



**NORTHERN HEALTH
FOUNDATION**
Annual Report

2021
2022





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



110,888

EMERGENCY
PRESENTATIONS



35,575

VIRTUAL EMERGENCY
PRESENTATIONS



3,303

BABIES
BORN



23,263

PAEDIATRIC EMERGENCY
PRESENTATIONS



14,181

ELECTIVE SURGICAL
PROCEDURES



97,317

HOSPITAL
ADMISSIONS



35,695

AMBULANCE
ARRIVALS

CHAIR'S MESSAGE

Northern Health Foundation is the charity arm of Northern Health. As such, it shares a common vision of a healthier community, and is guided by the Northern Health values of Safe, Kind and Together. We work in partnership with Northern Health to determine the areas of greatest need, and allocate our contributions where they will have the most significant impact.

While it has been another challenging year in fundraising due to the COVID-19 pandemic, we continue to deliver on our promise of funding life-changing medical equipment and research.

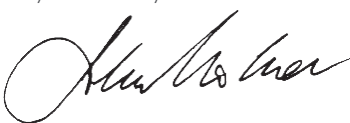
I am pleased to share that Broadmeadows Hospital will soon receive the latest and most advanced ophthalmology equipment. This new ophthalmology equipment will ensure more patients receive the treatment they need, without having to be referred to another health service. Procedures will be safer, and more patients can be treated in any given year. We remain committed to ensuring residents in the northern catchment can access quality health care, close to home.

Successful direct mail campaigns, along with support from our grateful patients and trusts and foundations, have enabled us to distribute \$422,000 to Northern Health during the past financial year.

Once again, uncertainty surrounding COVID-19 has restricted our ability to meet with our donors in a face-to-face setting or hold any of our signature events. We did, however, get the opportunity to thank all our supporters at a special event held earlier in the year, an occasion we were very grateful for.

Fundraising is a team effort. I take this opportunity to thank everyone involved, from the team who manage the day-to-day operations, to the board who determine direction and provide guidance and oversight. And of course, to our generous donors, supporters, sponsors, patrons, and volunteers.

To echo the words of Winston Churchill, we make a living from what we get, but we make a life from what we give. My fellow board members and I look forward to sharing the rewards that come from giving, with you next year.



John Molnar OAM

Chairman
Northern Health Foundation Board Chair



BOARD MEMBERS

John Molnar OAM, Board Chair

John Molnar OAM has practiced law for over 30 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 establishing 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 2022. During this time, he was also Board Chair of the Finance Committee and Primary Care and Population Health Committee. Peter McWilliam has extensive skills in business and management derived from 37 years of experience 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 based on inspiring effective teamwork, planning and organisation. As a resident of the northern suburbs, Peter is familiar with its rapid growth and development and the evolving needs of the local community.



Tricia Lee, Board Member

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 also Executive Director of the Riverlee Foundation and holds a Bachelor of Commerce from Monash University and a Post Graduate Diploma in Applied Finance and Investment. She is passionate about making a difference and giving back to the community, hence her involvement in not-for-profits since 2008.



Chris Turner, Board Member

Chris Turner is the former Chief Executive Officer of Turosi Foods, a local, fully integrated poultry operation producing a large range of raw, value-enhanced and cooked poultry products, marketed under the brands: La Ionica, Golden Farms, and Bannockburn Free Range.

Chris has a wealth of experience running large fully integrated poultry operations from milling/farming, processing, sales and marketing. He is also a past president of the Australian Chicken Meat Federation and the Victorian Chicken Meat Council. He is a current member of The Prime Safe Board.



Peter Copp, Board Member

Peter Copp is Vice President of JCI Eastern, Founding Director of Engage Fundraising, Director Victoria – Partnerships at Social Ventures Australia and Fundraising Advisor for Habitat for Humanity Victoria.

Peter has worked in various roles within the disability and International non-profit sectors, before joining the executive team of one of Australia's largest not-for-profit healthcare organisations, taking the team through a period of development and philanthropic growth.

He has a wealth of knowledge leading social impact, gender equality, philanthropy, corporate strategy, operations, special projects and marketing and communications. Peter also holds a Master of Business Administration and a Graduate Cert in Business from Griffith University.



BOARD MEMBERS

Peter Brooks AM, Board Member

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

Peter 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 on musculoskeletal diseases, 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.



Trudi Hay, Board Member

Trudi Hay is a Director of Greencor Group Pty Ltd and chairs Northern Health Foundation's Community Events Committee.

Trudi has a background in marketing, advertising and events, and has been acknowledged in State and Federal Parliament for her work in philanthropy in the Hume area. Trudi has been a long-standing supporter of Northern Health, raising funds for Day Oncology for over ten years.



Koby Jones, Board Member

Koby Jones is the Managing Director of The SILC Group, a specialised financial solutions provider focused on the unique needs of discerning wholesale private, commercial and institutional clients. 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) through Deakin University and the Certified Practising Accountants (CPA) Program.



Tony Raunic, Board Member

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. He also holds a Bachelor of Law and Bachelor of Commerce and a Masters of Business Administration.



Elizabeth Batten, Board Member

Elizabeth Batten has a strong connection with the north, was born and raised in Epping and continues to live and work in the local community. Elizabeth holds a Bachelor of Education from Australian Catholic University and is currently studying a Bachelor of Psychological Sciences at Swinburne University. She has worked as a primary school teacher and is the mother of two boys and is passionate about children's health, development and well-being.

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



ABOUT NORTHERN HEALTH FOUNDATION

Northern Health Foundation relies on the support of trusts and foundations, corporate and local businesses, patrons, regular givers, grateful patients, and bequests. The support of these groups enables us to achieve our mission of funding life-changing equipment, capital works, research and training for Northern Health and the community.

Northern Health Foundation was established in 2005 to increase philanthropic, corporate, and community support for Northern Health. While the fundraising landscape is changing, the Foundation is committed to supporting Northern Health's vision of creating a healthier community through the funding of life-changing medical equipment, research, and training.

Located in one of Victoria's most significant growth corridors, Northern Health is a key provider of acute, sub-acute, and ambulatory specialist services in Melbourne's northern region. With a growing population comes an increasing need for more specialised services. While

the state government provides for the health services' day-to-day needs, the Foundation focuses on funding specialised equipment and research to meet the varied and emergent needs of our community.

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 encompasses the local government areas of Banyule, Darebin, Hume, Moreland, Nillumbik, and Whittlesea. Diversity is a key strength in the northern community, representing 185 countries of origin and speaking more than 118 different languages.



OUR ACHIEVEMENTS

Northern Health Foundation guides fundraising activities on behalf of Northern Health. It works with corporate partners, trusts and foundations, local businesses, community partners, and donors to raise funds to support the purchase of cutting-edge medical equipment, fund small research and PhD research grants, education, and training opportunities.

Northern Health Foundation Chair John Molnar OAM, and his fellow board members, support the strategic direction of the Foundation. While we have many long-serving board members, in the past 12 months we have welcomed new members, whose skills add value to the board. We sincerely thank all members of our Foundation Board for their invaluable contribution.

OPHTHALMOLOGY EQUIPMENT DELIVERED

The need for new and advanced ophthalmology equipment at Broadmeadows Hospital provided the impetus for 2021-22's major fundraising appeal. This new equipment enables safer and more efficient treatments for patients with cataracts and other eye disorders. The equipment also significantly increases the number of patients who can receive treatment each year.

Our goal has always been to provide our patients with access to the best possible care, right on their doorsteps. The purchase of new ophthalmology equipment means that cataract patients can receive treatment close to home, reducing the need to travel further for the care they need.

Northern Health Foundation raised over \$230,000 to contribute to this campaign.



SHOUT A COFFEE TO HEALTHCARE WORKERS

During peak COVID-19 waves in late 2021, the Foundation provided the community with an opportunity to show their appreciation for staff by donating toward coffee cards. These cards were then distributed amongst hard-working frontline staff. The 'Shout a Coffee to Healthcare Workers' campaign was warmly received by our staff who were grateful for the recognition.

The campaign was given an extra boost by the generous contribution of Riverlee Foundation, who shouted 1,000 coffees for our health workers.



RAFFLES

As part of its passive income strategy, the Northern Health Foundation Board approved the Foundation's involvement in the Play for Purpose Raffle, a community raffle held periodically throughout the year, where the first prize pool is valued at approximately \$250,000.

Two raffles were held during the first half of 2022, raising a total income of \$22,525.

Whilst this raffle is not a substitute for a dedicated major raffle, the ease with which it can be set up and managed makes it a viable option for earning passive income in the short-term.

DIRECT MAIL

With most face-to-face opportunities being restricted due to COVID-19, Direct Mail became one of the main sources of fundraising income during 2021-22. A combination of Electronic Direct Mail (EDM) and traditional mail resulted in a significant contribution to the purchase of ophthalmology equipment.

DRY JULY

Twenty-three individuals, including Northern Health staff, corporate partners, a cancer patient and her daughter, came together to take part in the Dry July campaign. Each with a different personal reason for participating, but all with a shared goal - to make a difference to patients with cancer. To them, their sacrifice didn't compare to that of the people who would ultimately benefit from their efforts.

The team collectively raised in excess of \$31,000 for cancer services, from 494 individual donations. The team finished sixth on the teams' leader-board, from over 100 teams across Australia. Grants applications were made for the funding of an additional vehicle for the Northern Oncology and Haematology (NOAH) program, along with patient comfort bags containing items to access during their cancer journey were successful.

WORKPLACE GIVING

Northern Health employees have the unique opportunity to support and contribute to the health service, and the care of our patients and families, through Workplace Giving.

With the number of workplace givers growing month by month, Northern Health Foundation is committed to using these contributions to fund equipment and programs that not only benefit our patients but which add value to our staff.

Recently, the Foundation purchased plants, planter boxes, outdoor tables and seating for the ICU Courtyard fit-out. This gives patients and staff a place to sit and enjoy the outdoors, and patient beds can also be moved outside, with access to appropriate monitors, so they too can benefit from this beautiful space.

RESEARCH AND TRAINING

Both PhD Scholarship and Small Research Grant recipients have unfortunately been impacted by COVID-19, with a collective pause on research at Northern Health.

Northern Health researchers have shown great resilience and, for the most part, have continued to make progress in their projects and adapted to work differently due to restrictions and guidelines at the health service.

During the past financial year, only one round of small grants was conducted. Fourteen applications for funding were received for Round 25 of the Northern Health Small Research Grants program, and six projects totalling \$26,328 were approved for funding.



Our Events

Due to the pandemic, many events were restricted or moved online to help prevent the spread of COVID-19. We look forward to 2022-23, with renewed hope that we may be able to resume more face-to-face events.

THANK YOU EVENING

Northern Health Foundation hosted its annual Thank You Event at Seafarers Residences Display Suite in Docklands on 7 April, 2022. This was an opportunity to thank and acknowledge the generous support of patrons, donors and the community over the past 12 months.

The event was attended by Northern Health and Northern Health Foundation Board Directors, Northern Health Executives, Northern Health Foundation Patrons, staff and volunteers.

Thank you to Riverlee who kindly donated the venue for this event.

This event was extra special as it was the first face-to-face event hosted by the Foundation in 12 months due to the COVID-19 pandemic.



OUR PATRONS

The Northern Health Foundation is extremely grateful for the support of patrons Josie Minniti OAM, Bev Carman, and Trudi Hay. They continue to support Oncology Services at Northern Health through their individual fundraising efforts.

BEV CARMAN'S RACE DAY

With a small window of opportunity between waves of COVID-19, Northern Health Foundation Patron Bev Carman hosted her annual Race Day at Kilmore Racing Club.

Held in November 2021, the event was extremely successful, raising \$6,500 towards Cancer Services. These funds were used to purchase a blanket warmer for Northern Health's Day Oncology Unit, which is very much appreciated by staff and patients.

Bev Carman's events have contributed significantly to Cancer Services over the years. Bev is passionate about doing her part to make the cancer journey a little more comfortable for our patients.

TRUDI HAY'S VIRTUAL HIGH TEA

For the second consecutive year, Trudi Hay's High Tea was held virtually by Northern Health Foundation Patron Trudi Hay. This, however, did not restrict the enthusiasm and generosity of all those who took part in the event which was held live between Trudi's living room and Northern Health offices.

Over the past 11 years, Trudi's events have raised close to \$95,000 and have funded many important items for cancer patients including an ECG Machine and a contribution towards a Scalp Cooling Machine

JOSIE MINNITI CELEBRATED 25 YEARS OF FUNDRAISING FOR NORTHERN HEALTH

After being postponed a number of times, long-time Northern Health Foundation supporter and Patron, Josie Minniti OAM, was finally able to hold her fundraising dinner dance in March 2022.

The event, which was in its 25th year, was attended by over 400 guests who were treated to a fun night of food, entertainment and fundraising. A remarkable result was achieved, with \$20,000 being pledged by Josie from this event.

The donation will be used to fund a gazebo and barbecue area, which will form the centrepiece of a new garden for the Palliative Care Unit at Northern Hospital Epping. As a result of both this donation and the funds raised during the 2022 Dry July campaign, palliative care patients, and their families, will have a special space to share with their loved ones.



TRUSTS AND FOUNDATIONS

Support from our philanthropic partners during the 2021-22 financial year has enabled us to fund some vital equipment for Northern Health. We are grateful for the support of the Batten Foundation, Lord Mayor's Charitable Fund, Dry July Foundation, Humpty Dumpty Foundation, Uncle Bob's Club and the Annie Danks Foundation.

Looking forward to 2022-23, there will be a renewed focus on grant submission to trusts and foundations in the next financial year.

OUR VOLUNTEERS

Our dedicated Volunteer Services Team have once again provided strong ongoing support and connection for Northern Health volunteers throughout the last year, despite on-site volunteering roles being impacted by the COVID-Peak status of the health service.

The resilience of our volunteers has been demonstrated by adapting to the changing needs of the health service. Our volunteers have appreciated being included in Northern Health's response to COVID-19. Volunteers prepared over 50,000 pathology bags for the testing clinics, prepared Rapid Antigen Test (RAT) kits for distribution, and assisted at the COVID-19 vaccination hub in South Morang.

The power of partnerships to achieve great outcomes was highlighted when Northern Health's Volunteer program was selected as a finalist in Volunteer Victoria's State Awards. This nomination reinforced our commitment to working in partnership with our local community to provide meaningful volunteering experiences.

Reward and recognition are integral components of our volunteer program. This year, 38 volunteers received service awards, including Kerry Wall, who has dedicated 40 years to Northern Health.

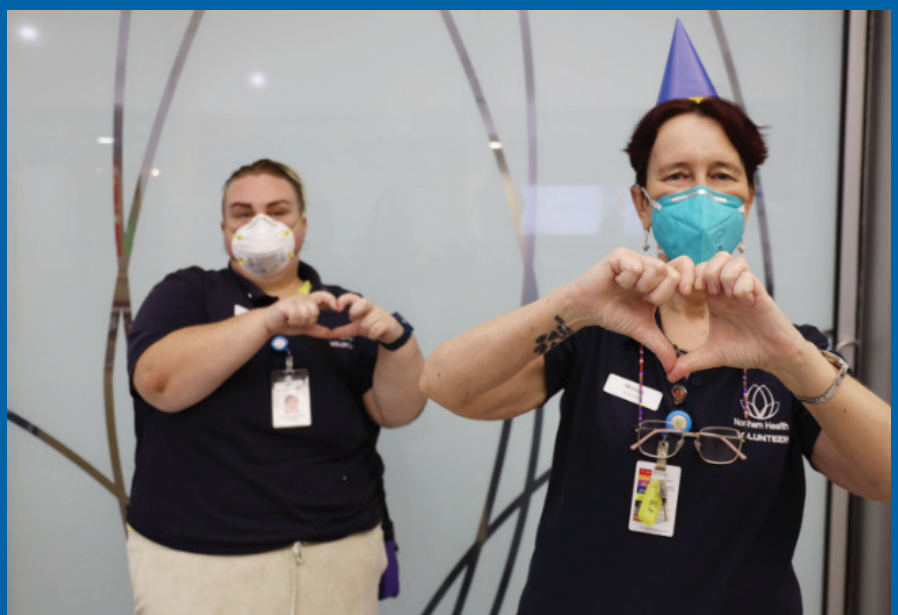
After 34 years of service, we farewellled Volunteer Coordinator, Christine McGowan, who has been a much-loved member of the Volunteer Services Team. Christine's warmth, humour, genuine caring nature and desire to make a difference will be missed by all.

Volunteers are slowly returning to on-site volunteering, supporting wards with administration tasks, and providing wayfinding assistance to visitors. Volunteers are also assisting in the community, supporting us by making items that enhance patient care, and items that can be sold by the Foundation. We are extremely grateful for their ongoing support.

Together, through volunteering, we are changing communities for the better.

This year, we also celebrated a 30-year milestone with our Community Visitors Scheme (CVS) Program.

Our volunteers have provided friendship and social support to residents across 30 aged care facilities during this time.



THANK YOU

Northern Health Foundation relies on the generous support of businesses, community members, academic partners, supporters and donors. The Foundation would like to acknowledge and thank them for their support.

PATRONS

Bev Carman
Trudi Hay
Josie Minniti OAM

ACADEMIC PARTNERS

La Trobe University
RMIT
University of Melbourne

CORPORATE PARTNERS

Aware Super
BankVic
Casa D' Abruzzo Club
Eziway Salary Packaging
Henry's Café - Epping
ISS Facility Services
Wilson Security

CORPORATE SUPPORTERS

Automotive Lease Packaging Pty Ltd
B.L. Fitzgerald Pty Ltd Core Projects
Chemist Warehouse
Costco
Drums Hotel
Goulburn Murray Credit Union
Harcourts Rata and Co
Lendlease
Magistrates Court of Victoria
Magistrates Court Fund
Mantra Epping
Maxxia
Josie Minniti Fun Group
Miracle Health Services
Moose Toys
Pacific Epping
Quest Apartments - Epping
Riverlee
Roxburgh Park Hotel
That's Amore Cheese
Turosi

PHILANTHROPIC PARTNERS

Annie Danks Foundation
Bears of Hope Pregnancy & Infant Loss Support
Bridgewater Lake Retirement Village
Collier Charitable Fund
Dry July Foundation
Forward In Faith Ministries
Humpty Dumpty Foundation
Lord Mayor's Charitable Fund
Muriel & Les Batten Foundation
Nelson Alexander Charitable Foundation
Perpetual Trustees
Riverlee Foundation
San Padre Pio Association
The Audi Foundation
Turosi Giving
Victoria Police Blue Ribbon Foundation - Northern Metro Branch
Wheelton Investments Pty Ltd

COMMUNITY GROUPS

Bunnings Epping
Busy Fingers
Big W
Coles
CWA
Domino's Thomastown
Glenroy Bakery
Lalor Running Club
Lyre's
McDonald's
NH Knitting Guild
South Morang Night Owls
Sunbury Library Knitting Group
Thomastown East Primary School
Uncle Bobs Club
Whittlesea City Salvo's City Corps-Craft Group
Woolworths

BEQUEST

The White Family

Northern Health Research, Training and Equipment Foundation Limited

ACN 103 911 673 (A company Limited by Guarantee)

FINANCIAL REPORT FOR YEAR ENDED 30 JUNE 2022

The Northern Health Research, Training and Equipment Trust (the Foundation Trust) is a trust domiciled in Victoria, Australia. The Foundation Trust 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. The Northern Health Research, Training and Equipment Foundation Limited (the Company) is a public company, incorporated and operating in Australia. Its primary function is to act as the corporate trustee of the Foundation Trust. The financial accounts for both the Foundation Trust and Company are presented in this Annual Report.

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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 2022.

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 joined the Board on 26 October 2021. 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 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.

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 joined the Board on 26 October 2021. 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.

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 2022. 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	3	3
Professor Peter Brooks	4	3
Mr Peter Copp	4	4
Ms Trudi Hay	4	4
Mr Koby Jones	4	4
Ms Tricia Lee	4	4
Mr Tony Raunic	3	3
Mr Christopher Turner	4	4

* 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 (2021: nil).

Membership

The Company has 10 individual members. All members are in the same class. Each member of the Company is liable to contribute an amount not exceeding \$5 (\$50 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

18 August 2022
Epping



Peter McWilliam
Director

18 August 2022
Epping

Auditor-General's Independence Declaration

To the 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 2022, 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
13 September 2022

Dominika Ryan
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 2022 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 2022 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

18 August 2022
Epping



Peter McWilliam
Director

18 August 2022
Epping

Independent Auditor's Report

To the 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 company) which comprises the:</p> <ul style="list-style-type: none"> balance sheet as at 30 June 2022 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 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 company as at 30 June 2022 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 company 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 company are responsible for the preparation of a financial report that gives a true and fair view 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 gives a true and fair view and 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 company'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	<p>As required by the <i>Audit Act 1994</i>, 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.</p>

Auditor's responsibilities for the audit of the financial report

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

(continued)

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

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company'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'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 company'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 company 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.



Dominika Ryan

as delegate for the Auditor-General of Victoria

MELBOURNE

13 September 2022

Comprehensive Operating Statement
For the financial year ended 30 June 2022

The Company did not trade in the current financial year or the prior financial year. Therefore, the profit/loss from ordinary activities was nil (2021: Nil).

This statement should be read in conjunction with the accompanying notes on pages 14 to 16.

Balance Sheet

As at 30 June 2022

The Company is limited by guarantee. Therefore, there is no contributed share capital as at 30 June 2022 (2021: 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 14 to 16.

Statement of Changes in Equity

For the financial year ended 30 June 2022

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 2022 (2021: Nil).

This statement should be read in conjunction with the accompanying notes on pages 14 to 16.

Cash Flow Statement

For the financial year ended 30 June 2022

The Company did not trade in the current financial year or the prior financial year. Therefore, the cash flow from activities was nil (2021: Nil).

This statement should be read in conjunction with the accompanying notes on pages 14 to 16.

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 2022. 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 2022, and the comparative information presented in these financial statements for the year ended 30 June 2021.

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.

COVID-19

The COVID-19 pandemic continues to create economic uncertainty. Actual economic events and conditions in the future may be materially different from those estimated by the Company at the reporting date. As responses by government evolve, management recognises it is difficult to reliably estimate with any degree of certainty the potential impact of the pandemic after the reporting date on the Company, its operations, its future results and financial position.

Member's Guarantee

The Company has 10 (2021: nine) individual members. Each member is liable to contribute an amount not exceeding \$5 (2021: \$5) or \$50 (2021: \$45) 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:

	2022	2021
	\$	\$
Current assets		
Cash and cash equivalents	1,034,639	1,373,056
Financial assets	500,000	500,000
Receivables	16,541	88,271
Total current assets	1,551,180	1,961,327
Non-current assets		
Financial assets	354,970	-
Property, plant and equipment	531,688	463,980
Total non-current assets	886,658	463,980
Total assets	2,437,838	2,425,307
Current liabilities		
Payables	6,800	6,699
Total current liabilities	6,800	6,699
Total liabilities	6,800	6,699
NET ASSETS	2,431,038	2,418,608

The assets of the Foundation as at 30 June 2022 and 30 June 2021 were sufficient to discharge all liabilities of the Foundation as at 30 June 2021 and as at 30 June 2021, 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 2022 (2021: 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)	01/07/2021 – 30/06/2022
Ms Peter McWilliam (Deputy Chair)	01/07/2021 – 30/06/2022
Ms Elizabeth Batten*	26/10/2021 – 30/06/2022
Professor Peter Brooks	01/07/2021 – 30/06/2022
Mr Peter Copp	01/07/2021 – 30/06/2022
Ms Trudi Hay	01/07/2021 – 30/06/2022
Mr Koby Jones	01/07/2021 – 30/06/2022
Ms Tricia Lee	01/07/2021 – 30/06/2022
Mr Tony Raunic*	26/10/2021 – 30/06/2022
Mr Christopher Turner	01/07/2021 – 30/06/2022

* Ms Batten and Mr Raunic were appointed to the Board on 26 October 2021 via circular resolution.

Accountable Officer

Ms Pina Di Donato	15/01/2022 – 30/06/2022
Mr Andrew Williamson	01/07/2021 – 14/01/2022

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 McWilliam is a Director of Northern Health. Professor Brooks is an employee 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.

	2022	2021
	\$	\$
Distribution of funds by the Trust	362,080	646,420
Net Receivable as at 30 June	9,133	81,566

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 FOR YEAR ENDED 30 JUNE 2022

The Northern Health Research, Training and Equipment Trust (the Foundation Trust) is a trust domiciled in Victoria, Australia. The Foundation Trust 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. The Northern Health Research, Training and Equipment Foundation Limited (the Company) is a public company, incorporated and operating in Australia. Its primary function is to act as the corporate trustee of the Foundation Trust. The financial accounts for both the Foundation Trust and Company are presented in this Annual Report.

Financial Report
Financial Year Ended 30 June 2022

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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 2022 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

18 August 2022
Epping



Peter McWilliam
Director of Trustee

18 August 2022
Epping

Independent Auditor's Report

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

Opinion

I have audited the financial report of Northern Health Research, Training and Equipment Trust (the trust) which comprises the:

- balance sheet as at 30 June 2022
- 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.

In my opinion the financial report is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- giving a true and fair view of the financial position of the trust as at 30 June 2022 and of its financial performance and its cash flows for the year then ended
- complying with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 2013*.

**Basis for
Opinion**

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

My independence is established by the *Constitution Act 1975*. My staff and I are independent of the trust in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.

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

**Trustee's
responsibilities
for the
financial
report**

The Trustee of the trust is responsible for the preparation of a financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Australian Charities and Not-for-profits Commission Act 2012*, and for such internal control as the Trustee determines is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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.

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.



Auditor-General's Independence Declaration

To the Trustee, 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 2022, 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
13 September 2022

Dominika Ryan
as delegate for the Auditor-General of Victoria

Comprehensive Operating Statement
Financial Year Ended 30 June 2022

		2022	2021
	Note	\$	\$
Income			
Fundraising income	2.1	457,820	1,122,676
Other income	2.1	514,601	514,601
Interest income	2.1	6,651	12,696
Total income		979,072	1,649,973
Expenses			
Operating expenses	3.1	(566,164)	(567,776)
Non-operating expenses	3.1	(26,366)	(24,595)
Distributions	3.1	(422,006)	(705,170)
Depreciation	4.3	(7,650)	(7,650)
Total expenses		(1,022,186)	(1,305,191)
Net result from transactions		(43,115)	344,782
Other economic flows		-	-
NET RESULT		(43,115)	344,782
Items that will not be classified to the net result			
Changes in property, plant and equipment revaluation surplus	4.2.2	75,358	21,280
Changes in the fair value of equity instruments		(19,813)	-
Total		55,545	21,280
COMPREHENSIVE RESULT		12,430	366,062

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

NORTHERN HEALTH RESEARCH, TRAINING AND EQUIPMENT TRUST
2022 ANNUAL FINANCIAL REPORT

Balance Sheet
30 June 2022

	Note	2022 \$	2021 \$
Current assets			
Cash and cash equivalents	6.1	1,034,639	1,373,056
Financial assets	4.1	500,000	500,000
Receivables	5.1	16,541	88,271
Total current assets		1,551,180	1,961,327
Non-current assets			
Financial assets	4.1	354,970	-
Property, plant and equipment	4.2.1	531,688	463,980
Total non-current assets		886,658	463,980
Total assets		2,437,838	2,425,307
Current liabilities			
Payables	5.2	6,800	6,699
Total current liabilities		6,800	6,699
Total liabilities		6,800	6,699
NET ASSETS		2,431,038	2,418,608
Equity			
Settled sum		20	20
Accumulated surplus	8.1	2,233,943	2,277,058
Property, plant and equipment revaluation surplus	4.2.4	216,888	141,530
Financial assets through other comprehensive income revaluation reserve		(19,813)	-
TOTAL EQUITY		2,431,038	2,418,608

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

Statement of Changes in Equity
Financial Year Ended 30 June 2022

		Settled sum	Financial assets through other comprehensive income revaluation reserve	Property, plant and equipment revaluation surplus	Accumulated surplus	Total
	Note	\$	\$	\$	\$	\$
Balance at 1 July 2020		20	-	120,250	1,932,276	2,052,546
Net result for the year	8.1	-	-		344,782	344,782
Other comprehensive income	4.2.2	-	-	21,280	-	21,280
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	2,431,018

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

NORTHERN HEALTH RESEARCH, TRAINING AND EQUIPMENT TRUST
2022 ANNUAL FINANCIAL REPORT

Cash Flow Statement
Financial Year Ended 30 June 2022

	Note	2022 \$	2021 \$
Receipts			
Donations, bequests and grants		245,412	540,813
Other income		212,408	581,863
Interest received		6,651	12,696
		464,471	1,135,372
Payments			
Payments to suppliers and contributions		(428,104)	(848,438)
Net cash inflow / (outflow) from operating activities	8.2	36,365	286,934
Investing activities			
Purchase of financial assets		(374,782)	-
Net cash inflow / (outflow) from investing activities		(374,782)	-
Net increase / (decrease) in cash held		(338,417)	286,934
Cash and cash equivalents at the beginning of the year		1,373,056	1,086,122
Cash and cash equivalents at the end of the year	6.1	1,034,639	1,373,056

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

NORTHERN HEALTH RESEARCH, TRAINING AND EQUIPMENT TRUST
2022 ANNUAL FINANCIAL REPORT

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

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 2022. 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 AASs.

The financial statements were authorised for issue by the Trustee on 18 August 2022.

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 2022, and the comparative information presented in these financial statements for the year ended 30 June 2021.

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.

NORTHERN HEALTH RESEARCH, TRAINING AND EQUIPMENT TRUST
2022 ANNUAL FINANCIAL REPORT

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

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) COVID-19 considerations

The COVID-19 pandemic continues to create economic uncertainty. Actual economic events and conditions in the future may be materially different from those estimated by the Foundation at the reporting date. As responses by government evolve, management recognises it is difficult to reliably estimate with any degree of certainty the potential impact of the pandemic after the reporting date on the Foundation, its operations, its future results and financial position.

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 its services during the financial year was not materially impacted by the COVID-19 pandemic.

2.1 Income

	2022	2021
	\$	\$
Donations and bequests	245,412	540,813
Other fundraising income	212,408	581,863
Total fundraising income	457,820	1,122,676
Interest	6,651	12,696
Salaries and wages in-kind contribution	514,601	514,601
Total other income	521,252	527,297
TOTAL INCOME	979,072	1,649,973

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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

	2022	2021
	\$	\$
Salaries and wages recharge	514,601	514,601
Marketing and event costs	51,563	53,175
Total operating expenses	566,164	567,776
Advertising and recruitment	100	750
Housing costs	1,096	428
Administrative expenses	25,170	23,417
Total non-operating expenses	26,366	24,595
Capital distributions to Northern Health	302,412	610,159
Other distributions to Northern Health	59,668	36,261
Distributions to external parties	59,926	58,750
Total distributions	422,006	705,170
TOTAL EXPENSES	1,014,536	1,297,541

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

	2022	2021
	\$	\$
Term deposits	500,000	500,000
Investments in equity instruments	354,970	-
TOTAL	854,970	500,000

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

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 obtains an interim independent valuation prior to the next scheduled independent valuation.

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

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

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

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

In compliance with FRD 103I, management conducted an annual assessment of the fair value of land and buildings for the year ended 30 June 2022. Management obtained VGV indices from the Department of Treasury and Finance to facilitate this assessment. As a result, it was concluded that a managerial revaluation of building was required to be undertaken as the movement in VGV building indices of 17.2% was greater than revaluation threshold of 10.0% but less than the 40.0% threshold where a full independent valuation is required. The value of land was required to increase by 15% as it had increased by the same amount since 30 June 2021.

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

In accordance with 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 2022.

4.2.1 Gross carrying amount and accumulated depreciation

	2022	2021
	\$	\$
Land at fair value	200,000	173,280
Total land	200,000	173,280
Buildings at fair value	331,688	306,000
Accumulated depreciation	-	(15,300)
Total buildings	331,688	290,700
TOTAL	531,688	463,980

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4.2.2 Reconciliation of carrying amounts for each class of assets

	Land \$	Buildings \$	Total \$
Balance at 1 July 2020	152,000	298,350	450,350
Revaluation increment/(decrement)	21,280	-	21,280
Depreciation	-	(7,650)	(7,650)
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 30 June 2022	200,000	331,688	531,688

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. The effective date of the valuation is 30 June 2022.

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

	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	-
	Carrying amount as at 30 June 2021	Fair value measurement at end of reporting period using:		
		Level 1 ¹ \$	Level 2 ¹ \$	Level 3 ¹ \$
Land				
Non-specialised land	173,280	-	173,280	-
Total land	173,280	-	173,280	-
Buildings				
Non-specialised buildings	290,700	-	290,700	-
Total buildings	290,700	-	290,700	-
TOTAL	463,980	-	463,980	-

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

		2022	2021
	Note	\$	\$
Property, plant and equipment revaluation surplus			
Balance at the beginning of the reporting period		141,530	120,250
Revaluation increment			
Land	4.2.2	26,720	21,280
Buildings	4.2.2	48,638	
Balance at the end of the reporting period		216,888	141,530
Represented by:			
Land		63,328	36,608
Buildings		153,560	104,922
Total		216,888	141,530

4.3 Depreciation

	2022	2021
	\$	\$
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 were not materially impacted by the COVID-19 pandemic.

5.1 Receivables

	2022	2021
	\$	\$
Receivables	16,494	88,264
Total contractual receivables	16,494	88,264
Statutory		
GST receivable	47	7
TOTAL RECEIVABLES	16,541	88,271

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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

	2022 \$	2021 \$
Contractual		
Accrued expenses	6,800	6,699
Total contractual payables	6,800	6,699
Statutory	-	-
TOTAL PAYABLES	6,800	6,699

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

	2022	2021
	\$	\$
Cash on hand	150	150
Cash in bank	1,034,489	1,372,906
TOTAL	1,034,639	1,373,056

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.

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

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2021	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	1,373,056	-	-	1,373,056
Receivables	88,264	-	-	88,264
Other financial assets	500,000	-	-	500,000
Total financial assets	1,961,320	-	-	1,961,320
Financial liabilities				
Payables	-	-	6,699	6,699
Total financial liabilities	-	-	6,699	6,699

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 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	-	-	-	-	-	-
1 July 2021	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	88,264	-	-	-	-	88,264
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, taking into account 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 2022			30 June 2021		
	Less Than 1 Month	3 Months - 1 Year	Total	Less Than 1 Month	3 Months - 1 Year	Total
	\$	\$	\$	\$	\$	\$
Contractual financial liabilities						
Contractual payables	6,800	-	6,800	6,699	-	6,699
Total contractual financial liabilities	6,800	-	6,800	6,699	-	6,699

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 2021-22.

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
31 June 2022			
Investments in equity instruments	354,970	(53,246)	53,246
Total impact	354,970	(53,246)	53,246
31 June 2021			
Investments in equity instruments	-	-	-
Total impact	-	-	-

7.3 Contingent assets and liabilities

As at 30 June 2022 the Foundation does not have any contingent assets or liabilities (2021: 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

	2022	2021
	\$	\$
Accumulated surplus		
Opening balance	2,277,058	1,932,276
Net result for the year	(43,115)	344,782
TOTAL ACCUMULATED SURPLUS	2,233,943	2,277,058

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

	2022	2021
	\$	\$
Net result for the year	(43,115)	344,782
Depreciation	7,650	7,650
Change in operating assets and liabilities		
(Increase) / decrease in receivables	71,730	(14,697)
Increase / (decrease) in payables	100	(50,801)
NET CASH (OUTFLOW) / INFLOW FROM OPERATING ACTIVITIES	36,365	286,934

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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)	01/07/2021 – 30/06/2022
Ms Peter McWilliam (Deputy Chair)	01/07/2021 – 30/06/2022
Ms Elizabeth Batten*	26/10/2021 – 30/06/2022
Professor Peter Brooks	01/07/2021 – 30/06/2022
Mr Peter Copp	01/07/2021 – 30/06/2022
Ms Trudi Hay	01/07/2021 – 30/06/2022
Mr Koby Jones	01/07/2021 – 30/06/2022
Ms Tricia Lee	01/07/2021 – 30/06/2022
Mr Tony Raunic*	26/10/2021 – 30/06/2022
Mr Christopher Turner	01/07/2021 – 30/06/2022

* Ms Batten and Mr Raunic were appointment to the Board on 26 October 2021 via circular resolution.

Accountable Officer

Ms Pina Di Donato	15/01/2022 – 30/06/2022
Mr Andrew Williamson	01/07/2021 – 14/01/2022

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 Peter McWilliam is a Director of Northern Health. Board member Professor Peter Brooks 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.

	2022	2021
	\$	\$
Distribution of funds by the Trust	362,080	646,420
Net receivable as at 30 June	9,133	81,566

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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Outside of normal citizen type transactions, there were no other related party transactions that involved KMPs, their close family members and their personal business interests (2021: Nil).

8.5 Remuneration of auditors

	2022	2021
	\$	\$
Victorian Auditor-General's Office		
Audit of the financial statements	6,800	6,700
TOTAL	6,800	6,700

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 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 on or after 1 January 2022.	Adoption of this standard is not expected to have a material impact.
AASB 2020-3: <i>Amendments to Australian Accounting Standards – Annual Improvements 2018-2020 and Other Amendments</i>	Reporting periods on or after 1 January 2022.	Adoption of this standard is not expected to have a material impact.
AASB 2021-2: <i>Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definitions of Accounting Estimates.</i>	Reporting periods on or after 1 January 2023.	Adoption of this standard is not expected to have a material impact.
AASB 2021-5: <i>Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>	Reporting periods on or after 1 January 2023.	Adoption of this standard is not expected to have a material impact.
AASB 2021-6: <i>Amendments to Australian Accounting Standards – Disclosure of Accounting Policies: Tier 2 and Other Australian Accounting Standards</i>	Reporting periods on or after 1 January 2023.	Adoption of this standard is not expected to have a material impact.
AASB 2021-7: <i>Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections</i>	Reporting periods on or after 1 January 2023.	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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