Traineeship Supervisor – won the Centre for Mental Health Learning (CMHL) Award for Excellence in Education.
- **Gemma Bourke** – Dietitian – received an Inspiring Educator Award from Monash University. Nominated by Monash University students, Gemma was recognised for her outstanding contributions to education and student mentorship.
- **Anneliese Twigg** – Health Promotion Practitioner - received an Inspiring Educator Award from Monash University. Nominated by Monash University students, Anneliese was recognised for her outstanding contributions to education and student mentorship.
- **Dr Helen Kolawole** – Sessional Specialist Anaesthetist - received the ANZCA Medal at the annual College Ceremony of the Australian and New Zealand College of Anaesthetists in Brisbane. Dr Kolawole was among six anaesthetists awarded for their significant and continuous contributions to local, Australian, New Zealand, and international anaesthesia throughout their careers.

In addition, we held our inaugural Nursing and Midwifery Excellence Awards during the reporting period, with separate events held in our different hospitals, as well as in the field of mental health and wellbeing.

Finally, on a sad note, our inaugural Clinical Director of Surgery at Frankston Hospital, Professor Colin Russell, passed away in September 2024. Professor Russell's legacy will live on in Peninsula University Hospital with the surgical meeting room continuing to be named in his honour.

Partnering with First Nations communities

This year saw the development of our Innovate Reconciliation Action Plan (RAP). This document is a roadmap for embedding respect, equity and self-determination into every part of our work.

We have worked in close collaboration with the Bunurong Land Council, the Victorian Aboriginal Community Controlled Health Organisation (VACCHO), and our First Nations staff members, patients and families to ensure our services are safe and responsive. Our particular thanks go to Aunty Helen Bnads, our Cultural Lead and Elder (at the lectern in the below image), who continues to lead our work in this area, ably supported by Kunal Mahajan, our Aboriginal and Allied Health Manager.

Local artist and proud Kamilaroi man, Eamon Roberts, unveiled his latest artwork during National Reconciliation Week. Titled *Upon Our Journey,* the piece was commissioned by Peninsula Health's Aboriginal Health team for the Palliative Care Unit at Golf Links Road Rehabilitation Centre. The artwork symbolises our birth into the Dreaming and the journey every person takes through life, represented by the returning boomerang, completing the cycle of life. Eamon's artistic contributions extend beyond this latest piece. His work also features on our extremely popular Aboriginal Health uniforms, and is the base for the *Don't Be Shy, Identify* campaign. Eamon's art reflects his deep commitment to sharing and preserving cultural narratives through visual storytelling.

During NAIDOC Week, there was a display of First Nations' artwork at our Tarnbuk Centre in Frankston. The 16 pieces of artwork were purchased through The Torch, which is a not-for-profit group that provides cultural and arts support to First Nations people in Victoria.

Image: The launch of the Reconciliation Action Plan at Willum Warrain in Hastings

Our supporters

We would like to thank our team of volunteers, consumer advisors and donors for their enormous contribution to our health service. More than 450 remarkable people donate their time to Peninsula Health, and we deeply appreciate the expertise, compassion and guidance that they provide to our staff and our patients across all our sites.

We are overwhelmed with the generosity of our donor community, who continue to donate or raise funds for us, so that we can offer the best care to our community, both close to home and in the home. You can read more about our donor community and the impact of their giving in this report.

We would also like to acknowledge the contribution, leadership and expertise of Michael Gorton AM, who left the organisation at the end of June. Michael spent two years leading Peninsula Health as Board Chair before taking on the role of Chair at Monash Health at the start of July, and we wish him well in the new role.

It is our great privilege to lead Peninsula Health at this time of change, as we help to shape the future of Bayside Health when it commences at the beginning of next year. Together with our people and our community, we are building a stronger, smarter, more connected health system.

We hope you enjoy reading our 2025 Annual Report.

Ms Karen Corry
Board Chair
Peninsula Health

Associate Professor Helen Cooper
Chief Executive
Peninsula Health

August 2025

Image (from left): Peninsula Health Chief Executive Associate Professor Helen Cooper and Board Chair Ms Karen Corry

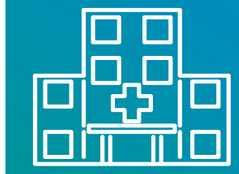
Report of Operations

Peninsula Health at a Glance

At Peninsula Health, we are a dedicated team driven to create a meaningful impact on people's lives.

Our care goes beyond the conventional; we provide compassionate, connected health care that is accessible whenever and wherever it's needed. We understand the impact poor health can have on individuals and their communities, which is why we are passionate about building healthier, stronger communities. Through our commitment to innovation, research, and a culture of respect, we partner with our communities to shape a brighter future for the people of Frankston, the Mornington Peninsula, and beyond. We strive to lead the way in integrated care by seamlessly connecting people, technology, and processes. Our vision is to ensure every interaction with us is person-centred, compassionate, and efficient. By providing a welcoming environment, and driving innovation through research and advanced services, we aim to leave a lasting, positive impact on the growing Mornington Peninsula region. Peninsula Health champions good health and wellbeing at every stage of life. Our goal is to ensure the people we care for enjoy healthy lives for life.

Peninsula Health is the major metropolitan health service for Frankston and the Mornington Peninsula. We care for a resident population of more than 315,000 people, with the area receiving close to eight million visitors annually. The majority of the visitors are tourists in the summer months, which has a significant impact on presentations and care delivery at Rosebud Hospital.



We have five major hospitals:

- Frankston Hospital
- Rosebud Hospital
- Golf Links Road Rehabilitation Centre
- The Mornington Centre
- Frankston Public Surgical Centre

We have five community mental health facilities and five community health centres in:

- Frankston
- Mornington
- Rosebud
- Hastings
- Seaford

Our services for the community include care across the life continuum and are listed below.

We are a major teaching and research health facility, training the next generation of doctors, nurses, allied health professionals and support staff. We have strong partnerships with Monash University, Deakin University, La Trobe University, Chisholm Institute and Holmesglen Institute.

Our local community has some unique demographic features and challenges, including:

- a higher than average rate of population ageing
- a mix of wealth and extreme disadvantage
- higher than average rates of vulnerable children, homelessness and family violence
- higher than average rates of chronic diseases and mental health issues.

These factors create challenges in providing the best of care, where and when it is needed to respond to the needs of children, people with mental health issues, and older residents.

With 7,655 staff and 450 volunteers, consumer advisors and auxiliary members, our dedicated and highly skilled teams work together to provide safe, personal, effective and connected care, for people and families in Frankston and the Mornington Peninsula.

Our local community area

Our Clinical Services

AGED CARE

Inpatient Services

- Geriatric Evaluation and Management
- Orthogeriatric Service
- Acute Care for the Elderly
- Sub-acute Assessment Service
- Residential Transitional Care Program

Community

- Aged Care Assessment Service (MEACAS)
- Regional Assessment Service
- Geriatric Medicine Clinic
- Cognitive, Dementia and Memory Service (CDAMS)
- Falls Prevention Service
- Continence and Urodynamics
- Chronic Wound Clinic
- Lymphoedema Service
- Specialist Outpatient Clinics

ALLIED HEALTH

- Audiology
- Diversional Therapy
- Exercise Physiology
- Music Therapy
- Neuropsychology
- Nutrition and Dietetics
- Occupational Therapy
- Physiotherapy
- Podiatry
- Prosthetics and Orthotics
- Psychology
- Social Work
- Speech Pathology
- Spiritual Care

COMMUNITY HEALTH

- Aboriginal Health:
  - Including Elder/Cultural Lead
  - Aboriginal Hospital Liaison Officer
- Addiction Medicine
- Alcohol and Other Drugs Services:
  - Catchment Intake and Assessment
  - Non-residential Withdrawal Services
  - Counselling
  - Care and Recovery
  - Peer Support
  - Needle Syringe Program (SHARPS)
  - Youth Outreach
  - Supported Accommodation
  - Family Therapy
  - ResetLife Day Rehabilitation Program
  - Drink Drug Drive Behaviour Change Program
  - Pharmacotherapy service
- Forensic Mental Health in Community Health
- Community Care Program:
  - Care Coordination
  - Post-acute Care
  - Residential In-reach Program
- Hospital in the Home
- Advance Care Planning
- Early Intervention in Chronic Disease Services:
  - Cancer Rehabilitation Program
  - Cardiac Rehabilitation Program
  - Heart Failure Rehabilitation
  - Pulmonary Rehabilitation
  - Diabetes Education
- Commonwealth Home Support Program:
  - Podiatry
  - Dietetics
  - Physiotherapy
  - Exercise Physiology
  - Occupational Therapy
  - Speech Pathology
  - Nursing
  - Aboriginal Access and Support
  - Access and Support
  - Social Support Groups
- Home Care Packages
- Dental Services
- Mobile Integrated (MI) Health Program (Community Connections Homeless Program)
- Supporting Vulnerable Victorians in Residential Services (SAVVI) and Pension Level Project (PLP)
- Carer Support Program
- NDIS Services:
  - Adult Services
  - Children's Services
  - Support Coordination
- Volunteers
- Community Health Children's Services:
  - Podiatry
  - Dietetics
  - Physiotherapy
  - Occupational Therapy
  - Speech Pathology
  - Early Education
  - School Readiness Program
  - Healthy Mothers Healthy Babies
  - Aboriginal Healthy Start to Life
- Family Violence Services:
  - Men's Behaviour Change Program
  - Keeping Families Safe, Adolescent Violence Program
- The Orange Door Family Violence Intake Service
- Health Promotion
- Sexual and Reproductive Health Service
- Counselling

EMERGENCY MEDICINE

- Frankston Hospital Emergency Department
- Rosebud Hospital Emergency Department

INTENSIVE CARE MEDICINE

MEDICAL SERVICES

- Acute Care of the Elderly
- Cardiology:
  - Cardiac Angiography
  - Cardiac Investigation Unit
  - Cardiac US
- Endocrinology and Diabetes
- Gastroenterology
- General and Peri-operative Medicine
- Haematology
- Hospital in the Home
- Infectious Diseases
- Antimicrobial Stewardship
- Infusion Centre
- Medical Oncology
- Neurology
- Oncology
- Renal Medicine
- Respiratory and Sleep Medicine
- Rheumatology

MENTAL HEALTH SERVICES

Specialist Mental Health Services

- Clozapine Program
- Families where a Parent has a Mental Illness (FaPMI)
- Family Violence Advisor
- Forensic Clinical Specialist Program
- Neuropsychology
- Therapy Service
- Wellness Clinics (Dietetics, Exercise Physiology, Music Therapy)
- Consultation Liaison Services:
  - Mental Health Consultation Liaison General Hospital (MHCL GH)
  - Mental Health Consultation Liaison Emergency Department (MHCL ED)
  - Integrated Mental Health & AOD service
  - Perinatal Mental Health and Wellbeing Service
- Mental Health and Alcohol and Other Drugs Crisis Hub

Infant Child and Youth Services

- Community:
  - Infant, Child and Family (0-11 years) Stream
  - Youth Stream (12-25 years)
    - Access Assessment, Brief Intervention and Consultation (ABC)
    - Integrated Youth Assertive Treatment (IYAT)
- Residential:
  - Youth Prevention and Recovery Care (YPARC)

Adult Mental Health and Wellbeing Service (26-65 years)

- Inpatient:
  - Adult Acute Inpatient Unit - 2 West
  - Psychiatric Assessment and Planning Unit (PAPU)
- Residential:
  - Adult Prevention and Recovery Care (APARC)
  - Community Care Unit (CCU)

Community Programs:

- Crisis Assessment and Treatment Team (CATT)
- Early Discharge Management (EDM)
- Mental Health Telephone Triage (MHTT)
- Police and Ambulance and Clinician (PACER)
- Adult Community Mental Health – Frankston and Mornington teams
- Hospital Outreach Post-suicidal Engagement (HOPE)
- Intensive Recovery Team (IRT)

Older Persons Mental Health and Wellbeing Service

Community Programs

- Intensive Community Assessment Treatment Team (APICATT)
- Case Management Team

Inpatient:

- Older Adult Acute Inpatient Unit - 1 West

Residential:

- Carinya

Frankston Local Adult and Older Adult Mental Health and Wellbeing Service (26+ years)

- Delivered in partnership with Wellways and Mentis Assist

MePACS (PERSONAL ALARM CALL SERVICE)

PAEDIATRICS (CHILDREN'S HEALTH)

- Child and Adolescent Health
- Home and Community Care-based services
- Paediatric Hospital in the Home
- OPD – general paediatrics and developmental/ behavioural clinics – Frankston and Hastings
- MDT Diabetes OPD Service
- Specialist Outpatient Clinics (including respiratory, neurology, dermatology, cardiology and paediatric gynaecology specialties)
- School-based Clinics
- Asthma Education

PAIN MEDICINE

- Peninsula Health Integrated Pain Services
- Persistent Pain Management Service
- Pain Medicine Outpatient Clinic
- Pain Medicine Inpatient Consult Service

PATHOLOGY

- Mortuary Services
- Biochemistry
- Blood Banking Service
- Blood Product Management
- Bone Marrow Biopsies
- Cytology (including fine needle aspirates)
- Frozen Sections
- Haematology (including coagulation)
- Histopathology
- Immunology
- Microbiology
- Serology

PHARMACY

- Medicines Dispensing and Distribution
- Medicines Procurement
- Aseptic Manufacturing
- Clinical Trials Support
- Cancer Pharmacy Services
- Clinical Pharmacy Services
- Medication Protocol Maintenance
- Formulary Management

RADIOLOGY AND IMAGING

- Angiography
- CT
- Fluoroscopy
- General X-ray
- Interventional Radiology
- MRI
- Mammography
- Nuclear Medicine
- Ultrasound
- DEXA
- Dental OPG

REHABILITATION

Inpatient Services

- Amputee Rehabilitation
- General and Reconditioning Rehabilitation
- Stroke and Neuro-rehabilitation
- Orthopaedic Rehabilitation
- Rehab at Home

Ambulatory Rehabilitation (centre-based and home-based)

- @home Rehab/GEM/Palliative Care Program
- Community Rehabilitation Program
- Amputee Rehabilitation Clinic
- @home Orthopaedic Program
- General Community Rehabilitation
- Movement Disorders Clinic
- Neuro-rehabilitation Clinic
- Spasticity Clinic
- Movement Disorders Program
- @home Neurological Program

SUPPORTIVE AND PALLIATIVE CARE

- Inpatient Palliative Care Unit
- Palliative Care Consult Service
- Supportive and Palliative Care Clinic

SURGICAL AND ANAESTHETIC SERVICES

- Anaesthesia, Acute Pain Management and Perioperative Medicine
- Breast and Endocrine Surgery
- Colorectal Surgery
- Ear, Nose and Throat Surgery
- Gastrointestinal Endoscopy
- General Surgery
- HepatoPancreatoBiliary and Upper Gastrointestinal Surgery
- Maxillo Facial Surgery
- Multidisciplinary Cancer Services
- Orthopaedic Surgery
- Otolaryngology and Head and Neck Surgery
- Plastic and Reconstructive Surgery
- Skin Integrity (wound care)
- Specialist Outpatient Clinics
- Stomal Therapy
- Urological Surgery
- Vascular Surgery

WOMEN'S HEALTH

- Acute and Perioperative Gynaecology
- Urogynaecology Outpatient Clinic
- Outpatient Gynaecology Clinic
- Colposcopy Clinic
- Sexual Health Clinic
- Outpatient Hysteroscopy Service
- Gynaecological Oncology Services
- Early Pregnancy and Perinatal Assessment Service
- Specialist Obstetrics and Midwifery Pregnancy Care
- Fetal Diagnostic Unit
- Complex Pregnancy Clinic
- Continuity of Midwifery Care (Midwifery Group Practice)
- Maternity and Newborn Care
- Special Care Nursery (premature and sick newborn babies)
- Maternity Hospital in the Home and Midwifery Home Care
- Neonatal Hospital in the Home

For further information about our services, please visit our website: **www.peninsulahealth.org.au**

Our Governance and Organisational Structure

Manner of Establishment

Peninsula Health is one of 12 metropolitan public health services in Victoria. It was established in 2000 under section 70 of the *Health Services Act* 1998, and was reconstituted on 1 July 2008 to amalgamate the previous Peninsula Health and the former Peninsula Community Health Service.

Peninsula Health reports to Victoria's:

- Minister for Health and Ambulance Services:
  The Hon Mary-Anne Thomas from 1 July 2024 to 30 June 2025
- Minister for Health Infrastructure:
  The Hon Mary-Anne Thomas from 1 July 2024 to 19 December 2024
  The Hon Melissa Horne from 19 December 2024 to 30 June 2025
- Minister for Mental Health and Ageing:
  The Hon Ingrid Stitt from 1 July 2024 to 30 June 2025
- Minister for Disability and Children:
  The Hon Lizzie Blandthorn from 1 July 2024 to 30 June 2025.

The functions of a public health service Board are outlined in the *Health Services Act 1988* (Vic) and include establishing, maintaining and monitoring the performance of systems to ensure the health service meets community needs.

Purpose, Functions, Powers and Duties

The core objective of Peninsula Health is to provide public health services in accordance with the principles established as guidelines for the delivery of public hospital services in Victoria under section 17AA of the *Health Services Act* 1988.

The health service operates across a number of sites, providing a broad range of services including:

- acute care at Frankston Hospital and Rosebud Hospital
- dedicated surgical care at Frankston Public Surgical Centre
- geriatric evaluation and management, rehabilitation, palliative care and residential services at Mornington, Frankston and Rosebud
- mental health services at Frankston, Hastings and Rosebud
- community health services at Frankston, Rosebud, Mornington and Hastings
- a patient alarm and monitoring service (MePACS).

As at 30 June 2025, Peninsula Health employed 7,655 staff and was supported by 450 volunteers, consumer advisors and auxiliary members.

Governance

Peninsula Health's Board of Directors is appointed by the Governor-in-Council on the recommendation of the Minister for Health. Directors are usually appointed for a term of three years, with members eligible to apply for reappointment. The Minister for Health requires the Board to develop a Strategic Plan and to ensure accountable and efficient provision of health services.

The Board of Directors is responsible for the governance and strategic direction of Peninsula Health and works to ensure the services provided by Peninsula Health comply with the requirements of the *Health Services Act 1988* (Vic) as well as the purpose, vision and goals of Peninsula Health.

During 2024–25, the Minister for Health set a Statement of Priorities of funding, activity and service performance for Peninsula Health. The Board held 11 meetings in the financial year ending 30 June 2025. At these meetings, members of the Peninsula Health Executive presented reports on their areas of responsibility as required.

Board of Directors as at 30 June 2025

MR MICHAEL GORTON AM (Board Chair) MAICD, MCSP, GRAD DIP HUMAN SERVICES RESEARCH

Appointed: 1 July 2023

Member: Audit and Risk Committee; Community Advisory Committee; Finance; Projects and Resources Committee and Remuneration and Nominations Committee

Mr Michael Gorton AM is a senior partner at Russell Kennedy Lawyers and has more than 30 years' experience advising the health and medical sector, assisting boards of health organisations to understand their legal obligations for effective governance structures, governance policies and implementing risk-management strategies.

Mr Gorton is the Chair of Wellways Australia, Chair of Holmesglen Institute (TAFE) and Board member of Latrobe Regional Health. He is the former Chair of Alfred Health, a past Board member of Ambulance Victoria and is the former Chair of the Australian Health Practitioner Regulation Agency (AHPRA) and former Board member of the Australasian College for Emergency Medicine. He is a former Chair of the Victorian Equal Opportunity and Human Rights Commission.

Mr Gorton held the Chair role from 1 July 2023 to 30 June 2025, before he was appointed Chair of Monash Health Board of Directors 1 July 2025.

MS KAREN CORRY (Deputy Chair) B.COM, FCA, FAICD

Appointed: 22 August 2017

Member: Finance, Projects and Resources Committee; and Audit and Risk Committee

Ms Karen Corry is an experienced board director and business leader. As a partner at KPMG, her work focused on business consulting, strategic planning and digital technology. Combining her digital skills with her audit, risk and financial management experience, she led a consulting business for over 15 years prior to becoming a non-executive director. She has been a board member and Chair of government, ASX-listed and not-for-profit organisations. Ms Corry currently Chairs the Australian Community Support Organisation (ACSO) and was the former Chair of the Cultural Development Network, as well as the previous Chair of the finance and audit committees at Holmesglen Institute, ACMI and Global Health Ltd. She is a Fellow of the Institute of Chartered Accountants and the Australian Institute of Company Directors.

MS KIRSTEN MANDER LLM, FAICD, FGIA

Appointed: 22 August 2017

Chair: Audit and Risk Committee
Member: Quality, Safety and People Committee

Ms Kirsten Mander is an experienced director, businesswoman and lawyer. She is currently Chair of the Audit and Risk Committee of Peninsula Health and chair of Legal Super. Until recently, she was Chair of the International Women's Development Agency and the Victorian Assisted Reproductive Treatment Authority, and has been a director on various other boards, including Swinburne University, RT Health and the Law Institute of Victoria.

Previously, she had many years' experience as a senior executive, general counsel and company secretary for a number of Australia's top companies including Australian Unity, Sigma Pharmaceuticals and Western Mining, working throughout Australasia, Asia and the former Soviet Union.

Ms Mander holds a Master of Laws from The University of Melbourne and is a Fellow of the Australian Institute of Company Directors and the Governance Institute of Australia.

MR HAMISH PARK B.COM, BA, ALM, GAICD

Appointed: 1 July 2020

Chair: Quality, Safety and People Committee
Member: Community Advisory Committee; and Finance, Projects and Resources Committee

Mr Hamish Park is an executive adviser, facilitator, trainer and board director with extensive public sector experience across all three tiers of government. He specialises in leadership development, working with boards and executives to lift the performance capability of their organisations.

Mr Park is a Director of Melbourne Leadership Group and a Senior Fellow at The University of Melbourne's School of Government. He has worked with some of Australia's foremost private institutions, including management consulting roles with EY, PwC, KPMG, ANZ Bank, National Australia Bank and Telstra. He also serves on the board of the charity Dine For A Cure, which has raised over $1 million in medical research funding.

MS SYLVIA HADJIANTONIOU EMBA, B.COM, GAICD

Appointed: 1 July 2019

Member: Finance; Projects and Resources Committee

Ms Sylvia Hadjiantoniou is an experienced Board Director and Executive. Ms Hadjiantoniou is a transformational leader who has worked across the public, private and not-for-profit sectors. In these roles, she has collaborated with multisector partners to deliver large-scale capital projects, develop precincts and manage organisational transformations. She is committed to advancing social justice by providing support services and improving access to affordable housing, community infrastructure, health care and education. Ms Hadjiantoniou holds a Bachelor of Commerce and an EMBA from Monash University. She has also obtained her Victorian Builder's Licence and is a Graduate of the Australian Institute of Company Directors.

MS RITA CINCOTTA BBUSA, MASTERS OF INDUSTRIAL AND EMPLOYEE RELATIONS, GAICD

Appointed: 1 July 2018

Chair: Remuneration and Nominations Committee
Member: Community Advisory Committee; Quality, Safety and People Committee; Audit and Risk Committee

Ms Rita Cincotta is an experienced human resources practitioner, with industry experience in health, technology, financial services and higher education.

She is a Director and Principal Consultant at Human Dimensions, which specialises in employee experience, organisational culture and enhancing team performance. Ms Cincotta is the Deputy Chair at Left Write Hook, as well as being the Chair of the Finance, Audit and Risk Committee.

Prior to embarking on a portfolio career, Ms Cincotta was the Vice-President People and Culture at Swinburne University of Technology, where she was a member of the Swinburne Executive Group, Chair of the Science and Australia Gender Equity (SAGE) Committee and Chair of the Financial Inclusion Action Plan (FIAP) group.

PROFESSOR MARK FRYDENBERG MBBS, FRACS, FAICD

Appointed: 1 July 2021

Member: Finance, Projects and Resources Committee; Quality, Safety and People Committee; Remuneration and Nominations Committee

Professor Mark Frydenberg was awarded the Fellowship of the Royal Australasian College of Surgeons in 1990, and then completed a formal clinical urological oncology fellowship at the Mayo Clinic, Minnesota, USA.

Upon returning to Australia, he was appointed as a urologist at Monash Health and the Royal Melbourne Hospital, and in 1997 was promoted to Associate Professor in the Department of Surgery, Faculty of Medicine, Nursing and Health Sciences, Monash University, and also became the Chairman of the Department of Urology, Monash Health, a position he held until 2017. He currently holds Professorial positions within the Department of Surgery, Faculty of Anatomy and Developmental Biology, and the School of Public Health and Preventative Medicine, at Monash University.

Professor Frydenberg has been involved in many leadership roles within Australia, and is a past president and current board member of the Urological Society of Australia and New Zealand (USANZ). He is a member of the Council of the Royal Australasian College of Surgeons and is the Chair of the Health Policy and Advocacy Committee. He also holds the position of the Academic Chair of Urology, Cabrini Institute, Cabrini Health.

DR TONY KAMBOURAKIS MBBS, MPH, FACEM, FRACMA, FCHSM, MAICD

Appointed: 1 July 2023

Member: Audit and Risk Committee; Quality, Safety and People Committee.

Dr Tony Kambourakis is a medical specialist dual-qualified in emergency medicine and medical administration.

He is currently Executive Director Medical Services at Alfred Health and was previously Director of Emergency Medicine at Monash Medical Centre.

Dr Kambourakis's experience and areas of interest include clinical governance; patient safety and serious incident management; disaster and emergency clinical response; new clinical procedures and technologies; governance of specialist training programs, and clinician professional development and support. Dr Kambourakis is a past clinical lead of Safer Care Victoria's Emergency Care Clinical Network.

He is actively involved in inter-professional, undergraduate, and postgraduate medical education, and is an senior lecturer with the Monash University Central Clinical School and a member of the Board of Censors of the Royal Australasian College of Medical Administrators.

MR PETER JOYCE B.COMM, FCPA, GAICD

Appointed: 1 July 2024

Chair: Finance, Projects and Resources Committee
Member: Audit and Risk Committee

Mr Peter Joyce has lengthy experience in the manufacturing and consumer products sector and worked for many years for the US consumer products company Sara Lee based in Australia, Singapore and The Netherlands. He has held various roles in finance, mergers and acquisitions and as a General Manager. Mr Joyce has also worked in the credit card and financial services industry and in the IT sector in both Asia and Australia, and has been a consultant working with a number of organisations across various industries on financial planning and financial sustainability. He is a fellow of the Australian Society of Certified Practising Accountants and a graduate Member of the Australian Institute of Company Directors.

Between 2012 and 2023, Mr Joyce was the Executive Director Finance and the Chief Financial Officer of Alfred Health, which operates The Alfred, Caulfield and Sandringham hospitals, as well as a number of community based public health services. During that time, he was also involved with several sector-based projects. Mr Joyce has a particular interest in the sustainable pricing and funding of public health, and has continued to work as a consultant in the financial sustainability in the health sector and as a member of the Expert Advisory Panel of Hospitals Victoria.

Mr Joyce is also a co-founder and Chair of the Advisory Board of a Cambodian Foundation since 2008, which supports under-privileged young people in Cambodia.

Board Committees as at 30 June 2025

Six committees provide specialist advice and support to the Board. The committees also assist the Board and senior management to meet the statutory, regulatory and operational requirements of the health service.

Finance, Projects and Resources Committee

The role of the Finance, Projects and Resources Committee is to assist the Board in the oversight and management of Peninsula Health's financial performance and resources. The committee reviews all financial matters, management information, and internal control systems, and considers and makes recommendations to the Board on major and minor works.

Board members: Peter Joyce (Chair), Karen Corry, Michael Gorton AM, Sylvia Hadjiantoniou, Professor Mark Frydenberg and Hamish Park

Audit and Risk Committee

The role of the Audit and Risk Committee is to assist the Board in fulfilling its governance responsibilities under the Standing Directions of the Minister for Finance under the *Financial Management Act 1994* (Vic). The committee liaises with the internal and external auditors; reviews and approves audit programs; and evaluates the adequacy and effectiveness of the overall governance framework operating within Peninsula Health. The committee receives reports via the compliance-monitoring framework and monitors all risk-management activities for Peninsula Health.

Board members: Kirsten Mander (Chair), Peter Joyce, Karen Corry, Rita Cincotta, Michael Gorton AM and Dr Tony Kambourakis

Quality, Safety and People Committee

The role of the Quality, Safety and People Committee is to assist the Board to monitor and improve the quality and effectiveness of the care provided by Peninsula Health. The committee is also responsible for the clinical risk-management activities, which are integrated with Peninsula Health's quality systems.

Board members: Hamish Park (Chair), Rita Cincotta, Professor Mark Frydenberg, Dr Tony Kambourakis and Kirsten Mander

Consumer members: John Clark-Kennedy, and Pauline D'Astoli

Community Advisory Committee

The Community Advisory Committee brings the voices of the community and consumers into the decision-making processes of Peninsula Health to ensure services are responsive to the needs of our diverse community. Members provide information and advice on needs, demands, and service developments from a community perspective. The committee is supported by 12 Community Advisory Groups.

Board members: Rita Cincotta, Michael Gorton AM

Consumer members: Sally Bird (Chair), Pauline D'Astoli, Norman Jones, Dinka Jakovac, Ann Urch, Graeme Prowd, Michael Forry, John Clark Kennedy, Shamala Jones, Mieke Breman-Mertens, Naomi Lawless, Jake Miller-Randle and Aunty Helen Bnads

Remuneration and Nominations Committee

The role of the Remuneration and Nominations Committee is to ensure Peninsula Health's compliance with best practice integration of relevant Enterprise Agreements. The committee meets biannually to review performance and determine remuneration of executive management.

Board members: Rita Cincotta (Chair), Michael Gorton AM, Professor Mark Frydenberg and Hamish Park

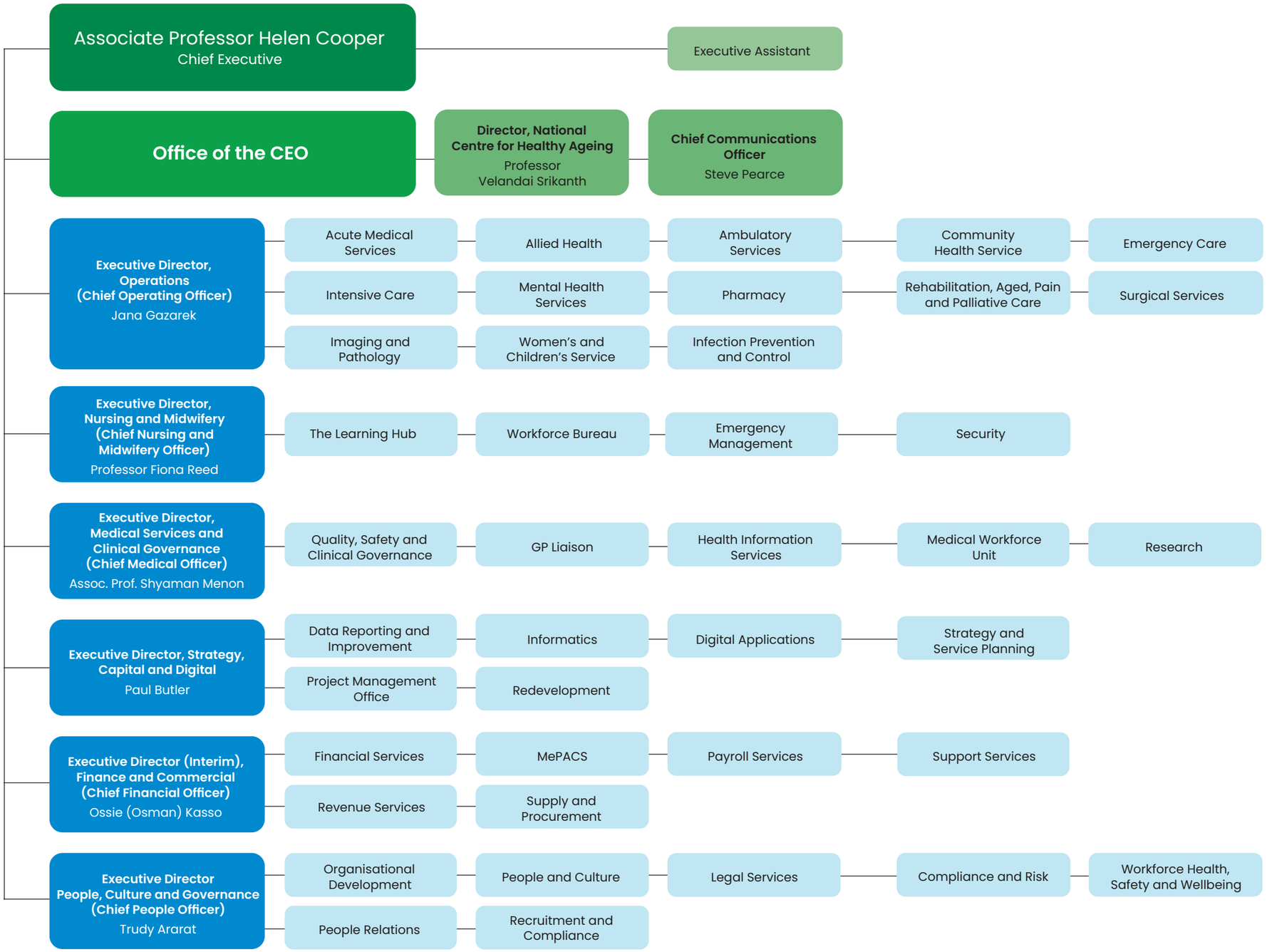
Joint Primary Care and Population Health Advisory Committee

The committee membership includes representatives from Monash Health, Alfred Health and Peninsula Health, Better Health Network and South Eastern Melbourne Primary Health Network who collectively have knowledge and expertise in the provision of primary health services and the identification of health issues affecting the population in South East Melbourne. The JPCPHAC enables the three participating health services to discharge their responsibilities as set out in sections 65ZA and 65ZC of the *Health Services Act 1988* (Vic) and meet obligations and purposes of the Act.

The committee provides advice to the Boards of the participating organisations and leadership in setting a joint direction for the region on primary care and population health.

Board members: Michael Gorton AM and Sylvia Hadjiantoniou

Organisational Structure as at 30 June 2025



- Organisational Structure as at 30 June 2025
- Elizabeth Holley left her role as Executive Director, People, Workplace Safety and Wellbeing on 8 August 2024
- David English left his role as Executive Director, Digital Health and Informatics on 20 August 2024
- Rama Devarajan left his role as Executive Director, Finance and Commercial on 30 April 2025

Our Workforce

Peninsula Health employs 7,655 highly skilled and dedicated staff members who work together to provide safe, personal, effective, and connected care to every person, every time.

We are committed to our vision of providing outstanding health and community care, delivering our best with dignity and respect. We continuously strive for excellence in everything we do, ensuring we meet the needs of our community and make a positive impact on their health and wellbeing.

All employment and conduct principles have been correctly applied, and all employees have been correctly classified in workforce data collections.

Image: Nursing staff in Outpatients at Frankston Hospital

Peninsula Health Employees 2024–25

HOSPITALS LABOUR CATEGORY	JUNE CURRENT MONTH FTE*		AVERAGE MONTHLY FTE*	
	2024	**2025**	**2024**	**2025**
Nursing	2,205.84	2,188.29	2,175.58	2,177.30
Administration and Clerical	717.50	738.52	720.13	735.60
Medical Support	796.50	824.08	760.38	820.62
Hotel and Allied Services	380.18	372.26	383.48	370.74
Medical Officers	62.22	59.94	58.31	60.28
Hospital Medical Officers	437.29	442.55	423.71	436.55
Sessional Clinicians	151.9	161.11	145.85	156.19
Ancillary Staff (Allied Health)	195.3	203.77	193.43	201.23
Total	**4,946.73**	**4,990.53**	**4,860.87**	**4,958.51**

* The FTE figures in this table exclude overtime. They do not include contracted staff, i.e. agency nurses or fee-for-service Visiting Medical Officers who are not regarded as employees for this purpose.

Occupational Health and Safety

At Peninsula Health, we prioritise the health and safety of our workforce as a foundation for the delivery of care to our clients. Our commitment to fostering a psychologically and physically safe workplace continues to be strengthened through structured and proactive approaches implemented and overseen by the Health, Safety and Wellbeing Team.

A key focus continues to be on ensuring accountability and striving for continuous improvement, which is supported through the ongoing monitoring of key performance indicators such as lost-time injury frequency rates (LTIFR), manual handling incidents, psychological hazards, bullying and sexual harassment complaints, which are regularly reported to the Board.

We also continue to focus on early hazard identification and preventative improvements related to the key focus areas of slips, trips, and falls; hazardous manual handling; psychosocial safety; and occupational violence and aggression (OVA). To support these priorities, targeted programs and campaigns related to the following areas have been developed and/or strengthened:

- **External Environmental Inspection Tool:** This tool has been developed and is currently being trialled to proactively identify and manage external environmental hazards. The aim of this tool is to reduce incidents, improve safety awareness, and support a culture of compliance and continuous improvement.
- **Consultation and Communication:** Safety governance has been improved via streamlined hazard escalation from Local Committees to the Employee Safety and Wellbeing Committee, which has authority to make decisions and changes to practice, policy and guidelines. Also, safety documentation has been simplified including an updated Workplace Health and Safety Policy.
- **Job Task Analysis:** Analyses have been conducted on a range of key operational roles across the organisation to identify physical and psychosocial risks; to support injury prevention, rehabilitation, risk mitigation and strategies; and to improve safety outcomes.
- **Manual Handling Operational Plan:** Updated resources have been delivered to address identified gaps in employee guidance materials. Our manual handling education has been revitalised through new eLearning modules and practical patient-handling sessions. There have been improvements in incident investigations and we have worked to reinforce the importance of Dynamic Risk Assessments. A train-the-trainer initiative is being considered to empower local leads in promoting safe practices. The program is also working to align with falls prevention efforts, with joint risk assessments planned to address overlapping hazards.
- **Psychosocial Safety:** Psychological safety has been enhanced through updated policies, improved Employee Assistance Program services, manager training, tools to manage psychosocial risks, and streamlining of OHS procedures. The Respect@PH promotion continues, which specifically targets the prevention and safe reporting of sexual harassment in the workplace.
- **Towards Zero Campaign:** The goal of this campaign was to reduce OVA incidents and WorkCover claims by raising awareness, building workforce capability, and embedding safety practices.
- **RiSCE Local Lead Framework:** 60 RiSCE Local Leads have been trained to deliver scenario-based safety education focuses on the message: ‘Stop, Assess, Plan, Learn’. Leads will also act as consultants on policies and education modules to enhance staff safety across the organisation.
- **OVA Action Plan:** This plan incorporates the recommendations of an external review, including policy consolidation, an OVA assessment tool, and improved risk register processes. Progress is monitored by the Occupational Violence Steering Committee.

Peninsula Health champions a culture of safety and wellbeing. We are continually evolving our programs and practices to empower our workforce and deliver exceptional care.

In 2024–25, the rise in reported workplace hazards reflects a more proactive and mature approach to risk management, with this shift likely to have contributed to a reduction in lost-time WorkCover claims compared to the previous year. Proactive hazard identification audits have allowed for the swift pinpointing of a large number of hazards, the majority of which were promptly rectified, reducing the risk of falls and injuries to patients, visitors and staff. The program is being rolled out across all sites, and the success of the audits is reflected in the table below.

Occupational Health and Safety Data

OCCUPATIONAL HEALTH AND SAFETY STATISTICS	2022–23	2023–24	2024–25
The number of reported hazards/incidents for the year per 100 FTE	35	40	46.7
The number of 'lost-time' standard WorkCover claims for the year per 100 FTE	1.36	1.28	1.08
The average cost per WorkCover claim for the year	$116,826	$123,102	$82,579

Occupational Violence

The organisation maintains a strong culture of reporting hazards and incidents in relation to occupational violence and aggression (OVA). This sustained reporting is supported by ongoing staff awareness initiatives and encouragement to proactively raise health and safety concerns.

Peninsula Health continues to strengthen its commitment to preventing and managing OVA through the OVA Action Plan 2023–2025. The plan continues to drive improvements in staff education and training, incident reporting and analysis, and governance through policy review and updates.

The launch of the 'Towards Zero – Reducing the Impact of Occupational Violence Campaign' in 2024 further reinforced key safety messages and empowered staff to prioritise their own safety while fostering a safer workplace for all. Proactive prevention and risk-mitigation strategies have contributed to a reduction in the proportion of OVA incidents resulting in physical injury compared with the previous year.

Occupational Violence Statistics

OCCUPATIONAL VIOLENCE STATISTICS	2024–25
WorkCover accepted claims with an occupational violence cause per 100 FTE	0.32
Number of accepted WorkCover claims with lost-time injury with an occupational violence cause per 1,000,000 hours worked	1.57
Number of occupational violence incidents reported	1,135
Number of occupational violence incidents reported per 100 FTE	22.87
Percentage of occupational violence incidents resulting in a staff injury, illness or condition	25.6%

Definitions

For the purposes of the statistics on the opposite page, the following definitions apply:

- 'occupational violence' is any incident where an employee is abused, threatened or assaulted in circumstances arising out of, or in the course of, their employment.
- an 'incident' is 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' are accepted claims lodged in 2024–25
- 'lost-time' is defined as greater than one day
- 'injury, illness or condition' include all reported harm as a result of the incident, regardless of whether the employee required time off work or submitted a claim.

General Information

Equal Opportunity and Code of Conduct

To further embed a values-driven culture across the organisation, 154 leaders participated in the Values Based Leadership program in 2024–25. Of those participants, 94 per cent agreed the session provided them with the knowledge to be a values-based leader, and 95 per cent agreed it supported them in identifying ways to embed Peninsula Health's values within their teams. Reflecting the growing engagement with our values, we saw a 21 per cent increase in Values Award nominations, rising from 730 in 2023–2024 to 884 in 2024–25. Additionally, 1,030 virtual thank you cards were issued between July 2024 and June 2025, compared to 788 in the prior financial year, indicating a continued uplift in peer recognition and appreciation across the organisation.

Building Act 1993 (Vic)

The Minister for Finance has issued instructions in accordance with the *Building Act 1993* (Vic). All public entities are required to ensure that all buildings under their control are safe and fit for occupation, comply with statutory requirements, buildings are maintained to a standard in which they remain safe and fit for occupancy, and to report annually on measures taken to ensure compliance with the *Building Act 1993* (Vic).

It is Peninsula Health's practice to obtain building permits for new construction and significant alterations, and to obtain Certificates of Occupancy or Certificates of Final Inspection as required upon completion. All new building works involve appropriately registered building practitioners in accordance with the Building Regulations 2018 (Vic).

Routine inspections, including Essential Safety Measures (ESM) audits and statutory maintenance, are undertaken in accordance with relevant Australian Standards and regulatory obligations. These inspections are overseen by the Peninsula Health and, where required, the highest priority recommendations arising from these inspections are addressed through planned rectification works. This ensures buildings remain safe, compliant, and fit for clinical and operational use.

Carers Recognition Act 2012 (Vic)

Peninsula Health has taken all practical measures to comply with its obligations under the *Carers Recognition Act 2012* (Vic). These include:

- promoting the principles of the Act to people in care relationships who receive our services and to the wider community by providing links to state government resource materials on our website
- ensuring our staff have an awareness and understanding of the care relationship principles through offering induction and training programs based on care principles
- considering the care relationships principles set out in the Act when setting policies and providing services, including employment policies such as flexible working arrangements, staff leave policies, and patient-led and carer-led escalation guidelines
- implementing priority actions in recognising and supporting Victoria's carers: Victorian carer strategy 2018–2022, including continuation of the Carer Support Fund for Mental Health carers experiencing financial hardship, and formation of the carer support groups in Community Health.

National Competition Policy

Peninsula Health takes all practicable measures to ensure compliance with the National Competition Policy and Victoria's Competitive Neutrality Policy. Measures include:

- requirement for staff to declare conflicts of interest
- compliance with HealthShare Victoria's probity policies
- probity principles embedded in procurement.

Public Interest Disclosures Act 2012

Peninsula Health has policies and procedures for receiving complaints and notifications of public sector improper conduct and corrupt conduct, which comply with the *Public Interest Disclosures Act 2012* (Vic).

The Peninsula Health Public Interest Disclosure Coordinator is responsible for managing the health and wellbeing of any person who makes a Protected Disclosure, including protection from detrimental action. Peninsula Health's Protected Disclosure policy informs employees of their right to report suspected improper and/or corrupt conduct directly to the Independent Broad-based Anti-Corruption Commission (IBAC). In 2024–25, there were no disclosures notified to the IBAC.

Safe Patient Care Act 2015

Peninsula Health has no matters to report in relation to its obligations pursuant to section 40 of the *Safe Patient Care (Nurse to Patient and Midwife to Patient Ratios) Act 2025 (Vic).*

Contracts

Local Jobs First Act 2003 (Vic)

The *Local Jobs First Act 2003* introduced in August 2018, brings together the Victorian Industry Participation Policy (VIPP) and Major Project Skills Guarantee (MPSG) policy, which were previously administered separately.

Departments and public sector bodies are required to apply the Local Jobs First policy in all projects valued at $3 million or more in metropolitan Melbourne or for state-wide projects, or $1 million or more for projects in regional Victoria.

The MPSG applies to all construction projects valued at $20 million or more.

The MPSG guidelines and VIPP guidelines will continue to apply to MPSG-applicable and VIPP-applicable projects respectively where contracts have been entered into prior to 15 August 2018.

Projects commenced – Local Jobs First Standard

During 2024–25, Peninsula Health commenced four Local Jobs First Standard projects, totalling $23.2 million. Of those projects, all four are located in metropolitan Melbourne, with a commitment of 100 per cent of local content. The MPSG does not apply to these projects.

The commitments made as part of the Local Jobs First policy for these projects are as follows:

- 100 per cent of local content commitment was made
- a total of 33 jobs (AEE) were committed, including the creation of 10.39 new jobs and the retention of 22.61 existing jobs (AEE). The breakdowns of jobs per project are below:
    1. **Electronic Patient Flow Management** – A total of 1.81 jobs (AEE) were committed, including the creation of 1.41 new jobs and the retention of 0.4 existing jobs (AEE).
    2. **Virtual Server Environment Replacement** – A total of 0.37 jobs (AEE) were committed, no new jobs were created and the retention of 0.37 existing jobs (AEE).
    3. **Infant Child and Youth Precinct Project** – A total of 28.55 jobs (AEE) were committed, including the creation of 8.52 new jobs and the retention of 20.03 existing jobs (AEE).
    4. **Frankston Public Hospital ICT Network LAN and WLAN** – A total of 5.85 jobs (AEE) were committed, including the creation of 2.11 new jobs and the retention of 3.74 existing jobs (AEE).

For projects commenced, the total LIDP commitments (local content, employment and engagement of apprentices, trainees, and cadets) committed as a result of these projects are:

1. **Electronic Patient Flow Management** – Vendor: Alcidion Pty Ltd – A total of 0.5 standard employees were retained.
2. **Virtual Server Environment Replacement** – Vendor: Outcomex Pty Ltd – A total of 0.10 standard employees were retained.
3. **Infant Child and Youth Precinct Project** – Vendor: Alchemy Construct Pty Ltd – A total of 5.68 and 17.03 standard employees were created and retained respectively. A total of 2.84 apprentice positions were created and 2.84 employees were retained. A total of 0.16 cadets were retained.
4. **Frankston Public Hospital ICT Network LAN and WLAN** – Vendor: Outcomex Pty Ltd – A total of 2.11 and 3.74 standard employees were created and retained respectively.

The total number, across all projects commenced or completed by the department, of small and medium sized businesses engaged, as either the principal contractor or as part of the supply chain, is not yet available from by the vendor.

Gender Equality Act 2020

The current Gender Equality Action Plan (GEAP) 2021–2025 is approaching its final phase, with several foundational initiatives underway or completed. These include a review of recruitment policies and processes to identify and remove barriers for diverse applicants, the addition of a 'Diversity and Inclusivity' statement in all job advertisements, and the initial rollout of a staged civility campaign, beginning with a focus on respectful language in the workplace. To support equity focused decision-making, Peninsula Health has introduced processes and guidance to help managers determine when an Equity Impact Assessment is required for policies, strategies, and frameworks. Monthly education sessions are being rolled out to build capability and embed this practice across the organisation. Actions still in progress will be carried forward into the next GEAP, which is scheduled for development in 2026. The findings from the forthcoming audit, covering June 2024 to July 2025, will inform the next plan's priorities and help shape the organisation's continued journey toward gender equality.

Car Parking Fees

Peninsula Health complies with the relevant hospital circular on car parking fees and details of car parking fees and concession benefits can be viewed on our website https://www.peninsulahealth.org.au/patients-visitors/car-parking-and-transport/frankston-hospital-car-parking-information/

Freedom of Information Annual Report 2024–25

Freedom of Information Act 1982 (Vic) – Part II Statement

In accordance with Part II of the *Freedom of Information Act 1982* (Vic) (**FOI Act**), Peninsula Health is required to publish certain statements in respect of its functions and processes.

Statement 1: Organisation and functions

Peninsula Health is a public health service established under section 65P of the *Health Services Act 1988* (Vic). The powers and duties of Peninsula Health are prescribed by the *Health Services Act 1988* (Vic). For information about the structure and functions of Peninsula Health, please visit the Peninsula Health website at https://www.peninsulahealth.org.au/ and refer to the following links:

- **About**
- **Our Board**
- **Organisational structure**
- **Services**
- **Locations**

Statement 2: Categories of documents held by Peninsula Health

Peninsula Health has a wide range of documents that are used by staff in the daily operations of the organisation, which assist with the administration of laws or schemes affecting the public. These include the following types of documents:

- **Policies and guidelines**
- **Employee records**
- **Financial records**
- **Medical records**
- **Commercial documents**
- **Reports**

Statement 3: Publications

The Peninsula Health website contains a wide range of publications available to the public. Please refer to the Publications page on Peninsula Health's website to access these documents.

Information relating to the application of the FOI Act at Peninsula Health is published in Peninsula Health's Annual Report. Please refer to the Publications page on Peninsula Health's website to access these documents. Further information about Peninsula Health's FOI activities is published in the Office of the Victorian Information Commissioner's (OVIC) Annual Reports. This report can be accessed at Annual reports - Office of the Victorian Information Commissioner (ovic.vic.gov.au).

Statement 4: Subscriptions and mailing lists

Peninsula Health offers the community free access to our newsletter. To subscribe, please visit our Publications page on Peninsula Health's website to subscribe to our newsletter.

Members of the public who would like to donate to Peninsula Health or subscribe to the donor mailing list will find additional information about supporting Peninsula Health on our website on the Peninsula Health Support us / Donate page.

Statement 5: Freedom of Information arrangements

The Privacy and Information Release Unit (PIRU) is responsible for processing freedom of information (FOI) requests at Peninsula Health. Contact details for this unit are listed under the '*All other information and privacy requests, including Freedom of Information requests*' within the Information Release section of Peninsula Health's website (https://www.peninsulahealth.org.au/patients-visitors/information-release/).

Peninsula Health's FOI Officers can be contacted via email on PIRU@phcn.vic.gov.au or by calling (03) 9784 7748. All requests for access to documents under the provisions of the FOI Act must be made in writing, and include sufficient information about that document to enable it to be identified and be accompanied by the prescribed, non-refundable application fee. As of 1 July 2025, the FOI application fee is $33.60 for all FOI requests. People suffering financial hardship may apply to have the application fee reduced or waived.

The Department of Treasury and Finance index fee units each year. The fee units and charges applied by Peninsula Health under the FOI Act and associated Regulations are set in line with these requirements. Further information about the current FOI costs charged by Peninsula Health are detailed on the application form.

For additional information regarding accessing your medical records please see the *'How do I Access my Peninsula Health Medical Record'* under the My Health Information – Frequently Asked Questions (FAQ) within the Information Release section of Peninsula Health's website.

Summary of the application and operation of the FOI Act

During the 1 July 2024 - 30 June 2025 reporting period, PIRU received 15,860 requests for information, 1207 of which were processed under FOI, as follows:

NUMBER	OUTCOME
880	Access granted in full
28	Access granted in part
3	Access denied in full
17	Withdrawn
1	Not proceeded with
25	No documents exist
32	Not finalised as of 30 June 2025
4	Section 39 amendment requests
217	Processed outside the FOI Act

As required by the FOI Act and Professional Standards, we are required to process requests for information informally, at the lowest reasonable cost, and outside the FOI Act wherever possible and as permitted by law. As identified above, we processed 1207 of the 15,860 requests under the FOI Act. 92.4 per cent of all requests were processed outside the FOI Act at no charge to the requestor.

Of the 1024 valid FOI applications, 646 were personal, meaning that these were made by the individual (or their legal representative) for personal information about themselves. The requestors who make non-personal requests vary, but are predominantly insurers, agents acting for insurers, or lawyers acting for insurers.

Consultancies Information

Details of consultancies (under $10,000)

In 2024–25, there were five consultancies where the total fees payable to the consultants were less than $10,000. The total expenditure incurred during 2024–25 in relation to these consultancies was $15,060 (excl. GST).

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

In 2024–25, there were two consultancies where the total fees payable to the consultants were $10,000 or greater. The total expenditure incurred during 2024-25 in relation to these consultancies was $149,551 (excl. GST).

Consultancies of $10,000 or greater:

CONSULTANT	PURPOSE OF CONSULTANCY	START DATE	END DATE	TOTAL APPROVED PROJECT FEE (EXCL. GST)	EXPENDITURE 2024–25 (EXCL. GST)	FUTURE EXPENDITURE (EXCL. GST)
Nous Group Pty Ltd	Review and advice in relation to Peninsula Health's home care program services	30 May 2025	8 August 2025	$192,600	$127,300	$65,300
Urbis	Specialist design and planning advice	16 July 2024	29 April 2025	$22,251	$22,251	$0
TOTAL					**$149,551**	**$65,300**

Information and Communication Technology (ICT) expenditure

The total ICT expenditure incurred during 2024–25 was $25,801,385 (excluding GST), with the details shown below.

ICT expenditure

BUSINESS AS USUAL (BAU) ICT EXPENDITURE	NON BUSINESS AS USUAL (NON BAU) ICT EXPENDITURE		
(Total) (excl. GST)	(Total = Operational expenditure and Capital expenditure) (excl. GST)	Operational expenditure (excl. GST)	Capital expenditure (excl. GST)
$15,538,771	$10,262,614	$1,785,743	$8,476,870

Environmental Performance and strategic aims

Peninsula Health is committed to reducing its environmental impact while continuing to delivering high-quality health care. A summary of the Environmental Management Plan is available on our website. Peninsula Health is committed to reducing its greenhouse gas emissions in line with the Victorian Government's targets to achieve net-zero by 2045. Peninsula Health aims to address the impacts of climate change and reduce the health service's reliance on natural resources. With the support of Climate Health Victoria, Peninsula Health will develop an Emissions Reduction Plan to minimise its reliance on natural gas.

Frankston Hospital redevelopment

This project will be a model of environmental sustainability; delivering:

- an all-electric energy solution for the new tower, resulting in carbon neutral power use
- an innovative energy-saving technology (generating more than 800kVA from solar panels) while preserving water, resources, and energy
- a mechanical system will create 100 per cent fresh air throughout the new tower building
- secure bicycle parking with end-of-trip facilities to support active travel
- electric vehicle charging points in the new P1 multi-deck car park for staff, visitors and fleet cars.

Sustainable initiatives

Solar

Funded by the Victorian Health Building Authority, Peninsula Health installed two new solar panel systems at The Mornington Centre and Golf Links Road Rehabilitation Centre, to cut energy use and reduce carbon emissions.

Fleet Vehicles

Peninsula Health has incorporated hybrid vehicles into its fleet since 2016, and as of March 2025, 83 per cent of fleet cars are hybrid vehicles. Planning is underway to incorporate electric vehicles (ZEVs) into the Peninsula Health fleet. This initiative aligns with the Victorian Government's commitment to transition the government motor vehicle fleet to ZEVs by 2035.

Blister Pack Program

Peninsula Health has partnered with Pharmacycle to stop blister packs ending up in landfill. Pharmacycle distributes recovered material to local manufacturers for use. As of June 2025, 258,000 blister packs have been collected, which has created 330kg of plastic and 57kg of aluminium for recycling.

Peninsula Health NABERS Results

The National Australian Built Environment Rating System (NABERS) for energy and water at public hospitals, rates the efficiency and environmental impact of entire hospital campuses. The ratings are based on actual operational data over a 12-month period. Unlike other NABERS ratings, NABERS for public hospitals operates through a direct relationship with state health departments in partnership with the Australasian Health Infrastructure Alliance (AHIA), rather than via third-party assessors. Ratings are conducted by trained assessors within health departments, which are then certified and audited by NABERS.

The Peninsula Health NABERS results for 2025:

SITE	ADDRESS	ENERGY STAR RATINGS (WITHOUT GREENPOWER)	WATER STAR RATINGS
Frankston Hospital	2 Hastings Road, Frankston 3199	5	5
Golf Links Road Rehabilitation Centre	125 Golf Links Road, Frankston 3199	3.5	5.5
The Mornington Centre	24 Separation Street, Mornington 3931	4.5	5.5
Rosebud Hospital	1527 Point Nepean Road, Rosebud 3199	6	5.5

Environmental Report

ELECTRICITY USE	2024-25	2023-24	2022-23
EL1 Total electricity consumption segmented by source [MWh]			
Purchased	20,322.72	20,121.18	19,652.56
Self-generated	31.34	42.45	30.42
EL1 Total electricity consumption [MWh]	**20,354.07**	**20,163.63**	**19,682.98**
EL2 On-site electricity generated [MWh] segmented by			
Consumption behind-the-meter Solar electricity	**31.34**	**42.45**	**30.42**
Total consumption behind-the-meter [MWh]	**31.34**	**42.45**	**30.42**
EL2 Total On-site electricity generated [MWh]	**31.34**	**42.45**	**30.42**
EL3 On-site installed generation capacity [kW converted to MW] segmented by			
Diesel generator	14.56	14.56	14.56
Solar Energy Catchment	0.19	0.19	0.03
EL3 Total on-site installed generation capacity [MW]	**14.75**	**14.75**	**14.59**
EL4 Total electricity offsets segmented by offset type [MWh]			
RPP (Renewable Power Percentage in the grid)	3,720.91	3,774.59	3,694.68
EL4 Total electricity offsets [MWh]	**3,720.91**	**3,774.59**	**3,394.68**

STATIONARY ENERGY	2024-25	2023-24	2022-23
F1 Total fuels used in buildings and machinery segmented by fuel type [MJ]			
Natural gas	70,222,218.50	69,335,426.80	77,595,886.40
Diesel	171,577.00	128,731.00	212,323.00
F1 Total fuels used in buildings [MJ]	**70,393,795.50**	**69,464,157.80**	**77,808,209.40**
F2 Greenhouse gas emissions from stationary fuel consumption segmented by fuel type [Tonnes CO2-e]			
Natural gas	3,618.55	3,572.85	3,998.52
Diesel	12.04	9.04	14.90
F2 Greenhouse gas emissions from stationary fuel consumption [Tonnes CO2-e]	**3,630.60**	**3,581.89**	**4,013.42**

TRANSPORTATION ENERGY	2024-25	2023-24	2022-23
T1 Total energy used in transportation (vehicle fleet) within the Entity, segmented by fuel type [MJ]			
Non-executive fleet – Gasoline	3,741,558.70	3,750,813.10	3,577,891.10
Petrol	**3,741,558.70**	**3,750,813.10**	**3,577,891.10**
Non-executive fleet – E10	26,058.80	19,938.20	12,900.20
Petrol (E10)	**26,058.80**	**19,938.20**	**12,900.20**
Non-executive fleet – Diesel	1,497,703.10	1,303,317.40	1,281,925.30
Diesel	**1,497,703.10**	**1,303,317.40**	**1,281,925.30**
Total energy used in transportation (vehicle fleet) [MJ]	**5,265,320.60**	**5,074,068.70**	**4,872,716.60**
T3 Greenhouse gas emissions from transportation (vehicle fleet) segmented by fuel type [tonnes CO2-e]			
Non-executive fleet – Gasoline	253.00	253.63	241.94
Petrol	**253.00**	**241.94**	**241.94**
Non-executive fleet – E10	1.59	1.21	0.79
Petrol (E10)	**1.59**	**1.21**	**0.79**
Non-executive fleet – Diesel	105.45	91.77	90.26
Diesel	**105.45**	**91.77**	**90.26**
Total greenhouse gas emissions from transportation (vehicle fleet) [tonnes CO2-e]	**360.04**	**346.61**	**332.98**
T4 Total distance travelled by commercial air travel (passenger km travelled for business purposes by entity staff on commercial or charter aircraft)			
Total distance travelled by commercial air travel	116,411.90	207,069.00	

TOTAL ENERGY USE	2024-25	2023-24	2022-23
E1 Total energy usage from fuels, including stationary fuels (F1) and transport fuels (T1) [MJ]			
Total energy usage from stationary fuels (F1) [MJ]	70,393,795.50	69,464,157.80	77,808,209.40
Total energy usage from transport fuels (T1) [MJ]	5,265,320.60	5,074,068.70	4,872,716.60
Total energy usage from fuels, including stationary fuels (F1) and transport fuels (T1) [MJ]	**75,659,116.10**	**74,538,226.50**	**82,680,926.00**
E2 Total energy usage from electricity [MJ]			
Total energy usage from electricity [MJ]	73,274,645.01	72,589,061.71	70,858,738.19
E3 Total energy usage segmented by renewable and non-renewable sources [MJ]			
Renewable	13,510,710.37	13,743,336.77	13,411,660.94
Non-renewable (E1 + E2 - E3 Renewable)	135,423,050.74	133,383,951.44	140,128,003.25
E4 Units of Stationary Energy used normalised			
Energy per unit of Aged Care OBD [MJ/Aged Care OBD]	N/A*	N/A*	28,889.81
Energy per unit of LOS [MJ/LOS]	510.59	486.69	518.55
Energy per unit of bed-day (LOS+Aged Care OBD) [MJ/OBD]	510.59	486.69	509.41
Energy per unit of Separations [MJ/Separations]	1,419.21	1,421.98	1,593.27
Energy per unit of floor space [MJ/m2]	1,560.31	1,542.77	1,614.59

WATER USE	2024-25	2023-24	2022-23
W1 Total units of metered water consumed by water source (kL)			
Potable water [kL]	123,635.00	113,272.65	97,971.43
Reused water [kL]	3,337.90	8,542.45	10,436.73
Total units of water consumed [kL]	**126,972.90**	**121,815.09**	**108,408.16**
W2 Units of metered water consumed normalised by FTE, headcount, floor area, or other entity or sector specific quantity			
Water per unit of Aged Care OBD [kL/Aged Care OBD]	N/A*	N/A*	21.07
Water per unit of LOS [kL/LOS]	0.45	0.42	0.38
Water per unit of bed-day (LOS+Aged Care OBD) [kL/OBD]	0.45	0.42	0.37
Water per unit of Separations [kL/Separations]	1.25	1.22	1.16
Water per unit of floor space [kL/m2]	1.38	1.32	1.18

WASTE AND RECYCLING	2024-25	2023-24	2022-23
WR1 Total units of waste disposed of by waste stream and disposal method [kg]			
Landfill (total)			
General waste – bins	305,402.05	306,330.09	397,428.05
General waste – compactors	493,147.93	494,470.00	417,120.00
General waste – skips	106,884.16	190,194.50	111,058.40
Offsite treatment			
Clinical waste – incinerated	9,446.09	9,469.15	10,210.69
Clinical waste – sharps	20,846.81	20,934.12	19,171.18
Clinical waste – treated	120,875.22	121,730.35	62,771.69
Recycling/recovery (disposal)			
Batteries	460	178	173
Blister packs	387.55	79.21	N/A*
Cardboard	492,024.78	492,237.38	199,744.23
Commingled	95.04	95.04	148,881.92
E-waste	7,610	8,311	9,241
Fluorescent tubes	102	297	237
Mattresses	1,567.75	19.05	N/A*
Organics (food)	19,560.34	19,620	34,019
Other recycling	696.96	849.42	N/A*
Paper (confidential)	130,659.77	131,461.52	132,838.21
Paper (recycling)	1,600.73	1,605.12	7,923.46
PVC	136	705	76
Sterilisation wraps	715	330	167
Toner & print cartridges	257.12	85.56	380
Total units of waste disposed [kg]	**1,712,475.31**	**1,799,001.51**	**1,551,440.84**
WR1 Total units of waste disposed of by waste stream and disposal method [%]			
Landfill (total)			
General waste	52.87%	55.09%	59.66%

WASTE AND RECYCLING	2024-25	2023-24	2022-23
Offsite treatment			
Clinical waste – incinerated	0.55%	0.53%	0.66%
Clinical waste – sharps	1.22%	1.16%	1.24%
Clinical waste – treated	7.06%	6.77%	4.05%
Recycling/recovery (disposal)			
Batteries	0.03%	0.01%	0.01%
Blister packs	0.02%	0%	N/A*
Cardboard	28.73%	27.36%	12.87%
Commingled	0.01%	0.01%	9.6%
E-waste	0.44%	0.46%	0.6%
Fluorescent tubes	0.01%	0.02%	0.02%
Organics (food)	1.14%	1.09%	2.19%
Other recycling	0.04%	0.05%	N/A*
Paper (confidential)	7.63%	7.31%	8.56%
Paper (recycling)	0.09%	0.09%	0.51%
PVC	0.01%	0.04%	0%
Sterilisation wraps	0.04%	0.02%	0.01%
Toner & print cartridges	0.02%	0%	0.02%
WR3 Total units of waste disposed normalised by FTE, headcount, floor area, or other entity or sector specific quantity, by disposal method			
Total waste to landfill per patient treated (kg general waste)/PPT	1.88	2.02	1.92
Total waste to offsite treatment per patient treated (kg offsite treatment)/PPT	0.31	0.31	0.19
Total waste recycled and reused per patient treated (kg recycled and reused)/PPT	1.36	1.34	1.10
WR4 Recycling rate [%]			
Weight of recyclable and organic materials [kg]	655,873.06	655,873.29	533,680.82
Weight of total waste [kg]	1,712,475.31	1,799,001.51	1,551,440.84
Recycling rate [%]	**38.3%**	**36.46%**	**34.4%**
WR5 Greenhouse gas emissions associated with waste disposal [tonnes CO2-e]			
Tonnes CO2-e	1,369.61	1,482.08	1,318.79

GREENHOUSE GAS EMISSIONS	2024-25	2023-24	2022-23
G1 Total scope one (direct) greenhouse gas emissions [tonnes CO2e]			
Carbon Dioxide	3,979.87	3,917.96	4,334.81
Methane	7.13	7.04	7.87
Nitrous Oxide	3.64	3.51	3.73
Total	**3,990.64**	**3,928.50**	**4,346.40**
GHG emissions from stationary fuel (F2) [tonnes CO2-e]	3,630.60	3,581.89	4,013.42
GHG emissions from vehicle fleet (T3) [tonnes CO2-e]	360.04	346.61	332.98
Medical/Refrigerant gases			
Nitrous oxide	1,110.28	919.07	420.14
Refrigerant – R134A	822.04	698.46	698.46
Refrigerant – R22	62.57	99.21	132.18
Refrigerant – R401A (MP39)	8.71	8.16	8.16
Refrigerant – R402A (HP80)	6.87	6.41	6.41
Refrigerant – R404A	20.66	17.23	16.32
Refrigerant – R407A	22.53	20.99	20.99
Refrigerant – R407C	20.68	19.23	N/A*
Refrigerant – R410A	98.99	110.32	109.28
Total scope one (direct) greenhouse gas emissions [tonnes CO2e]	**6,165.27**	**5,831,81**	**5,758.34**
G2 Total scope two (indirect electricity) greenhouse gas emissions [tonnes CO2e]			
Electricity	13,411.73	13,234.10	13,500.37
Total scope two (indirect electricity) greenhouse gas emissions [tonnes CO2e]	**13,411.73**	**13,234.10**	**13,500.37**
G3 Total scope three (other indirect) greenhouse gas emissions associated with commercial air travel and waste disposal [tonnes CO2e]			
Commercial air travel	23.34	40.93	N/A
Waste emissions	1,369.61	1,482.08	1,318.79
Indirect emissions from Stationary Energy	2,105.20	1,913.41	2,053.47
Indirect emissions from Transport Energy	144.01	128.30	83.78
Water emissions	202.23	190.08	165.95
Total scope three greenhouse gas emissions [tonnes CO2e]	**3,814.39**	**3,754.81**	**3,621.99**

GREENHOUSE GAS EMISSIONS	2024-25	2023-24	2022-23
G(Opt) Net greenhouse gas emissions [tonnes CO2e]			
Gross greenhouse gas emissions (G1 + G2 + G3) [tonnes CO2e]	**23,391.38**	**22,820.71**	**22,880.70**
Total gross reported greenhouse gas emissions per bed day (CO2-e(t)/OBD)	**0.08**	**0.08**	**0.08**
Net greenhouse gas emissions [tonnes CO2e]	**23,391.38**	**22,820.71**	**22,880.70**

NORMALISATION FACTORS	2024-25	2023-24	2022-23
Aged Care OBD	N/A*	N/A*	5,146.00
ED Departures	99,233.00	98,492.00	99,168.00
FTE	4,793.00	4,706.00	4,573.00
LOS	281,375.00	291,878.00	286,698.00
OBD	281,375.00	291,878.00	291,844.00
PPT	481,839.00	490,268.00	483,304.00
Separations	101,231.00	99,898.00	93,292.00
TotalAreaM2	92,077.00	92,077.00	92,077.00

Indicators are not reported where data is unavailable or an indicator is not relevant to the organisation's operations.
CO2 emission totals vary year on year due to calculation tool enhancement.

Social Procurement Framework

Peninsula Health engaged nine social enterprises, with a total expenditure of $2,502,006.52, and partnered with three Victorian Aboriginal businesses, recording a total expenditure of $11,943.90. Peninsula Health intends to progressively increase its commitment to the Social Procurement Framework objectives, driving both social and economic impact by supporting local enterprises and Aboriginal businesses. During 2025–2026, Peninsula Health will look to increase engagement with these key sectors.

2024–25 Social Procurement Framework Reporting

SPF Objective	Outcome	Metric	Unit of Measure	2024-25 Actual
Sustainable Victorian social enterprises and Aboriginal business sectors	Purchasing from Victorian social enterprises and Aboriginal businesses	Number of Victorian social enterprises engaged	9	
		Number of Victorian Aboriginal businesses engaged	3	
		Number of Victorian social enterprises led by a mission for job readiness and employment of Victorian Priority Jobseekers	1	
		Number of Victorian social enterprises led by a mission for people with disability and Australian disability enterprise.	2	
		Total expenditure with Victorian social enterprises (excl. GST)	33 invoices	$2,495,605.12
		Total expenditure with Victorian Aboriginal businesses (excl. GST)	8 invoices	$11,943.90
		Total expenditure with Victorian social enterprises led by a mission for people with disability and Australian disability enterprise.	2 invoices	$3,067.50
		Total expenditure with Victorian social enterprises led by a mission for job readiness and employment of Victorian Priority Jobseekers	2 invoices	$1,351.00

Additional information available on request

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 freedom of information requirements, if applicable):

- a statement that declarations of pecuniary interests have been duly completed by all relevant officers;
- details of shares held by a senior officer as nominee or held beneficially in a statutory authority or subsidiary;
- details of publications produced by the entity about itself, and how these can be obtained;
- details of changes in prices, fees, charges, rates, and levies charged by the 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
- 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
- a list of major committees sponsored by the health service, the purposes of each committee, and the extent to which the purposes have been achieved
- details of all consultancies and contractors including:
    i. consultants/contractors engaged
    ii. services provided
    iii. expenditure committed for each engagement.

This information is available on request from:
Chief Communications Officer
Peninsula Health
Phone: (03) 9784 7777
email: corporate.relations@phcn.vic.gov.au

Image (from left): Community Fundraising Coordinator, Gabrielle Peck; Chief Operating Officer, Jana Gazarek; President of the Blue Ribbon Foundation, Peninsula Branch, Darryl Nation; Chief Medical Officer, Associate Professor Shyaman Menon

Thank you to our supporters

During the 12-month period to 30 June 2025, Peninsula Health was supported by a number of local people, community groups, estates, trusts, foundations and businesses.

Due to their generosity in donations, we were able to support a number of key areas across the health service including:

- Maternity Services
- Emergency Services
- Intensive Care Unit
- Mental Health
- The Learning Hub
- The Mornington Centre
- Oncology Services
- Palliative Care
- Research
- Cardiology
- Urology
- Education and Training
- Rehabilitation

Peninsula Health is very appreciative of the generous financial support received from individuals, businesses, trusts, foundations, community groups and other organisations. We are delighted to acknowledge these significant contributions below.

Individuals:

- Marjorie Armitage
- Joseph Attard
- Joyce Beckwith
- Pat Boag
- Bruce Boell
- Mervyn & Janet Bullas
- Normie Bydder
- E. L. Chapman
- Sally Cleary
- Don Clifton
- Nicolae Cojocaru
- Stephen Crawford
- Gabby Crehan
- Geoffrey Delahoy
- Trevor Edwards
- Greg Shalit and Dr Miriam Faine
- Mark Found
- Harry Georgalas
- D. L. Glergia
- Susan Grant
- Sue Guthrie
- Mr Jesper Hansen
- Stephanie Johnston
- Norman Kaye
- Nathan Kelley
- Nicole Khaissi
- Brent Loughrey
- Ian McBeath
- Brian & Val Moss
- Graham Mouser
- Paul & Sue Neylan
- Sam Oliveri
- Enrico Petrosino
- Elaine Smeaton
- Lady Marigold Southey
- Malcolm Thompson
- Richard Tindale
- John Wiegandt
- William Wood
- Byron Woods

Businesses, trusts and community groups:

- Allison Monkhouse
- The Andrews Foundaton
- Are Media/Bounty
- Australian Croatian Social Club
- Bagôt Gjergja Foundation
- Beretta's Hotel Langwarrin
- Blue Label Pty Ltd
- Blue Ribbon Foundation
- Carrington Park Golf Club At Eagle Ridge
- Collier Charitable Fund
- Country Womens Association Rosebud Branch
- Estate of Paul Douglas Daniel
- Dromana T.O.W.N. Club
- Five Loaves Initiative
- Frankston Hospital Pink Ladies Auxiliary
- Greenways Residents Committee
- Humpty Dumpty Foundation
- Invocare Australia
- Lions Club Dromana
- Lions Club Flinders District
- Lions Club Mornington Inc
- Lions Club Rye
- Martha Cove Village Singing Group
- McClelland Secondary College
- Menzies Caring For Kids
- Munchalots 2
- O'Donohue Family Foundation Trust
- PARC Peninsula Leisure Pty Ltd
- Peninsula Boys Car Enthusiasts
- Peninsula Dealer Group
- Peninsula Grammar Parents Association
- Peninsula Health Palliative Care
- Quest Frankston on the Bay
- Ritchies Store Pty Ltd
- Rosebud Heart Soccer Club
- Rosebud Hospital Kiosk Auxiliary
- Rosebud Rock 'N' Rods Festival
- Rotary Club of Frankston Peninsula 2.0
- Rotary Club of Rosebud Rye
- Rotary Sunrise of Frankston
- Rotary The Barrel District 982
- RSL Rosebud Women's Auxiliary
- Rye Beach Opp Shop
- Senior Citizens Club Tootgarook
- Southern Peninsula Classic & Historic Car Club
- Toorak College
- Turosi Giving
- Vic Health
- Village Glen Retirement Living
- Dr Owen Williams Mental Health Research Grant

Two of our volunteer groups continue to raise significant funds for Peninsula Health. Funds raised by The Pink Ladies Auxiliary at Frankston Hospital are helping to fund a professorial role at Frankston Hospital in Nursing and Midwifery research capability and capacity, a joint appointment with Monash University, as well as funding life-saving equipment for the hospital and the local community. The Rosebud Hospital Kiosk has also funded life-saving equipment for our hospital on the southern peninsula and we are particularly grateful to this group of incredible volunteers who give back to the community and our health service in such a remarkable manner.

Peninsula Health joined with the Blue Ribbon Foundation, Peninsula Branch to raise funds to enable the purchase of two ECMO (Extracorporeal Membrane Oxygenation) machines for Peninsula Health, which will enable us to save lives while acknowledging the memory of the fallen officers. The machines will be dedicated to the memory of those officers who lost their lives in the 2020 Eastern Freeway crash: Leading Senior Constable Lynette Taylor, Senior Constable Kevin King, Constable Joshua Prestney and Constable Glen Humphris.

Other Reporting Requirements

Mental Health and Wellbeing Act 2022

The *Mental Health and Wellbeing Act 2022* (Vic), which commenced on 1 September 2023, requires all mental health and wellbeing service providers that are required to produce an annual report, to address one or more mental health and wellbeing principles in their annual report. These principles are:

- Mental health and wellbeing services are provided with the least possible restriction of a person's rights, dignity, and autonomy with the aim of promoting their recovery and full participation in community life.
- The rights, dignity, and autonomy of people living with mental illness or psychological distress are to be promoted and protected.

Peninsula Health is a leader in the reduction of restrictive interventions in Australia. The Mental Health and Wellbeing Service team has continued its sector-leading work in this area, and has eliminated the use of seclusion, whilst maintaining low rates of physical restraints and maintaining staff safety. Peninsula Health is currently engaged in multiple research projects to further evaluate the nature of systems change and culture underlying this success, while supporting the development of further improvements. The Mental Health and Wellbeing Service regularly hosts learning visits from other services across Victoria and the rest of Australia, to provide teaching in how to implement these successes elsewhere.

Key Financial and Service Performance Reporting

Strategic Priorities

In 2024–25, Peninsula Health contributed to the achievement of the Department of Health's *Strategic Plan 2023-27: Setting out a bold vision for Victorians to be the healthiest people in the world* in the below strategic priorities.

Excellence in Clinical Governance

We aim for the best patient experience and care outcomes by assuring safe practice, leadership of safety, an engaged and capable workforce, and continuing to improve and innovate care.

Goals:

- MA2 Strengthen all clinical governance systems, as per the Victorian Clinical Governance Framework, to ensure safe, high-quality care, with a specific focus on building and maintaining a strong safety culture, identifying, reporting, and learning from adverse events, and early, accurate recognition and management of clinical risk to and deterioration of all patients.
- MA6 Improve access to timely emergency care by implementing strategies that improve whole of system patient flow to reduce emergency department wait times and improve ambulance to health service handover times.
- MA7 Improve mental health and wellbeing outcomes by implementing Victoria's new and expanded Mental Health and Wellbeing system architecture and services.
- MA9 Maintain a commitment to delivering equitable access to planned surgery and drive reform in alignment with the Planned Surgery Reform Blueprint.

Health Service Deliverables:

MA2 Improve paediatric patient outcomes by implementing the 'ViCTOR track and trigger' observation chart and escalation system whenever children have observations taken.

Outcome: Complete

The ViCTOR chart use is embedded into everyday practice and incorporated into orientation. ViCTOR charts are in use in all settings where children aged 0–18 years are admitted and require observation. Triggers for escalation in the case of clinical deterioration, are embedded in the ViCTOR charts supporting the provision of safe care for all children. Peninsula Health is participating in a Safer Care for Kids – ViCTOR chart project with Safer Care Victoria. The pilot phase is complete and we are embedding it into practice.

MA6 Adopt models of care that ensure the appropriate skill mix, and senior decision-makers in the right places, to manage the volume of patients and health service demands.

Outcome: Complete

Ambulance offload time has improved and was the best in Victoria for April - June 2025 at Frankston and Rosebud Hospitals. ED Length of stay (LOS) has improved for non-admitted patients, and is consistently close to target. A clinical frailty tool has been implemented and is available for all staff in the electronic health record. A model of care is being developed with the aim to reduce hospital acquired functional decline and reduce LOS. LOS reduction has been associated with the 'end PJ' paralysis project.

MA6 Implement initiatives that support early discharge of patients to appropriate settings to improve timely patient access to care.

Outcome: Complete

A collaborative response to complex social presentations to Emergency Departments has resulted in reduction in admissions for non-medical reasons. An increase in NDIS in-reach to Emergency Department clients has supported a reduction in inpatient admissions.

MA7 Engage in one or more mental health improvement program of Safer Care Victoria – elimination of restrictive intervention, improving sexual safety, implementation of the zero suicide framework and reducing compulsory treatment.

Outcome: In progress

The Implementation of Safer Care Victoria's sexual safety modules on the acute unit and at the Prevention and Recovery Care (PARC) centres is underway. The project commenced to support a reduction of restrictive interventions in the community, in regards to compulsory treatment.

MA9 Implement and scale same-day surgery models of care in line with Safer Care Victoria's Expanding Day Surgery recommendations.

Outcome: Complete

Day case maximisation continues to progress and is in line with the Health Round Table benchmark of 54 per cent (Apr 2024 - Mar 2025). A frequent observational unit commenced at Frankston Public Surgical Centre (FPSC) to support an increase in acuity and to expand inclusion criteria for the site. It is now standard practice for all default day case procedures that meet criteria, to be scheduled as a day case.

Operate within budget

Ensure prudent and responsible use of available resources to achieve optimum outcomes

Goals:

- MB1 Develop and implement a health service Budget Action Plan (BAP) in partnership with the department to manage cost growth effectively to ensure the efficient operation of the health service.

Health Service Deliverables:

MB1 Deliver on the key initiatives as outlined in the Budget Action Plan.

Outcome: Complete

Peninsula Health agreed a Budget Action Plan (BAP) with the Department of Health to ensure delivery of efficient operation of the health service, which was delivered in full.

MB1 Utilise data analytics and performance metrics to identify areas of inefficiency and waste and make evidence-based decisions to improve financial sustainability and operational performance.

Outcome: Complete

Peninsula Health continues to optimise and produce financial and activity targets that are regularly monitored. We continue to develop our financial tools and models with a new budgeting and forecasting system implemented during the year. A robust risk-management system is in place with regular reviews occurring at all levels, including the Board of Directors.

MB1 Peninsula Health will work closely and openly with HealthShare Victoria (HSV) from a relevant data gathering, relevant data sharing (access to contracts, staffing information, financial), and any other relevant perspective, to ensure timely preparedness for eventual consolidation of their purchasing and supply chain (logistics) functions to HSV.

Outcome: In progress

Discussions have been held with Health Share Victoria (HSV) about different service models. HSV has conducted a data match on the Peninsula Health (PH) catalogue and HSV catalogue. PH is awaiting costing from HSV on various types of services offered by HSV; e.g. loading dock delivery or ward delivery.

Improving equitable access to health care and wellbeing

Ensure that Aboriginal people have access to a health, wellbeing, and care system that is holistic, culturally safe, accessible, and empowering. Ensure that communities in rural and regional areas have equitable health outcomes irrespective of locality.

Goals:

- MC2, MC3 Enhance the provision of appropriate and culturally safe services, programs, and clinical trials for and as determined by Aboriginal people, embedding the principles of self-determination.
- MC4 Expand the delivery of high-quality cultural safety training for all staff to align with the Aboriginal and Torres Strait Islander cultural safety framework. This training should be delivered by independent, expert, community-controlled organisations or a Kinaway or Supply Nation certified Aboriginal business.

Health Service Deliverables:

MC2 Participate in the Aboriginal Health Innovative Initiative in collaboration with SEMHSP to deliver place-based diabetes care in Aboriginal communities.

Outcome: Complete

Place-based diabetes care – including endocrinology, diabetes nurse education, dietetics and podiatry – is being delivered in partnership at First Peoples' Health and Wellbeing in Frankston. This was established as an ongoing service following a successful trial.

MC4 Implement mandatory cultural safety training and assessment for all staff in alignment with the Aboriginal and Torres Strait Islander cultural safety framework, and developed and/or delivered by independent, expert, and community-controlled organisations, Kinaway or Supply Nation certified Aboriginal businesses.

Outcome: In progress

Training is being developed to meet our requirements, to be available in January 2026. Peninsula Health offers a number of cultural safety training options including cultural immersion and culture awareness training and tours, which are available to all staff and volunteers. This training is extremely well attended and reviewed.

A stronger workforce

There is an increased supply of critical roles, which supports safe, high-quality care. Victoria is a world leader in employee experience, with a focus on future roles, capabilities and professional development. The workforce is regenerative and sustainable, bringing a diversity of skills and experience that reflect the people and communities it serves. As a result of a stronger workforce, Victorians receive the right care at the right time closer to home.

Goals:

- MD1 Improve employee experience across four initial focus areas to assure safe, high-quality care: leadership, health and safety, flexibility, and career development and agility.
- MD2 Explore new and contemporary models of care and practice, including future roles and capabilities.

Health Service Deliverables:

MD1 Undertake gap analysis and implement changes to meet compliance against new psychological safety legislation amendment.

Outcome: In progress

We completed a review of team structure and priorities in supporting the Work Health Safety team to build collaboration and responsiveness. A Work Health Safety committee structure is in place including consultation arrangements and compliance with the Act.

MD2 Continuing to support the implementation of medium and long-term priorities of the Mental Health Workforce Strategy.

Outcome: Complete

A new workforce plan for mental health has been developed and implemented. Attraction and retention strategies are in place and an early in career program is well-established, while career pathways and an evaluation framework are under development. There has been a significant decrease in staffing vacancies within the mental health program.

Moving from competition to collaboration

Share knowledge, information and resources with partner health and wellbeing services and care providers. This will allow patients to experience one health, wellbeing and care system through connected digital health information, evidence and data flows, enabled by advanced interoperable platforms.

Goals:

- ME2 Engage in integrated planning and service design approaches while assuring consistent and strong clinical governance with partners to connect the system to deliver seamless and sustainable care pathways and build sector collaboration.

Health Service Deliverables:

ME2 Undertake planning and design of new EPC at Hastings site in collaboration with VHBA and QEC.

Outcome: Complete

The Subacute service plan is complete. The Early Parenting Centre construction is underway, and is on track for completion in late 2025 or early 2026.

ME2 Reviewing specialist workforce requirements to develop a shared workforce model, including coordinating efforts to attract workforce.

Outcome: Complete

The Mental Health Wellbeing initiative embedded Mental Health and Wellbeing Workers (MHWW) across Peninsula Health to deliver non-clinical, recovery-focused wellbeing support. This complements and enhances the clinical treatment, care and peer support provided by the Mental Health clinical teams. This integrated approach aligns with the Royal Commission into Victoria's Mental Health System, particularly Recommendation Three, which called for Area Mental Health and Wellbeing Services to be delivered through partnerships between public health services and non-government organisations. The initiative has been an effective strategy for addressing workforce shortages, helping to stabilise Equivalent Full Time (EFT) vacancies by filling critical service gaps with non-clinical, recovery-focused roles. Vacancy data shows this approach has supported greater workforce stability across embedded teams.

ME2 Partner with mental health and wellbeing services in the local region to implement mental health reform.

Outcome: Complete

Peninsula Health has well-established partners with three Non-Government Organisations in the region. These include:

- MIND Australia – which works in partnership to deliver the Prevention and Recovery Care (PARC) model of care
- Mentis Assist – which delivers the Early Intervention Psychosocial Support Response (EIPSR) program and the Frankston Mental Health and Wellbeing (MHWB) Local
- Wellways – which delivers the Alternative Workforce Model, aligned to the Royal Commission recommendation five, and is the lead agency for the Frankston MHWB Local.

Performance Priorities

High-quality and safe care

Key Performance Measure	Target	Result
Infection prevention and control		
Percentage of healthcare workers immunised for influenza	94%	82%
Adverse Events		
Percentage of reported sentinel events for which a root cause analysis (RCA) report was submitted within 30 business days from notification of the event	All RCA reports submitted within 30 business days	100%
Aged Care		
Public sector residential aged-care services overall star rating	Minimum rating of 3 stars	100%

High-quality and safe care

Key Performance Measure	Target	Result
Patient Experience		
Percentage of patients who reported positive experiences of their hospital stay	95%	90.7%
Aboriginal Health		
The gap between the number of Aboriginal patients who discharged against medical advice compared to non-Aboriginal patients	0%	3.6%
The gap between the number of Aboriginal patients who 'did not wait' presenting to Frankston Hospital emergency department compared to non-Aboriginal patients	0%	1%
The gap between the number of Aboriginal patients who 'did not wait' presenting to Rosebud Hospital emergency department compared to non-Aboriginal patients	0%	1%
Mental Health Patient Experience*		
Percentage of consumers/families/carers reporting a 'very good' or 'excellent' overall experience of the service	N/A	N/A
Percentage of families/carers who report they 'always' or 'usually' felt their opinions as a carer were respected	N/A	N/A
Percentage of mental health consumers reporting they 'usually' or 'always' felt safe using this service	N/A	N/A
Mental Health follow-ups, readmissions and seclusions		
Percentage of consumers followed up within 7 days of separation – Inpatient	88%	95%
Percentage of consumers readmitted within 28 days of separation – inpatient.	<14%	13%
Rate of seclusion episodes per 1,000 occupied bed days - inpatient	≤6	0
Continuing care		
Average change in the functional independence measure (FIM) score per day of care for rehabilitation separations	>0.645	0.742

* Statewide survey was not conducted in 2024–25.

Strong Governance, leadership and culture

Key Performance Measure	Target	Result
Organisational culture		
People Matter Survey – Percentage of staff with an overall positive response to safety culture survey questions	80%	73%

Timely access to care

Key Performance Measure	Target	Result
Planned Surgery		
Percentage of urgency category 1 planned surgery patients admitted within 30 days	100%	100%
Percentage of all planned surgery patients admitted within clinically recommended time	94%	88%
Number of patients admitted from the planned surgery waiting list	10,079	9,734
Percentage of patients on the waiting list who have waited longer than clinically recommended time for their respective triage category	16.4%	12.8% Not Achieved
Optimisation of surgical inpatient length of stay (LOS), including through the use of virtual and home-based pre- and post-operative models of care	1.64	1.58
Emergency Care – Frankston Hospital		
Percentage of patients transferred from ambulance to emergency department within 40 minutes	66%	80%
Mean ED length of stay (admitted) in minutes	443	456 Not Achieved
Mean ED length of stay (non-admitted) in minutes	256	258 Not Achieved
Inpatient length of stay in minutes	3348	3267
Number of patients with a length of stay in the emergency department greater than 24 hours	Zero	Zero
Emergency Care – Rosebud Hospital		
Percentage of patients transferred from ambulance to emergency department within 40 minutes	80%	91% Achieved
Mean ED length of stay (admitted) in minutes	332	365 Not Achieved
Mean ED length of stay (non-admitted) in minutes	240	222 Achieved
Inpatient length of stay in minutes	3380	3322
Number of patients with a length of stay in the emergency department greater than 24 hours	Zero	Zero

Timely access to care

Key Performance Measure	Target	Result
Mental Health		
Percentage of mental health-related Frankston Hospital emergency department presentations with a length of stay of less than 4 hours	65%	50%
Percentage of mental health-related Rosebud Hospital emergency department presentations with a length of stay of less than 4 hours	65%	49%
Percentage of departures from Frankston Hospital emergency departments to a mental health bed within 8 hours	80%	81%
Percentage of departures from Rosebud Hospital emergency departments to a mental health bed within 8 hours	80%	0%*
Number of admitted mental health occupied bed days	14,600	14,130
Specialist clinics		
Percentage of patients referred by a GP or external specialist who attended a first appointment within the recommended timeframe	95%	94.1%
Home Based Care		
Percentage of admitted bed days delivered at home	8.7%	8.4%

* Two patients were transferred in 2024–25.

Effective Financial Management

Key Performance Measure	Target	Result
Operating result ($m)	0.0	($3.8m)
Adjusted current asset ratio	0.7 or 3% improvement from health service base target	0.28
Variance between forecast and actual Net Result from transactions (NRFT) for the current financial year ending 30 June	Variance ≤ $250,000	Achieved

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

Activity and Funding Performance

Activity and Funding Performance	2024-25 Activity Achievement
Consolidated Activity Funding	
Acute admitted, subacute admitted, emergency services, non-admitted NWAU	117,714.71
Acute admitted mental health NWAU	4,194.4
Acute Admitted	
Acute admitted DVA	442.27
Acute admitted TAC	274.46
Acute Non-Admitted	
Radiotherapy – other	220
Specialist Clinics	12,543.9
Sub-Acute/Non-Acute, Admitted & Non-Admitted	
Subacute – DVA	182.53
Transition Care – Bed days	4,517
Transition Care – Home days	17,497
Aged Care	
Aged Care Assessment Service	7,552 completed assessments
HACC**	23,194 contact hours
Mental Health and Drug Services	
Mental Health Ambulatory	93,032 hours
Mental Health Residential	1,547 bed days
Mental Health Subacute	9,778 bed days
Drug Services	2,816 episodes
Primary Health	
Community Health / Primary Care Programs	46,233 contact hours

*NWAU is a National Weighted Activity Unit. NWAU data as reported in this publication is recorded as at 5 August 2025. The data included in this annual report was accurate at the time of publication and is subject to validation by official sources from the Department of Health

** Home and Community Care

Financial Summary

Financial Information

	2025 $000	2024 $000	2023 $000	2022 $000	2021 $000
OPERATING RESULT*	(3,806)	(73,269)	47	254	181
Total revenue	1,015,330	884,568	932,517	819,836	755,170
Total expenses	1,019,136	957,837	932,469	819,582	754,989
Net result from transactions	**(6,803)**	**(62,859)**	**21,015**	**4,404**	**(10,563)**
Total other economic flows	(1,705)	3,737	(5,289)	(6,630)	4,261
Net result	**(8,508)**	**(59,122)**	**15,726**	**(2,226)**	**(6,302)**
Total assets	730,966	721,739	741,063	617,503	575,397
Total liabilities	403,895	386,160	382,784	310,508	258,532
Net assets/total equity	327,071	335,579	358,279	306,995	316,865

Reconciliation of Net Result from Transactions and Operating Result

	2024-25 ($000)
OPERATING RESULT*	**(3,806)**
Capital Purpose Income	36,635
Specific Income	0
COVID-19 State Supply Arrangements – Assets received free of charge or for nil consideration under the State Supply	0
State supply items consumed up to 30 June 2024	0
Assets provided free of charge	0
Assets received free of charge	0
Expenditure for capital purpose	0
Depreciation and amortization	(33,972)
Impairment of non-financial assets	0
Finance costs (other)	(3,912)
Net Result from transactions	**(6,803)**

*The impact of the State Supply Arrangements has been excluded from the Statement of Priorities Operating Result calculation in the above.

The impact of the Controlled Entity MePACS has been included in the Statement of Priorities Operating Result calculation above.

Financial Commentary

Peninsula Health's financial performance in the 2024–25 financial year showed an operating deficit (recorded before discontinued operations, capital income and depreciation) of $3,805,949.

In 2024–25, in comparison to the previous financial year:

- total revenue increased to $1,015 million from $885 million
- total assets increased by $9 million to $731 million
- liabilities increased by $18 million to $404 million
- equity (the difference between assets and liabilities) decreased by $9 million to $327 million.

Subsequent Events to Balance Date

The Boards of Alfred Health, Peninsula Health, Bass Coast Health, Gippsland Southern Health Service, and Kooweerup Regional Health Service have agreed to a voluntary merger to form a new health service, Bayside Health.

The Secretary of the Victorian Department of Health provided in principle support for the merger on 14 February 2025. The Victorian Minister for Health sent the draft Ministerial Report to the Boards for consideration on 28 June 2025. The Boards jointly responded on 22 July 2025, supporting the Ministerial Report.

The proposed effective date for the merger is 1 January 2026.

Ex-gratia Payments

Ex-gratia payments of $28,771 were made by Peninsula Health during the 2024–25 financial year. These payments relate to compensation payments or discretionary reimbursement of expenses and the waiving of the legal entitlement to payment.

Attestations

Data Integrity Declaration

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

Associate Professor Helen Cooper
Accountable Officer
Peninsula Health
August 2025

Conflict of Interest Declaration

I, Helen Cooper, certify that Peninsula Health has put in place appropriate internal controls and processes to ensure that it has implemented a Conflict of Interest policy consistent with the minimum accountabilities required by the VPSC. Declaration of private interest forms have been completed by all executive staff within Peninsula Health 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.

Associate Professor Helen Cooper
Accountable Officer
Peninsula Health
August 2025

Compliance with Health Share Victoria (HSV) Purchasing Policies

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

Associate Professor Helen Cooper
Accountable Officer
Peninsula Health
August 2025

Integrity, fraud and corruption Declaration

I, Helen Cooper, certify that Peninsula Health has put in place appropriate internal controls and processes to ensure that Integrity, fraud and corruption risks have been reviewed and addressed at Peninsula Health during the year.

Associate Professor Helen Cooper
Accountable Officer
Peninsula Health
August 2025

Financial Management Compliance Attestation

I, Karen Corry, on behalf of the Responsible Body, certify that Peninsula Health has no Material Compliance Deficiency with respect to the applicable Standing Directions under the *Financial Management Act 1994* (Vic) and Instructions.

Ms Karen Corry
Board Chair
Frankston
August 2025

Responsible Bodies Declaration

In accordance with the *Financial Management Act 1994* (Vic), I am pleased to present the Report of Operations for Peninsula Health for the year ending 30 June 2025.

Ms Karen Corry
Board Chair
Frankston
August 2025

Disclosure Index

The Annual Report of Peninsula Health is prepared in accordance with all relevant Victorian legislation.

This index has been prepared to facilitate identification of the Department's compliance with statutory disclosure requirements.

LEGISLATION	REQUIREMENT	PAGE REFERENCE
Ministerial Directions Report of Operations		
Charter and purpose		
FRD 22	Manner of establishment and the relevant Ministers	28
FRD 22	Purpose, functions, powers and duties	28
FRD 22	Nature and range of services provided	24–27
FRD 22	Activities, programs and achievements for the reporting period	8–20
FRD 22	Significant changes in key initiatives & expectations for the future	8–20
Management and structure		
FRD 22	Organisational structure	36–37
FRD 22	Workforce Data / employment and conduct principles	38
FRD 22	Workforce Inclusion Policy	41
FRD 22	Occupational Health and Safety	39–40
Financial and other information		
FRD 22	Summary of the financial results for the year	72
FRD 22	Significant changes in financial position during the year	73
FRD 22	Operational and budgetary objectives and performance against objectives	71
FRD 22	Subsequent events	73
FRD 22	Details of consultancies under $10,000	45
FRD 22	Details of consultancies over $10,000	45
FRD 22	Disclosure of government advertising expenditure	N/A
FRD 22	Disclosure of ICT expenditure	46
FRD 22	Asset Management Accountability Framework	N/A
FRD 22	Disclosure of emergency procurement	N/A
FRD 22	Disclosure of social procurement activities under the Social Procurement Framework	55
FRD 22	Disclosure of procurement complaints	N/A
FRD 22	Disclosure of reviews and study expenses	N/A
FRD 22	Disclosure of grants and transfer payments	N/A
FRD 22	Application & operation of *Freedom of Information Act 1982* (Vic)	44–45
FRD 22	Compliance with building and maintenance provisions of *Building Act 1993* (Vic)	41
FRD 22	Application and operation of *Public Interest Act 2012* (Vic)	42
FRD 22	Statement on National Competition Policy	42

LEGISLATION	REQUIREMENT	PAGE REFERENCE
Financial and other information		
FRD 22	Application and operation of Carers Recognition Act 2012	42
FRD 24	Environmental data reporting	48–54
FRD 22	Additional information available on request	56
FRD 25	*Local Job First Act 2003* (Vic) disclosures	43
Compliance attestation and declaration		
SD 5.1.4	Financial Management Compliance Attestation	75
SD 5.2.3	Declaration in Report of Operations	75
	Attestation on Data Integrity	75
	Attestation on managing Conflicts of Interest	75
	Attestation on Integrity, fraud and corruption	75
	Compliance with HealthShare Victoria (HSV) Purchasing Policies	75
Other reporting requirements		
FRD 22	Reporting of outcomes from Statement of Priorities 2024-25	61–71
FRD 22	Occupational Violence reporting	40
FRD 22	Reporting obligations under the *Safe Patient Care (Nurse to Patient and Midwife to Patient Ratios) Act 2025* (Vic)	42
FRD 22	Reporting of compliance regarding Car Parking Fees	43
FINANCIAL STATEMENTS		
Declaration		
SD 5.2.2	Declaration in financial statements	81
Other requirements under Standing Directions 5.2		
SD 5.2.1(a)	Compliance with Australian accounting standards and other authoritative pronouncements	81
SD 5.2.1(a)	Compliance with Standing Directions	81
SD 5.2.1(b)	Compliance with Model Financial Report	81
Other disclosures as required by FRDs in notes to the financial statements (a)(b)		
FRD 11	Disclosure of Ex gratia Expenses	73
FRD 103	Non-Financial Physical Assets	N/A
FRD 110	Cash Flow Statements	124
FRD 112	Defined Benefit Superannuation Obligations	100
FRD 114	Financial Instruments – general government entities and public non-financial corporations	128

LEGISLATION	REQUIREMENT	PAGE REFERENCE
	Freedom of Information Act 1982 (Vic) (FOI Act)	44-45
	Building Act 1993 (Vic)	41
	Public Interest Disclosures Act 2012 (Vic)	42
	Carers Recognition Act 2012 (Vic)	42
	Local Jobs Act 2003 (Vic)	42
	Financial Management Act 1994 (b)	75

Annual Publications

Our *2025 Annual Report* comprises two sections: Report of Operations and Financial Statements. The Financial Statements are provided in the back of this publication.

For a broader picture of our achievements and activities over the past year, please see our other annual corporate publication:

- *Research Report* – highlights the achievements of our many researchers and their contribution to improving outcomes for our patients.

For further information about Peninsula Health, or to download a publication, please visit our website:
www.peninsulahealth.org.au

Financial Statements

Peninsula Health Financial Statements

Financial Year ended 30 June 2025

Board member's, accountable officer's, and chief financial officer's declaration.

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

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2025 and the financial position of Peninsula Health at 30 June 2025.

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

We authorise the attached financial statements for issue on 7 October 2025.

Board Chair

Karen Corry
Chairperson
Frankston
7 October 2025

Chief Executive Officer

Associate Professor
Helen Cooper
Chief Executive Officer
Frankston
7 October 2025

Chief Financial Officer

Osman Kasso
Chief Financial Officer
Frankston
7 October 2025

Independent Auditor's Report

Victorian Auditor-General's Office

To the Board of Peninsula Health

Opinion

I have audited the financial report of Peninsula Health (the health service) which comprises the:

- balance sheet as at 30 June 2025
- comprehensive operating statement for the year then ended
- statement of changes in equity for the year then ended
- cash flow statement for the year then ended
- notes to the financial statements, including material accounting policy information
- board member's, accountable officer's and chief finance & 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 2025 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the *Financial Management Act 1994* and applicable Australian Accounting Standards.

Basis for Opinion

I have conducted my audit in accordance with the *Audit Act 1994* which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report.

My independence is established by the *Constitution Act 1975.* My staff and I are independent of the health service in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Board's responsibilities for the financial report

The Board of the health service is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the *Financial Management Act 1994*, and for such internal control as the Board determines is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

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

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

Auditor's responsibilities for the audit of the financial report

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

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

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

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

MELBOURNE
8 October 2025

Simone Bohan
as delegate for the Auditor-General of Victoria

Comprehensive Operating Statement

Peninsula Health

For the Financial Year Ended 30 June 2025

	Note	2025 $'000	2024 $'000
Revenue and income from transactions			
Revenue from contracts with customers	2.1	908,503	708,306
Other sources of income	2.1	141,716	244,363
Total revenue and income from transactions		**1,050,219**	**952,669**
Expenses from transactions			
Employee expenses	3.1	(783,161)	(746,489)
Finance costs	6.1	(4,733)	(4,827)
Depreciation and amortisation	4.3	(34,433)	(33,519)
Other operating expenses	3.1	(234,695)	(230,693)
Total expenses from transactions		**(1,057,022)**	**(1,015,528)**
Net result from transactions - net operating balance		**(6,803)**	**(62,859)**
Other economic flows included in net result			
Net gain on sale of non-financial assets		1,026	811
Net gain on financial instruments		720	1,007
Other (loss)/gain from other economic flows		(3,451)	1,919
Total other economic flows included in net result		**(1,705)**	**3,737**
Net result		**(8,508)**	**(59,122)**
Other economic flows - other comprehensive income:			
Items that will not be reclassified to net result			
Changes in property, plant and equipment revaluation surplus		-	36,422
Total other comprehensive income		**-**	**36,422**
Comprehensive result		**(8,508)**	**(22,700)**

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

Balance Sheet

Peninsula Health

As at 30 June 2025

	Note	2025 $'000	2024 $'000
Financial assets			
Cash and cash equivalents	6.2	7,783	16,194
Receivables	5.1	81,887	69,621
Contract assets	5.2	7,812	5,985
Investments and other financial assets	5.3	14,783	14,063
Total financial assets		**112,265**	**105,863**
Non-financial assets			
Prepayments		4,356	6,331
Inventories	5.4	5,386	5,451
Property, plant, and equipment	4.1	602,832	603,281
Intangible assets	4.2	6,127	813
Total non-financial assets		**618,701**	**615,876**
Total assets		**730,966**	**721,739**
Liabilities			
Payables	5.5	82,270	83,601
Contract liabilities	5.6	3,630	2,630
Borrowings	6.1	99,494	99,275
Employee benefits	3.1(b)	218,501	200,654
Total liabilities		**403,895**	**386,160**
Net assets		**327,071**	**335,579**
Equity			
Property, plant, and equipment revaluation surplus	SCE	234,044	234,044
Restricted specific purpose reserve	SCE	16,565	38,714
Contributed capital	SCE	196,803	196,803
Accumulated (deficit)	SCE	(120,341)	(133,982)
Total equity		**327,071**	**335,579**

Cash Flow Statement
Peninsula Health
For the Financial Year Ended 30 June 2025

	Note	2025 $'000	2024 $'000
Cash Flows from operating activities			
Operating grants from State Government		885,293	771,464
Operating grants from Commonwealth Government		46,071	43,594
Capital grants from State Government		25,695	20,428
Patient and resident fees received		22,254	34,895
GST received from ATO		22,848	23,150
Other receipts		31,659	30,536
Total receipts		**1,033,820**	**924,067**
Payments to employees		(772,616)	(729,918)
Payments to contractors and consultants		(8,127)	(14,160)
Payments for supplies and consumables		(205,672)	(197,993)
Payments for repairs and maintenance		(22,044)	(20,171)
Finance costs		(4,629)	(4,827)
Total payments		**(1,013,088)**	**(967,069)**
Net cash flows from/(used in) operating activities	8.1	**20,732**	**(43,002)**
Cash Flows from investing activities			
Proceeds from sale of non-financial assets		1,803	1,263
Purchase of non-financial assets		(17,586)	(23,854)
Net cash flows (used in) investing activities		**(15,783)**	**(22,591)**
Cash flows from financing activities			
Repayment of borrowings		(13,360)	(12,673)
Receipt of accommodation deposits		-	230
Net cash flows (used in) financing activities		**(13,360)**	**(12,443)**
Net (decrease) in cash and cash equivalents held		**(8,411)**	**(78,036)**
Cash and cash equivalents at beginning of year		16,194	94,230
Cash and cash equivalents at end of year	6.2	**7,783**	**16,194**

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

Statement of Changes in Equity

Peninsula Health

For the Financial Year Ended 30 June 2025

	Property, Plant and Equipment Revaluation Surplus $'000	Restricted Specific Purpose Reserve $'000	Contributed Capital $'000	Accumulated (Deficit) $'000	Total $'000
Balance at 1 July 2023	**197,622**	**18,413**	**196,803**	**(54,559)**	**358,279**
Net result for the year	-	-	-	(59,122)	(59,122)
Other comprehensive income for the year	36,422	-	-	-	36,422
Transfer from/(to) accumulated (deficit)	-	20,301	-	(20,301)	-
Balance at 30 June 2024	**234,044**	**38,714**	**196,803**	**(133,982)**	**335,579**
Net result for the year	-	-	-	(8,508)	(8,508)
Other comprehensive income for the year	-	-	-	-	-
Transfer (to)/from accumulated (deficit)	-	(22,149)	-	22,149	-
Balance at 30 June 2025	**234,044**	**16,565**	**196,803**	**(120,341)**	**327,071**

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

Peninsula Health
Notes to the Financial Statements
For the Financial Year Ended 30 June 2025

Note 1 About this report

Structure

1.1 Basis of preparation
1.2 Abbreviations and terminology used in the financial statements
1.3 Material accounting estimates and judgements
1.4 Accounting standards issued but not yet effective
1.5 Reporting entity
1.6 Economic dependency

These financial statements represent the financial statements of Peninsula Health for the year ended 30 June 2025.

This section explains the basis of preparing the financial statements.

Note 1.1 Basis of preparation

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

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

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

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

The financial statements have been prepared on a going concern basis (refer to Note 1.6 Economic Dependency).

The financial statements are presented in Australian dollars.

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

Comparative information has been reclassified where necessary to ensure consistency with the current year's presentation. These reclassifications did not impact the net result, total comprehensive income, or net assets.

The annual financial statements were authorised for issue by the Board of Peninsula Health on 7 October 2025.

Note 1.2 Abbreviations and terminology used in the financial statements

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

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

Note 1.3 Material accounting estimates and judgements

Management makes estimates and judgements when preparing the financial statements.

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

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

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

- Note 2.1 Revenue and income from transactions
- Note 3.1 Expenses incurred in the delivery of services
- Note 4.1 Property, plant and equipment
- Note 4.2 Intangible assets
- Note 4.3 Depreciation and amortisation
- Note 5.1 Receivables
- Note 5.2 Contract assets
- Note 5.5 Payables
- Note 5.6 Contract liabilities
- Note 6.1(a) Lease liabilities
- Note 7.4 Fair value determination

Note 1.4 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 Peninsula Health and their potential impact when adopted in future periods is outlined below:

Standard	Adoption Date	Impact
AASB 2022-9: Amendments to Australian Accounting Standards – Insurance Contracts in the Public Sector	Reporting periods beginning on or after 1 January 2026.	Adoption of this standard is not expected to have a material impact.
AASB 2024-2 Amendments to Australian Accounting Standards – Classification and Measurement of Financial Instruments	Reporting periods beginning on or after 1 January 2026.	Adoption of this standard is not. Expected to have a material impact.
AASB 18: Presentation and Disclosure in Financial Statements	Reporting periods beginning on or after 1 January 2028.	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 Peninsula Health in future periods.

Note 1.5 Reporting Entity

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

Peninsula Health's principal address is:

2 Hastings Road
Frankston, Victoria 3199

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

Note 1.6 Economic dependency

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

Note 2 Funding delivery of our services

Peninsula Health's overall objective is to provide quality health service and community care through embracing a collaborative approach. Peninsula Health is predominantly funded by grant funding for the provision of services. Peninsula Health also receives income from the supply of services.

Structure

2.1 Revenue and income from transactions

Material judgements and estimates

This section contains the following material judgements and estimates:

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

Peninsula Health
Notes to the Financial Statements
For the Financial Year Ended 30 June 2025 (continued)

Note 2.1 Revenue and income from transactions

	Note	2025 $'000	2024 $'000
Revenue from contracts with customers	2.1(a)	908,503	708,306
Other sources of income	2.1(b)	141,716	244,363
Total revenue and income from transactions		**1,050,219**	**952,669**

Note 2.1(a) Revenue from contracts with customers

	2025 $'000	2024 $'000
Government grants (State) - Operating	825,730	617,006
Government grants (Commonwealth) - Operating	45,617	44,339
Private Personal Alarm Monitoring Services	10,727	9,854
Patient and resident fees	16,564	27,612
Commercial activities [1]	9,865	9,495
Total revenue from contracts with customers	**908,503**	**708,306**

Peninsula Health disaggregates revenue by the timing of revenue recognition.

Goods and services transferred to customers:		
At a point in time	884,620	680,666
Over time	23,883	27,640
Total revenue from contracts with customers	**908,503**	**708,306**

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

Peninsula Health
Notes to the Financial Statements
For the Financial Year Ended 30 June 2025 (continued)

How we recognise revenue from contracts with customers

Government operating grants

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

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

This policy applies to each of Peninsula Health's revenue streams, with information detailed below relating to Peninsula Health's significant revenue streams:

Government grant	Performance obligation
Activity Based Funding (ABF) paid as National Weighted Activity Unit (NWAU)	NWAU is a measure of health service activity expressed as a common unit against which the Victorian efficient price (NEP) is paid. The performance obligations for NWAU are the number and mix of admissions, emergency department presentations and outpatient episodes, and is weighted for clinical complexity. Revenue is recognised at point in time, which is when a patient is discharged.
Pharmaceutical Benefits Scheme (PBS)	The Pharmaceutical Benefits scheme is a Commonwealth government funded program whereby a rebate is paid to Peninsula Health in respect of specified medicine dispensed to patients. The performance obligation is satisfied at the time of medication being dispensed to the patient.
Financial Sustainability	The financial sustainability funding supports the ongoing viability of the health service. Revenue is recognised at a point in time when funding is provided.

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 car park income, clinical trial income, ethics review fees, training and seminar fees and sub lease income. Commercial activity revenue is recognised at a point in time, upon provision of the goods or service to the customer.

Note 2.1(b) Other sources of income

	Note	2025 $'000	2024 $'000
Other sources of income			
Government grants (State) - Operating		71,410	170,548
Government grants (State) - Capital		30,313	39,758
Non-Cash Contributions from the Department of Health		13,781	5,642
Assets received free of charge or for nominal consideration	2.1 (c)	-	1,798
Other income from operating activities		21,247	20,637
Total other sources of income		**136,751**	**238,383**
Non-operating activities			
Interest		3,950	3,992
Dividends		42	407
Other income from non-operating activities		973	1,581
Total other sources of income		**4,965**	**5,980**
Total other sources of income		**141,716**	**244,363**

How we recognise other sources of income

Government operating grants

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

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

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

Capital grants

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

Income is recognised in accordance with AASB 1058 progressively as the asset is constructed which aligns with Peninsula Health's obligation to construct the asset. The progressive percentage of costs incurred is used to recognise income, as this most accurately reflects the stage of completion.

Interest Income

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

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

	2025 $'000	2024 $'000
Personal protective equipment and other consumables	-	1,798
Total fair value of assets and services received free of charge or for nominal consideration	-	1,798

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

Personal protective equipment

Under the State Supply Arrangement, Health Share Victoria supplies personal protective equipment to Peninsula Health for nil consideration

Non-cash contributions from the Department of Health

The DH makes some payments on behalf of Peninsula Health as follows:

Supplier	Description
Victorian Managed Insurance Authority	The Department of Health purchases non-medical indemnity insurance for Peninsula Health which is paid directly to the Victorian Managed Insurance Authority. To record this contribution, such payments are recognised as income with a matching expense in the net result from transactions.
Victorian Health Building Authority	The Department of Health made payments to the Victorian Health Building Authority to fund capital works projects during the year ended 30 June 2025, on behalf of Peninsula Health.
Department of Health	Long Service Leave (LSL) revenue is recognised upon finalisation of movements in LSL liability in line with the long service leave funding arrangements with the DH.

Peninsula Health
Notes to the Financial Statements
For the Financial Year Ended 30 June 2025 (continued)

Note 3 The cost of delivering our services

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

Structure

3.1 Expenses incurred in the delivery of services

Material judgements and estimates

This section contains the following material judgements and estimates:

Key judgements and estimates	Description
Classifying employee benefit liabilities	Peninsula Health applies material judgement when classifying its employee benefit liabilities. Employee benefit liabilities are classified as a current liability if Peninsula Health does not have an unconditional right to defer payment beyond 12 months. Annual leave, accrued days off and long service leave entitlements (for staff who have exceeded the minimum vesting period) fall into this category. Employee benefit liabilities are classified as a non-current liability if Peninsula Health has a conditional right to defer payment beyond 12 months. Long service leave entitlements (for staff who have not yet exceeded the minimum vesting period) fall into this category.
Measuring employee benefit liabilities	Peninsula Health applies material judgement when measuring its employee benefit liabilities. The health service applies judgement to determine when it expects its employee entitlements to be paid. With reference to historical data, if the health service does not expect entitlements to be paid within 12 months, the entitlement is measured at its present value, being the expected future payments to employees. Expected future payments incorporate: ▪ an inflation rate of 4.25%, reflecting the future wage and salary levels ▪ durations of service and employee departures, which are used to determine the estimated value of long service leave that will be taken in the future, for employees who have not yet reached the vesting period. The estimated rates are between 28% and 88% ▪ discounting at the rate of 4.20%, as determined with reference to market yields on government bonds at the end of the reporting period. All other entitlements are measured at their nominal value.

Peninsula Health
Notes to the Financial Statements
For the Financial Year Ended 30 June 2025 (continued)

Note 3.1 Expenses incurred in the delivery of services

	Note	2025 $'000	2024 $'000
Employee expenses	3.1(a)	783,161	746,489
Other operating expenses	3.1(d)	234,695	230,693
Total expenses incurred in the delivery of services		**1,017,856**	**977,182**

Note 3.1(a) Employee expenses

	2025 $'000	2024 $'000
Salaries and wages	687,320	651,547
On-costs	72,733	65,745
Agency expenses	7,621	12,836
Fee for service medical officer expenses	1,587	1,622
Workcover premium	13,900	14,739
Total employee expenses	**783,161**	**746,489**

How we recognise employee expenses

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

Note 3.1(b) Employee benefits in the balance sheet

	2025	2024
	$'000	$'000
Current employee benefits and related on-costs		
Accrued days off		
Unconditional and expected to be settled wholly within 12 months [i]	2,391	2,076
	2,391	**2,076**
Annual leave		
Unconditional and expected to be settled wholly within 12 months [i]	61,352	56,287
Unconditional and expected to be settled wholly after 12 months [ii]	9,815	8,985
	71,167	**65,272**
Long service leave		
Unconditional and expected to be settled wholly within 12 months [i]	9,836	8,550
Unconditional and expected to be settled wholly after 12 months [ii]	84,403	78,825
	94,239	**87,375**
Provisions related to employee benefit on-costs		
Unconditional and expected to be settled within 12 months [i]	9,817	8,823
Unconditional and expected to be settled after 12 months [ii]	13,537	12,884
	23,354	**21,707**
Total current employee benefits and related on-costs	**191,151**	**176,430**
Non-current employee benefits and related on-costs		
Conditional long service leave	23,897	21,100
Provisions related to employee benefit on-costs	3,453	3,124
Total non-current employee benefits and related on-costs	**27,350**	**24,224**
Total employee benefits and related on-costs	**218,501**	**200,654**

[i] The amounts disclosed are nominal amounts.

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

Peninsula Health
Notes to the Financial Statements
For the Financial Year Ended 30 June 2025 (continued)

Provision for related on-costs movement schedule

	2025	2024
	$'000	$'000
Carrying amount at start of year	200,654	189,807
Additional provisions recognised	94,433	84,938
Amounts incurred during the year	(79,366)	(72,172)
Net gain/(loss) arising from revaluation of long service liability	2,780	(1,919)
Carrying amount at end of year	**218,501**	**200,654**

How we recognise employee benefits

Employee benefit recognition

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

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

Annual leave and accrued days off

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

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

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

Long service leave

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

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

The components of this current LSL liability are measured at:

- Nominal value – if Peninsula Health expects to wholly settle within 12 months or
- Present value – if Peninsula Health 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.

Termination benefits

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

Provisions

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

Note 3.1(c) Superannuation

	Paid Contribution for the Year		Contribution Outstanding at Year End	
	2025	2024	2025	2024
	$'000	$'000	$'000	$'000
Defined benefit plans:[i]				
Aware Superannuation Fund	6	173	-	3
ESSSuper - Emergency Services & State Super	54	60	-	-
Defined contribution plans:				
Aware Superannuation Fund	30,046	26,199	640	501
Hesta Superannuation Fund	22,571	19,808	497	390
Other Funds	19,700	19,087	444	331
Total	**72,377**	**65,327**	**1,581**	**1,225**

[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 Peninsula Health are entitled to receive superannuation benefits and it contributes to both defined benefit and defined contribution plans.

Defined benefit superannuation plans

A defined benefit plan provides benefits based on years of service and final average salary. The amount charged to the Comprehensive Operating Statement in respect of defined benefit superannuation plans represents the contributions made by Peninsula Health to the superannuation plans in respect of the services of current Peninsula Health'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.

Peninsula Health 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. Superannuation contributions paid or payable for the reporting period, however, are included as part of employee benefits in the Comprehensive Operating Statement of Peninsula Health.

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

Defined contribution superannuation plans

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

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

Note 3.1(d) Other operating expenses

	2025	2024
	$'000	$'000
Drug supplies	43,222	40,562
Medical and surgical supplies (including Prostheses)	43,078	37,952
Diagnostic and radiology supplies	32,013	29,907
Other supplies and consumables	8,603	7,562
Fuel, light, power, and water	5,370	5,365
Repairs and maintenance	26,755	24,207
Client Brokerage Costs	10,683	10,417
Medical indemnity insurance	18,435	15,692
Patient Transport	5,232	4,623
Security Services	4,039	4,073
Other administration expenses	37,265	50,333
Total other operating expenses	**234,695**	**230,693**

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.

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.

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

Note 4 Key assets to support service delivery

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

Structure

4.1 Property, plant & equipment
4.2 Intangible assets
4.3 Depreciation and amortisation
4.4 Impairment of assets

Material judgements and estimates

This section contains the following material judgements and estimates:

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

Peninsula Health
Notes to the Financial Statements
For the Financial Year Ended 30 June 2025 (continued)

Note 4.1 Property, plant and equipment

	Gross carrying amount		Accumulated depreciation		Net carrying amount	
	2025	2024	2025	2024	2025	2024
	$'000	$'000	$'000	$'000	$'000	$'000
Land at fair value - Freehold	88,430	88,430	-	-	88,430	88,430
Buildings at fair value	477,476	472,225	(37,802)	(19,484)	439,674	452,741
Works in progress at cost	21,546	10,887	-	-	21,546	10,887
Plant, equipment and vehicles at fair value	203,038	193,144	(149,856)	(141,921)	53,182	51,223
Total property, plant and equipment	**790,490**	**764,686**	**(187,658)**	**(161,405)**	**602,832**	**603,281**

How we recognise property, plant and equipment

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

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

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

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

	Note	Land	Buildings	Capital works in progress	Furniture & fittings	Plant & equipment and motor vehicles	Total
		$'000	$'000	$'000	$'000	$'000	$'000
Balance at 1 July 2023		**85,770**	**417,755**	**7,398**	**7,434**	**34,149**	**552,506**
Additions		-	13,848	9,027	868	23,844	47,587
Disposals		-	-	-	(7)	(445)	(452)
Revaluation increments		2,660	33,762	-	-	-	36,422
Net transfers between classes		-	5,538	(5,538)	(5,421)	5,421	-
Depreciation	4.3	-	(18,162)	-	(533)	(14,087)	(32,782)
Balance at 30 June 2024	4.1	**88,430**	**452,741**	**10,887**	**2,341**	**48,882**	**603,281**
Additions		-	5,253	16,558	135	15,463	37,409
Disposals		-	(2)	-	(2)	(600)	(604)
Net Transfers between classes		-	15	(5,899)	25	1,889	(3,970)
Depreciation	4.3	-	(18,333)	-	(406)	(14,545)	(33,284)
Balance at 30 June 2025	4.1	**88,430**	**439,674**	**21,546**	**2,093**	**51,089**	**602,832**

Peninsula Health
Notes to the Financial Statements
For the Financial Year Ended 30 June 2025 (continued)

Land and Buildings Carried at Valuation

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

4.1(b) Right-of-use assets included in property, plant and equipment

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

Note 4.1(b) Right-of-use assets

	Gross carrying amount		Accumulated depreciation		Net carrying amount	
	2025	2024	2025	2024	2025	2024
	$'000	$'000	$'000	$'000	$'000	$'000
Concessionary land at fair value	9,898	9,898	-	-	9,898	9,898
Buildings at fair value	85,296	82,938	(25,927)	(18,590)	59,369	64,348
Plant, equipment and vehicles at fair value	32,201	23,545	(11,093)	(7,767)	21,108	15,778
Total right-of-use assets	**127,395**	**116,381**	**(37,020)**	**(26,357)**	**90,375**	**90,024**

Reconciliations of the carrying amounts of each class

	Right-of-use - Concessionary Land	Right-of-use - Buildings	Right-of-use - PE, FF	Total
	$'000	$'000	$'000	$'000
Balance at 1 July 2023	**9,898**	**66,487**	**4,673**	**81,058**
Additions	-	4,678	15,636	20,314
Disposals	-	-	(397)	(397)
Depreciation	-	(6,817)	(4,134)	(10,951)
Balance at 30 June 2024	**9,898**	**64,348**	**15,778**	**90,024**
Additions	-	2,358	10,602	12,960
Disposals	-	-	(580)	(580)
Depreciation	-	(7,337)	(4,692)	(12,029)
Balance at 30 June 2025	**9,898**	**59,369**	**21,108**	**90,375**

How we recognise right-of-use assets

Initial recognition

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

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

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

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

Subsequent measurement

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

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

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

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

Note 4.2 Intangible assets

	Gross carrying amount		Accumulated depreciation		Net carrying amount	
	2025	2024	2025	2024	2025	2024
	$'000	$'000	$'000	$'000	$'000	$'000
Software	33,155	26,692	(27,028)	(25,879)	6,127	813
Total intangible assets	**33,155**	**26,692**	**(27,028)**	**(25,879)**	**6,127**	**813**

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

	Note	Software	Total
		$'000	$'000
Balance at 1 July 2023		**1,262**	**1,262**
Additions		288	288
Depreciation	4.3	(737)	(737)
Balance at 30 June 2024	4.2	**813**	**813**
Additions		2,493	2,493
Net Transfers between classes		3,970	3,970
Depreciation	4.3	(1,149)	(1,149)
Balance at 30 June 2025	4.2	**6,127**	**6,127**

How we recognise intangible assets

Intangible assets represent identifiable non-monetary assets without physical substance such as computer software.

Initial recognition

Purchased intangible assets are initially recognised at cost.

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

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

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

Subsequent measurement

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

Peninsula Health
Notes to the Financial Statements
For the Financial Year Ended 30 June 2025 (continued)

Note 4.3 Depreciation and amortisation

	2025	2024
	$'000	$'000
Depreciation		
Buildings at fair value	18,333	18,162
Plant, equipment and vehicles at fair value	14,545	14,087
Furniture and fittings	406	533
Total depreciation	**33,284**	**32,782**
Amortisation		
Software	1,149	737
Total amortisation	**1,149**	**737**
Total depreciation and amortisation	**34,433**	**33,519**

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 exercising 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.

Useful lives of non-current assets

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

	2025	2024
Buildings	20 to 60 years	20 to 60 years
Plant, equipment and vehicles (including leased assets)	2 to 20 years	2 to 20 years
Intangible assets	3 to 7 years	3 to 7 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.

Peninsula Health
Notes to the Financial Statements
For the Financial Year Ended 30 June 2025 (continued)

Note 4.4 Impairment of assets

How we recognise impairment

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

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

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

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

Peninsula Health did not record any impairment losses for the year ended 30 June 2025 (30 June 2024: Nil).

Peninsula Health
Notes to the Financial Statements
For the Financial Year Ended 30 June 2025 (continued)

Note 5 Other assets and liabilities

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

Structure

5.1 Receivables
5.2 Contract assets
5.3 Investments and other financial assets
5.4 Inventories
5.5 Payables
5.6 Contract liabilities
5.7 Other liabilities

Material judgements and estimates

This section contains the following key judgements and estimates:

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

Peninsula Health
Notes to the Financial Statements
For the Financial Year Ended 30 June 2025 (continued)

Note 5.1 Receivables

	Note	2025 $'000	2024 $'000
Current receivables			
Contractual			
Inter hospital debtors		457	589
Trade receivables		2,394	1,354
Patient fees		4,887	4,697
Allowance for impairment losses	5.1(a)	(700)	(303)
Amounts receivable from governments and agencies		226	780
Total contractual receivables		**7,264**	**7,117**
Statutory			
GST receivable		1,686	2,071
Total statutory receivables		**1,686**	**2,071**
Total current receivables		**8,950**	**9,188**
Non-current receivables			
Contractual			
Long service leave - Department of Health		72,937	60,433
Total contractual receivables		**72,937**	**60,433**
Total non-current receivables		**72,937**	**60,433**
Total receivables		**81,887**	**69,621**
(i) Financial assets classified as receivables (Note 7.1)			
Total receivables		81,887	69,621
GST receivable		(1,686)	(2,071)
Total financial assets classified as receivables	7.1	**80,201**	**67,550**

How we recognise receivables

Receivables consist of:

- **Contractual receivables** include debtors that relate to the provision of goods and services. These receivables are classified as financial instruments and are categorised as 'financial assets at amortised cost'. They are initially recognised at fair value plus any directly attributable transaction costs. The health service hold 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** include 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 receivables are carried at the nominal amounts due for settlement within 30 days from the date of recognition.

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

	2025	2024
	$'000	$'000
Balance at the beginning of the year	(303)	(499)
Increase in allowance	(1,294)	(436)
Amounts written off during the year	897	632
Balance at the end of the year	**(700)**	**(303)**

Impairment losses of contractual receivables

Refer to Note 7.2(a) for Peninsula Health's contractual impairment losses.

Note 5.2 Contract assets

	Note	2025	2024
		$'000	$'000
Current			
Contract assets		7,812	5,985
Total contract assets	5.2(a)	**7,812**	**5,985**

Note 5.2(a) Movements in contract assets

	2025	2024
	$'000	$'000
Balance at the beginning of the year	5,985	7,119
Add: Additional costs incurred that are recoverable from the customer	7,812	5,985
Less: Transfer to trade receivable or cash at bank	(5,985)	(7,119)
Total contract assets	**7,812**	**5,985**

How we recognise contract assets

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

Note 5.3 Investments and other financial assets

	Capital Fund	
	2025	2024
	$'000	$'000
Current		
Financial assets at fair value through net result		
Managed Investments	14,783	14,063
Total current financial assets	**14,783**	**14,063**
Total investments and other financial assets	**14,783**	**14,063**
Represented by:		
Health service investments	14,783	14,063
Total investments and other financial assets	**14,783**	**14,063**

How we recognise investments and other financial assets

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

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

Note 5.4 Inventories

	2025	2024
	$'000	$'000
Medical and surgical consumables at cost	3,221	3,943
Pharmacy supplies at cost	1,750	1,388
General stores at cost	415	120
Total inventories	**5,386**	**5,451**

How we recognise inventories

Inventories include goods 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 5.5 Payables

	Note	2025 $'000	2024 $'000
Current payables			
Contractual			
Payables		20,851	6,879
Accrued salaries and wages		16,633	14,152
Accrued expenses		29,934	37,126
Deferred capital grant income	5.5(a)	7,338	14,498
Salary packaging		1,662	1,529
Superannuation		1,581	1,225
Inter hospital creditors		739	215
Amounts payable to governments and agencies		2,950	7,398
Refundable accommodation deposits		582	579
Total contractual payables		**82,270**	**83,601**
Total current payables		**82,270**	**83,601**
Total payables		**82,270**	**83,601**
(i) Financial liabilities classified as payables (Note 7.1)			
Total payables		82,270	83,601
Deferred grant income		(7,338)	(14,498)
Total financial liabilities classified as payables	7.1	**74,932**	**69,103**

How we recognise payables

Payables consist of:

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

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

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

Note 5.5(a) Movement in deferred capital grant income

	2025	2024
	$'000	$'000
Opening balance of deferred capital grant income	14,498	22,431
Grant consideration for capital works received during the year	7,883	15,980
Deferred capital grant income recognised as income due to completion of capital works	(15,043)	(23,913)
Closing balance of deferred capital grant income	**7,338**	**14,498**

How we recognise deferred capital grant income

Grant consideration was received from the Department of Health to support the construction of various capital construction projects.

Capital grant income is recognised progressively as the asset is constructed, since this is the time when Peninsula Health 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, Peninsula Health has deferred recognition of a portion of the grant consideration received as a liability for the outstanding obligations.

Note 5.6 Contract liabilities

	2025	2024
	$'000	$'000
Current		
Contract liabilities	3,630	2,630
Total contract liabilities	**3,630**	**2,630**

Note 5.6(a) Movement in contract liabilities

	2025	2024
	$'000	$'000
Opening balance of contract liabilities	2,630	21,344
Add: grant consideration for sufficiently specific performance obligations received during the year	827,599	583,184
Less: revenue recognised in the reporting period for the completion of a performance obligation	(826,599)	(601,898)
Total contract liabilities	**3,630**	**2,630**

How we recognise contract liabilities

Contract liabilities include consideration received in advance from customers in respect of funding provided by the Department of Health. The balance of contract liabilities was broadly consistent with the prior period. This is primarily due to the similarities in the funding arrangements provided by the Department of Health. In both reporting periods, the Department of Health allowed for the funding to be deferred into following periods subject to the satisfaction of criteria stated in AASB15 and associated guidance was provided for satisfaction of performance obligations.

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

Maturity analysis of payables

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

Peninsula Health
Notes to the Financial Statements
For the Financial Year Ended 30 June 2025 (continued)

Note 6 How we finance our operations

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

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

Structure

6.1 Borrowings
6.2 Cash and cash equivalents
6.3 Commitments for expenditure

Material judgements and estimates

This section contains the following key judgements and estimates:

Key judgements and estimates	Description
Determining if a contract is or contains a lease	Peninsula Health applies material judgement to determine if a contract is or contains a lease by considering if the health service: ▪ has the right-to-use an identified asset ▪ has the right to obtain substantially all economic benefits from the use of the leased asset and ▪ can decide how and for what purpose the asset is used throughout the lease.
Determining if a lease meets the short-term or low value asset lease exemption	Peninsula Health applies material judgement when determining if a lease meets the short-term or low value lease exemption criteria. The health service estimates the fair value of leased assets when new. Where the estimated fair value is less than $10,000, the health service applies the low-value lease exemption. The health service also estimates the lease term with reference to remaining lease term and period that the lease remains enforceable. Where the enforceable lease period is less than 12 months the health service applies the short-term lease exemption.
Discount rate applied to future lease payments	Peninsula Health discounts its lease payments using the interest rate implicit in the lease. If this rate cannot be readily determined, which is generally the case for the health service's lease arrangements, Peninsula Health uses its incremental borrowing rate, which is the amount the health service would have to pay to borrow funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security, and conditions. For leased land and buildings, Peninsula Health estimates the incremental borrowing rate to be between 1.0% and 6.1%. For leased plant, equipment, furniture, fittings and vehicles, the implicit interest rate is between 2.3% and 5.5%.

Peninsula Health
Notes to the Financial Statements
For the Financial Year Ended 30 June 2025 (continued)

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 Peninsula Health is reasonably certain to exercise such options. Peninsula Health determines the likelihood of exercising such options on a lease-by-lease basis through consideration of various factors including: ▪ If there are significant penalties to terminate (or not extend), 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	2025 $'000	2024 $'000
Current borrowings			
TCV loan [i]		1,540	1,474
Lease liability [ii]	6.1(a)	11,902	10,645
Total current borrowings		**13,442**	**12,119**
Non-current borrowings			
TCV loan [i]		12,779	14,318
Lease liability [ii]	6.1(a)	73,273	72,838
Total non-current borrowings		**86,052**	**87,156**
Total borrowings	7.1	**99,494**	**99,275**

[i] These are secured loans with a weighted average interest rate of 4.1% (2024: 4.7%).

[ii] Secured by the assets leased.

How we recognise borrowings

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

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

Maturity analysis

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

Interest expense

	2025	2024
	$'000	$'000
Interest on lease liabilities	4,117	4,149
Interest on loans from TCV	616	678
Total interest expense	**4,733**	**4,827**

Interest expense includes costs incurred in connection with the borrowing of funds and includes interest on bank overdrafts and short term and long-term borrowings, interest component of lease repayments and the increase in financial liabilities and non-employee provisions due to the unwinding of discounts to reflect the passage of time.

Interest expense is recognised in the period in which it is incurred.

Peninsula Health recognises borrowing costs immediately as an expense, even where they are directly attributable to the acquisition, construction or production of a qualifying asset.

Defaults and breaches

During the current and prior year, there were no defaults or breaches of any of the loans.

Note 6.1(a) Lease liabilities

Peninsula Health's lease liabilities are summarised below:

	2025	2024
	$'000	$'000
Current lease liabilities		
Lease liability	11,902	10,645
Total current lease liabilities	**11,902**	**10,645**
Non-current lease liabilities		
Lease liability	73,273	72,838
Total non-current lease liabilities	**73,273**	**72,838**
Total lease liabilities	**85,175**	**83,483**

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

	2025	2024
	$'000	$'000
Not longer than one year	15,917	14,513
Longer than one year but not longer than five years	53,079	49,409
Longer than five years	38,618	44,124
Minimum future lease liability	**107,614**	**108,046**
Less unexpired finance expenses	(22,439)	(24,563)
Present value of lease liability	**85,175**	**83,483**

How we recognise lease liabilities

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

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

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

Peninsula Health's lease arrangements consist of the following:

Type of asset leased	Lease term
Leased land	10 to 40 years
Leased buildings	2 to 15 years
Leased plant, equipment, furniture, fittings, and vehicles	1 to 5 years

All leases are recognised on the balance sheet, with the exception of low value leases (less than $10,000 AUD) and short-term leases of less than 12 months. Peninsula Health has elected to apply the practical expedients for short-term leases and leases of low-value assets. As a result, no right-of-use asset or lease liability is recognised for these leases; rather, lease payments are recognised as an expense on a straight-line basis over the lease term, within "other operating expenses" (refer to Note 3.3).

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

Type of payment	Description of payment	Type of leases captured
Low value lease payments	Leases where the underlying asset's fair value, when new, is no more than $10,000	Computer Equipment
Short-term lease payments	Leases with a term less than 12 months	Property Leases

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 Peninsula Health incremental borrowing rate. Our lease liability has been discounted by rates of between 1% to 6%.

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

- fixed payments (including in-substance fixed payments) less any lease incentive receivable, and
- 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,
- payments arising from purchase and termination options reasonably certain to be exercised.

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

- Property leases with options for extension and termination
- Equipment leases with options for extension and termination

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

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

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

Subsequent measurement

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

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

Peninsula Health
Notes to the Financial Statements
For the Financial Year Ended 30 June 2025 (continued)

Leases with significantly below market terms and conditions

Peninsula Health holds lease arrangements which contain significantly below-market terms and conditions, which are principally to enable the health service to further its objectives. These are commonly referred to as concessionary lease arrangements.

The nature and terms of such lease arrangements, including Peninsula Health's dependency on such lease arrangements is described below:

Description of leased asset	Our dependence on lease	Nature and terms of lease
Land and Buildings located at: - 17-23 Yuille Street, Frankston - 87-91 Beach Street, Frankston - 185 High Street, Hastings	The lease of land and buildings are the premises from which Peninsula Health provides a part of its healthcare services. Peninsula Health's dependence on this lease is high. This level of dependency stems from the inability for Peninsula Health to source an equivalent substitute site with equal facilities and amenities within a comparable area for the given value.	**17-23 Yuille Street, Frankston** Lease payments of $104 are required per annum. The lease commenced in 2013 and had a lease term of 10 years and is now ongoing on a month to month arrangement Restrictions placed on the use of the asset include requirement to provide healthcare services **87-91 Beach Street, Frankston** Lease payments of $104 are required per annum. The lease commenced in 2014 and has a lease term of 10 years and is now ongoing on a month to month arrangement Restrictions placed on the use of the asset include requirement to provide healthcare services. **185 High Street, Hastings** Lease payments of $104 are required per annum. The lease commenced in 2009 and has a lease term of 40 years which includes extension options. Restrictions placed on the use of the asset include requirement to provide healthcare services.

Note 6.2 Cash and Cash Equivalents

	Note	2025 $'000	2024 $'000
Cash on hand (excluding monies held in trust)		10	16
Cash at bank - CBS (excluding monies held in trust)		7,213	15,618
Total cash held for operations		**7,223**	**15,634**
Cash at bank - CBS (monies held in trust)		560	560
Total cash held as monies in trust		**560**	**560**
Total cash and cash equivalents	7.1	**7,783**	**16,194**

Note 6.3 Commitments for expenditure

30 June 2025	Less than 1 year $'000	1-5 Years $'000	Over 5 years $'000	Total $'000
Capital expenditure commitments	4,385	-	-	4,385
Operating expenditure commitments	6,841	6,135	-	12,976
Total commitments (inclusive of GST)	**11,226**	**6,135**	**-**	**17,361**
Less GST recoverable	1,021	558	-	(1,578)
Total commitments (exclusive of GST)	**10,205**	**5,577**	**-**	**15,783**

30 June 2024	Less than 1 year $'000	1-5 Years $'000	Over 5 years $'000	Total $'000
Capital expenditure commitments	3,613	-	-	3,613
Operating expenditure commitments	13,953	9,177	147	23,277
Total commitments (inclusive of GST)	**17,566**	**9,177**	**147**	**26,890**
Less GST recoverable	1,597	834	13	(2,445)
Total commitments (exclusive of GST)	**15,969**	**8,343**	**134**	**24,445**

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

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

Note 7 Risks, contingencies, and valuation uncertainties

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

Material judgements and estimates

This section contains the following material judgements and estimates:

Key judgements and estimates	Description
Measuring fair value of non-financial assets	Fair value is measured with reference to highest and best use, that is, the use of the asset by a market participant that is physically possible, legally permissible, financially feasible, and which results in the highest value, or to sell it to another market participant that would use the same asset in its highest and best use. In determining the highest and best use, Peninsula Health has assumed the current use is its highest and best use. Accordingly, characteristics of the health service's assets are considered, including condition, location and any restrictions on the use and disposal of such assets. Peninsula Health uses a range of valuation techniques to estimate fair value, which include the following: ▪ Market approach, which uses prices and other relevant information generated by market transactions involving identical or comparable assets and liabilities. The fair value of Peninsula Health's specialised land, non-specialised land and non-specialised buildings are measured using this approach. Where assets are held to meet Community Service Obligations (CSOs), such as the delivery of public health services, adjustments may be made to reflect the reduced marketability or alternative use of these assets, in recognition of the operational restrictions and obligations attached to them. ▪ Cost approach, which reflects the amount that would be required to replace the service capacity of the asset (referred to as current replacement cost). The fair value of Peninsula Health's specialised buildings, furniture, fittings, plant, equipment, and vehicles are measured using this approach. The health service selects a valuation technique which is considered most appropriate, and for which there is sufficient data available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. Subsequently, the health service applies material judgement to categorise and disclose such assets within a fair value hierarchy, which includes: ▪ Level 1, using quoted prices (unadjusted) in active markets for identical assets that the health service can access at measurement date. Peninsula Health does not categorise any fair values within this level. ▪ Level 2, inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly. Peninsula Health categorises non-specialised land and right-of-use concessionary land in this level. ▪ Level 3, where inputs are unobservable. Peninsula Health categorises specialised land, non-specialised buildings, specialised buildings, plant, equipment, furniture, fittings, vehicles, right-of-use buildings and right-of-use plant, equipment, furniture, and fittings in this level.

Peninsula Health
Notes to the Financial Statements
For the Financial Year Ended 30 June 2025 (continued)

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

Financial instruments: Categorisation

		Financial Assets at Amortised Cost	Financial Assets at Fair Value Through Net Result	Financial Liabilities at Amortised Cost	Total
30 June 2025	**Note**	**$'000**	**$'000**	**$'000**	**$'000**
Contractual Financial Assets					
Cash and Cash Equivalents	6.2	7,783	-	-	7,783
Receivables and contract assets	5.1	80,201	-	-	80,201
Investments and other financial assets	5.3	-	14,783	-	14,783
Total Financial Assets [i]		**87,984**	**14,783**	**-**	**102,767**
Financial Liabilities					
Payables	5.6	-	-	74,932	74,932
Borrowings	6.1	-	-	99,494	99,494
Total Financial Liabilities [i]		-	-	**174,426**	**174,426**

		Financial Assets at Amortised Cost	Financial Assets at Fair Value Through Net Result	Financial Liabilities at Amortised Cost	Total
30 June 2024	Note	**$'000**	**$'000**	**$'000**	**$'000**
Contractual Financial Assets					
Cash and cash equivalents	6.2	16,194	-	-	16,194
Receivables and contract assets	5.1	67,550	-	-	67,550
Investments and other financial assets	5.3	-	14,063	-	14,063
Total Financial Assets i		**83,744**	**14,063**	**-**	**97,807**
Financial Liabilities					
Payables	5.6	-	-	69,103	69,103
Borrowings	6.1	-	-	99,275	99,275
Total Financial Liabilities [i]		**-**	**-**	**168,378**	**168,378**

i The carrying amount excludes statutory receivables (i.e., GST receivable) and statutory payables (i.e., GST payable and revenue in advance).

Peninsula Health
Notes to the Financial Statements
For the Financial Year Ended 30 June 2025 (continued)

How we categorise financial instruments

Categories of financial assets

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

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

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

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

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

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

Peninsula Health recognises the following assets in this category:

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

Categories of financial liabilities

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

Financial liabilities at fair value through net result

A financial liability is measured at fair value through net result if the financial liability is:

- held for trading or
- initially designated as at fair value through net result.

Changes in fair value are recognised in the net results as other economic flows, unless the changes in fair value relate to changes in Peninsula Health's own credit risk. In this case, the portion of the change attributable to changes in Peninsula Health's own credit risk is recognised in other comprehensive income with no subsequent recycling to net result when the financial liability is derecognised.

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.

Peninsula Health 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, Peninsula Health 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 Peninsula Health 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.

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
- Peninsula Health 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
- Peninsula Health has transferred its rights to receive cash flows from the asset and either:
- has transferred substantially all the risks and rewards of the asset, or
- has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

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

Derecognition of financial liabilities

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

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability.

The difference in the respective carrying amounts is recognised as an ‘other economic flow’ in the comprehensive operating statement.

Reclassification of financial instruments

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

A financial liability reclassification is not permitted.

Note 7.2 Financial risk management objectives and policies

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

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

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

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

Note 7.2(a) Credit risk

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

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

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

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

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

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

There has been no material change to Peninsula Health’s credit risk profile in 2024-25.

Impairment of financial assets under AASB 9

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

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

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

Contractual receivables at amortised cost

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

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

Note 7.2(a) Expected credit

30 June 2025	Note	Current	Less than 1 month	1–3 months	3 months – 1 year	1-5 years	Total
Expected loss rate		0.3%	1.4%	3.5%	5.3%	100.0%	
Gross carrying amount of contractual receivables	5.1	4,383	1,729	464	784	604	**7,964**
Loss allowance		**(14)**	**(25)**	**(16)**	**(41)**	**(604)**	**(700)**

30 June 2024	Note	Current	Less than 1 month	1–3 months	3 months – 1 year	1-5 years	Total
Expected loss rate		0.3%	1.4%	3.5%	5.3%	81.4%	
Gross carrying amount of contractual receivables	5.1	4,542	1,236	726	653	263	**7,420**
Loss allowance		**(12)**	**(17)**	**(26)**	**(34)**	**(214)**	**(303)**

Note 7.2(b) Liquidity risk

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

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

- receiving support from Department of Health as an essential service to the state of Victoria (see Note 1.6 Economic Dependency)
- close monitoring of its short-term and long-term borrowings by senior management, including monthly reviews on current and future borrowing levels and requirements
- maintaining an adequate level of uncommitted funds that can be drawn at short notice to meet its short-term obligations
- holding investments and other contractual financial assets that are readily tradeable in the financial markets, and
- careful maturity planning of its financial obligations based on forecasts of future cash flows.

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

The following table discloses the contractual maturity analysis for Peninsula Health'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					
	Note	Carrying Amount	Nominal Amount	Less than 1 Month	1-3 Months	3 months - 1 Year	1-5 Years	Over 5 years
30 June 2025		**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Financial Liabilities at amortised cost								
Payables	5.5	74,932	74,932	49,345	11,027	13,977	582	-
Borrowings	6.1	99,494	121,932	1,944	4,267	11,245	59,091	45,384
Total Financial Liabilities		**174,426**	**196,864**	**51,290**	**15,295**	**25,222**	**59,673**	**45,384**

			Maturity Dates					
	Note	Carrying Amount	Nominal Amount	Less than 1 Month	1-3 Months	3 months - 1 Year	1-5 Years	Over 5 years
30 June 2024		**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Financial Liabilities at amortised cost								
Payables	5.5	69,103	69,103	35,558	12,784	20,182	579	-
Borrowings	6.1	99,275	123,816	1,332	3,997	10,659	47,528	60,300
Total Financial Liabilities		**168,378**	**192,919**	**36,890**	**16,781**	**30,841**	**48,107**	**60,300**

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

Note 7.2(c) Market risk

Peninsula Health's exposures to market risk are primarily through interest rate risk, and equity price risk. Objectives, policies, and processes used to manage each of these risks are disclosed below.

Sensitivity disclosure analysis and assumptions

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

- a change in interest rates of 1% up or down and
- a change in the top ASX 200 index of 15% up or down.

Interest rate risk

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

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

Equity risk

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

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

Note 7.2(c) Equity risk

		-15%	+15%
	Carrying amount	Net result	Net result
30 June 2025	**$'000**	**$'000**	**$'000**
Investments and other contractual financial assets	14,783	(2,217)	2,217
Total impact	**14,783**	**(2,217)**	**2,217**

		-15%	+15%
	Carrying amount	Net result	Net result
30 June 2024	**$'000**	**$'000**	**$'000**
Investments and other contractual financial assets	14,063	(2,109)	2,109
Total impact	**14,063**	**(2,109)**	**2,109**

Note 7.3 Contingent assets and contingent liabilities

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

Note 7.4 Fair value determination

How we measure fair value

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

The following assets and liabilities are carried at fair value:

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

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

Valuation hierarchy

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

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

Peninsula Health has managed investment schemes which have been assessed as Level 2 on the fair value hierarchy and have a total carrying value of $14.78 million (2024: $14.06 million).

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

	Note	Carrying amount 30 June 2025	Fair value measurement at end of reporting period using: Level 1[i]	Level 2[i]	Level 3[i]
		$'000	$'000	$'000	$'000
Specialised land		88,430	-	-	88,430
Total land at fair value	4.1(a)	**88,430**	**-**	**-**	**88,430**
Specialised buildings		439,674	-	270	439,404
Total buildings at fair value	4.1(a)	**439,674**	**-**	**270**	**439,404**
Plant, equipment, and vehicles at fair value	4.1(a)	53,182	-	-	53,182
Total plant, equipment, furniture, fittings and vehicles at fair value		**53,182**	**-**	**-**	**53,182**
Total non-financial physical assets at fair value		**581,286**	**-**	**270**	**581,016**

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

	Note	Carrying amount 30 June 2024 $'000	Fair value measurement at end of reporting period using: Level 1[i] $'000	Level 2[i] $'000	Level 3[i] $'000
Specialised land		88,430	-	-	88,430
Total land at fair value	4.1(a)	**88,430**	**-**	**-**	**88,430**
Specialised buildings		452,741	-	276	452,465
Total buildings at fair value	4.1(a)	**452,741**	**-**	**276**	**452,465**
Plant, equipment, and vehicles at fair value	4.1(a)	62,110	-	-	62,110
Total plant, equipment, furniture, fittings, and vehicles at fair value		**62,110**	**-**	**-**	**62,110**
Total non-financial physical assets at fair value		**603,281**	**-**	**276**	**603,005**

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

How we measure fair value of non-financial physical assets

The fair value of non-financial physical assets reflects their highest and best use, considering whether market participants would use the asset similarly or sell it for that purpose. This assessment takes into account the asset's characteristics and any physical, legal, or contractual restrictions.

Peninsula Health assumes the current use reflects highest and best use unless market or other factors indicate otherwise. Potential alternative uses are only considered when it is virtually certain that restrictions will no longer apply.

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, Peninsula Health perform a fair value assessment to estimate possible changes in value 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 non-financial physical assets has changed by 10% or more since the last revaluation (whether that be the most recent independent valuation or fair value assessment). 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 since the last independent valuation, being equal to or in excess of 40%, Peninsula Health would obtain an interim independent valuation prior to the next scheduled independent valuation.

AASB 2022-10 *Amendments to Australian Accounting Standards – Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities* amended AASB 13 by adding Appendix F *Australian implementation guidance for not-for-profit public sector entities.* Appendix F explains and illustrates the application of the principles in AASB 13 on developing unobservable inputs and the application of the cost approach. These clarifications are mandatorily applicable annual reporting periods beginning on or after 1 January 2024. FRD 103 permits Victorian public sector entities to apply Appendix F of AASB 13 in their next scheduled formal asset revaluation or interim revaluation (whichever is earlier).

Peninsula Health
Notes to the Financial Statements
For the Financial Year Ended 30 June 2025 (continued)

An independent valuation of Peninsula Health's non-financial physical assets was performed by the VGV on 30 June 2024. Fair value assessments have therefore been performed for all classes of assets in this purpose group at 30 June 2025 and the decision was made that the movements were not material (less than or equal to 10%). As such, an independent revaluation was not required per FRD 103. In accordance with FRD 103, Peninsula Health will apply Appendix F of AASB 13 prospectively in its next scheduled formal revaluation in 2029 or interim revaluation process (whichever is earlier). Peninsula Health does not expect the impact to be material to the financial statements.

There were no changes in valuation techniques throughout the period to 30 June 2025.

Non-specialised land

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

For non-specialised land, an independent valuation was performed by the Valuer-General Victoria to determine the fair value using the market approach. Valuation of the assets was determined by analysing comparable sales and allowing for share, size, topography, location, and other relevant factors specific to the asset being valued. An appropriate rate per square metre has been applied to the subject asset. The effective date of the valuation is 30 June 2025.

Specialised land and specialised buildings

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

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

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

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

For Peninsula Health, the current 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 Peninsula Health's specialised land and specialised buildings was performed by the Valuer-General Victoria. The effective date of the valuation is 30 June 2025.

Vehicles

Peninsula Health acquires new vehicles and at times disposes of them before completion of their economic life. The process of acquisition, use and disposal in the market is managed by the health service who set relevant depreciation rates during use of 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 fair value. When plant and equipment is specialised in use, such that it is rarely sold other than as part of a going concern, the current replacement cost is used to estimate the fair value.

Reconciliation of level 3 fair value measurement

	Note	Land $'000	Buildings $'000	Plant, equipment, furniture, fittings, and vehicles $'000
Balance at 1 July 2023		85,770	417,479	41,583
Additions/(Disposals)		-	13,848	24,260
Net Transfers between classes		-	5,538	-
- Depreciation and amortisation		-	(18,162)	(14,620)
Items recognised in other *comprehensive income*				
- Revaluation		2,660	33,762	-
Balance at 30 June 2024	7.4(a)	**88,430**	**452,465**	**51,223**
Additions/(Disposals)		-	3,928	16,361
Net Transfers between classes		-	1,338	1,668
- Depreciation and Amortisation		-	(18,333)	(16,070)
Balance at 30 June 2025	7.4(a)	**88,430**	**439,398**	**53,182**

Fair value determination of level 3 fair value measurement

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

[(i)] A community service obligation (CSO) of 20% was applied to the Peninsula Health's specialised land.

Note 8 Other disclosures

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

Structure

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

	Note	2025 $'000	2024 $'000
Net result		(8,508)	(59,122)
Non-cash movements:			
(Gain) on sale or disposal of non-financial assets		(1,026)	(811)
(Gain) on financial instruments		(720)	(1,007)
Depreciation of non-current assets	4.3	34,433	33,519
Assets and services received free of charge		-	(1,798)
(Gain) on revaluation of long service leave liability		(2,780)	(1,919)
Movements in Assets and Liabilities:			
(Increase) in receivables and contract assets		(14,093)	(4,095)
Decrease in inventories		65	846
Decrease/(Increase) in prepaid expenses		1,975	(4,130)
(Decrease) in payables and contract liabilities		(6,461)	(14,945)
Increase in employee entitlement provisions		17,847	10,460
Net cash inflow from operating activities		**20,732**	**(43,002)**

Note 8.2 Responsible persons disclosures

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

	Period
The Honourable Mary-Anne Thomas MP:	
Minister for Health	27 Jun 2022 - 30 June 2025
Minister for Health Infrastructure	5 Dec 2022 - 19 Dec 2024
Minister for Ambulance Services	2 Oct 2023 - 30 June 2025
The Honourable Ingrid Stitt MP:	
Minister for Mental Health	2 Oct 2023 - 30 June 2025
Minister for Ageing	2 Oct 2023 - 30 June 2025
Minister for Multicultural Affairs	2 Oct 2023 - 30 June 2025
The Honourable Lizzy Blandthorn MP:	
Minister for Children	2 Oct 2023 - 30 June 2025
Minister for Disability	2 Oct 2023 - 30 June 2025
Governing Board	
Michael Gorton AM	1 July 2024 – 30 June 2025
Rita Cincotta	1 July 2024 – 30 June 2025
Karen Corry	1 July 2024 – 30 June 2025
Mark Frydenberg	1 July 2024 – 30 June 2025
Sylvia Hadjiantoniou	1 July 2024 – 30 June 2025
Peter Joyce	1 July 2024 – 30 June 2025
Anthony Kambourakis	1 July 2024 – 30 June 2025
Kirsten Mander	1 July 2024 – 30 June 2025
Hamish Park	1 July 2024 – 30 June 2025
Accountable Officer	
Helen Cooper	1 Jul 2024 - 30 June 2025

Peninsula Health
Notes to the Financial Statements
For the Financial Year Ended 30 June 2025 (continued)

Remuneration of Responsible Persons

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

	2025	2024
Income Band	**No.**	**No.**
$0 - $10,000	1	1
$40,000 - $49,999	7	7
$80,000 - $89,999	1	1
$430,000 - $439,999	1	-
$480,000- $489,999	-	1
Total	**10**	**10**

	2025	2024
	$'000	**$'000**
Total remuneration received or due and receivable by Responsible Persons from the reporting entity amounted to:	**852**	**890**

Amounts relating to Responsible Ministers are reported within the Department of Parliamentary Services' Financial Report.

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)	**2025**	**2024**
	$'000	**$'000**
Short-term benefits	1,920	1,967
Post-employment benefits	176	161
Other long-term benefits	69	63
Termination benefits	165	22
Total remuneration [i]	**2,330**	**2,213**
Total number of executives	9	8
Total annualised employee equivalent [ii]	7	7

[i] The total number of executive officers includes persons who meet the definition of Key Management Personnel (KMP) of Peninsula Health 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.

Peninsula Health
Notes to the Financial Statements
For the Financial Year Ended 30 June 2025 (continued)

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.

Other factors

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

Note 8.4 Related parties

The Peninsula Health 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
- 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 the Peninsula Health, directly or indirectly.

Key management personnel

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

Entity	*KMPs*	*Position Title*
Peninsula Health	Michael Gorton	Chair of the Board
Peninsula Health	Rita Cincotta	Board Member
Peninsula Health	Karen Corry	Board Member
Peninsula Health	Mark Fydenberg	Board Member
Peninsula Health	Syliva Hadjiantoniou	Board Member
Peninsula Health	Peter Joyce	Board Member
Peninsula Health	Anthony Kambourakis	Board Member
Peninsula Health	Kirsten Mander	Board Member
Peninsula Health	Hamish Park	Board Member
Peninsula Health	Helen Cooper	Chief Executive Officer
Peninsula Health	Trudy Ararat	Executive Director - People, Culture and Governance
Peninsula Health	Paul Butler	Executive Director - Digital, Strategy and Capital
Peninsula Health	Rama Devarajan	Executive Director - Finance and Commercial
Peninsula Health	David English	Executive Director - Digital Health and Informatics
Peninsula Health	Jana Gazarek	Executive Director - Operations
Peninsula Health	Elizabeth Holley	Executive Director - Workplace Safety and Wellbeing
Peninsula Health	Osman Kasso	Interim Executive Director - Finance and Commercial
Peninsula Health	Shyaman Menon	Executive Director - Medical Services and Clinical
Peninsula Health	Fiona Reed	Executive Director - Nursing and Midwifery

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

	2025	*2024*
	$'000	**$'000**
Compensation - KMPs		
Short-term Employee Benefits [i]	2,685	2,775
Post-employment Benefits	248	228
Other Long-term Benefits	83	78
Termination Benefits	166	22
Total [ii]	**3,182**	**3,103**

[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.

Significant transactions with government related entities

The Peninsula Health received funding from the DH of $887.4 m (2024: $787.6 m) and indirect contributions of $13.8m (2024: $5.6 m). Balances outstanding as at 30 June 2025 are $3.0 m (2024: $7.4 m)

Expenses incurred by Peninsula Health 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 Minister of Finance require Peninsula Health 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 occurs on terms and conditions consistent with the *Public Administration Act 2004* and Codes of Conduct and Standards issued by the Victorian Public Sector Commission. Procurement processes occur on terms and conditions consistent with the HealthShare Victoria and Victorian Government Procurement Board requirements.

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

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

Note 8.5 Remuneration of Auditors

	2025	2024
	$'000	$'000
Victorian Auditor-General's Office		
Audit of the financial statements	195	173
Total remuneration of auditors	**195**	**173**

Note 8.6 Ex gratia expenses

	2025	2024
	$'000	$'000
Peninsula Health has made the following ex gratia expenses:		
Forgiveness or waiver of debt	25	38
Compensation for economic loss	4	5
Total ex-gratia expenses	**29**	**43**

Includes ex-gratia for both individual items and in aggregate that are greater than or equal to $5,000.

Ex gratia expenses are the voluntary payments of money or other non-monetary benefit (e.g. a write off) that are not made either to acquire goods, services or other benefits for the entity or to meet a legal liability, or to settle or resolve a possible legal liability of or claim against the entity.

Note 8.7 Events occurring after the balance sheet date

The Boards of Alfred Health, Peninsula Health, Bass Coast Health, Gippsland Southern Health Service and Kooweerup Regional Health Service have agreed to a voluntary merger to form a new health service, Bayside Health. The public services currently being delivered by each of the merging health services will continue to be delivered in the new merged entity of Bayside Health. Consequently, the financial statements of each health service have been prepared on a going concern basis at 30 June 2025.

The Secretary of the Victorian Department of Health provided in principal support for the merger on 14 February 2025. On 28 June 2025, as required by the Health Services Act 1988, The Victorian Minister for Health sent her draft Ministerial Report, outlining a proposal for the voluntary merger, to the Boards for consideration. The Boards jointly responded on 22 July 2025, supporting the Ministerial Report.

The proposed effective date for the merger is 1 January 2026.

Peninsula Health
Notes to the Financial Statements
For the Financial Year Ended 30 June 2025 (continued)

Note 8.8 Equity

Property, plant, and equipment revaluation surplus

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

Financial assets at fair value through comprehensive income revaluation reserve

The financial assets at fair value through other comprehensive income revaluation reserve arises on the revaluation of financial assets (such as equity instruments) measured at fair value through other comprehensive income. Where such a financial asset is sold, that portion of the reserve which relates to that financial asset may be transferred to accumulated surplus/deficit.

Restricted specific purpose reserves

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

Peninsula Health

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Peninsula Health is proudly inclusive.

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CHILD SAFE
Peninsula Health is Child Safe