



Northern Health
Foundation



Annual Report

2022-23

Our Vision

A healthier community, making a difference for every person, every day.

Our Values

Safe

We provide safe, trusted care for our patients. We are inclusive and culturally safe, celebrating the diversity of our staff and community.

Kind

We treat everyone with kindness, respect and empathy. We provide patient-centred and compassionate care.

Together

We work together with our staff, patients, consumers and health system partners.

Our Priorities

A safe, positive patient experience
A healthier community
An innovative and sustainable future
Enabled staff, empowered teams
Engaged learners, inspired researchers



Northern Health acknowledges Victoria's Aboriginal communities and their rich culture and pays respect to their Elders past, present and emerging.

We acknowledge Aboriginal people as Australia's first peoples and as the Traditional Owners and custodians of the land (the Wurundjeri people) on which Northern Health's campuses are built.

We recognise and value the ongoing contribution of Aboriginal people and communities to our lives and we embrace the spirit of reconciliation, working towards the equality of outcomes and ensuring an equal voice.

Northern Health celebrates, values, and includes people of all backgrounds, genders, sexualities, cultures, bodies and abilities.

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Our care at a glance

103,389

VVED*
presentations

25,117

Paediatric emergency
presentations

112,477

Emergency
presentations

20,287

Elective surgical
procedures

114,224

Hospital
admissions

34,960

Ambulance
arrivals

254,397

Specialist Clinic
appointments

2,168

Mental Health Adult
/ Aged Admissions

207,866

Mental Health
Community Contacts**

3,041

Babies born

* Victorian Virtual Emergency Department

** Follow-up interactions with Mental Health
patients, post discharge

From the Board Chair

The past 12 months have been challenging as the world continues to recover from the pandemic and deal with the financial pressures associated with high inflation and rising interest rates. The fundraising landscape continues to evolve and we as a Foundation must continue to find new and innovative ways to meet our targets.

Notwithstanding these external pressures, the Foundation distributed \$728,000 to Northern Health during 2022-23. This result is a credit to the Foundation board directors, and the Foundation team who tirelessly fundraise for our health service every day. I thank them for playing their part in delivering this positive result.

One of the most notable achievements of the past year has been the Foundation's partial funding of an Anorectal Laboratory at Northern Health. This service, which has not previously been available, will significantly improve outcomes of patients who are at risk of tearing during childbirth. Northern Health Foundation recognised the need for this specialised equipment and is pleased to have made a significant financial contribution towards its purchase.

A project which has been close to our hearts this year has been the refurbishment of Northern Health's Palliative Care Unit and adjoining gardens. Our vision is to provide a comforting space for patients and their families to utilise during those precious last days. With the help of our patrons, their networks, and the Foundation team's contribution of \$27,000 through their Dry July fundraising commitment in 2022, the courtyard commenced its transformation.

In May, 2023, the Foundation held its inaugural gala ball, in support of Northern Health's research department. While the event was well attended and raised significant funds, it also

served to elevate the Northern Health brand in line with the growing health service that it is. The event was a wonderful opportunity to engage with our academic partners and the corporate sector, creating awareness about the work of the Foundation.

Northern Health Foundation is privileged to have the support of three wonderful patrons: Josie Minniti OAM, Trudi Hay, and Bev Carman. They continue to support Cancer Services, year after year, with the same vigor and commitment they have always shown. Our sincere gratitude for their dedication to Northern Health.

I would like to make special mention of Professor Peter Brooks AM and Tony Raunic who have retired as board directors. I take this opportunity to thank them for their service and valuable contribution.

Thank you also to all of our donors, our event sponsors, those who contributed goods and services in kind, our workplace givers and our large contingent of volunteers. Every single contribution brings us closer to our target. Every single donation is celebrated and valued.



John Molnar
Board Chair
Northern Health
Foundation



Board Members



John Molnar OAM
Board Chair

John Molnar OAM has practiced law for over 40 years, and during this time, became heavily involved in the field of law relating to health service providers and hospitals. He has served on the boards of a number of public and private hospitals, including Northern Health and the Nurses Board of Victoria.

John was instrumental in the establishing the Northern Health Foundation after recognising the need for additional funding so that Northern Health can meet its commitment to its rapidly growing community, and establish itself as a major teaching and training centre.

John is a passionate advocate of the Northern Health network and the dedicated professionals who work within it.



Peter McWilliam
Deputy Board Chair

Peter McWilliam served on the Northern Health Board from 2013 to 2021. He was Chair of the board Finance Committee, and the Primary Care and Population Health Committee for six years.

Peter has extensive skills in business and management from 37 years working at RBM and Paramount Plastic Extrusions, one of Australia's largest privately-owned plastic manufacturing companies. Peter served as General Manager and Company Director within the organisation and its subsidiary Paramount Plastics (Aust.), providing strong leadership by inspiring effective teamwork, planning and organisation.

Peter has served a number of organisations including the Board of NorthLink for the past 10 years.

Peter understands the value and importance of staff in an organisation's success and has experience in implementing training and mentoring programs to maintain organisational viability. As a resident of the northern suburbs, Peter is familiar with its rapid growth and development and the evolving needs of the local community.



Elizabeth Batten

Elizabeth Batten was born and raised in Epping and surrounding areas. She has a strong connection with the north after having lived and worked in the community for many years. The Batten Family has a long-standing association with Northern Health and have contributed significantly to the Northern Health Foundation.

Elizabeth holds a Bachelor of Education from Australian Catholic University and is currently studying a Bachelor of Psychological Sciences at Swinburne University. Elizabeth has worked as a primary school teacher at local schools. She is the mother of two boys and is passionate about children's health, development and well-being.

Elizabeth joined the Northern Health Foundation Board in November 2021. She shares her skills and experiences to benefit the northern community.

Board Members



Professor Peter Brooks AM

Peter Brooks AM MD FRACP is Research Lead for Northern Health and has professorial appointments in the Centre for Health Policy, School of Population and Global Health, Melbourne University.

He established the Australian Health Workforce Institute at the University of Melbourne in 2008. He was Executive Dean of Health Sciences at the University of Queensland from 1998 to 2009, and has held professorial positions at the UNSW, University of Sydney, Flinders University and the University of Tasmania.

After graduating from Monash University, he held hospital and university posts in Hobart and Glasgow, training initially as a rheumatologist. He has published widely in musculoskeletal diseases, on health education, and more recently on health care and health workforce reform.

In 2010, Peter was awarded Membership of the Order of Australia for services to rheumatology as a clinician, researcher and academic.



Professor Donald Campbell

Professor Don Campbell is Medical Director Hospital Without Walls and Staying Well Program, Northern Health, Adjunct Professor of Medicine and Professor (Research) in the Faculty of Art Design and Architecture at Monash University and former President of the Adult Medicine Division of the Royal Australasian College of Physicians.

Professor Campbell's clinical and research interests are focused on creating the hospital without walls, and devoted to furthering the role of design and systems thinking in innovation in healthcare delivery. He is currently conducting a trial of intranasal heparin to reduce the risk of transmission of Covid-19 in households with the Murdoch Children's Research Institute and partner health services, universities and research institutes.



Peter Copp

Peter Copp brings robust commercial and for-purpose acumen to Northern Heath Foundation from his career, specialising in SME restructuring, stakeholder management, mergers & acquisitions, operations, philanthropy, and change management. His expertise has played a pivotal role in the substantial growth of numerous Australian not-for-profits and private firms.

With a diverse background spanning healthcare, education, and international NGOs, Peter showcases a steadfast commitment to social impact, gender equality, corporate strategy, and philanthropy.

Peter holds a Master of Business Administration and a Graduate-Cert in Business.

In addition to his executive roles, Peter holds key positions as Managing Director for Engage Early Learning, Head of Commercial for Smiling Mind, and serves as a board member and advisor's for various entities, further emphasising his influential presence in multiple sectors.

Board Members



Trudi Hay

Trudi Hay is a director of Green-cor Group and a Patron and Foundation Board member of Northern Health. She has a background in Advertising, Marketing, Property and Agriculture.

Trudi has been involved in her local community and has held key roles in not for profit organisations in her local area.



Koby Jones

Koby Jones is the Managing Director of The SILC Group, a specialised financial solutions provider servicing the unique needs of investment managers, asset sponsors and wholesale investors. He is involved in all aspects of the company's operations including general management, business development, client interaction, product selection, strategic initiatives, technology, governance, risk and compliance.

Koby holds numerous qualifications including a Bachelor of Commerce (Accounting, Commercial Law, Finance) from Deakin University, he is a graduate of Australian Institute of Company Directors (AICD) and has completed the Certified Practising Accountants (CPA) Program. Koby is a member of the AICD, CPA Australia and Family Business Australia (FBA).



Tricia Lee

Tricia Lee is a Director at Riverlee, a privately owned, diversified property group that specialises in development and asset ownership across the commercial, residential and retail property sectors.

Tricia is responsible for the Family Office and Philanthropy of Riverlee which encompasses family governance, succession planning, estate planning, philanthropy and investments.

With a passion for making a difference, Tricia is also the Executive Director of the Riverlee Group's charitable trust.

Tricia holds a Bachelor of Commerce from Monash University and a Post-Graduate Diploma in Applied Finance and Investment.

Board Members



Tony Raunic

Tony Raunic is the Managing Partner of Hunt & Hunt Victoria and chairperson of the Hunt & Hunt Legal Group – a network of ten law firms across Australia.

He is a long-term resident of Melbourne's northern suburbs, a former Mayor and Councillor of the Shire of Nillumbik and was a founding director of Hurstbridge and Districts Community Bank Limited.

Tony regularly provides legal advice on governance and compliance issues to a range of state and local governments and statutory authorities.

Tony holds a Bachelor of Law and Bachelor of Commerce and a Masters of Business Administration.



Chris Turner

Chris Turner is a retired CEO of a local, large integrated poultry operation. Chris has a wealth of business experience having been involved in various senior roles within large agricultural based companies. He is a past president of the Australian Chicken Meat Federation (ACMF) and the Victorian Chicken Meat Council (VCMC).

Chris is currently a board member of Valley Park Pty Ltd. Chris operates as a consultant to business and executive coach.



John Watson

John has had a long career in State and Local Government over more than four decades. He has held several leadership roles in Local Government including Chief Executive Officer of the former Shire of Bulla, Moonee Valley City Council and Hume City Council. John's Victorian Government roles include periods as a Director, and then as Executive Director, of Local Government Victoria.

John has been Chair of the Victoria Grants Commission since 2012 and was Chair of the Panel of Administrators of the Brimbank City Council from 2012 to 2016. He Chairs or sits as an independent member on the Audit and Risk Committees for a number of Victorian local governments, the Municipal Association of Victoria and the Maryborough District Health Service.

About Northern Health Foundation

As the philanthropic arm of Northern Health, Northern Health Foundation shares the vision and values of our health service. Its purpose is to raise funds for important medical equipment, research and training, and to raise awareness and increase community engagement.

Northern Health sits at the heart of a very diverse and growing population. By 2031, the local population is expected to grow by an additional 228,000 people. The catchment currently encompasses the local government areas of Banyule, Darebin, Hume, Moreland, Nillumbik, and Whittlesea, with services also in Mitchell and Merribek. Diversity is a key strength in the northern community, representing 185 countries of origin and speaking more than 118 different languages.

Whilst the State Government provides for the everyday needs of the health service, Northern Health Foundation works to ensure our community has access to the best possible care, the latest life-changing equipment, and most vital programs, right on their doorstep.

The Foundation also funds PhD scholarships as we believe the future lies in the hands of our talented young people. Scholarships provide the

impetus for research and further investigation into treatments that can make a real difference to patient care. Without adequate funding for research, many of today's medical breakthroughs would not have been possible.

We exist to do our part towards improving the health outcomes of patients in our care, and the health of our local community.

The Foundation relies on the support of its patrons, regular donors, sponsors, corporate and community partnerships, and workplace givers. Their contributions make it possible for us to work towards our goal of a healthier community, making a difference for every person, every day.

We sincerely thank our supporters for their ongoing commitment to Northern Health Foundation. We are pleased to share highlights from the past year in the following pages.



Our achievements



Capital Campaign: Anorectal Laboratory

Northern Health Foundation supporters generously donated to partially fund an Anorectal Laboratory which enabled the purchase of three new vital pieces of equipment to help minimise risks associated with OASIS patients (Obstetrics Anal Sphincter Injury) at Northern Health.

Historically, patients with these injuries have had to be referred to other health services for treatment. Northern Health will soon be in a position to offer these services, significantly improving outcomes for our patients.



Hospital Equipment

Through the generosity of our donors, Northern Health now has some new medical equipment which significantly enhances the excellent care patients receive at Northern Health. This equipment includes: Gastrointestinal Ultrasound; Neonatal Isolette; a specialised Treadmill for rehabilitations, and the Vivolight Veinfinder, which assist in detecting invisible veins.

These are just some of the equipment proudly funded by Northern Health Foundation over the past twelve months.



Our events

International Women's Day Breakfast

On 8 March, 2023, Northern Health staff, board members and guests gathered at Mantra Epping to celebrate International Women's Day. Among those in attendance was the Hon. Mary-Anne Thomas, Minister for Health, who spoke about the diverse and growing community in the northern suburbs of Melbourne, as well as acknowledging the challenges the pandemic has had on Northern Health over the past few years.

Ms Thomas also reiterated the importance of access to high-quality healthcare for women and

the Victorian state government's commitment to creating 20 new women's health clinics that will provide comprehensive care for Victorians needing treatment and advice on issues like endometriosis, pelvic pain and menopause.

Northern Health's Operations Director, Outpatients, Kathryn Bartho, shared her touching cancer survival story with guests, recounting her diagnosis in January 2020 at age 32 and the journey of receiving treatment at her own workplace.



Our events

Northern Health Foundation Gala Ball



On Saturday, 6 May, Northern Health Foundation hosted its first major fundraising event since the beginning of the pandemic – The Northern Health Foundation Fundraising Gala, in the stunning Plaza Ballroom on Collins Street, Melbourne.

The event showcased the outstanding work being undertaken at Northern Health and highlighted the level of innovation and calibre that stems from research right here in our northern community.

Research is an integral part of any health service. Innovations such as the Victorian Virtual Emergency Department (VVED) stemmed from ideas that eventually came to fruition. This platform now services all of Victoria, saving lives, and eliminating pressure on our Emergency Department by enabling patients to access care in the comfort of their homes.

The Gala Ball was successful in raising \$75,000.00 for Northern Health's Research Department, engaging with our academic partners, and creating new corporate partnerships opportunities.



Pictured: Plaza Ballroom.

Our patrons

Northern Health Foundation is privileged to have the continued support of its dedicated patrons, Josie Minniti OAM, Bev Carman and Trudi Hay. Over the past 12 months, our patrons have raised over \$60,000.00 between them.

Josie Minniti's Dinner Dance – March 2022

Long-time Northern Health Foundation supporter and patron, Josie Minniti OAM, has generously donated \$20,000 to the refurbishment of the Palliative Care Unit (PCU) garden at Northern Hospital Epping. Her donation will go towards the centrepiece of the garden – a beautiful gazebo with an outdoor table, sofas, and a barbecue for palliative care patients to share with their families, friends and loved ones.

The \$20,000 was raised at Josie's annual Dinner Dance with support of family and friends, which was held in March. This year's event marked the 25th year that Josie has hosted this event.

Josie has funded many life-changing pieces of equipment for Northern Health. She is passionate



Pictured: Josie Minniti OAM and Reno Minniti.

about cancer services as her family has been personally touched by the disease. In the past, she has helped raise money for treatment chairs, waiting room chairs, a prostate cancer scanner and a refurbished room in the Children's Ward.

Pictured: Josie Minniti OAM with her family.



Trudi Hay's High Tea - Mandalay Golf Course November 2022

On Friday, 18 November 2022, Trudi Hay, Northern Health Foundation Patron and Board Member, hosted her annual High Tea at Mandalay Golf Course. This was her 12th High Tea event to raise funds to support patients undergoing cancer treatment – a cause very dear to her heart. This year's event, which was sold out in just four days, raised close to \$30,000 for Cancer Services at Northern Health.

"I continue to be humbled by the generosity of those who support my events. It is rewarding to know that, as a group, we can do something meaningful for patients who are undergoing the cancer journey," Trudi said.

The High Tea was a beautifully set up event, at a stunning location with picturesque views. It was a wonderful way to spend the afternoon, sipping tea in lovely, vintage cups and talking about

this great cause, whilst indulging in delicious treats.

Dr Kevin Sandhu, Skin Cancer Doctor, DPV Health, provided guests with a valuable insight into the warning signs and symptoms of skin cancer. His presentation outlined the importance of early detection and prevention. He also gave an opportunity to 10 participants, to check any suspicious moles they might have, and provided them with advice.

This event raised close to \$30,000 for Cancer Services at Northern Health.



Pictured: Trudi Hay.



Bev Carman's Race Day – Kilmore Racecourse January 2023

Northern Health Foundation Patron, Bev Carman, is a passionate fundraiser. She is passionate about making a difference to the Northern Health community and she loves nothing more than bringing together a great bunch of people in support of a terrific cause. She is well known for hosting an annual race day, one of the highlights of the Foundation's fundraising calendar.

While a great day was had by all, the real beneficiary of this event is Northern Health's Cancer Services. Over the years, Bev's events have contributed to the funding of some very important pieces of equipment. Her focus has always been on how she can make a difference to patients who are on their cancer journey. A scalp cooling machine, new patient chemotherapy chairs and blanket warmers have been some of outcomes of her fundraising efforts.



Pictured: Bev Carman and sponsors with the winning horse and jockey at the Kilmore races.

This year's donation of \$11,000 will be used within the Palliative Care gardens to create a beautiful space featuring a water feature, gardens and seating.

Pictured: Bev Carman with Northern Health Chair, John Molnar AOM, NH Public Affairs & Foundation Pina Di Donato, Peter McWilliams, NH Board and sponsors.



Fundraising activities



Playing with Purpose

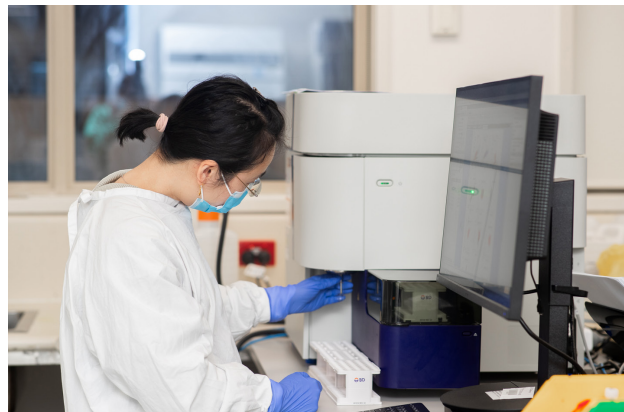
In 2022, Northern Health Foundation entered into a successful partnership with Play For Purpose; an online charitable lottery. The first raffle began in January 2022, with its attractive prizes gaining popularity among staff and the northern community. The Foundation sold over 2,000 tickets within three months and the raffle continues to a popular way of supporting the Foundation, as there are great prizes to be won.

This raffle alone contributed \$31,930 in the year 2022-23.

Dry July

Northern Health Foundation participants did not shy away from reaching out to family, friends, and their community to raise money for patients affected by cancer at Northern Health.

The team target of \$20,000 was surpassed by an additional \$7,000, and as a result of this tremendous effort, Palliative Care patients will benefit from an extensive upgrade to their courtyard. This is a testament to the dedicated team and the generosity of our wonderful community here in the north. This would not have been possible to achieve without their support.



Research

Northern Health Foundation continues to support research, education and training at Northern Health through its small grants program and its support of PhD scholarships. Proceeds from a gala ball held in May 2023 also raised \$75,000 for the research department.

Investment in research is crucial to build an engaged and sustainable workforce, and ensure a fresh pipeline of ideas that will benefit the northern community for years to come.



Community



Busy Fingers

Fifty years ago, a chat amongst a group of women, championed by Mrs Kath Atkinson, the wife of the Mayor of Preston at the time, led to the establishment of an Auxiliary Fundraising Group. Kath Atkinson and her group of volunteers were indeed change-makers, dedicating their time and effort towards a cause they believed in.

The Auxiliary opened the Busy Fingers Shop at Bundoora Centre in 1993, which was funded with money raised through the Auxiliary. Each and every day, the equipment they have funded assists patient care within Bundoora Centre. Their latest equipment purchase was a Vivo Vein-Finder. With the enhanced imaging processing unit of this Vivo Vein-Finder, up to 80 per cent of invisible veins can be detected. This equipment not only enhances the work of our staff but contributes to a more pleasant patient experience.



San Padre Pio Association

We would like to take this opportunity to thank San Padre Pio Association Lalor for their generous donation of \$4,583 to our Northern Health Bundoora Centre.

Bundoora has received the Tranquille Glider Chair that provides a gentle gliding action to help create a calming and soothing effect for agitated or anxious individuals. The gliding action is also excellent for Alzheimer's as it helps reduce the need for wandering.

Thank you to Biaggio Patti and Angelo Ricci for their continued support of Northern Health.

We look forward to seeing the positive impact their generosity will give to our patients at Bundoora Centre.

Uncle Bob's Club

Thanks to the generous fundraising efforts of Uncle Bob's Club, a local Melbourne charity, Northern Hospital Epping has been fortunate to receive four Medela Milk Warmers, valued at just over \$5,600.

Community



Workplace Giving

Staff at Northern Health who generously donate every fortnight out of their salary have enabled the purchase of beautiful artwork that lines the halls of the Palliative Care ward. This beautification project has been enjoyed by both patients, their families and carers and staff of the Palliative Care Unit. The artwork has added some vibrancy to the unit.



Trusts & Foundations

Support from our philanthropic partners during the 2022-23 financial year has enabled us to fund some vital equipment for Northern Health.

We are grateful for the support of The Muriel and Les Batten Foundation, Lord Mayor's Charitable Fund, Dry July Foundation, Humpty Dumpty Foundation and Uncle Bob's Club.

Looking forward to 2023-24, there will be a renewed focus on grant submission to trusts and foundations in the next financial year.

Bequest

As the Foundation launches the 2024 Bequest program, the Foundation would like to recognise and thank the Estate of Harry Bindless for his bequest.



Volunteer and Community Support

Woven into the tapestry of Northern Health are our volunteers.

Volunteers support staff with everything from wayfinding and administration, to baby cuddling, and providing tea and coffee for patients and visitors, our volunteers make a significant contribution to our health service.

Northern Health is fortunate to have 172 active volunteers who, between them, contributed over 14,066 hours of volunteering during the last 12 months.

Northern Health Foundation is well supported in the northern community by local sporting

associations, religious groups, craft and social clubs. These groups enthusiastically engage in fundraising activities, giving back to the health service in a meaningful way.

Our Bundoora Centre is fortunate to receive proceeds from Busy Fingers Auxiliary, which has recently celebrated its 50th anniversary.

Northern Health is extremely grateful for level of support it receives from the local community.

172 Active volunteers

25% Speak another language

36% Are retired

57 Average age

7 Average years of service

23 Birth countries represented

\$22,813 Raised through fundraising activities such as Knitting Guild, Busy Fingers and raffles

14,066 Hours of time volunteered, equating to \$655,798

Thank you

Northern Health Foundation relies on the generous support of businesses, community members, academic partners, supporters and donors. The Foundation acknowledges and thanks them for their support.

PATRONS

- Bev Carman
- Josie Minniti OAM
- Trudi Hay

COMMUNITY EVENTS COMMITTEE

- Bev Carman
- Josie Minniti OAM
- Kerrie McWilliam
- Peter McWilliam
- Trudi Hay (Chair)

ACADEMIC PARTNERS

- LaTrobe University
- RMIT
- University of Melbourne
- Northern Health Foundation

CORPORATE PARTNERS

- BankVic
- Casa D'Abruzzo Club
- Henry's Café – Epping
- ISS Facility Services
- Patons Place Jewellers
- Quest Apartments Epping

CORPORATE SUPPORTERS

- Costco - Epping
- Drums Hotel
- Epping Plaza Hotel
- Harcourts Rata & Co Real Estate - Thomastown & Epping
- Magistrates Court of Victoria
- Mantra Epping
- Melbourne Market Authority
- Pacific Epping
- Quest Apartments – Epping
- Northlink
- That's Amore Cheese
- Riverlee New Epping
- Ramsey Health
- Nexus Primary Health
- Mercedes-Benz Car - 3 Point Motors
- Scotchmans Hill
- The SILCGROUP
- Gibbards Crossing, Redesdale – Bells Cottage
- Ace Contractors Group
- Arcstructural
- Barden-Steeldeck Industries
- Caelli Constructon
- Concrete Precast Dystems
- Contractfire
- Core Projects

Thank you

PHILANTHROPIC PARTNERS

- Collier Charitable Fund
- Dry July Foundation
- Humpty Dumpty Foundation
- Muriel & Les Batten Foundation
- Riverlee Foundation
- Turosi Giving
- Victoria Police Blue Ribbon Foundation
- Northern Metro Branch
- Wheelton Investments Pty Ltd
- J & M Wright Foundation The Male Bag
- Lord Mayors Charitable Fund

COMMUNITY GROUPS

- Busy Fingers
- Epping Football & Netball Club
- Lalor Bowling Club
- Lalor Running Club
- Northern Health Knitting Guild
- Northern Health Volunteers
- Rotary Club of Broadmeadows
- The Salvation Army Whittlesea City Corps
- Thomastown East Primary School
- Uncle Bob's Club - UBC Italian Pensioners
Group of Lalor & Thomaston
- San Padre Pio
- Woodpeckers

BEQUEST

- Estate of Harry Bindless



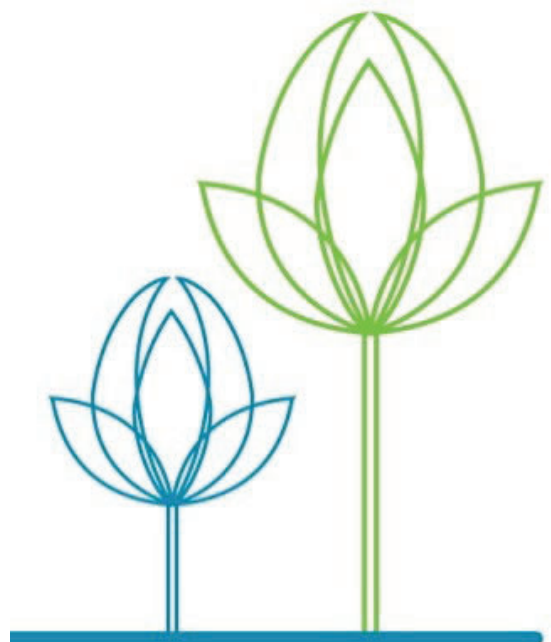
NORTHERN HEALTH RESEARCH, TRAINING AND EQUIPMENT FOUNDATION LIMITED

ABN 60 103 911 673

ACN 103 911 673

(A Company Limited by Guarantee)

Financial Report for the Financial Year Ended 30 June 2023



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Directors' Report

The Directors of The Northern Health Research, Training and Equipment Foundation Limited ("the Company") submit the annual financial report of the Company for the financial year ended 30 June 2023.

An overview of the Directors of the Company at any time during the financial year is provided below.

Mr John Molnar (Chair)

Mr Molnar has practiced law for thirty years, and during that time became heavily involved in the field of law relating to health service providers and hospitals. Mr Molnar has served on the Boards of a number of public and private hospitals, including Northern Health and the Nurses Board of Victoria. Mr Molnar was instrumental in establishing the Foundation, recognising the need for additional funding so that Northern Health can meet its commitment to the rapidly growing northern community, and establish itself as a major teaching and research centre. Mr Molnar is a passionate advocate of Northern Health and its dedicated medical professionals.

Mr Peter McWilliam (Deputy Chair)

Mr McWilliam brings extensive skills in business and management from 37 years of experience working at RBM and Paramount Plastic Extrusions, one of Australia's largest privately owned plastic manufacturing companies. Mr McWilliam served as a General Manager and Company Director within the organisation and its subsidiary Paramount Plastics for 30 years. As a resident of the northern suburbs, McWilliam is familiar with its rapid growth and development and the evolving needs of the local community. Since retiring in 2010, Mr McWilliam has focused on sharing his business acumen and skills to benefit health services in the northern Melbourne area.

Ms Elizabeth Batten

Ms Batten is a teacher who grew up in Wollert and attended Epping Primary School and later St Monica's College. Ms Batten has strong longstanding family connections with Northern Health. Her father Bruce Batten is a trustee of the Les and Muriel Batten Foundation which has provided strong support for children's and maternity services at Northern Hospital through the Northern Health Foundation.

Professor Peter Brooks

Professor Brooks retired from the Board on 31 March 2023. Professor Brooks AM MD FRACP is Research Leader at Northern Health and has Professorial appointments in the Centre for Health Policy, School of Population and Global Health and the School of Medicine University of Melbourne. Professor Brooks established the Australian Health Workforce Institute at the University of Melbourne in 2008. He was Executive Dean of Health Sciences at the University of Queensland from 1998 to 2009 and has held professorial positions at the UNSW, University of Sydney, Flinders University and the University of Tasmania.

Professor Brooks has published widely in musculoskeletal diseases, on health education and more recently on health care and health workforce reform. Professor Brooks is a frequent commentator on health policy and the importance of developing an evidence base in this area. In 2010 he was awarded Membership of the Order of Australia for services to rheumatology as a clinician, researcher and academic.

Dr Don Campbell

Dr Campbell joined the Board on 16 February 2023. Professor Campbell, Medical Division Director of Hospital Without Walls and Staying Well Program, Northern Health, is an Adjunct Professor of Medicine and Professor (Research) Faculty of Art Design and Architecture, Monash University. Professor Campbell's clinical and research interests are focussed on creating the hospital without walls, and design and systems thinking in innovation in healthcare delivery.

Professor Campbell is currently undertaking a clinical trial of intranasal heparin at Northern Health to prevent transmission of COVID-19 in the community, in partnership with the Murdoch Children's Research Institute. He has previously acted as Medical Counsel assisting Hazelwood Coalmine Fire Board of Inquiry (2015-2016), making two formal submissions on health ill effects of smoke exposure and improvements to health systems of care. He was a member of the Clinical Expert Advisory Group (COVID-19 Response) for the Department of Health in Victoria from 2020-2022.

Mr Peter Copp

Mr Copp is an experienced General Manager with over eight years' experience specialising in not-for-profit management, operations, revenue generation, relationship management, people management, business development, grant submission and management, strategy development, fee for service, corporate collaboration and business improvement. Mr Copp has held senior roles in the Mercy Health Foundation, The Fred Hollows Foundation and Scope Australia.

Ms Trudi Hay

Ms Hay is a Director of Lately Pty Ltd, shareholder of Greencor Sales Pty, Executive Assistant to the Director of Core Projects and the Foundation's Community Events Committee Chair. Ms Hay has a strong background in marketing and events and was voted Hume City Resident of the Month 2014 and was mentioned in Parliament on International Women's Day for her philanthropic work in 2016. Ms Hay has been a long-time supporter of the Northern Hospital, specifically fundraising for Day Oncology for over ten years.

Mr Koby Jones

Mr Jones is an entrepreneurial, motivated and proactive business and financial services professional with specialist global financial markets and private wealth management experience. Mr Jones is the Managing Director of the SILC Group, a specialised financial solutions firm focussing on the needs of wholesale private, commercial and institutional clients.

Ms Tricia Lee

Ms Lee is a Director of Riverlee, a privately owned diversified property and investment group that specialises in development and asset ownership across the commercial, residential and retail property sectors. Ms Lee is also Executive Director of the Riverlee Foundation and has given back to the community through her ongoing involvement with not-for-profit organisations for over a decade.

Mr Tony Raunic

Mr Raunic is a lawyer who leads Hunt & Hunt's Melbourne office as Managing Principal. He is an experienced and sought after local government and public law legal advisor. Mr Raunic lives in the northern suburbs and brings the benefit of his own experience as an elected councillor having served two terms on the Shire of Nillumbik. He has served terms as Mayor, Deputy Mayor, and as a delegate to the Victorian Local Governance Association and to the Municipal Association of Victoria.

Mr Christopher Turner

Mr Turner has a wealth of experience running large fully integrated poultry operations from milling/farming, processing to sales and marketing. Mr Turner was the long-term Chief Executive Officer of Turosi Pty Ltd which has operations located in Victoria, New South Wales and Queensland, a position he retired from mid-2020. Mr Turner is also a past president of the Australian Chicken Meat Federation and the Victorian Chicken Meat Council and is a current Board member of The Prime Safe Victoria.

Mr John Watson

Mr Watson joined the Board on 17 November 2022. Mr Watson has had a long career in State and Local Government over more than four decades. He has held several leadership roles in Local Government including Chief Executive Officer of the former Shire of Bulla, Moonee Valley City Council and Hume City Council. John's Victorian Government roles include periods as a Director, and then as Executive Director, of Local Government Victoria.

Mr Watson has been Chair of the Victoria Grants Commission since 2012 and was Chair of the Panel of Administrators of the Brimbank City Council from 2012 to 2016. He Chairs or sits as an independent member on the Audit and Risk Committees for a number of Victorian local governments, the Municipal Association of Victoria and the Maryborough District Health Service.

Objectives and strategies

To act as a trustee of a public fund, the Northern Health Research, Training and Equipment Trust ("the Foundation"), to ensure the public fund meets its short and long term objectives as follows:

- a) Short Term:
 - Achieve growth and sustainability in fundraising revenue; and
 - Improve donor care, and trying new approaches to provide more effective and efficient ways of fundraising.
- b) Long Term:
 - Enhance Northern Health's ability to achieve outstanding health care for people in Melbourne's North.

Principal activities

The Company is a not-for-profit organisation whose principal activity is to act as trustee of the Foundation. The Company is dormant and does not trade.

Meetings of Directors

There were four meetings of Directors held during the year ended 30 June 2023. Attendance by Directors was as follows:

Director	No. Eligible to Attend*	No. Attended
Mr John Molnar (Chair)	4	3
Mr Peter McWilliam (Deputy Chair)	4	4
Ms Elizabeth Batten	4	3
Professor Peter Brooks	3	1
Dr Don Campbell	1	1
Mr Peter Copp	4	2
Ms Trudi Hay	4	3
Mr Koby Jones	4	3
Ms Tricia Lee	4	4
Mr Tony Raunic	4	2
Mr Christopher Turner	4	3
Mr John Watson	2	1

* This is the number of meetings held during the time the Director was in office in the period.

Key Performance Measures

The Company measures its own performance through the use of both quantitative and qualitative benchmarks. The benchmarks are used by the Directors to assess the financial sustainability of the Company and whether the Company's short-term and long-term objectives are being achieved. As it is dormant, such measures are irrelevant.

Review of Operations

The Company did not trade during the year. Therefore, the profit/ (loss) from ordinary activities was nil (2022: Nil).

Membership

The Company has 11 individual members. All members are in the same class. Each member of the Company is liable to contribute an amount not exceeding \$5 (\$55 in total) if the Company were to be wound-up.

Proceedings on behalf of the Company

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not party to any such proceedings during the year.

Auditor's Independence Declaration

A copy of the auditor's independence declaration under Section 307C of the *Corporations Act 2001 (Cth)* in relation to the audit for the financial year is included on page 6 of the financial report.



John Molnar
Director

17 August 2023
Epping



Peter McWilliam
Director

17 August 2023
Epping

Auditor-General's Independence Declaration

To the Board of Directors, Northern Health Research, Training and Equipment Foundation Limited

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

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

Independence Declaration

As auditor for Northern Health Research, Training and Equipment Foundation Limited for the year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been:

- no contraventions of auditor independence requirements of the *Corporations Act 2001* in relation to the audit.
- no contraventions of any applicable code of professional conduct in relation to the audit.

MELBOURNE
21 August 2023



Nick Walker
as delegate for the Auditor-General of Victoria

Directors' Declaration

The Directors declare that the financial statements and notes:

- Comply with Australian Accounting Standards, the *Corporations Regulations 2001 (Cth)* and other mandatory professional reporting requirements; and
- Give a true and fair view of the financial position of the Northern Health Research, Training and Equipment Foundation Limited as at 30 June 2023 and its performance for the year, as represented by the results of its operations and its cash flows for the financial year ended on that date.

In the opinion of the Directors:

- The financial statements for the year ended 30 June 2023 and the notes are in accordance with the *Corporations Act 2001 (Cth)*; and
- There are reasonable grounds to believe that the Northern Health Research, Training and Equipment Foundation Limited will be able to pay its debts as and when they become due and payable.

The Directors' declaration is made in accordance with a resolution of the Board of the Company.



John Molnar
Director

17 August 2023
Epping



Peter McWilliam
Director

17 August 2023
Epping

Independent Auditor's Report

To the Board of Directors of Northern Health Research, Training and Equipment Foundation Limited

Opinion	<p>I have audited the financial report of Northern Health Research, Training and Equipment Foundation Limited ("the Trustee") which comprises the:</p> <ul style="list-style-type: none"> • balance sheet as at 30 June 2023 • 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 financial statements, including significant accounting policies • directors' declaration. <p>In my opinion the financial report is in accordance with the <i>Corporations Act 2001</i> including:</p> <ul style="list-style-type: none"> • giving a true and fair view of the financial position of the Trustee as at 30 June 2023 and its financial performance and cash flows for the year then ended • complying with Australian Accounting Standards and the <i>Corporations Regulations 2001</i>.
Basis for Opinion	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the Trustee in accordance with the auditor independence requirements of the <i>Corporations Act 2001</i> and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
Directors' responsibilities for the financial report	<p>The directors of the Trustee is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Corporations Act 2001</i>, and for such internal control as the Directors determine is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the directors are responsible for assessing the Trustee's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>

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 Trustee's internal control
 - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors
 - conclude on the appropriateness of the directors' 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 Trustee'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 Trustee 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 directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

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



MELBOURNE
21 August 2023

Nick Walker
Engagement Leader

Comprehensive Operating Statement
For the financial year ended 30 June 2023

The Company did not trade in the current financial year or the prior financial year. Therefore, the profit/loss from ordinary activities was nil (2022: Nil).

This statement should be read in conjunction with the accompanying notes on pages 15 to 17.

Balance Sheet

As at 30 June 2023

The Company is limited by guarantee. Therefore, there is no contributed share capital as at 30 June 2023 (2022: Nil).

The Company did not trade in the current financial year or the prior year.

This statement should be read in conjunction with the accompanying notes on pages 15 to 17.

Statement of Changes in Equity

For the financial year ended 30 June 2023

The Company did not trade in the current financial year or the prior financial year. Therefore, there is no contributed share capital as at 30 June 2023 (2022: Nil).

This statement should be read in conjunction with the accompanying notes on pages 15 to 17.

Cash Flow Statement

For the financial year ended 30 June 2023

The Company did not trade in the current financial year or the prior financial year. Therefore, the cash flow from activities was nil (2022: Nil).

This statement should be read in conjunction with the accompanying notes on pages 15 to 17.

Notes to Financial Statements

Note 1 Summary of significant accounting policies

Statement of compliance

The following is a summary of the material accounting policies adopted by the Company in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

Company details

The Company is an unlisted public company limited by guarantee, incorporated and operating in Australia. Its primary function is to act as the corporate trustee of the Foundation.

The registered office of the Company is:

Northern Hospital
185 Cooper Street
Epping, Victoria 3076

Basis of preparation

These annual financial statements represent the audited general purpose financial statements for the Company for the year ended 30 June 2023. The financial statements provide users with information about the Company's stewardship of resources entrusted to it, in its capacity as corporate trustee.

These financial statements have been prepared in accordance with the *Corporations Act 2001 (Cth)*, applicable Australian Accounting Standards (AAS), which includes the Australian Accounting Standards issued by the Australian Accounting Standards Board (AASB), Interpretations and other mandatory professional requirements on an accrual basis.

Accounting policies are selected and applied in a manner that ensures 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 accounting policies have been applied in preparing the financial statements for the year ended 30 June 2023, and the comparative information presented in these financial statements for the year ended 30 June 2022.

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.

The financial statements are prepared in accordance with the historical cost convention, except for the revaluation of certain non-current assets and financial instruments, as noted. Cost is based on the fair values of the consideration given in exchange for assets.

Estimates and assumptions about carrying values of assets and liabilities that are not readily apparent are based on historical experience and various other factors that are believed to be reasonable under the circumstances. The results of which form the basis of making judgements. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The financial statements are prepared on a going concern basis.

These financial statements are presented in Australian dollars, the functional and presentation currency of the Company.

Member's Guarantee

The Company has 11 (2022: 10) individual members. Each member is liable to contribute an amount not exceeding \$5 (2022: \$5) or \$55 (2022: \$50) in total if the Company were to be wound-up.

Note 2 Trust, liabilities and right of indemnity

The Company acts solely as trustee of the Foundation and liabilities have been incurred on behalf of the Foundation in the Company's capacity as corporate trustee.

Liabilities incurred on behalf of the Foundation are not recognised in the financial report of the Trustee when it is not probable that the Company will have to meet any of those trust liabilities from its own resources. When it is probable that the Company will have to meet some trust liabilities, a liability for the Deficiency in Trust Right of Indemnity is brought to account. Details of the Foundation's liabilities, the offsetting right of indemnity, and any deficiency in the right of indemnity are disclosed by way of note to the financial statements.

The net assets of the Foundation (which are not recorded in the financial statements of the Company) were as follows:

	2023	2022
	\$	\$
Current assets		
Cash and cash equivalents	1,139,575	1,034,639
Financial assets	500,000	500,000
Receivables	945	16,541
Total current assets	1,640,520	1,551,180
Non-current assets		
Financial assets	476,080	354,970
Property, plant and equipment	524,038	531,688
Total non-current assets	1,000,118	886,658
Total assets	2,640,638	2,437,838
Current liabilities		
Payables	401,360	6,800
Total current liabilities	401,360	6,800
Total liabilities	401,360	6,800
NET ASSETS	2,239,278	2,431,038

The assets of the Foundation as at 30 June 2023 and 30 June 2022 were sufficient to discharge all liabilities of the Foundation as at 30 June 2023 and as at 30 June 2022, respectively.

Note 3 Risks, contingencies and valuation uncertainties

3.1 Contingent assets or liabilities

There are no contingent assets or liabilities for the Company as at 30 June 2023 (2022: Nil).

Note 4 Other disclosures

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

4.1 Responsible persons

The Trustee of the Foundation is the Company. The Board Members during the financial year were as follows:

	Period
Board	
Mr John Molnar (Chair)	1/07/2022 – 30/06/2023
Ms Peter McWilliam (Deputy Chair)	1/07/2022 – 30/06/2023
Ms Elizabeth Batten	1/07/2022 – 30/06/2023
Professor Peter Brooks	01/07/2022 – 31/03/2023
Dr Don Campbell	16/02/2023 – 30/06/2023
Mr Peter Copp	1/07/2022 – 30/06/2023
Ms Trudi Hay	1/07/2022 – 30/06/2023
Mr Koby Jones	1/07/2022 – 30/06/2023
Ms Tricia Lee	1/07/2022 – 30/06/2023
Mr Tony Raunic	1/07/2022 – 30/06/2023
Mr Christopher Turner	1/07/2022 – 30/06/2023
Mr John Watson	17/11/2022 – 30/06/2023

Accountable Officer

Ms Pina Di Donato	1/07/2022 – 30/06/2023
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The Trustee Board Members did not receive any remuneration in connection with their roles. The Accountable Officer is paid by Northern Health and 20% of their salary is allocated to the Foundation as an in-kind contribution within the range \$50,000-\$59,000.

4.2 Related parties

Northern Health is the parent entity of the Company. Mr Watson is a Director of Northern Health. Board member Professor Peter Brooks, Board member Don Campbell and Accountable Officer Ms Pina Di Donato are employees of Northern Health.

The Foundation is deemed to have a related party relationship with Northern Health. The following transactions were conducted as part of the Foundation's normal operations and are on normal commercial terms.

	2023	2022
	\$	\$
Distribution of funds by the Trust	728,167	362,080
Net receivable / (payable) as at 30 June	(394,560)	9,133

4.3 Remuneration of auditors

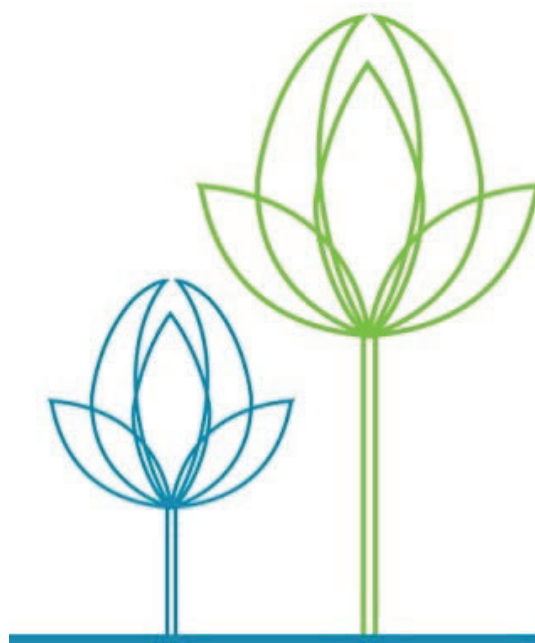
Audit fees are paid by the Foundation.

4.4 Events occurring after balance date

There are no matters or circumstances that have arisen since the end of the financial year which significantly affect or may affect the operations of the Company and/or the Foundation, the results of the operations or the state of affairs of the Company and/or the Foundation in the future financial years.

NORTHERN HEALTH RESEARCH, TRAINING AND EQUIPMENT TRUST

**Financial Report
Financial Year Ended
30 June 2023**



Financial Report
Financial Year Ended 30 June 2023

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Trustee's Declaration

The Trustee declares that the financial statements and notes set-out in this report:

- Have been prepared in accordance with the Australian Accounting Standards, the *Australian Charities and Not-for-profit Commission Act 2012* and other mandatory professional reporting requirements;
- Give a true and fair view of the financial position of the Northern Health Research, Training and Equipment Trust at 30 June 2023 and its performance for the year, as represented by the results of its operations and cash flows for the financial year ended on that date; and
- In the opinion of the Trustee there are reasonable grounds to believe that the Northern Health Research, Training and Equipment Trust will be able to pay its debts as and when they become due and payable.

The Trustee's declaration is made in accordance with a resolution of the Board of Northern Health Research, Training and Equipment Foundation Limited.



John Molnar
Director of Trustee

17 August 2023
Epping



Peter McWilliam
Director of Trustee

17 August 2023
Epping

Independent Auditor's Report

To the Trustee of Northern Health Research, Training and Equipment Trust

Opinion	<p>I have audited the financial report of Northern Health Research, Training and Equipment Trust (the trust) which comprises the:</p> <ul style="list-style-type: none"> • balance sheet as at 30 June 2023 • comprehensive operating statement for the year then ended • Statement of changes in equity for the year then ended • cash flow statement for the year then ended • notes to the financial statements, including significant accounting policies • trustee's declaration. <p>In my opinion the financial report is in accordance with Division 60 of the <i>Australian Charities and Not-for-profits Commission Act 2012</i>, including:</p> <ul style="list-style-type: none"> • giving a true and fair view of the financial position of the Trust as at 30 June 2023 and of its financial performance and its cash flows for the year then ended • complying with Australian Accounting Standards and Division 60 of the <i>Australian Charities and Not-for-profits Commission Regulations 2013</i>.
Basis for Opinion	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the trust in accordance with the auditor independence requirements of the <i>Australian Charities and Not-for-profits Commission Act 2012</i> and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
's responsibilities for the financial report	<p>The trustee of the trust is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Australian Charities and Not-for-profits Commission Act 2012</i>, and for such internal control as the trustee determines is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the trustee is responsible for assessing the trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>

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 Trust's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustee
- conclude on the appropriateness of the trustee'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 Trust'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 Trust 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 trustee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

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

MELBOURNE
21 August 2023



Nick Walker
Engagement Leader

Auditor-General's Independence Declaration

To the Board of Directors, Northern Health Research, Training and Equipment Trust

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

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

Independence Declaration

As auditor for Northern Health Research, Training and Equipment Trust for the year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been:

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

MELBOURNE
21 August 2023



Nick Walker
Engagement Leader

NORTHERN HEALTH RESEARCH, TRAINING AND EQUIPMENT TRUST
2023 ANNUAL FINANCIAL REPORT

Comprehensive Operating Statement
Financial Year Ended 30 June 2023

		2023	2022
	Note	\$	\$
Income			
Fundraising income	2.1	783,362	441,106
Other income	2.1	442,437	514,601
Investment income	2.1	90,042	23,365
Total income		1,315,841	979,072
Expenses			
Operating expenses	3.1	(576,998)	(566,164)
Non-operating expenses	3.1	(100,147)	(26,366)
Distributions	3.1	(803,917)	(422,006)
Depreciation	4.3	(7,650)	(7,650)
Total expenses		(1,488,712)	(1,022,186)
Net result from transactions		(172,871)	(43,115)
Other economic flows		-	-
NET RESULT		(172,871)	(43,115)
Items that will not be classified to the net result			
Changes in property, plant and equipment revaluation surplus	4.2.2	-	75,358
Changes in the fair value of equity instruments		(18,889)	(19,813)
Total		(18,889)	55,545
COMPREHENSIVE RESULT		(191,760)	12,430

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

NORTHERN HEALTH RESEARCH, TRAINING AND EQUIPMENT TRUST
2023 ANNUAL FINANCIAL REPORT

Balance Sheet
30 June 2023

		2023	2022
	Note	\$	\$
Current assets			
Cash and cash equivalents	6.1	1,139,575	1,034,639
Financial assets	4.1	500,000	500,000
Receivables	5.1	945	16,541
Total current assets		1,640,520	1,551,180
Non-current assets			
Financial assets	4.1	476,080	354,970
Property, plant and equipment	4.2.1	524,038	531,688
Total non-current assets		1,000,118	886,658
Total assets		2,640,638	2,437,838
Current liabilities			
Payables	5.2	401,360	6,800
Total current liabilities		401,360	6,800
Total liabilities		401,360	6,800
NET ASSETS		2,239,278	2,431,038
Equity			
Settled sum		20	20
Accumulated surplus	8.1	2,061,072	2,233,943
Property, plant and equipment revaluation surplus	4.2.4	216,888	216,888
Financial assets through other comprehensive income revaluation reserve		(38,702)	(19,813)
TOTAL EQUITY		2,239,278	2,431,038

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

Statement of Changes in Equity
Financial Year Ended 30 June 2023

		Settled sum	Financial assets through other income revaluation reserve	Property, plant and equipment revaluation surplus	Accumulated surplus	Total
	Note	\$	\$	\$	\$	\$
Balance at 30 June 2021		20	-	141,530	2,277,058	2,418,608
Net result for the year	8.1	-	-	-	(43,115)	(43,115)
Other comprehensive income	4.2.2	-	(19,813)	75,358	-	55,545
Balance at 30 June 2022		20	(19,813)	216,888	2,233,943	2,431,038
Net result for the year	8.1	-	-	-	(172,871)	(172,871)
Other comprehensive income	4.2.2	-	(18,889)	-	-	(18,889)
Balance at 30 June 2023		20	(38,702)	216,888	2,061,072	2,239,278

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

Cash Flow Statement
Financial Year Ended 30 June 2023

	Note	2023 \$	2022 \$
Receipts			
Donations, bequests and grants		504,186	245,412
Other income		279,176	195,693
Interest received		90,042	23,365
		873,404	464,471
Payments			
Payments to suppliers and contributions		(628,467)	(428,104)
Net cash inflow / (outflow) from operating activities	8.2	244,937	36,365
Investing activities			
Purchase of financial assets		(140,001)	(374,782)
Net cash inflow / (outflow) from investing activities		(140,001)	(374,782)
Net increase / (decrease) in cash held		104,936	(338,417)
Cash and cash equivalents at the beginning of the year		1,034,639	1,373,056
Cash and cash equivalents at the end of the year	6.1	1,139,575	1,034,639

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

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Basis of Preparation

The Northern Health Research, Training and Equipment Trust ("the Foundation") is a trust domiciled in Victoria, Australia. The Foundation supports Northern Health's ability to deliver health outcomes for people in the Northern suburbs of Melbourne by providing funds for facilities, medical equipment, education programs and research initiatives.

Note 1 Summary of significant accounting policies

These financial statements being a set of general purpose financial statements, represent the audited general purpose financial statements for the Foundation for the year ended 30 June 2023. The purpose of the report is to provide users with information about the Foundation's stewardship of resources entrusted to it.

a) Statement of compliance

The financial statements have been prepared on an accrual basis in accordance with applicable Australian Accounting Standards (AASs) issued by the Australian Accounting Standards Board (AASB); the *Australian Charities and Not-for-Profits Commission (ACNC) Act 2012* and *Regulations 2013*; Victorian Department of Treasury and Finance (DTF) Financial Reporting Directions (FRDs); and relevant Standing Directions (SDs) issued by the Assistant Treasurer. They are presented in a manner consistent with the requirements of AASB 101 *Presentation of Financial Statements*.

The Foundation is a not-for-profit entity and therefore applies the additional AUS paragraphs applicable to "not-for-profit" entities under the AABSSs.

The financial statements were authorised for issue by the Trustee on 17 August 2023.

b) Reporting entity

The registered office of the Foundation:
Northern Hospital Epping
185 Cooper Street
Epping, Victoria 3076

c) Basis of preparation

Accounting policies are selected and applied in a manner which ensures 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 accounting policies have been applied in preparing the financial statements for the year ended 30 June 2023, and the comparative information presented in these financial statements for the year ended 30 June 2022.

The financial statements are prepared on a going concern basis.

The financial statements are presented in Australian dollars, the functional and presentation currency of the Foundation.

All amounts shown in the financial statements have been rounded to the nearest thousand dollars, unless otherwise stated. Minor discrepancies in tables between totals and sum of components are due to rounding.

Where necessary the prior year figures have been reclassified to facilitate comparisons.

The financial statements, except for cash flow information, have been prepared using the accrual basis of accounting. Under the accrual basis, items are recognised as assets, liabilities, equity, income or expenses when they satisfy the definitions and recognition criteria for those items, that is, they are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

Judgements, estimates and assumptions are required to be made about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are reviewed on an ongoing basis.

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The estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Balances affected by estimates and judgements are included through the accounts.

Actual results may differ from these estimates. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods that are affected by the revision. Judgements and assumptions made by management in the application of AABSs that have significant effects on the financial statements and estimates relate to the fair value of land, buildings and plant and equipment (refer 4.2).

d) Goods and services tax (GST)

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

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

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

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

e) Impact of COVID-19 Pandemic

The Pandemic (Public Safety) Order 2022 (No. 5) which commenced on 22 September 2022 ended on 12 October 2022 when it was allowed to lapse and was revoked. Long-term outcomes from COVID-19 infection are currently unknown and while the pandemic response continues, a transition plan towards recovery and reform in 2022-23 was implemented. Victoria's COVID-19 Catch-Up Plan is aimed at addressing Victoria's COVID-19 case load and restoring surgical activity. Where financial impacts of the pandemic are material to the Foundation, they are disclosed in the explanatory notes.

Note 2 Funding of activities

The Foundation's overall objective is to fundraise to support programs, equipment and services that support Northern Health. The Foundation primarily receives income from donations to achieve its objectives. This section provides an account of the income earned by the Foundation.

Income earned in delivering services during the financial year was not materially impacted by the COVID-19 pandemic.

2.1 Income

	2023	2022
	\$	\$
Donations and bequests	504,186	245,413
Other fundraising income	279,176	195,693
Total fundraising income	783,362	441,106
Investment income	90,042	23,365
Salaries and wages in-kind contribution	442,437	514,601
Total other income	532,479	537,966
TOTAL INCOME	1,315,841	979,072

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Income recognition

Income is recognised in accordance with *AASB 1058: Income of Not-for-Profit Entities*. Income is recognised when it is received or when the right to receive payments is established.

All income is stated net of the amount of goods and services tax.

Donations, bequests and other fundraising income

Donations, bequests and other fundraising income are recognised when received as they do not contain sufficiently specific and enforceable performance obligations.

Interest

Interest income is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument.

Salaries and wages in-kind contribution

Northern Health provides staffing resources to the Foundation free of charge.

Note 3 Cost of delivering activities

This section provides an account of the expenses incurred by the Foundation in delivering its activities.

Expenses incurred to deliver services during the financial year were not materially impacted by the COVID-19 pandemic.

3.1 Expenses

	2023	2022
	\$	\$
Salaries and wages recharge	442,437	514,601
Marketing and event costs	134,561	51,563
Total operating expenses	576,998	566,164
Advertising and recruitment	20,064	100
Housing costs	1,236	1,096
Administrative expenses	78,847	25,170
Total non-operating expenses	100,147	26,366
Capital distributions to Northern Health	709,440	302,412
Other distributions to Northern Health	18,727	59,668
Distributions to external parties	75,750	59,926
Total distributions	803,917	422,006
TOTAL EXPENSES	1,481,062	1,014,536

Expense recognition

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

Salaries and wages recharge

Northern Health provides staffing resources free of charge to the Foundation.

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Distributions to external parties

Distributions to external parties are to support research scholarships at Northern Health but are paid directly to universities, namely the University of Melbourne, La Trobe University and RMIT.

Note 4 Key assets used to deliver activities

The Foundation controls financial assets and property, plant and equipment that are utilised to fulfill its objectives and conduct its activities. They represent the key resources that have been entrusted to the Foundation to be utilised to deliver outputs.

The Foundation manages its financial assets and investments in accordance with the investment policy approved by the Board. Investments held by Foundation do not fall in the scope of the Standing Directions as they are not public entity funds (i.e. not controlled by the government). All financial assets, except for those measured at fair value through the Comprehensive Operating Statement, are subject to annual review for impairment.

Assets used to support the delivery of services during the year were not materially impacted by COVID-19 or its impact on the economy.

4.1 Financial assets

	2023	2022
	\$	\$
Term deposits	500,000	500,000
Investments in equity instruments	476,080	354,970
TOTAL	976,080	854,970

Investment recognition

Investments are recognised and derecognised on trade date where purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value, net of transaction costs.

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

The Foundation classifies its financial assets between current and non-current assets based on the Board's intention at balance date with respect to the timing of disposal of each asset. The Foundation assesses at each balance sheet date whether a financial asset or group of financial assets is impaired.

4.2 Property, plant and equipment

Recognition

Land and buildings are recognised initially at cost and subsequently measured at fair value less accumulated depreciation and accumulated impairment losses where applicable.

Revaluation

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

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

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

An independent valuation of the Foundation's property, plant and equipment was performed by the VGV on 30 June 2022. The valuation, which complies with Australian Valuation Standards, was determined by reference to the amount for which assets could be exchanged between knowledgeable willing parties in an arm's length transaction.

As an independent valuation was not undertaken on 30 June 2023, a managerial assessment was performed at 30 June 2023, which indicated an overall:

- Decrease in fair value of land of 5.0% (\$10,000)
- Increase in the fair value of buildings of 4.5% (\$15,560).

As the cumulative movement was less than 10% for land and buildings since the last revaluation, a managerial revaluation adjustment was not required as at 30 June 2023.

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

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

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

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

Fair value measurement

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

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

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

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

The VGV is the Foundation's independent valuation agency.

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

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Valuation hierarchy

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

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

Identifying unobservable inputs (level 3) fair value measurements

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

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

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

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

In accordance with paragraph AASB 13.29, the Foundation has assumed the current use of a non-financial physical asset is its highest and best use unless market or other factors suggest that a different use by market participants would maximise the value of the asset.

Non-Specialised Land and Non-Specialised Buildings

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

For non-specialised land and non-specialised buildings, an independent valuation was performed by the VGV 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 2023.

4.2.1 Gross carrying amount and accumulated depreciation

	2023	2022
	\$	\$
Land at fair value	200,000	200,000
Total land	200,000	200,000
Buildings at fair value	331,688	331,688
Accumulated depreciation	(7,650)	-
Total buildings	324,038	331,688
TOTAL	524,038	531,688

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4.2.2 Reconciliation of carrying amounts for each class of assets

	Land \$	Buildings \$	Total \$
Balance at 1 July 2021	173,280	290,700	463,980
Revaluation increment/(decrement)	26,720	48,638	75,358
Depreciation	-	(7,650)	(7,650)
Balance at 1 July 2022	200,000	331,688	531,688
Revaluation increment/(decrement)	-	-	-
Depreciation	-	(7,650)	(7,650)
Balance at 30 June 2023	200,000	324,038	524,038

Land and buildings carried at valuation

The VGV re-valued all of the Foundation's land and buildings to determine their fair value. The valuation, which conforms to Australian Valuation Standards, was determined by reference to the amounts for which assets could be exchanged between knowledgeable willing parties in an arm's length transaction. The valuation was based on independent assessments.

4.2.3 Property, plant and equipment – fair value measurement hierarchy for assets

	Carrying amount as at 30 June 2023	Fair value measurement at end of reporting period using:		
		Level 1 ¹ \$	Level 2 ¹ \$	Level 3 ¹ \$
Land				
Non-specialised land	200,000	-	200,000	-
Total land	200,000	-	200,000	-
Buildings				
Non-specialised buildings	324,038	-	324,038	-
Total buildings	324,038	-	324,038	-
TOTAL	524,038	-	524,038	-

	Carrying amount as at 30 June 2022	Fair value measurement at end of reporting period using:		
		Level 1 ¹ \$	Level 2 ¹ \$	Level 3 ¹ \$
Land				
Non-specialised land	200,000	-	200,000	-
Total land	200,000	-	200,000	-
Buildings				
Non-specialised buildings	331,688	-	331,688	-
Total buildings	331,688	-	331,688	-
TOTAL	531,688	-	531,688	-

¹ Classified in accordance with the fair value hierarchy. There have been no transfers between levels during the period.

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4.2.4 Property, plant and equipment revaluation surplus

		2023	2022
	Note	\$	\$
Property, plant and equipment revaluation surplus			
Balance at the beginning of the reporting period		216,888	141,530
Revaluation increment			
Land	4.2.2	-	26,720
Buildings	4.2.2		48,638
Balance at the end of the reporting period		216,888	216,888
Represented by:			
Land		63,328	63,328
Buildings		153,560	153,560
Total		216,888	216,888

4.3 Depreciation

	2023	2022
	\$	\$
Depreciation		
Buildings	7,650	7,650
TOTAL	7,650	7,650

Depreciation

All buildings 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.

Note 5 Other assets and liabilities

This section sets-outs the other assets and liabilities that arise from the Foundation's operations.

The measurement of other assets and liabilities was not materially impacted by the COVID-19 pandemic.

5.1 Receivables

	2023	2022
	\$	\$
Contractual		
Receivables	940	16,494
Statutory		
GST receivable	5	47
TOTAL RECEIVABLES	945	16,541

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Receivables consist of:

- **Contractual receivables**, which consist of debtors in relation to goods and services and accrued investment income. These receivables are classified as financial instruments and categorised as 'financial assets at amortised costs'. They are initially recognised at fair value plus any directly attributable transaction costs. The Foundation holds the contractual receivables with the objective to collect the contractual cash flows and therefore subsequently measured at amortised cost using the effective interest method, less any impairment.
- **Statutory receivables**, which predominantly includes amounts owing from the Victorian Government and GST input tax credits recoverable. Statutory receivables do not arise from contracts and are recognised and measured similarly to contractual receivables (except for impairment), but are not classified as financial instruments for disclosure purposes. The Foundation applies *AASB 9: Financial Instruments* for initial measurement of the statutory receivables and, as a result, statutory receivables are initially recognised at fair value plus any directly attributable transaction cost.

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

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

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

Refer to note 7.1.2 for the ageing analysis of receivables.

5.2 Payables

	2023	2022
	\$	\$
Contractual		
Accrued expenses	6,800	6,800
Unpaid distributions to Northern Health	394,560	-
TOTAL PAYABLES	401,360	6,800

Payables consist of:

- **Contractual payables**, which consist predominantly of accounts payable representing liabilities for goods and services provided prior to the end of the financial year that are unpaid, and arise when the Foundation becomes obliged to make future payments in respect of the purchase of those goods and services. The normal credit terms for accounts payable are usually net 30 days.
- **Statutory payables** consist of GST.

Contractual payables are classified as financial instruments and are initially recognised at fair value, and then subsequently carried at amortised cost. 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 a contract.

Refer to note 7.1.3 for the ageing analysis of payables.

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Note 6 Financing of operations

This section provides information on the sources of finance utilised by the Foundation during its operations, along with interest expenses (the cost of borrowings) and other information related to financing activities of the Foundation. This section includes disclosures of balances that are financial instruments (such as cash balances). Note 7.1 provides additional, specific financial instrument disclosures.

6.1 Cash and cash equivalents

	2023	2022
	\$	\$
Cash on hand	150	150
Cash in bank	1,139,425	1,034,489
TOTAL	1,139,575	1,034,639

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

Note 7 Risks, contingencies and valuation uncertainties

The Foundation 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 Foundation is related mainly to fair value determination.

7.1 Financial instruments

7.1.1 Financial instruments: categorisation

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

The Foundation applies *AASB 9 Financial Instruments* and classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms. Categories of financial assets and financial liabilities under AASB 9 are as follows.

2023	Financial assets at amortised cost	Financial assets at fair value through other comprehensive income	Financial liabilities at amortised cost	Total
Contractual financial assets				
Cash and cash equivalents	1,139,575		-	1,139,575
Receivables	940		-	940
Other financial assets	500,000	476,080	-	976,080
Total financial assets	1,640,515	476,080	-	2,116,595
Financial liabilities				
Payables	-		401,360	401,360
Total financial liabilities	-	-	401,360	401,360

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2022	Financial assets at amortised cost	Financial assets at fair value through other comprehensive income	Financial liabilities at amortised cost	Total
Contractual financial assets				
Cash and cash equivalents	1,034,639	-	-	1,034,639
Receivables	16,494	-	-	16,494
Other financial assets	500,000	354,970	-	854,970
Total financial assets	1,551,133	354,970	-	1,906,103
Financial liabilities				
Payables	-	-	6,800	6,800
Total financial liabilities	-	-	6,800	6,800

Financial assets at amortised cost

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

- The assets are held by the Foundation to collect the contractual cash flows, and
- The assets' contractual terms give rise to cash flows that are solely payments of principal and interest.

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

The Foundation recognises the following assets in this category:

- Cash and deposits;
- Receivables (excluding statutory receivables); and
- Term deposits.

Financial assets at fair value through other comprehensive income

Financial assets that meet the following conditions are measured at fair value through other comprehensive income:

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

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

The Foundation recognises the following assets in this category: Investments in equity instruments.

Financial liabilities at amortised cost

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

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

The Foundation recognises the following assets in this category: Payables (excluding statutory payables and contract liabilities).

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7.1.2 Contractual receivables at amortised costs

The following table discloses the closing loss allowance rate for contract receivables at the end of the financial year.

30 June 2023	Current	Less than 1 month	1–3 months	3 months – 1 year	1–5 years	Total
Expected loss rate	0%	0%	0%	0%	0%	
Gross carrying amount of contractual receivables	940	-	-	-	-	940
Loss allowance	-	-	-	-	-	-

1 July 2022	Current	Less than 1 month	1–3 months	3 months – 1 year	1–5 years	Total
Expected loss rate	0%	0%	0%	0%	0%	
Gross carrying amount of contractual receivables	16,494	-	-	-	-	16,494
Loss allowance	-	-	-	-	-	-

Contractual receivables at amortised cost

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

Statutory receivables at amortised cost

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

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

7.1.3 Maturity analysis of financial liabilities

The following table discloses the contractual maturity analysis for the Foundation's financial liabilities.

	30 June 2023			30 June 2022		
	Less Than 1 Month	3 Months - 1 Year	Total	Less Than 1 Month	3 Months - 1 Year	Total
	\$	\$	\$	\$	\$	\$
Contractual financial liabilities						
Contractual payables	401,360	-	401,360	6,800	-	6,800
Total contractual financial liabilities	401,360	-	401,360	6,800	-	6,800

7.2 Financial risk management objectives and policies

The Foundation'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.

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The Foundation's main financial risks comprise credit risk, interest rate risk, foreign currency risk and equity price risk. The Foundation manages these financial risks in accordance with its investment policy.

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

7.2.1 Credit risk

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

Credit risk associated with the Foundation's contractual financial assets is minimal because the main debtor is Northern Health.

In addition, the Foundation 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. The Foundation's policy is to only deal with banks with high credit ratings.

Provision of impairment for contractual financial assets is recognised when there is objective evidence that the Foundation 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.

There has been no material change to the Foundation's credit risk profile in 2022-23.

7.2.2 Market risk

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

Sensitivity disclosure analysis and assumptions

The Foundation's sensitivity to market risk is determined based on the observed range of actual historical data for the preceding five-year period. The Foundation'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. The Foundation does not hold any interest-bearing financial instruments that are measured at fair value, and therefore has no exposure to fair value interest rate risk.

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

Foreign currency risk

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

The Foundation has minimal exposure to foreign currency risk.

Equity risk

The Foundation is exposed to equity price risk through its investments in listed shares and managed investment. Such investments are allocated to match the Foundation's investment objectives.

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The Foundation's sensitivity to equity price risk is as follows.

		15% decrease	15% increase
	Carrying amount	Other comprehensive income	Other comprehensive income
30 June 2023			
Investments in equity instruments	476,080	(71,412)	71,412
Total impact	476,080	(71,412)	71,412
30 June 2022			
	Carrying amount	Other comprehensive income	Other comprehensive income
Investments in equity instruments	354,970	(53,246)	53,246
Total impact	354,970	(53,246)	53,246

7.3 Contingent assets and liabilities

As at 30 June 2023 the Foundation does not have any contingent assets or liabilities (2022: Nil).

Note 8 Other disclosures

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

8.1 Accumulated surplus

	2023	2022
	\$	\$
Accumulated surplus		
Opening balance	2,233,943	2,277,058
Net result for the year	(172,871)	(43,115)
TOTAL ACCUMULATED SURPLUS	2,061,072	2,233,943

8.2 Reconciliation of net result for the year to net cash flow from operating activities

	2023	2022
	\$	\$
Net result for the year	(172,871)	(43,115)
Depreciation	7,650	7,650
Change in operating assets and liabilities		
(Increase) / decrease in receivables	27,319	71,730
Increase / (decrease) in payables	382,839	100
NET CASH (OUTFLOW) / INFLOW FROM OPERATING ACTIVITIES	244,937	36,365

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8.3 Responsible persons

The Trustee of the Foundation is the Northern Health Research, Training and Equipment Ltd. The Board Members of the Trustee during the financial year were as follows.

	Period
Board	
Mr John Molnar (Chair)	1/07/2022 – 30/06/2023
Ms Peter McWilliam (Deputy Chair)	1/07/2022 – 30/06/2023
Ms Elizabeth Batten	1/07/2022 – 30/06/2023
Professor Peter Brooks	1/07/2022 – 31/03/2023
Dr Don Campbell	16/02/2023 – 30/06/2023
Mr Peter Copp	1/07/2022 – 30/06/2023
Ms Trudi Hay	1/07/2022 – 30/06/2023
Mr Koby Jones	1/07/2022 – 30/06/2023
Ms Tricia Lee	1/07/2022 – 30/06/2023
Mr Tony Raunic	1/07/2022 – 30/06/2023
Mr Christopher Turner	1/07/2022 – 30/06/2023
Mr John Watson	17/11/2022 – 30/06/2023
Accountable Officer	
Ms Pina Di Donato	1/07/2022 – 30/06/2023

The Board Members of the Trustee did not receive any remuneration in connection with their roles. The Accountable Officer is paid by Northern Health and 20% of their salary is allocated to the Foundation as an in-kind contribution within the range \$50,000-\$59,000.

8.4 Related parties

The Foundation is a controlled entity of Northern Health. The Trustee of the Foundation is the Northern Health Research, Training and Equipment Foundation Limited. Related parties of the Foundation include all Key Management Personnel (KMP) and their close family members comprising the Governing Board and the Accountable Officer.

Board member Mr John Watson is a Director of Northern Health. Board member Professor Peter Brooks, Board member Don Campbell and Accountable Officer Ms Pina Di Donato are employees of Northern Health.

Transactions with Key Management Personnel and other related parties

Northern Health is a related party and provides administrative support to the Foundation free of charge.

The Foundation is deemed to have a related party relationship with Northern Health. The following transactions were conducted as part of the Foundation's normal operations and are on normal commercial terms.

	2023	2022
	\$	\$
Distribution of funds by the Trust	728,167	362,080
Net receivable / (payable) as at 30 June	(394,560)	9,133

The other transactions between the two entities relate to reimbursements made by the Foundation to Northern Health for goods and services and the transfer of funds by way of distributions made to the Northern Health. Northern Health is the ultimate parent entity of the Foundation. All dealings are in the normal course of business and are on normal commercial terms and conditions.

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There were no other related party transactions that involved KMPs, their close family members and their personal business interests outside of normal citizen type transactions (2022: Nil).

8.5 Remuneration of auditors

	2023	2022
	\$	\$
Victorian Auditor-General's Office		
Audit of the financial statements	10,200	6,800
TOTAL	10,200	6,800

8.6 Events occurring after balance date

There are no matters or circumstances that have arisen since the end of the financial year which significantly affected or may affect the operations of the Foundation, the results of the operations or the state of affairs of the Foundation in the future financial years.

8.7 AASBs issued not yet effective

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

Standard	Adoption Date	Impact
AASB 17: <i>Insurance Contracts</i>	Reporting periods beginning on or after 1 January 2023.	Adoption of this standard is not expected to have a material impact.
AASB 2020-1: <i>Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current</i>	Reporting periods beginning on or after 1 January 2023.	Adoption of this standard is not expected to have a material impact.
AASB 2022-5: <i>Amendments to Australian Accounting Standards – Lease Liability in a Sale and Leaseback</i>	Reporting periods beginning on or after 1 January 2024.	Adoption of this standard is not expected to have a material impact.
AASB 2022-6: <i>Amendments to Australian Accounting Standards – Non-Current Liabilities with Covenants</i>	Reporting periods beginning on or after 1 January 2023.	Adoption of this standard is not expected to have a material impact.
AASB 2022-8: <i>Amendments to Australian Accounting Standards – Insurance Contracts: Consequential Amendments</i>	Reporting periods beginning on or after January 2023.	Adoption of this standard is not expected to have a material impact.
AASB 2022-9: <i>Amendments to Australian Accounting Standards – Insurance Contracts in the Public Sector</i>	Reporting periods beginning on or after 1 January 2026.	Adoption of this standard is not expected to have a material impact.
AASB 2022-10: <i>Amendments to Australian Accounting standards – Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities</i>	Reporting periods beginning on or after 1 January 2024.	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 the Foundation in future periods.

Northern Health Foundation



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