Northern Health

Annual Report

2024-25

Our values are integral to the culture of care, team work and collaboration at Northern Health.

Our Vision

Creating a healthier future by working together, innovating and delivering great care.

Our Priorities

- A healthier future
- Our valued workforce
- Delivering safe, effective care
- Working together and innovating
- Research and education for excellent care
- A sustainable hospital

Our Values

Our values are integral to the culture of care, team work and collaboration at Northern Health.

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.

ACKNOWLEDGEMENT

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 and Taungurung 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.

Mandy Nicholson | Traditional Owner of the Wurundjeri, Dja Dja Wurrung and Ngurai Illam Wurrung, performed the smoking ceremony at the opening of the new Inpatient Psychiatric Unit at Northern Hospital.

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

We acknowledge people with lived experience of mental ill-health and recovery and the experience of people who have been carers, families, or supporters.

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Our Services

Northern Health is the leading health service provider for the large, diverse and dynamic Northern Growth Corridor in Melbourne's north.

Northern Health provides hospital, community, virtual and home-based services from Northern Hospital Epping, Broadmeadows Hospital, Kilmore District Hospital, Bundoora Centre and Craigieburn Centre. In addition, Northern Health provides acute and community-based mental health care for adults and older adults across Melbourne's northern and north-west suburbs.

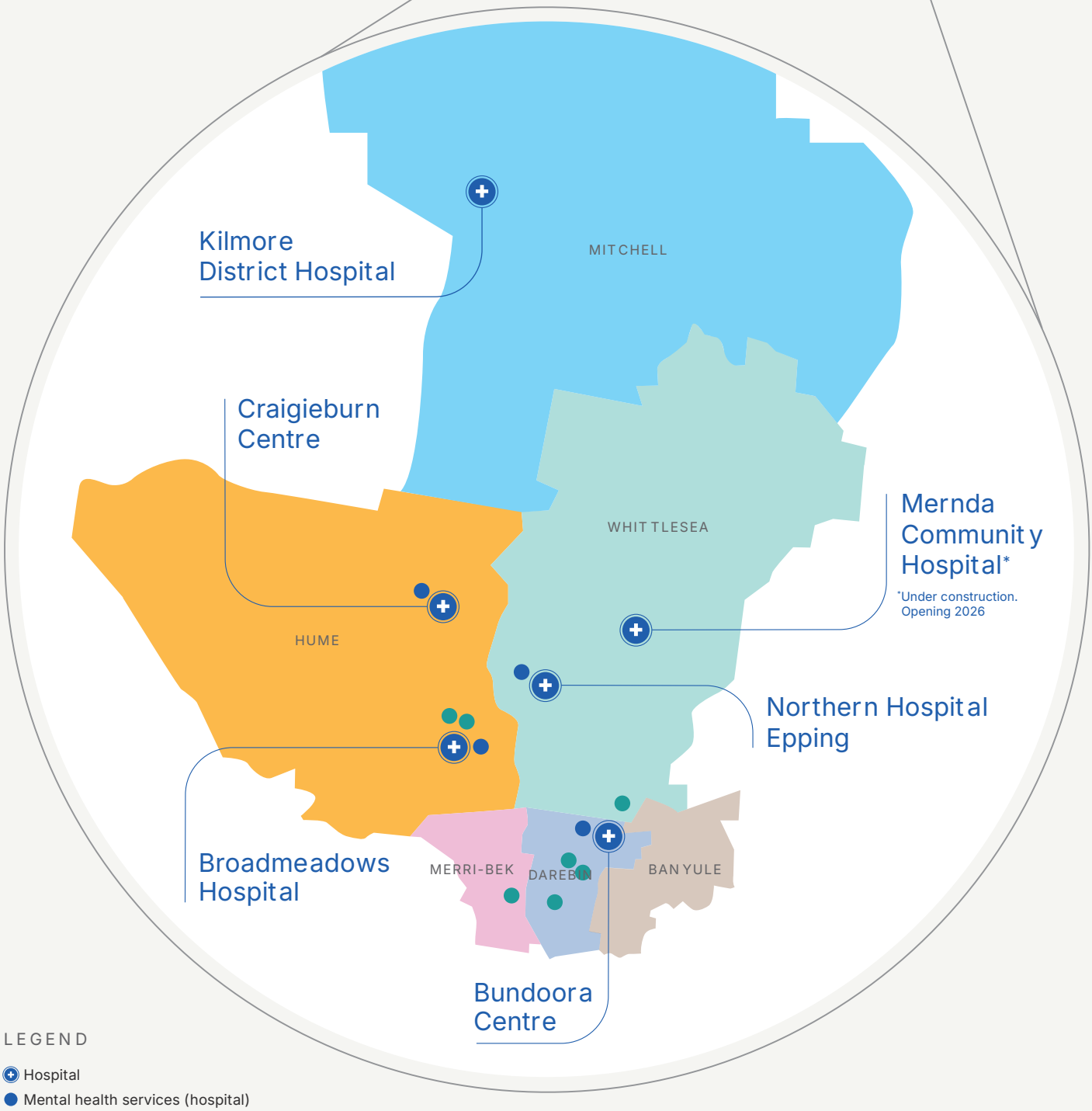
The Northern Health catchment includes three of the state's six growth areas – Hume, Whittlesea and Mitchell. This region is projected to grow from 543,000 residents in 2021 to 970,000 by 2041.

The people and communities we serve are diverse in culture, socio-economic status, and health care needs. The community is made up of people from about 185 countries, speaking more than 100 different languages and following at least 90 different religions or beliefs.

Our Locations

The map below shows the location of Northern Health's hospitals serving the three local government areas — Hume, Mitchell and Whittlesea — that make up the Northern Growth Corridor.

In addition, Northern Health provides acute and community based mental health care for adults and older adults at services across Melbourne's northern and north west suburbs.



LEGEND

- Hospital
- Mental health services (hospital)
- Mental health services (community)

Message from the Board Chair and Chief Executive

Once again it was a busy year at Northern Health with a number of significant developments and growth of activities undertaken during 2024-2025.

In February 2025, Northern Health launched its new Strategic Plan covering the period 2025 – 2029. The plan sets out the road map for the next five years with the guiding Vision of *Creating a healthier future* by working together, innovating and delivering great care, and reaffirming its commitment to the values of Safe, Kind, Together. The Plan includes six priorities which were developed following 1,000 hours of extensive consultation with staff, community and key stakeholders. The plan will assist with ensuring Northern Health is well equipped to continue to deliver great care to its community.

The health service continued to perform well during the year. The physical emergency department at Northern Hospital Epping remains the busiest in the state with 118,710 emergency presentations during the year, with over 33,000 of these arriving by ambulance. The statewide Victorian Virtual Emergency Department (VVED), established and operated by Northern Health, increased virtual presentations during the year, contributing to the diversion of over 254,000 presentations from state physical emergency departments. By March 2025, the VVED had seen 500,000 patients. The Victorian Government recognised the value of the service by committing to and increasing the VVED's funding as part of the 2025-2026 budget announcement.

During the year, 129,690 people were admitted to Northern Health, 24,110 non-emergency surgeries were performed, 305,045 specialist appointments were conducted, and 3,386 babies were born. The mental health division provided 216,673 hours of community care interactions with 2,820 admissions.

The health service continues to expand its services to meet the growing demands of the Northern catchment. Construction continued on two new community hospitals at Craigieburn and Mernda, which are nearing completion. In addition, works commenced on the construction of Stage 1 of the Northern Hospital Redevelopment Project. This includes an ambulatory care centre, which is expected to be completed in mid-2026 and will allow for the major development of a new expanded Emergency Department to commence. Stage 2 of the project includes a new Emergency Department and Ward Tower which are expected to be completed by 2029 and will significantly improve the capacity and accessibility of the Emergency Department as well as significantly increasing the number of inpatient beds.

Northern Health continues to lead the way by delivering innovative solutions to complex health care issues. With a focus on providing the right care, at the right time and in the right place, the latest technology is being utilised to expand the delivery of services and improve patient experience.

With a focus of improving access to care, the VVED partnered with key organisations to expand its reach. Partnerships developed during the year included the Australian Centre for Accelerating Diabetes Innovations (ACADI) which established a new virtual service providing free video consultations to people with diabetes suffering urgent non-life-threatening conditions.

The Victorian Virtual Specialist Consults (VVSC) is also continuing to expand its reach, providing free specialist consultations in a virtual setting, significantly cutting down the time patients are waiting for a specialist appointment. These innovations are improving patient access to specialist care, particularly in regional and remote settings.

Northern Health continues to demonstrate its commitment to values-based healthcare by providing innovative patient-centred care. This has involved the development of a number of co-designed digital care services including Asthma Management, post operative Perioperative and Paediatric Tonsillectomy Management and a Virtual Observation Ward. Patients are supported by online resources and connections to the health service utilising technology, providing resources aimed at supporting care that is tailored to the circumstances and the needs of the patients and their carers.

In August 2024, Northern Health expanded its imaging services by opening a new PET/CT facility, building on its aim of expanding the scope and quality of medical imaging services offered by the health service. The addition of these state-of-the-art imaging services has enabled an increase in the number of patients who can now access services closer to home.

It is now 18 months since Kilmore District Health entered into a voluntary amalgamation with Northern Health. The amalgamation has enabled an integration of services and activities, including improvements in ICT access and capacity, an increase in services and improved opportunities for staff.

Northern Health delivers services to a richly diverse community, and has a strong commitment to ensuring it provides a culturally safe environment for all consumers. In the past year, Northern Health launched its second Innovate Reconciliation Action Plan, the Northern Health Cultural Responsiveness Plan, and reaffirmed its commitment to safety by opening a women's only mental health unit at Northern Hospital Epping.

Notwithstanding sector-wide challenges, Northern Health maintained a clear focus on its priorities and delivered a break-even result.

These achievements would not be possible without the hard work, dedication and commitment of Northern Health's 9,000 strong workforce. Northern Health staff are our greatest asset and continue to represent the health service nationally and internationally in their fields of expertise. Our staff are expanding Northern Health's research reputation and contributing to the future of healthcare. Our values of Safe Kind Together guide our patient care and supporting services. The combined efforts of our staff ensure Northern Health is well prepared to meet the growing demands of the Northern community.

We would also like to acknowledge the dedication of our volunteers for giving their time and service, along with the Northern Health Foundation and congratulate them on achieving another successful year of fundraising. The Foundation's fundraising efforts have enabled Northern Health to invest in improving equipment and services.

We commend the exceptional leadership of our executive team, and the Board would like to take this opportunity to thank Debra Bourne, who was appointed to the role of Chief Executive in November 2024, for her outstanding leadership. We would like to thank the Northern Health Board for its leadership and guidance and particularly acknowledge the outstanding contributions of outgoing board members, Phillip Bain, Dr Sherene Devanesen AM, and Linda Rubenstein.

It is with tremendous pride and gratitude that I complete my term as Board Chair after 10 years. During this time, the growth and expansion of Northern Health has been remarkable and it has been my privilege to lead the health service. There have been challenges, but always a collective sense of purpose and a determination to provide exceptional health care to the Northern community. I am pleased to hand over the Chair to Adjunct Professor Alan Lilly to lead Northern Health into future.

As we prepare to enter a new phase of collaboration with our Local Health Service Network, we remain committed to advancing equitable access and delivering more integrated care for our community. We look forward to working in partnership with Austin Health, Seymour Health, and Mercy Hospital for Women as part of the North Metro and Mitchell Local Health Service Network to ensure our community receives the high-quality care it deserves.

In accordance with the *Financial Management Act 1994*, we are pleased to present the Report of Operations for Northern Health for the year ending 30 June 2025.

Jennifer Williams AM
Board Chair
Northern Health

Debra Bourne
Chief Executive
Northern Health

Emergency presentations

118,710

2023-24: 116,453

VVED presentations*

254,118

2023-24: 195,939

Paediatric emergency presentations

25,326

2023-24: 25,032

3,386

2023-24: 3,295

Babies born

33,529

2023-24: 33,894

Ambulance arrivals

*Victorian Virtual Emergency Department

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

Elective surgical procedures

24,110

2023-24: 22,416

Mental Health Adult / Aged Admissions

2,820

2023-24: 2,509

129,690

2023-24: 123,160

Hospital admissions

305,045

2023-24: 284,409

Specialist Clinic appointments

Mental Health Community Care Contacts**

216,673

2023-24: 285,995

Decline in Mental Health Community Care Contacts due to Protected Industrial Action in Mental Health Division.

Our Achievements

A healthier future

Northern Imaging Victoria

Since its establishment in October 2023, Northern Imaging Victoria (NIV) has imaged and treated an impressive 215,000 patients. NIV continues to expand its scope and enhance the quality of imaging services with numerous milestones achieved over the past year, each bringing tangible benefits to patients and the northern community. These include the launch of Victoria's first large-bore mechanical thrombectomy for pulmonary embolism.

Dedicated women's mental health unit

In February 2025, Ward 7 at Northern Hospital Epping - Victoria's largest public women's mental health inpatient unit - underwent a significant refurbishment to offer a more therapeutic space to better support recovery-focused care for female consumers aged 18 to 65 years.

The unit provides care based on trauma-informed, family-inclusive, and safe wards principles, with an emphasis on reducing restrictive interventions and offering mutual help meetings, sensory spaces, craft/yoga and music groups.

New Women's Health Clinic

Northern Health opened its first dedicated Women's Health Clinic in November 2024. The clinic provides an integrated health service for women and gender diverse people, including specialist screening, diagnosis and management of conditions unique to women over their life course, under four care streams.

As part of the Women's Health Clinic, Northern Health is proud to offer the community accessible public fertility care in partnership with The Royal Women's Hospital. In 2024, the Public Fertility Service welcomed its first baby born due to intervention from the fertility service.

Care closer to home at Kilmore

Since the voluntary amalgamation of Northern Health and Kilmore District Hospital, clinical care closer to home has been expanded for the local community. Improvements include extended hours of medical staffing in the urgent care centre, enhanced maternity services, new specialist clinics in paediatrics and improved imaging, with the launch of a new Siemens CT scanner in September 2024.

Capital works on Ambulatory Care Centre

Construction began on the first stage of the Northern Hospital Redevelopment Project. Stage one of the project includes the Ambulatory Care Centre – a new four-storey standalone building to provide a dedicated space for outpatient and ambulatory services, clinical care and hospital administration.

Aboriginal health and cultural safety

At Northern Health, clinical trials offer new opportunities for care, especially for conditions that disproportionately impact the community. First Nations people value a close, culturally safe model of care, where there is one main point of contact and a genuine opportunity to improve health outcomes for the next generation.

This feedback informed the development of a unique and culturally resonant clinical trials resource, The Gift of Healing.

Paediatric tonsillectomy

The Paediatric Tonsillectomy Digital Care Pathway (DCP) at Northern Health is designed to support children undergoing tonsillectomy.

Through the My Health@Northern app, parents and caregivers receive educational brochures and videos covering all aspects of the tonsillectomy process, so they are well informed about what to expect before, during and after surgery.

The DCP has recieved positive parent feedback; reduction in REACH calls and in phone calls to the Paediatric Ward.

Paediatric Tonsillectomy Digital Care Pathway

Subacute care in the home

Northern Health's Geriatric Evaluation and Management at Home (GEM@Home) celebrated its 10-year milestone of delivering hospital-level care to older patients in the comfort of their own homes.

The program was born from a shared vision to reimagine subacute care. It was established to ensure older people with multiple and complex needs have access to specialist assessment, diagnostic and management services, without needing to leave home.

Urgent concern helpline

Northern Health is proud to have led the inaugural trial of the Urgent Concern Helpline, a new escalation service developed by the Victorian Virtual Emergency Department. Designed to support families worried about a patient's deteriorating condition or feeling unheard, the helpline is part of Safer Care Victoria's "Safer Care for Kids" initiative.

Our valued workforce

People Matter Survey

In a year marked by change and challenges, Northern Health achieved its strongest People Matter Survey results since the COVID-19 pandemic. Significant improvements were recorded across key areas, including senior leadership, organisational and team climate, job satisfaction, manager support, staff engagement, wellbeing, and intention to stay.

Early careers mentoring program

Since 2012, Northern Health's Early Careers Mentoring Program has supported the growth and development of young doctors by guiding interns through their first year of practice. Each intern is paired with an experienced consultant who provides valuable support and mentorship. In 2025, 130 consultants volunteered to mentor 61 interns, helping to shape the future of the next generation of doctors.

International medical graduates

Amina Shaukat, a Psychiatry Registrar is one of many International Medical Graduates at Northern Health who participated in the Transition to Practice Observership. This program is designed to help international doctors gain valuable experience in the Australian healthcare system and support a smooth transition into the local workforce.

Next generation nurses and midwives

Northern Health remains an employer of choice, proudly supporting the development of graduate nurses and midwives. In 2024-25, Northern Health welcomed 154 graduates, including 136 Registered Nurses, 14 RN/RM combined graduates, four Midwives, and nine Registered Nurses in the new Care of the Older Person program. Of these, 35 had previously worked at Northern Health as Enrolled Nurses, RUSONs, a Clerk, or a PSA.

Many individuals completed placements at Northern Health and subsequently chose to commence their careers within the organisation, having developed strong connections with both staff and patients. Northern Health is proud to be home to over 30 Nurse Practitioners, with several more currently working toward endorsement. These practitioners represent a diverse range of specialties, including Aged Care, Diabetes, Emergency, Mental Health, Plastics, Oncology, Palliative Care, and Virtual Emergency Department services.

Farewell to Siva Sivarajah

As Chief Executive, Siva Sivarajah provided exceptional leadership and clear strategic direction, enabling Northern Health to become the high performing organisation it is today. Under his leadership, Northern Health thrived, benefiting from a strengthened culture and a legacy of excellence that continues to shape the organisation.

Siva was instrumental in the organisation's journey from a small community hospital to one of the most innovative and sustainable health services in the state. Under his leadership, total revenue grew from around $400 million to $1.2 billion. Staffing levels increased from 4,000 to 9,000. During Siva's tenure, multiple Capital Development projects were funded to enable Northern Health to continue to provide outstanding care to its growing and diverse community. These included two community hospitals and a new Emergency Department and inpatient tower at the Northern Hospital Epping, with a combined value of over $900M.

On 16 August, Siva Sivarajah bid farewell to Northern Health to embark on a new role as the inaugural Chief Executive of 'Hospitals Victoria'.

Northern Health remains an employer of choice, proudly supporting the development of graduate nurses and midwives.

Teams Response in Critical Situations Course

Delivering safe, effective care

Accreditation results

Northern Health achieved successful Accreditation during the Short Notice Assessment, receiving its detailed Assessment Report in August 2024. Of the 151 actions assessed across Northern Health facilities, all were met and no recommendations required remedial action.

In the assessment report, surveyors said it was evident that safety and quality is firmly embedded into the organisation, and while there are some areas for improvement, they were pleased to observe 'very authentic patient-centred care' across Northern Health.

Team Response in Critical Situations

The TRICS – Team Response in Critical Situations - course is designed to teach and practice these skills in a multidisciplinary team environment. The 4.5-hour course is held at the Northern Centre for Health Education and Research Simulation Centre and involves skills stations, simulations, and team debriefing, and is taught by nursing and medical faculty with critical care experience. The course has been running since April 2024. To date, 14 sessions have been held with a total of 110 participants comprising medical and nursing staff from Northern Health. The course has recently been accredited for CPD hours by both the Australasian College of Emergency Medicine, and the College of Intensive Care Medicine Australasia.

Wellness Lounge

This year, the Cancer Services Division opened a new Wellness Lounge at Northern Hospital Epping, a serene space exclusively for oncology and hematology patients. Thoughtfully designed, and generously funded by Northern Health Foundation, this area offers some much-needed 'me time,' allowing patients and their families to disconnect from the outside world and reconnect with their own body.

WellAhead Program

The WellAhead Program empowers all those on a cancer journey and their carers to take charge of their health, equipping them with the tools and support needed to navigate life's challenges with confidence and resilience.

Activities include Qigong and yoga classes, the Northern Health Community Choir and special programs for seniors from Whittlesea U3A. WellAhead is dedicated to enhancing community health and wellbeing, offering services that extend far beyond the traditional hospital setting.

Music therapy

Northern Health's Senior Music Therapist, Dr Lucy Forrest, uses live music to create therapeutic soundscapes and individually tailored programs in Palliative Care, enriching the experiences of patients, families, and staff. Her work promotes rest, relaxation and connection, fosters healing, and supports overall wellbeing.

Access to clinical trials

In August 2024, Northern Health launched a campaign to improve access to and participation in cancer clinical trials by culturally and linguistically diverse (CALD) participants.

The program identified the need to enhance patients' understanding of clinical trials and remove language barriers to their participation. In response, the Clinical Trials team created a new general information brochure in the four most commonly spoken languages other than English. Complementary to this, the Cancer Clinical trials team works closely with the Transcultural and Language Services (TALS) to support the consenting process for patients.

Northern Health Memorial Service

Every year, Northern Health's Spiritual Care, Palliative Care and Social Work teams host two memorial services to honour the memory of those who passed away at Northern Health.

The service, 'A time to remember', is an opportunity for loved ones and staff to come together to remember those who passed away at Northern Health and also to pay tribute to Northern Health staff who have passed away.

Improving patient experience

Providing safe, high-quality care in Victoria depends on smooth patient flow, with timely discharge and transfer processes key to getting patients home safely and freeing up beds. One of the ways this is achieved at Northern Health is by optimising discharge after total knee and hip replacement surgery. Criteria Led Discharge (CLD) supports this by reducing hospital stays and empowering staff and patients alike. Together, these strategies improve outcomes and ensure the system runs efficiently for all.

Improvement science

Learning improvement science at Northern Health is an action learning workshop built around simulation of the Day Procedure Unit. Northern Health runs six sessions a year for internal staff and external participants.

In March, Northern Health hosted a visit from Dr Ian Sturgess, NHS physician and international faculty member of the Institute for Healthcare Improvement. Dr Sturgess and the Department of Health's Principal Improvement Advisor for the Timely Emergency Care Collaborative (TEC2) met with ward staff and senior clinical, operational, and executive leaders. It was established that Northern Hospital Epping has successfully embedded the TEC2 Excellence in Flow objectives into its organisational strategy, together with the vision for virtual care, leveraging opportunities to test and implement improvements in the emergency department, wards and short stay unit.

Working together and innovating

Virtual care

In March 2025, the Victorian Virtual Emergency Department (VVED) celebrated a significant milestone of 500,000 presentations since its launch in October 2020. This milestone represents a major achievement in virtual care, demonstrating the power and potential of modern technology in the way we care for our community.

As part of the Victorian Budget 2025/26, the VVED received $437m in funding to triple the capacity of the VVED by 2028-29. This investment will help reduce pressure on the health system and the dedicated doctors, nurses and paramedics working within it. The expansion for Australia's first ever virtual emergency department means more than 1,750 Victorians each day will benefit from the VVED over the next four years.

Virtual ED for people with diabetes

The Victorian Virtual Emergency Department and the Australian Centre for Accelerating Diabetes Innovations (ACADI) partnered to launch VVED Diabetes. This service provides free video consultations to people with diabetes experiencing urgent non-life-threatening complications.

The service, delivered by diabetes nurse practitioners and emergency clinicians, provides a lifeline to those living in regional and remote areas, where access to urgent care is often limited.

Victorian Virtual Specialists Consults

Northern Health's Victorian Virtual Specialist Consults (VVSC) service partners general practitioners across the state to provide all Victorians timely access to specialist care advice.

In May, Northern Health's VVSC leadership team was delighted to receive the Value-Based Healthcare Award (VBHC) for Innovation at the 2025 VBHC Congress, chosen from amongst 80 nominations across the country.

Perioperative Digital Care Plan

In 2024, Northern Health launched its new Perioperative Digital Care Pathway (DCP) via the My Health @ Northern app. This pathway is designed to provide clinicians with accurate, real-time information about patients' health status, improve patient satisfaction, reduce surgery cancellations and decrease hospital-acquired complications.

Pain management

Northern Health's Department of Anaesthetics, Perioperative Medicine and Pain developed a model where the Acute Pain Service (APS) and Pain Management Nurse Practitioner provide regional anaesthesia for hip and rib fractures — a unique practice globally. This model of collaborative, patient-centred perioperative care is leading the way in tailoring surgery decisions for complex patients.

Comprehensive reproductive health care

For the past six years, the Abortion Service at Broadmeadows Hospital has been providing an essential service to the community in Melbourne's north. As part of Northern Health's commitment to delivering comprehensive healthcare, the service offers both early medication and surgical abortion in a pro-choice, safe, and supportive environment.

The abortion service is an integral part of Northern Health's ongoing efforts to provide accessible reproductive healthcare services for women in the region.

Fiji's first vascular surgeon

Northern Health trained Dr Sela Koyamaibole to become Fiji's first ever vascular surgeon. Arriving at Northern Health through the Global Vascular Companionship (GVC), Dr Sela trained with our vascular surgery unit in an effort to establish vascular surgical services in Fiji.

Dr Sela Koyamaibole

The VVED demonstrates the power and potential of modern technology in the way we care for our community.

Research and education for excellent care

Academic Partnerships

Northern Health continues to strengthen its academic collaborations, driving innovation and excellence in research and education. The Clinical Translational Research Partnership with RMIT University, established in May 2024, has rapidly gained momentum. Key milestones include the appointment of a joint Professor of Translational Research, a postdoctoral fellow, and a research assistant. The first of several planned PhD candidates has commenced, contributing to a growing body of translational research. To date, the partnership has attracted approximately $7 million in research funding and fostered nine new collaborations, extending Northern Health's reach to local, national and international research organisations and industry.

In March 2025, Northern Health and La Trobe University launched the Equity Diversity and Inclusion Research Partnership. This initiative will establish a collaborative research hub focused on health equity and diversity, addressing the unique needs of one of Victoria's most diverse and rapidly growing regions.

MACH Fellowship Recipients

Northern Health is proud to celebrate the achievements of two staff members recognised through the Melbourne Academic Centre for Health (MACH) fellowship programs. Vanessa Leonard-Roberts, Nurse Practitioner at Northern Hospital Emergency Department, received a 2025 MACH Track Fellowship. Dr Karen Kiang, Consultant Paediatrician with the Victorian Virtual Emergency Department (VVED), was awarded a 2025 MacHSR Future Leaders Fellowship. Her project, Analysing the Environmental Impact of the Victorian Virtual Emergency Department, aims to assess the sustainability of virtual emergency care compared to traditional in-person presentations.

Research Projects and Publications

In the 2024–25 financial year, Northern Health opened 148 new quality and research projects, with 113 initiated by Northern Health investigators. These projects span a wide range of clinical and operational areas, reflecting the organisation's commitment to evidence-based practice and continuous improvement. Northern Health researchers also contributed to over 350 peer-reviewed publications, showcasing the breadth and impact of research across the organisation.

Allied Health Education

Northern Health's Allied Health team continues to lead in professional development and clinical education. The Allied Health Clinical Education Network (AHCEN) complex case series webinar on Functional Neurological Disorders attracted over 1,000 allied health professionals in September 2024, exceeding the team's online meeting capacity. This series has consistently drawn high engagement, with an average of over 500 registrants per event over the past two years. The webinars provide a platform for sharing clinical expertise and fostering interdisciplinary learning across the sector.

Theatre Green Team: Little Blue Towels

A sustainable hospital

Net zero carbon emissions

Northern Health was ranked the most energy efficient health service in Victoria, according to the NABERS Sustainability Portfolio Index (SPI). This index measures the performance of public buildings by energy and water usage, using a star scale, where six stars represent superior performance.

In the same year where the state average was 4.1, Northern Health earned an exceptional 5.1 stars out of 6 for energy efficiency per occupied bed day, the highest in the state.

Across a highly competitive field, Northern Health received the award for 'Creating a sustainable and climate resilient health system: Virtual healthcare – reducing the health sector's carbon footprint' at the 2024 Victorian Public Healthcare Awards.

Theatre Green recycling initiative

The "Theatre Green Team" has the primary goal of enhancing recycling initiatives across the organisation, reducing the amount of waste going into landfill. Consisting of representatives from nursing, surgical, and anaesthetic departments across multiple Northern Health sites, Theatre Green Team are tackling projects including the recycling of plastic, aluminium, PVC, Kimguard, batteries, and medication vial caps. In partnership with Support Services, the team is working on the reduction and ultimate elimination of single use cups within our departments.

The team continues to support the OTIS Foundation, which provides employment for people living with disabilities, through the recycling and repurposing of single use "Little Blue Towels." The proceeds from this initiative help fund retreat accommodation for women with breast cancer.

Research Report

The Research Executive Committee, in conjunction with the Research Development and Governance Unit (RDGU), is pleased to report a year of strong growth and transformation in research at Northern Health. Highlights for the 2024-25 financial year include:

Academic Partnerships

RMIT University

Northern Health's Clinical Translational Research Partnership with RMIT University, established in May 2024, has made strong progress.

This partnership will accelerate the establishment of new and innovative clinical trials and foster collaborations with the pharmaceutical industry to improve patient outcomes. It will support workforce development by offering postgraduate research training opportunities for the next generation of health researchers in Melbourne's north.

Achievements so far include the appointment of a joint Professor of Translational Research, Professor Shekhar Kumta, appointment of a joint postdoctoral fellow and research assistant, and commencement of the first of several planned PhD candidates. PhD candidate Vincent Lu, in his first year of study, made his mark by delivering two oral presentations at the International Society on Thrombosis and Haemostasis Annual Congress in Washington DC, demonstrating the impact of the collaborative research he is undertaking.

The Partnership has so far attracted ~$7M in research funding. Nine new collaborations are emerging under the partnership, additionally creating relationships with local, national and international research organisations and industry.

La Trobe University

Northern Health and La Trobe University have established the Equity Diversity and Inclusion Research Partnership. The partnership officially launched on 25 March 2025. The partnership will establish a collaborative research hub dedicated to enhancing health equity and diversity research, specifically addressing the needs of one of Victoria's most diverse and rapidly growing regions. The collaboration will also provide new career development opportunities for staff and students from both La Trobe University and Northern Health, helping to cultivate a stronger and more skilled workforce for the future.

National Clinical Trials Governance Framework

Northern Health continued to refine its clinical trial governance processes in line with the National Clinical Trials Governance Framework. Building on the strong foundation established in 2024, Northern Health remains committed to maintaining high standards and aligning with national requirements to ensure safe, effective, and consumer-centred clinical trial conduct.

Photo:

Professor Catherine Itsiopoulos Associate Deputy Vice-Chancellor and Head of RMIT Bundoora Health Precint, Siva Sivarajah former Chief Executive, Northern Health, Professor Ian Burnett Deputy Vice-Chancellor STEM College and Vice-President – RMIT University, Bronwyn Halfpenny MP Member for Thomastown, and A/Prof Prahlad Ho Chief Medical Officer and Chair, Research Executive Committee.

Research Funding

In collaboration with research partners, Northern Health research was boosted by continued and growing success in obtaining competitive research funding. Highlights include:

Project Title: Emerging from the long shadow: Optimising supportive consumer and provider journeys through the post-acute sequelae of COVID-19 (PASC).

Chief Investigator:
Professor Catherine Itsiopoulos (RMIT)

Northern Health Investigators:
Professor Don Campbell, A/Prof Rebecca Jessup

Grant Type: MRFF

Funding total: $5M

Project Title: Optimising chest pain pathways that ensure earlier access to definitive care for patients in remote and rural communities

Chief Investigator:
Professor Dion Stubb (Monash University)

Northern Health Investigators: Dr Loren Sher

Grant Type: NHMRC

Funding total: $1.46M

Project Title: Implementation Research to Improve Outcomes in Primary Spontaneous Pneumothorax (iIMPROVE PSP)

Chief Investigator: Professor Diana Egerton-Warburton (Monash University)

Northern Health Investigators:
A/Prof Sangeevan Muruganandan

Grant Type: MRFF

Funding total: $4.78M

Project Title: Age-related global coagulation changes: from birth to old age

Chief Investigator: Vincent Lu (Northern Health)

Grant Type: Australian Institute of Medical and Clinical Scientists

Funding total: $10,000

Internal Research Grant Scheme

To support the growth of Northern Health-led research, a variety of research grants were made available under the Northern Health Research Grants Program.

These grants benefit the Northern Health community through new knowledge generation, support the development of research ideas towards external funding success, enhance research culture and support staff development.

The successful grant recipients included:

Northern Health Foundation Grant

1. Dr Loren Sher, Victorian Virtual Emergency Department
   Project Title: ENDURED: Enhancing Discharge Understanding and Retention through Effective Delivery

Research @ Northern Support Grants

1. Dr Julie Wang, Northern Clinical Diagnostics and Thrombovascular Research Centre (NECTAR), Department of Haematology, Northern Pathology Victoria

   Project Title: Novel biomarkers to improve cardiovascular risk prediction in noncardiac major surgery
2. Dr Hashrul Rashid, Cardiology

   Project Title: EMPRESS Study (Empagliflozin and Coronary Stent Restenosis in Type 2 Diabetes
3. Dr Saiumaeswar Yogakanthi, Gastroenterology

   Project Title: The Renin Angiotensin System in Stricturing Crohn's Disease

Grants in Aid

1. Dr Taylor Corocher, Northern Pathology Vic

   Project Title: Validation of rapid quantification of unfractionated heparin in plasma using surface-enhanced Raman spectroscopy
2. Dr Vassili Mark Papageorge, Orthopaedic Surgery

   Project Title: Prospective multi-spectral analysis of joint fluid aspirates for the rapid diagnosis of septic and crystal arthropathies – a SPECTRAL Study (Spectral Profiles of Joint Effusions with Confirmed Test Results and Arthropathy Library)
3. Dr Darren Lowen, Anaesthesia, Perioperative Medicine & Pain

   Project Title: Paired blood samples to determine the obstetric impact of induction of labour in nulliparous women.
4. Tengyi Cai, Northern Clinical Diagnostics and Thrombovascular Research (NECTAR)

   Project Title: Evaluation of vaspin as a biomarker for health outcomes in patients with cardiovascular risk factors and chronic kidney disease
5. Rebecca Galea-O'Neill, Physiotherapy

   Project Title: Patient Perspectives: Showcasing the Impact of the Musculoskeletal Wellness Program

Research Week

Northern Health Research Week took place from 21 – 25 October 2024. The week-long event highlighted the breadth and depth of research activity across Northern Health and its partners, drawing over 75 abstract submissions. Other highlights included oral presentations, daily poster viewing sessions, a research-focused Medical Grand Round, a surgical research forum and a trivia session.

The event culminated in a final day of keynote and oral presentations from both internal and external researchers. Notable speakers included Murdoch Children's Research Institute's Professor Richard Saffery, Deputy Director of Generation Victoria, presenting on the importance of population-based biobanking for research. Northern Health researchers presented a showcase of 'rapid-fire presentations' on recent successful nationally competitive grants.

The annual Peter Brooks Research Award for the best abstract oral presentation was awarded to Dr Rowena Brook for her project entitled 'Multimodal cardiovascular risk prediction model in diabetes outperforms HbA1c and Framingham Risk Score'.

Research Publications

In the 2024-25 financial year, Northern Health researchers led, or contributed to, over 350 articles in scientific journals. Some examples include:

- James Pho and colleagues studied the characteristics of children transferred from a peripheral centre to a tertiary paediatric hospital for management of acute respiratory illnesses. They showed that for more than half of these

transfers, the treatment the patients received at the tertiary hospital was in scope at the peripheral centre, and concluded that a model of decentralised high dependency care may be beneficial. *(Pho et al, Stay put or move out? A review of acute respiratory illness transfers out of a peripheral centre and their characteristics: a retrospective cohort study. Journal of Paediatrics and Child Health 2025; 61:787-94)*

- Craig Aboltins and colleagues described the use of suppressive antimicrobial therapy (SAT) in patients with prosthetic joint infection. They found that SAT use for greater than 12 months was not associated with improved outcomes at 24 months. The study was highlighted in the journal as the 'Editor's Pick'. *(Aboltins et al, Outcomes after suppressive antimicrobial therapy for prosthetic joint infection: a prospective cohort study. Antimicrobial Agents and Chemotherapy 2025; 69(6):e01784-24)*
- Simone Said and colleagues used a qualitative approach to identify the attributes and skills required of a peer health navigator. Personal attributes and tacit knowledge were highly values by both patients, and the health navigators themselves, and recommended employing organisations focus on supervision, mentoring, and clarity of scope of practice to ensure success. *(Said et al, Attributes, skills and resources required for peer health navigator roles: a qualitative study of the perspective of patients, healthcare professionals and health navigators. Patient Education and Counseling 2025; 138:109210)*
- Sarah Lucas and colleagues compared the rates of infusion reactions between different intravenous iron formulations. They demonstrated a difference in reactions between the formulations studied, guiding selection for optimal care. *(Lucas et al, Intravenous administration of ferric derisomaltose is associated with a higher incidence of infusion reactions than ferric carboxymaltose, and unaffected by dilution volume. Internal Medicine Journal 2025; doi: 10.1111/imj.70100).*

Over the next 12 months, the Research Executive Committee and Research Development and Governance Office look forward to continued growth and development of research at Northern Health, and driving continuous improvement in clinical care and better health outcomes for the people of Melbourne's north and beyond.

Dr Ming Joe Lim Deputy Director of Imaging Services, Prof Prahlad Ho Chief Medical Officer, Sophie Dodson Operations Manager, Mary-Anne Thomas Minister for Health of Victoria, Bronwyn Halfpenny MP, A/Prof Stephen Schlicht Head of Nuclear Medicine and A/Prof Terry Kok Director of Imaging Services, during a visit to Northern Imaging Victoria.

Aboriginal Health and Wellbeing Report

Written from the perspective of the Aboriginal Services Team – Narrun Wilip-giin

At Northern Health, we continue to walk alongside our Aboriginal and Torres Strait Islander communities, working to embed cultural safety, community leadership, and equity into everything we do.

Our work is guided by the Aboriginal Cultural Safety Plan, Innovate Reconciliation Action Plan, and the Aboriginal Employment Plan — but more importantly, it is shaped by our Elders, community members, and Aboriginal staff, who remind us that health is about connection, culture, and Country.

We're not just ticking boxes. We're holding space. We're opening doors. And we're working to shift systems that for too long haven't worked for our people.

Walking with Community – Improving Access and Experience

We know that too many of our mob still walk away from hospital without being seen, without feeling heard. In 2025, we trialled a real-time SMS support system for Aboriginal patients in the Emergency Department — sending encouraging messages that helped some return or access virtual care through the Victorian Virtual Emergency Department (VVED). Early data shows nine per cent of those who received the message came back for care. That's a start — but we know our work isn't done until no one feels like they have to leave before being seen.

Our Aboriginal Liaison Officers also conducted a 12-week review to understand the reasons behind these early departures. This led to the development of a culturally appropriate emergency department brochure, designed by and for Aboriginal patients. It speaks our language — not just in words, but in values. It's about ensuring every person who walks through those doors knows they belong, and that culture is respected here.

Asking the Question — Respectfully

We continued our efforts to support staff in "Asking the Question" around cultural identity in a respectful and meaningful way. Working with other health services, we co-developed a video now used in staff induction and refresher training. It's a simple question — "Are you of Aboriginal or Torres Strait Islander origin?" — but when asked with care, it can open the door to safer care, deeper trust, and stronger outcomes.

Our Aboriginal Workforce – Growing Our Strength

Our people are our greatest strength. As of 2024, 38 staff across Northern Health identify as Aboriginal and/or Torres Strait Islander. We're proud of every one of them, and we're working hard to ensure they're not just surviving — but thriving.

Two roles have been critical in this space:

- The Aboriginal Clinical Nurse Educator is leading the way in mentoring our Aboriginal nurses and students, while also educating clinical departments on what true culturally safe care looks like.

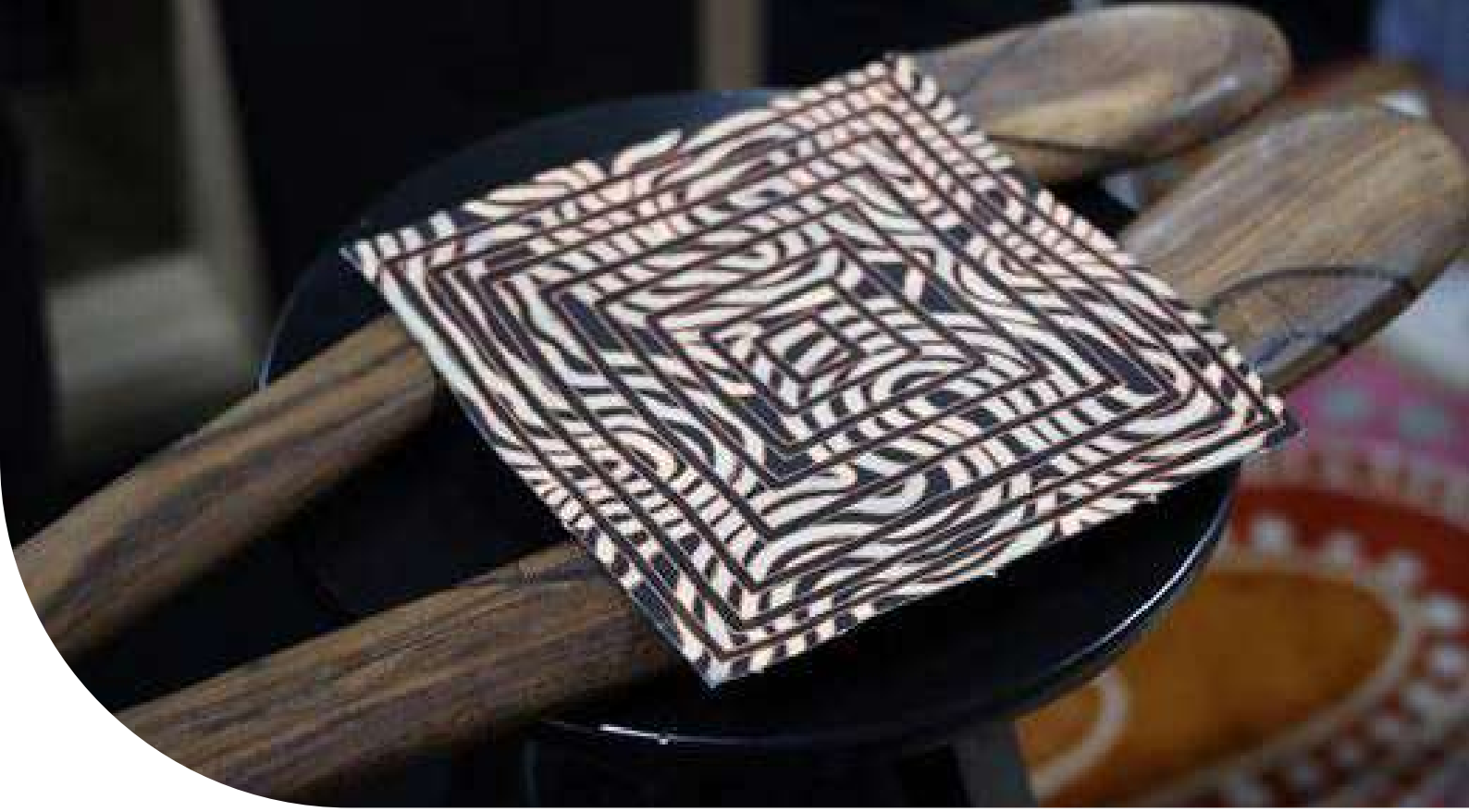
- The Aboriginal Employment and Cultural Safety Advisor has been pivotal in shaping our future workforce strategy. Their leadership is steering the development of the Aboriginal Employment Plan 2025–28, embedding cultural safety into recruitment, retention, and visibility across the health service.

Cultural Safety Education – Led by Mob, for Mob

Since January 2025, more than 700 staff have completed face-to-face Aboriginal cultural safety training under the Narrun Wilip-giin Education Plan. These sessions, delivered by Aboriginal staff in partnership with clinical educators, go far beyond policy — they bring in real stories, real experiences, and real challenges that force us all to reflect, grow, and do better.

Our team also presented at the End of Life Workshop, sharing culturally grounded approaches to palliative care — where Spirit, family, and Country are just as important as medicine.

We also hosted two Aboriginal Study Days in 2024 and 2025, with strong participation both in-person and online. These events created safe spaces



for Aboriginal staff, clinicians, and community to yarn about cultural safety, health equity, and lived experience in the healthcare system.

Walking Together – Partnerships that Matter

Our partnerships with Aboriginal organisations are grounded in trust, respect, and shared vision. In 2025, we proudly supported the opening of a new Koori Maternity Service (KMS) clinic at First Peoples' Health and Wellbeing (FPHW) — a place where our mums and bubs can receive antenatal care in a culturally safe, community-controlled environment. This is the kind of partnership that changes lives.

Listening to Community – Tour and Yarning

In May 2025, we hosted a community tour of Northern Hospital Epping, attended by Elders and representatives from VAHS, FPHW, DPV Health, and the Victorian Aboriginal Legal Service. The tour wasn't just about showing off our facilities — it was about listening. We ended with a yarning session with Executive leaders, hearing directly from community about what needs to change. It's not always easy listening, but it's always necessary.

Celebrating Culture – Every Day, Not Just on Special Days

Culture is not an event — it's embedded in who we are and what we do. That said, we proudly celebrated NAIDOC Week across all our campuses, including a Grand Round, visual installations, and an all-staff NAIDOC quiz.

We also honoured Aboriginal and Torres Strait Islander Children's Day with a book drive to promote early literacy and cultural pride among our youngest patients. Every story matters — and our kids deserve to see themselves reflected in the books they read.

Creating Welcoming Spaces – Visibly and Spiritually

We continue to embed cultural respect across our health service in visible ways. From new Narrun Wilip-giin uniforms featuring artwork grounded in themes of connection, to Aboriginal flags, acknowledgment plaques, and culturally identified name badges for Executive staff — these are symbols that tell our mob: this is your space too.

Looking Ahead – Culture, Connection, and Commitment

As we move forward, we are holding fast to the values of self-determination, cultural safety, and equity. The launch of the Aboriginal Employment Plan 2025–2028 will guide our next steps, but the real work is about listening — and walking alongside community every step of the way.

We're not just making space — we're building a health service where Aboriginal ways of knowing, being and doing are respected, centred, and celebrated.

Environmental Sustainability

Northern Health is committed to improving sustainability within health system infrastructure and performance.

Northern Health is committed to providing outstanding health care for the Northern community and to promoting an environmentally sustainable and healthy community. Northern Health's Sustainable Environmental Resources Management Policy demonstrates a commitment to environmental responsibility in accordance with the Victorian Government Climate Change Act 2017.

The Northern Health Environmental Management Plan 2023 – 2028 consolidates Northern Health's previous actions to reduce its environmental impacts in its operations, and sets out planning, policies and procedures to support this commitment in the future.

The Environmental Management Plan contains our environmental goals which is to reduce our net carbon emissions to zero by 2040 and within this goal, a commitment to net zero Scope 2 emissions by 2025, net zero Scope 1 emissions by 2030 and net zero Scope 3 emissions by 2040.

The Environmental Management Plan also sets out our major environmental initiatives, including:

- Installation of solar panels: The solar panel installation has been completed across all Northern Health sites. It is expected that the solar panels will meet approximately five per cent of Northern Health's electricity demand.
- Reduced reliance on natural gas: The replacement of gas with renewable energy will occur progressively until 2030.
- Car fleet converted to hybrid/electric: The motor vehicle fleet will be converted to hybrid or electric and infrastructure for fleet EV charging will be installed at major sites by 2025.
- Virtual healthcare: Northern Health continues to build on its strong virtual health offerings which reduces the reliance on the built environment and reduces Scope 3 emissions. In 2024-25, the Victorian Virtual Emergency Department saw over 254,000 patients and approximately 100,000 outpatient appointments were delivered via telehealth.
- Supply Chain: Work continues with Health Share Victoria and other agencies to more accurately record Scope 3 emissions from the Supply Chain and gain commitments from major suppliers in relation to reducing carbon footprint.

The environmental sustainability initiatives include events and quality improvement programs designed to promote awareness and encourage participation in the delivery of sustainable healthcare.

Waste audits are conducted to explore waste avoidance and resource recovery education opportunities, with the findings used to develop a series of interventions that aim to increase resource recovery, reduce waste to landfill and minimise clinical waste costs.

The Victorian Government encourages the efficient use of water in relation to building standards and government projects, and Northern Health is committed to encouraging builders of new buildings and occupants of existing buildings to use water more efficiently.

Northern Health places a strong focus on energy efficiency in organisation-wide environmental management systems and processes, including the setting of targets for improving energy efficiency, and using the energy procurement option that delivers the most competitive price. We note with pride our number 1 ranking (of more than 70 Victorian Health Services) for energy efficiency in the built environment (see NABERS National Australian Built Environmental Rating System for Public Hospitals in Victoria www.nabers.gov.au/data-gallery/spi-2024-public-hospitals).

Environmental Scorecard

Electricity use	Jul 24 - Jun 25	Jul 23 - Jun 24	Jul 22 - Jun 23
EL1 Total electricity consumption segmented by source [MWh]			
Purchased	21,449.00	20,342.26	19,868.40
Self-generated	165.32	165.62	21.33
EL1 Total electricity consumption [MWh]	21,614.32	20,507.88	19,889.74
EL2 On site-electricity generated [MWh] segmented by:			
Consumption behind-the-meter			
Solar Electricity	165.32	165.62	21.33
Total Consumption behind-the-meter [MWh]	165.32	165.62	21.33
Exports			
Solar Electricity	8.97	9.00	8.25
Total Electricity exported [MWh]	8.97	9.00	8.25
EL2 Total On site-electricity generated [MWh]	174.28	174.62	29.58
EL3 On-site installed generation capacity [kW converted to MW] segmented by:			
Cogeneration Plant	1.00	1.00	1.00
Diesel Generator	5.46	5.46	5.46
Solar System	1.34	1.34	0.19
EL3 Total On-site installed generation capacity [MW]	7.79	7.79	6.65
EL4 Total electricity offsets segmented by offset type [MWh]			
RPP (Renewable Power Percentage in the grid)	3,926.22	3,822.40	3,788.12
EL4 Total electricity offsets [MWh]	3,926.22	3,822.40	3,788.12
F1 Total fuels used in buildings and machinery segmented by fuel type [MJ]			
Natural gas	99,218,823.90	81,009,947.50	83,381,448.70
F1 Total fuels used in buildings [MJ]	99,218,823.90	81,009,947.50	83,381,448.70
F2 Greenhouse gas emissions from stationary fuel consumption segmented by fuel type [Tonnes CO2-e]			
Natural gas	5,112.75	4,174.44	4,296.65
F2 Greenhouse gas emissions from stationary fuel consumption [Tonnes CO2-e]	5,112.75	4,174.44	4,296.65
T1 Total energy used in transportation (vehicle fleet) within the Entity, segmented by fuel type [MJ]			
Total energy used in transportation (vehicle fleet) [MJ]	375,420.10	192,472.00	313,468.50

Electricity use	Jul 24 - Jun 25	Jul 23 - Jun 24	Jul 22 - Jun 23
T2 Number and proportion of vehicles in the organisational boundary segmented by engine/fuel type and vehicle category			
T3 Greenhouse gas emissions from transportation (vehicle fleet) segmented by fuel type [tonnes CO2-e]			
Total Greenhouse gas emissions from transportation (vehicle fleet) [tonnes CO2-e]	25.65	13.12	21.10
T4 Total distance travelled by commercial air travel (passenger km travelled for business purposes by entity staff on commercial or charter aircraft)			
Total distance travelled by commercial air travel			
T(opt1) Total vehicle travel associated with entity operations [1,000 km]			
Total vehicle travel associated with entity operations [1,000 km]			
T(opt2) Greenhouse gas emissions from vehicle fleet [tonnes CO2-e per 1,000 km]			
tonnes CO2-e per 1,000 km			
E1 Total energy usage from fuels, including stationary fuels (F1) and transport fuels (T1) [MJ]			
Total energy usage from stationary fuels (F1) [MJ]	99,218,823.90	82,275,764.90	83,381,448.70
Total energy usage from transport (T1) [MJ]	375,420.10	192,472.00	313,468.50
Total energy usage from fuels, including stationary fuels (F1) and transport fuels (T1) [MJ]	99,594,244.00	82,468,236.90	83,694,917.20
E2 Total energy usage from electricity [MJ]			
Total energy usage from electricity [MJ]		73,791,112.44	72,615,318.14
E3 Total energy usage segmented by renewable and non-renewable sources [MJ]			
Renewable	14,730,339.21	14,334,255.53	13,525,237.97
Non-renewable (E1 + E2 - E3 Renewable)	162,675,466.82	141,962,337.79	141,772,731.19
E4 Units of Stationary Energy used normalised: (F1+E2)/normaliser			
Energy per unit of Aged Care OBD [MJ/Aged Care OBD]	3,868.50	3,368.67	3,642.49
Energy per unit of LOS [MJ/LOS]	472.47	430.76	430.14
Energy per unit of bed-day (LOS+Aged Care OBD) [MJ/OBD]	421.04	381.92	384.71
Energy per unit of Separations [MJ/Separations]	1,304.55	1,186.10	1,267.42
Energy per unit of floor space [MJ/m2]	1,762.62	1,554.26	1,543.12
B1 Discuss how environmentally sustainable design (ESD) is incorporated into newly completed entity-owned buildings			

Electricity use	Jul 24 - Jun 25	Jul 23 - Jun 24	Jul 22 - Jun 23
B2 Discuss how new entity leases meet the requirement to preference higher-rated office buildings and those with a Green Lease Schedule			
B3 NABERS Energy (National Australian Built Environment Rating system) ratings of newly completed/ occupied Entity-owned office buildings and substantial tenancy fit-outs (itemised)			
B4 Environmental performance ratings (eg. NABERS, Green Star, or ISCAIS rating scheme) of newly completed Entity-owned non-office building or infrastructure projects or upgrades with a value over $1 million			
NABERS Energy		5.1	
B5 Environmental performance ratings achieved for Entity-owned assets portfolio segmented by rating scheme and building, facility, or infrastructure type, where these ratings have been conducted			
Rating scheme			
W1 Total units of metered water consumed by water source (kl)			
Potable water [kL]	185,239.13	178,644.57	178,938.47
Total units of water consumed [kl]	185,239.13	178,644.57	178,938.47
W2 Units of metered water consumed normalised by FTE, headcount, floor area, or other entity or sector specific quantity			
Water per unit of Aged Care OBD [kL/Aged Care OBD]	4.05	3.86	4.21
Water per unit of LOS [kL/LOS]	0.49	0.49	0.50
Water per unit of bed-day (LOS+Aged Care OBD) [kL/OBD]	0.44	0.44	0.44
Water per unit of Separations [kL/Separations]	1.37	1.36	1.46
Water per unit of floor space [kL/m2]	1.84	1.78	1.78

Waste and recycling	Jul 24 - Jun 25	Jul 23 - Jun 24	Jul 22 - Jun 23
WR1 Total units of waste disposed of by waste stream and disposal method [kg]			
Landfill (total)			
General waste - bins	47,991.45	48,145.32	63,760.57
General waste - compactors	832,488.97	931,140.00	909,891.00
General waste - skips	407,104.40	448,010.00	169,452.50
Offsite treatment			
Clinical waste - incinerated	19,601.02	20,033.47	15,110.56
Clinical waste - sharps	25,130.93	25,409.93	25,139.03
Clinical waste - treated	333,480.77	336,939.06	404,706.09
Recycling/recovery (disposal)			
Batteries			29.00
Cardboard	149,890.48	171,823.82	268,630.69
Commingled	29,301.58	29,378.24	95,326.56
Packaging plastics/films			1,688.00
Paper (confidential)	176,022.00	135,754.85	159,530.68
Paper (recycling)			875.52
PVC	1,362.00	1,562.00	2,135.00
Total units of waste disposed [kg]	2,022,373.60	2,148,196.68	2,116,275.20
WR1 Total units of waste disposed of by waste stream and disposal method [%]			
Landfill (total)			
General waste	63.67%	66.44%	54.01%
Offsite treatment			
Clinical waste - incinerated	0.97%	0.93%	0.71%
Clinical waste - sharps	1.24%	1.18%	1.19%
Clinical waste - treated	16.49%	15.68%	19.12%
Recycling/recovery (disposal)			
Batteries			0.00%
Cardboard	7.41%	8.00%	12.69%
Commingled	1.45%	1.37%	4.50%
Packaging plastics/films			0.08%
Paper (confidential)	8.70%	6.32%	7.54%

Waste and recycling	Jul 24 - Jun 25	Jul 23 - Jun 24	Jul 22 - Jun 23
Paper (recycling)			0.04%
PVC	0.07%	0.07%	0.10%
WR2 Percentage of office sites covered by dedicated collection services for each waste stream			
Printer cartridges		0.30	
Batteries		0.10	
e-waste		0.63	
Soft plastics			
WR3 Total units of waste disposed normalised by FTE, headcount, floor area, or other entity or sector specific quantity, by disposal method			
Total waste to landfill per patient treated [(kg general waste)/PPT]	1.39	1.68	1.55
Total waste to offsite treatment per patient treated [(kg offsite treatment)/PPT]	0.41	0.45	0.60
Total waste recycled and reused per patient treated [(kg recycled and reused)/PPT]	0.20	0.40	0.72
WR4 Recycling rate [%]			
Weight of recyclable and organic materials [kg]	356,357.00	338,518.90	528,215.45
Weight of total waste [kg]	2,022,373.60	2,148,196.68	2,116,275.20
Recycling rate [%]	17.62%	15.76%	24.96%
WR5 Greenhouse gas emissions associated with waste disposal [tonnes CO2-e]			
tonnes CO2-e		1,602.26	2,051.02

Greenhouse gas emissions	Jul 24 - Jun 25	Jul 23 - Jun 24	Jul 22 - Jun 23
G1 Total scope one (direct) greenhouse gas emissions [tonnes CO2e]			
Carbon Dioxide	5,125.38	4,242.03	4,306.83
Methane	9.93	8.23	8.34
Nitrous Oxide	3.09	2.52	2.56
Total	5,138.39	4,252.79	4,317.74
Scope 1 GHG emissions from stationary fuel (F2 Scope 1) [tonnes CO2-e]	5,112.75	4,239.67	4,296.65
Scope 1 GHG emissions from vehicle fleet (T3 Scope 1) [tonnes CO2-e]	25.65	13.12	21.10
Medical/Refrigerant gases			
Total scope one (direct) greenhouse gas emissions [tonnes CO2e]	5,138.39	4,252.79	4,317.74
G2 Total scope two (indirect electricity) greenhouse gas emissions [tonnes CO2e]			
Electricity	14,147.52	13,379.51	13,648.64
Total scope two (indirect electricity) greenhouse gas emissions [tonnes CO2e]	14,147.52	13,379.51	13,648.64
G3 Total scope three (other indirect) greenhouse gas emissions associated with commercial air travel and waste disposal (tonnes CO2e)			
Commercial air travel			
Waste emissions (WR5)	2157.28	2,344.15	2,058.12
Indirect emissions from Stationary Energy	2,318.14	1,980.90	2,092.04
Indirect emissions from Transport Energy	6.33	3.30	5.21
Paper emissions			
Water emissions	303.00	299.78	303.10
Any other Scope 3 emissions			
Total scope three greenhouse gas emissions [tonnes CO2e]	4,784.76	4,628.13	4,458.47
G(Opt) Net greenhouse gas emissions (tonnes CO2e)			
Gross greenhouse gas emissions (G1 + G2 + G3) [tonnes CO2e]	24,070.18	22,260.43	22,424.85
Any Reduction Measures Offsets purchased (EL4-related)	0.06	0.05	0.06
Any Offsets purchased			
Net greenhouse gas emissions [tonnes CO2e]	24,070.18	22,260.43	22,424.85

Normalisation factors	Jul 24 - Jun 25	Jul 23 - Jun 24	Jul 22 - Jun 23
1000km (Corporate)			
1000km (Non-emergency)			
Aged Care OBD	45,762.00	46,340.00	42,549.00
ED Departures	371,854.00	310,445.00	212,437.00
FTE	5,952.00	5,540.00	5,540.00
LOS	374,693.00	362,395.00	360,308.00
OBD	420,455.00	408,735.00	402,857.00
PPT	928,011.00	850,791.00	737,577.00
Separations	135,702.00	131,611.00	122,283.00
TotalAreaM2	149,697.11	140,695.00	132,781.00

NOTE: Indicators are not reported where data is unavailable or an indicator is not relevant to the organisation's operations

Northern Health Foundation

Northern Health Foundation continues to work alongside Northern Health to achieve the new vision: Creating a healthier future by working together, innovating and delivering great care.

The Foundation is committed to positively impacting patients and the northern community by raising funds for important medical equipment, research and training. By leveraging philanthropic donations and community support, the Foundation helps deliver compassionate and cutting-edge care in one of Victoria's fastest-growing regions, and continues to raise its awareness and increase community engagement in the northern community.

Northern Health Foundation is overseen by its dedicated board of directors, led by Board Chair, Peter McWilliam and Deputy Chair, Trudi Hay. Each director brings their own diverse expertise to continue leading the Foundation and making a difference. Northern Health thank them for volunteering their time and their commitment in service to the community.

During the 2024–25 financial year, Northern Health Foundation distributed over $1.6 million to Northern Health, supporting a wide range of initiatives, departments, and programs throughout the health service. A significant portion of funds is reserved in trust for upcoming projects. Over the past year, the Foundation raised over $2.8 million in revenue, an outstanding accomplishment made possible by the generosity of community and corporate partners.

Fundraising highlights

The Foundation continued its support for the Cancer Wellness Lounge at Northern Hospital Epping. This space provides patients and their families with a welcoming and relaxing environment, offering respite from clinical areas. The Foundation also proudly supports various funding needs for the WellAhead program, designed specifically for those living with and beyond cancer.

On Saturday, May 17, 2025, Northern Health Foundation hosted its annual Gala Ball at the Savoy Ballroom, Grand Hyatt Melbourne. The event brought together over 400 guests to support cancer services in Melbourne's northern suburbs. The evening featured a three-course dinner, world-class entertainment, and live auctions, raising $135,000 to enhance cancer care in the northern region.

The hallways of Ward 5 at Northern Hospital Epping have been adorned with beautiful canvas artwork to make the hallways brighter and more inviting for patients, thanks to staff contributions to the Foundation's Workplace Giving Program. The program also supported the funding of three new Corplus Modular Patient Monitors for the Emergency Department, which will make a tremendous addition to the ED. The Foundation greately appreciates all contributions from staff towards the Workplace Giving Program.

Northern Health Foundation patrons Bev Carman and Trudi Hay, hosted their annual events to continue supporting Cancer Services at Northern Hospital Epping, raising over $18,000 between them, which is an exceptional outcome. The Foundation would like to acknowledge the ongoing and unwavering support to its patrons, Bev Carman, Trudi Hay, Josie Minniti OAM and the Foundation's newest patron, Margie Hill, for their ongoing support.

Major appeals

The Foundation continues its focus on important areas of need within the health service, including Cancer Services and the Women and Children's Department.

Over $442,000 was distributed across these areas, funding for important equipment and infrastructure. In support of this, the direct marketing appeals raised $57,000.

The income from the 2025 Tax Appeal will be aiding the purchase of a new Scalp Cooling Machine for cancer patients to help minimise hair loss during chemotherapy. Thank you to all donors who have supported this cause.

Volunteer Impact Snapshot

170
volunteers

16,050
hours of support

5,000+
care items distributed to patients

$91K
raised through volunteering

Community support

Northern Health Foundation continues to be strongly supported by the northern community, with local sporting associations, religious groups, and social clubs actively participating in fundraising activities that contribute meaningfully to the health service.

The Busy Fingers Auxiliary remains a dedicated contributor to the Foundation. Operating a retail outlet five days a week at Northern Health's Bundoora Centre, the group raised over $28,000 during 2024-25, supporting the purchase of 11 major equipment items. Over the past 50 years, Busy Fingers has contributed more than $3 million to Northern Health, which is an outstanding achievement.

The Kilmore Op-Shop also provided significant support, raising $47,000 this year, while the Northern Health Knitting Guild raised $9,800 and Broadmeadows fundraising team contributed over $5,200.

In total, these community groups raised more than $91,000 in 2024-25. The Foundation sincerely thanks all community partners for their continued generosity and commitment to improving health outcomes in Melbourne's north.

Our Patrons

Northern Health Foundation is privileged to have the support of its long-standing patrons, Bev Carman, Josie Minniti OAM, Trudi Hay and its newly inducted patron, Margie Hill. Northern Health Foundation patrons significantly contribute to the funding of essential equipment at Northern Health.

In 2024-25, their efforts facilitated the expansion and refurbishment of patient and visitor spaces, including the Cancer Wellness Lounge at Northern Hospital Epping. The Foundation thanks them for thier ongoing dedication to Northern Health and its broader community.

Volunteer and community support

This year, volunteer-led fundraising efforts raised an outstanding $91,000 across four sites, thanks to the incredible combined contributions of Kilmore Op-Shop, Busy Fingers Auxiliary, Northern Hospital Epping, and Broadmeadows Hospital volunteers. More than just a financial achievement, this success reflects a powerful cycle of community generosity: volunteers craft handmade items, which are purchased as heartfelt gifts, with proceeds funding vital hospital equipment.

Volunteers continue to support the health service in both face-to-face roles and behind the scenes, assisting staff, patients, visitors and one another. Their presence is an integral part of the care experience across all sites.

Northern Health celebrated the commitment of 23 volunteers during National Volunteer Week, including two 20-year and three 25-year service milestones. In additional recognition of their dedication to the health service, volunteers were nominated for the Scullin and Volunteer Victoria State Awards.

Collaborations with local community groups continued to enrich patient care through donations of blankets, beanies, fiddle muffs, toiletry packs, knitted toys, and more with each item offering comfort, dignity, and support to patients across the health service.

Northern Health Foundation Board Directors

Board Chair

Peter McWilliam

Deputy Chair

Trudi Hay

Professor Donald Campbell

Koby Jones

Santosh Kaur

Tricia Lee

Shannon Ryan

Chris Turner

John Molnar

Dominic Isola

Peter Copp – *Resigned July 2024*

John Watson – *Resigned Sept 2024*

The Foundation is committed to positively impacting patients and the northern community by raising funds for important medical equipment, research and training.

Gala MC Ben Sorensen and Professor Wanda Stelmach

Organisational Structure

Northern Health Board

Chief Executive
Debra Bourne

Executive Director People & Culture
Michelle Fenwick

- Payroll & Remuneration
- HR & Talent Acquisition
- Learning & Capability
- OHS & Wellbeing
- Engineering Services
- Workforce Planning & Projects

Chief Financial Officer
Basil Ireland

- Biomedical Services
- Business Support
- Financial Accounting
- HIS
- Revenue & Reporting
- Supply Services
- Support Services

Executive Director Quality & Safety
Bill Shearer

- Accreditation
- Enterprise Risk Management
- Quality, Safety & Clinical Governance
- Transformation Unit
- Virtual Services

Chief Operating Officer
Linda Romano

- Access
- Community Hospitals
- Emergency Services
- Medicine & Cancer Services
- Womens & Childrens
- Surgical Services
- Hospital Without Walls & Sub Acute
- Specialist Outpatient Clinics

Chief Medical Officer
Prahlad Ho

- Northern Doctors
- Design & Discovery
- Northern Health Research
- Northern Imaging Victoria
- Northern Pathology Victoria
- Pharmacy Services
- Library

Office of the Chief Executive

Director Capital Development

Ashley Shea

A/Director Corporate Governance

Ren Cazar

Senior Executive Advisor

Deidre Cope

Executive Assistant

Ricky Busuttil

Chief Nursing & Midwifery Officer

Lisa Cox

- Divisional Director Nursing - Surgical Services
- Infection Prevention
- Nursing Workforce Unit
- Nursing Education

Chief Allied Health Officer

Jason Cirone

- Allied Health Services
- Transcultural & Language Services
- Pastoral Care
- Narrun Wilip-Giin

Executive Director Mental Health

Belinda Scott

- Mental Health Services
- Patient Experience
- Emergency Management

Executive Director Digital Health

Anthony Gust

- ICT
- Digital Training
- Digital Projects
- CLEO
- Data Analytics
- Decision Support
- Electronic Medical Record
- Development

Executive Director Public Affairs & Foundation

Pina Di Donato

- Public Affairs
- Corporate Fundraising
- Volunteer Services

Chief Legal Officer

Carolyn Baker

- Legal Services
- Strategy & Planning
- FOI & Privacy

Board Directors

Ms Jennifer Williams AM | BOARD CHAIR

Jennifer Williams AM was first appointed as Northern Health Board Chair on 1 July 2015 and reappointed on 1 November 2023 following the voluntary amalgamation with Kilmore District Health.

Jennifer is a non-executive director with a number of Board appointments in addition to her Northern Health role. She is Chair of Yooralla and Deputy Chair of the Independent Hospital and Aged Care Pricing Authority. She has previously completed eight years on the board of La Trobe University.

Jennifer has extensive experience in the health sector and has previously worked as a Chief Executive to several large health care organisations including Austin Health, Alfred Health and as Chief Executive of the Australian Red Cross Blood Service.

Mr Phillip Bain

Phillip Bain was appointed to the Northern Health Board in July 2017 and reappointed on 1 November 2023 following the voluntary amalgamation with Kilmore District Health and is Chair of the Primary Care and Population Health Advisory Committee.

He is the former Chief Executive of Plenty Valley Community Health and Your Community Health. He has a long history in the community, vocational education and health sectors.

Phillip is a member of the DJPR Northern Metropolitan Partnerships and is a longstanding Director of QIP, the national quality provider in primary care. He is also a Director of Client Focussed Evaluation Program (CFEP).

Phillip was chair of the State Government task force into Community Health in 2018-19.

Phillip's professional career includes a lengthy period working with GPs in the north of Melbourne and managing the Goulburn Valley Medicare Local in central Victoria. He has served as a local Councilor and Mayor, and was a Victorian Multicultural Commissioner.

Dr Sherene Devanesen AM

Sherena Devanesen AM was appointed to the Northern Health Board on 1 July 2021 and reappointed on 1 November 2023 following the voluntary amalgamation with Kilmore District Health.

She is a medical practitioner with experience in Health Administration and Corporate and Clinical Governance.

Sherene is currently Chair of the Royal Victorian Eye and Ear Hospital Board.

Sherene held the position of Chief Executive Officer of Yooralla from January 2014 to February 2021. Prior to that, she was the Chief Executive Officer of Peninsula Health. With over 30 years' experience in the management of health services and medical administration in Victoria, her experience has provided her with a strong reputation in consumer consultation and engagement and in achieving quality outcomes for human and community services

Mr Domenic Isola

Domenic Isola was appointed to the Northern Health Board in July 2022 and reappointed on 1 November 2023 following the voluntary amalgamation with Kilmore District Health.

Domenic commenced his career in Local Government in 1996 following a career in institutional banking audit in a leading financial institution. He has expertise in financial management, reporting and audit, extensive management skills and experience in governance and risk and strong leadership and public sector experience.

Domenic commenced with Hume City Council in June 1999 and held the positions of Finance Manager and Director City Governance and Information before being appointed to the role of Chief Executive Officer in August 2007, a position he held for 13 years.

He was previously a co-opted member of the former board of Dianella Community Health and Community Chef. During that time he was a member of the Finance and Audit committees and remains a member of DPV Health.

Domenic has led a number of local initiatives and dealt with a broad range of complex matters in the north, and worked with a range of stakeholders including Government Ministers, community health organisations and Government agencies and maintains strong working relationships with community health organisations.

Domenic is a Board Director of Lower Murray Water and member of the Finance and audit Committee.

Dr Andrea Kattula

Andrea Kattula was appointed to the Northern Health Board in July 2019 and reappointed on 1 November 2023 following the voluntary amalgamation with Kilmore District Health and is Chair of the Quality and Safety Committee.

Andrea originally trained as an anaesthetist, working in hospitals in Australia and the United States. She transitioned to a career in safety and quality in healthcare, and brings broad experience in successfully establishing clinical governance systems and processes, leading change, engaging clinicians and supporting clinical leadership development.

Committed to delivering safer health care, Andrea has served in a range of safety and quality roles over the past 20 years. More recently these roles have included Chair of the Victorian Consultative Council on Anaesthetic Mortality and Morbidity (2017-2019), Deputy Chair of the Victorian Perioperative Consultative Council (2019-2022), and member of the Victorian Audit of Surgical Mortality Management Committee (ongoing since 2012). She presently teaches as a Lecturer in the Master of Public Health program for Monash University.

Andrea is also a keen Meals on Wheels volunteer in her local community.

Mr Peter McDonald

Peter McDonald was appointed to the Northern Health Board in December 2016 and reappointed on 1 November 2023 following the voluntary amalgamation with Kilmore District Health, and is Chair of the Finance Committee.

He is an executive with Australian Red Cross Lifeblood and previously worked as CFO at Austin Health and Alfred Health for 12 years. Prior to that he had a number of senior management roles in Victorian Government departments.

Peter is a Fellow of CPA Australia and a former Council member and Chair of the Finance & Resources Committee at La Trobe University.

Ms Linda Rubinstein

Linda Rubinstein was appointed to the Northern Health Board on 1 July 2019 and was reappointed on 1 November 2023 following the voluntary amalgamation with Kilmore District Health and is Chair of the Consumer Advisory Committee.

Linda is a former trade union official and lawyer with over 30 years board experience, largely related to industry superannuation funds. She worked in a senior role at the ACTU and as the Pro Bono Manager at a national law firm and for 18 years was a volunteer Community Visitor appointed under the Disability Act 2006.

Mr John Watson

John Watson was appointed to the Northern Health Board in August 2016 and was reappointed on 1 November 2023 following the voluntary amalgamation with Kilmore District Health. John is Chair of the Audit and Risk Committee and is also a member of the Northern Health Foundation Board. John has had a long career in State and Local Government over more than four decades. He has held several leadership roles in Local Government including Chief Executive Officer of the former Shire of Bulla, Moonee Valley City Council and Hume City Council. John's Victorian Government roles include periods as a Director, and then as Executive Director, of Local Government Victoria.

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

Associate Professor Jo-Anne Mazzeo

Associate Professor Mazzeo was appointed to the Northern Heath Board of Directors on 1 November 2023.

Ms Mazzeo is an Australian Legal Practitioner who works across the health, education and disability sectors to conduct investigations, provide legal advice and deliver training and methods of alternative dispute resolution.

Ms Mazzeo has previously worked as in-house Counsel for the Mental Health Review Board of Victoria and the Disability Services Commissioner of Victoria, has held various positions on State Government Boards and Tribunals, is currently a Legal Member of the Mental Health Tribunal of Victoria and is Deputy Chair of the Independent Office for School Dispute Resolution (within the Department of Education).

Ms Mazzeo is also the Convenor of the Medical Law Program within the Monash University Medical Degree, is a Senior Lecturer at both Monash and La Trobe Universities, where she teaches health law related content at both undergraduate and post graduate levels, and is a Senior Legal Advisor for the Victorian Institute of Forensic Medicine.

Ms Mazzeo is admitted to practice in both the High Court of Australia and the Supreme Court of Victoria.

Corporate Governance

Appointment of Directors

As described in the Health Services Act 1988 (S.65S, Northern Health has a Board of Directors consisting of up to nine persons appointed by the Governor in Council on the recommendation of the Health Minister for a term of up to three years. A director of the board must not serve more than nine consecutive years.

Role of the Board

The role of the Board is to exercise good governance in the achievement of Northern Health's stated objectives.

Key aspects of this governance role include:

- Setting the organisation's statement of priorities and strategic plans and monitoring compliance with those statements and plans
- Developing financial and business plans, strategies and budgets to ensure the accountable and efficient provision of health services and long-term financial viability of the health service
- Establishing and maintaining effective systems to ensure that the health services provided meet the needs of the communities served and that the views of users and providers of health services are taken into account
- Monitor the performance of the health service to ensure:
  - it operates within its budget
  - auditing and accounting systems accurately reflect the financial position and viability of the health service
  - adherence to its financial and business plans, strategic plans and statements of priorities
  - effective and accountable risk management systems are in place
  - effective and accountable systems are in place to monitor and improve the quality, safety and effectiveness of the health services provided
  - problems identified with the quality, safety or effectiveness of the health services provided are addressed in a timely manner
  - the health service continually strives to improve the quality and safety of the services provided and to foster innovation, and
  - the committees established operate effectively
- Appointing and monitoring the performance of the Chief Executive
- Establishing the organisation structure, including management structure
- Developing arrangements with other relevant agencies and service providers to enable effective and efficient service delivery and continuity of care
- Ensuring the Minister and Secretary are advised about significant board decisions and are informed of issues of public concern or risks to the health service
- Establishing a Finance Committee, an Audit Committee and a Quality and Safety Committee
- Facilitating research and education
- Adopting a code of conduct for staff.

Board meetings and access to management

At Board and committee meetings, the Executive and other senior members of staff regularly present information or decision items relevant to their areas of responsibility in the health service.

Between meetings, individual board members have contact with management related to their involvement in committees and are contacted by the Chief Executive on major issues.

Delegation of functions

The Northern Health By-Laws provide for the delegation of duties by the Board.

The Board has approved and regularly reviews a detailed Delegations of Authority Policy, enabling designated Northern Health Executives to perform their duties through the exercise of specified authorities.

Board Committees

Small groups of directors provide their expertise through participation in committees that support the functioning of the Board.

Directors and members of the Northern Health Executive were members of committees as follows:

Audit and Risk Committee

Mr John Watson – Director (Chair)

Ms Jennifer Williams AM (Board Chair)

Ms Linda Rubinstein – Director

Dr Sherene Devanesen AM - Director

The following executive staff attend this Committee:

Ms Debra Bourne – Chief Executive

Mr Basil Ireland – Chief Financial Officer

Dr Bill Shearer – Executive Director Quality and Safety, Transformation

Mr Anthony Gust – Executive Director Digital Health

Ms Michelle Fenwick – Executive Director People and Culture

Meetings were also attended by representatives from Northern Health's internal and external auditors. Directors who were not designated members of committees were able to attend and participate in meetings.

The Audit and Risk Committee is responsible to the Board for the provision of independent assurance and advice on the financial reporting process, including the application of accounting policies, the risk management system, the system of internal controls, and compliance with laws, regulations and the Code of Conduct.

Finance Committee

Mr Peter McDonald – Director (Chair)

Ms Jennifer Williams AM – Board Chair

Mr John Watson – Director

Mr Domenic Isola – Director

Dr Sherene Devanesen AM – Director

The following executive staff attend this Committee:

Ms Debra Bourne – Chief Executive

Mr Basil Ireland – Chief Financial Officer

Ms Linda Romano – Chief Operating Officer

The Finance Committee is responsible to the Board for ensuring that financial and asset management strategies and policies enhance the productivity and performance of Northern Health in line with Government policies and directives. In addition, the committee ensures that Northern Health adheres to its financial plans and operates within its budget.

Directors who were not designated members of committees were able to attend and participate in meetings.

Quality and Safety Committee

Dr Andrea Kattula – Director (Chair)

Ms Jennifer Williams AM – Board Chair

Mr Phillip Bain – Director

The following executive staff attend this Committee:

Ms Debra Bourne – Chief Executive

Dr Bill Shearer – Executive Director Quality and Safety, Transformation

Professor Prahlad Ho – Chief Medical Officer

Ms Lisa Cox – Chief Nursing and Midwifery Officer

Associate Professor Jason Cirone – Chief Allied Health Officer

Ms Belinda Scott – Executive Director Mental Health

The Quality and Safety Committee is responsible to the Board for ensuring that effective and accountable systems are in place to monitor and improve the quality and safety of the health services provided by Northern Health. The committee ensures that any systemic problems are identified and addressed in a timely manner, and that the organisation strives to continuously improve quality and safety and foster innovation.

Directors who were not designated members of committees were able to attend and participate in meetings.

Remuneration and Appointments Committee

Ms Jennifer Williams AM – Board Chair (Chair)

Mr John Watson – Director

Mr Peter McDonald – Director

The following executive staff attend this Committee:

Ms Debra Bourne – Chief Executive

Ms Michelle Fenwick – Executive Director People and Culture

The Remuneration and Appointments Committee makes recommendations to the Board in relation to Chief Executive recruitment, performance and remuneration and monitors Northern Health's compliance with the Health Executive Employment and Remuneration Policy.

Community Advisory Committee

Ms Linda Rubinstein - Director (Chair)

Mr Phillip Bain – Director

Ms Jo-Anne Mazzeo – Director

Ms Maureen Canzano – Consumer representative

Ms Nurcihan Ozturk – Consumer representative

Ms Dalal Sleiman – Consumer representative

Ms Careena Newcastle – Consumer representative

Ms Tania De Carli – Consumer representative

Mr Evan Bichara – Consumer representative

Mr Shane Burke – Consumer representative

Ms Clare Malcolm – Consumer representative

Mr Nathan Foggie – Consumer representative

The following executive and senior staff attend this Committee:

Ms Debra Bourne – Chief Executive

Ms Linda Romano – Chief Operating Officer

Ms Belinda Scott – Executive Director Mental Health (from June 2025)

Dr Bill Shearer – Executive Director Quality Safety and Transformation

Ms Pina Di Donato – Executive Director Public Affairs and Foundation

Ms Karen Bryant – Senior Aboriginal Liaison Officer

The Community Advisory Committee advises the Board on strategies to enhance and promote consumer and community participation at all levels within the health service. The Committee seeks to enhance the Board's ability to advocate on behalf of the communities served by Northern Health.

Primary Care and Population Health Advisory Committee

Mr Phillip Bain – Director (Chair)

Ms Jennifer Williams AM – Director (Board Chair)

Mr Domenic Isola – Director (to September 2024)

Ms Linda Rubinstein – Director

Dr Andrea Kattula – Director (from September 2024)

Ms Melanie Chisholm – Senior Manager Population Health NEPHU

Mr Daniel Ciccosillo – Interim CEO Nexus Primary Health

Ms Kellie Core, Department of Health, Director Public Health Promotion

Mr Michael Graham Junior – Victorian Aboriginal Health Service

Ms Alex Haynes – Chief Executive Officer, Whittlesea Community Connections

Professor Russell Hoye – Pro Vice-Chancellor Health Innovation La Trobe University

Mr Stephen McKay – Interim Manager, Community and Place City of Whittlesea

Mr Peter McWilliam – NORTH Link

Mr Ben Norden – Health Planning, City of Hume

Ms Sarah O'Leary – Director, Integrated Care, North Western Melbourne PHN

Ms Jacque Phillips – Chief Operations Officer Murray PHN

Ms Narelle Quinn – Executive Director Program Delivery and Service Enhancement Eastern Melbourne PHN

Ms Jo Richardson – Department of Health, Manager Public Health Promotion

Ms Tracy Taylor-Beck, Interim Chief Executive Officer Women's Health in the North

Mr Don Tidbury – CEO, DPV Health

Ms Jamie Tredoux – Mitchell Shire

Dr Annaliese van Diemen – Director, NEPHU

The following executive and senior staff attend this Committee:

Ms Debra Bourne – Chief Executive

Ms Linda Romano – Chief Operating Officer

Associate Professor Jason Cirone – Chief Allied Health Officer

Ms Belinda Scott – Executive Director Mental Health

Ms Jennifer Gilham – Divisional Director Community Hospitals

Ms Karen Bryant – Senior Aboriginal Liaison Officer Northern Health

The Primary Care and Population Health Advisory Committee assists the Board with inter-agency planning and the integration of health services in the catchment area – particularly as it relates to the primary care and the acute sector. The Committee also assists the Board in identifying community health needs with a view to establishing innovative programs to improve the accessibility and responsiveness of Northern Health services.

Directors' Attendance for Board and Sub Committee Meetings: 1 July 2024– 30 June 2025

	Board	Finance Committee	Audit and Risk Committee	Quality and Safety Committee	Community Advisory Committee	Primary Care and Population Health Advisory Committee	Remuneration and Appointments Committee	Total
Nunber of Meetings	11	11	4	6	6	5	2	45
Jennifer Williams AM	11/11	11/11	4/4	5/6	0/0	5/5	2/2	38
John Watson	11/11	9/11	4/4	0/0	0/0	0/0	2/2	26
Peter McDonald	11/11	11/11	1/0	0/0	0/0	0/0	2/2	25
Phillip Bain	10/11	1/0	0/0	4/6	4/6	4/5	0/0	23
Linda Rubinstein	10/11	1/0	3/4	0/0	5/6	5/5	0/0	24
Andrea Kattula	11/11	4/0	3/0	6/6	0/0	5/5	0/0	29
Sherene Devanesen AM	11/11	11/11	4/4	0/0	0/0	0/0	0/0	26
Domenic Isola	11/11	10/11	0/0	0/0	0/0	1/0	0/0	22
Jo-Anne Mazzeo	11/11	1/0	0/0	0/0	5/6	0/0	0/0	19

NOTES:
- The first number indicates the number of meetings attended, the second number indicates eligibility or membership of the particular committee.
- All board members are welcome to attend other committee meetings with the exception of the Community Advisory Committee as the terms of reference indicate a limited number of Directors attend these meetings.
- The December Board meeting is a combined Board and Finance Committee meeting.
- There we two other meetings (not included) held Strategic Planning Workshop (17 October 2024) and Annual General Meeting (AGM) (28 Nov 2024).

Statement of Priorities Part A

System Priorities

Excellence in clinical governance

Goal	Northern Health Deliverable	Status	Outcome
Strengthen all clinical governance systems, as per the Victorian Clinical Governance Framework, to ensure safe, high-quality care, with a specific focus on building and maintaining a strong safety culture, identifying, reporting, and learning from adverse events, and early, accurate recognition and management of clinical risk to and deterioration of all patients.	Improve paediatric patient outcomes by implementing the "ViCTOR track and trigger" observation chart and escalation system whenever children have observations taken.	Achieved	The ViCTOR track and trigger observation chart is now considered fully embedded and part of standard practice.
Work with Safer Care Victoria (SCV) to reduce hospital acquired complications.	Track and monitor quality and safety components such as improvement partnerships with SCV, serious adverse patient safety events, hospital acquired complications and patient experience based on surveys, feedback and Statutory Duty of Candour.	Achieved	Northern Health met all reporting requirements to SCV and continues to work in partnership to reduce hospital acquired complications.
Identify and develop clinical service models where face-to-face consultations can be substituted by virtual care wherever possible (using telehealth, remote monitoring), whilst ensuring strong clinical governance, safety surveillance and patient choice.	Adopt the Department of Health 'Virtual Care Operational Framework' and formulate governance and procedures to align with those outlined within the Framework.	Achieved	Northern Health's governance framework and procedures continue to align with the Department's Virtual Care Operational Framework. In addition, Northern Health has developed an Artificial Intelligence governance process that is embedded within our virtual governance framework.
Improve mental health and wellbeing outcomes by implementing Victoria's new and expanded Mental Health and Wellbeing system architecture and services.	Engage in one or more mental health improvement program of Safer Care Victoria – elimination of restrictive intervention, improving sexual safety, implementation of the Zero Suicide Framework and reducing compulsory treatment.	Achieved	Mental Health at Northern Health supported Safer Care Victoria to develop and refine its guidance on Improving Safety for Consumers at Risk of Harm of Ligature including by piloting the new audit tool.

Operate within budget

Goal	Northern Health Deliverable	Status	Outcome
Develop and implement a health service Budget Action Plan (BAP) in partnership with the Department to manage cost growth effectively to ensure the efficient operation of the health service.	Deliver on the key initiatives as outlined in the Budget Action Plan.	Achieved	Northern Health delivered its Financial Management Improvement Plan with financial savings initiatives agreed with Hospitals Victoria.
	Utilise data analytics and performance metrics to identify areas of inefficiency and waste and make evidence-based decisions to improve financial sustainability and operational performance.	Achieved	Northern Health insourced its Financial Management Information System as a first step in improving finance administrative processes.

Improve equitable access to health care and wellbeing

Goal	Northern Health Deliverable	Status	Outcome
Address service access issues including LGBTIQA+ communities, multicultural communities, people with disability and rural and regional people, including more support for primary, community, home-based and virtual care, and addiction services.	Develop a roadmap for Northern Health's virtual health care, building on the success of the state-wide Victorian Virtual ED and Medical Community Virtual Consults service.	Achieved	Northern Health's virtual health care service now spans state-wide emergency care, virtual observation wards, specialist consultations, nurse and allied health clinics, and virtual in reach services to residential aged care.
Enhance the provision of appropriate and culturally safe services, programs, and clinical trials for and as determined by Aboriginal people, embedding the principles of self-determination.	Improve access to the Koori Maternity Service (KMS) and Emergency Services.	Achieved	The Koori Maternity Service has achieved a significant reduction in smoking rates among pregnant aboriginal patients. Further, successfully promoted the KMS and VVED to local GPs through the GP Liaison Officer and VACCHO, and partnered with First Peoples' Health and Wellbeing (FPHW) to convene a KMS clinic in their Thomastown facility.
	Employ a second Aboriginal Liaison Officer in the Emergency Department.	Achieved	Northern Health has established a second Aboriginal Liaison Officer role in the Emergency Department (ED). The ED now has 1.4 FTE of ALO staffing providing support seven days a week, between 12.30 pm - 9 pm.
	Review ALO services in mental health and implement relevant recommendations.	Achieved	Following the review, Northern Health has established a second Mental Health Aboriginal Liaison Officer role in the Narrun Wilip-giin – Aboriginal Support Unit.

Improve equitable access to health care and wellbeing

Goal	Northern Health Deliverable	Status	Outcome
Expand the delivery of high-quality cultural safety training for all staff to align with the Aboriginal and Torres Strait Islander cultural safety framework. This training should be delivered by independent, expert, community-controlled organisations or a Kinaway or Supply Nation certified Aboriginal business.	Implement mandatory cultural safety training and assessment for all staff in alignment with the Aboriginal and Torres Strait Islander cultural safety framework, and developed and/or delivered by independent, expert, and community-controlled organisations, Kinaway or Supply Nation certified Aboriginal businesses.	Achieved	Northern Health has an active program of cultural safety training for staff and managers, which is required to be completed every two years. Under this program, 86.8% of all staff and 86.2% of all managers are trained, against a target of 85%.

Natalie Bloomfield Aboriginal Clinical Nurse Educator, Lisa Walker Cancer Clinical Trials Unit Leader and Coordinator, Jo Quinn Aboriginal Health Practitioner, Stephanie Thompson Aboriginal Liaison Officer, Alana Chrisomalidis Cohen Nurse/Midwife and Alex Slade Midwife.

A stronger workforce

Goal	Northern Health Deliverable	Status	Outcome
Explore new and contemporary models of care and practice, including future roles and capabilities	Implement Allied Health advanced practice roles in Pelvic Health Physiotherapy and Nasogastric Insertion Dietetics.	Achieved	Northern Health has successfully maintained the advance practice roles in paediatric dietetics and pelvis health physiotherapy by: - Funding 0.2 FTE of Advanced Practice physiotherapy permanently in the Women's Health Clinic from October 2024. The service is now ongoing. - Credentialing two senior paediatric dietitians in the Nasal Gastric Tube Insertion and Management Clinic.
	Progress the pathway for National Disability Insurance Scheme patients into transitional accommodation.	Achieved	Northern Health's NDIS Inpatient Specialist Team successfully transitioned 16 patients to Premier Disability Care Services. This pathway continues to support timely access to transitional accommodation for patients with a disability.
	Develop Nurse Practitioner candidates to support models of care within Community Hospital Urgent Care Centres.	Achieved	Northern Health has established Nurse Practitioner roles for Emergency Mental Health and Aged/ Palliative Care while awaiting operational funding for Urgent Care Centres in the Community Hospitals.
	Continue to make it free to study nursing initiatives to support undergraduate, transition and post graduate nursing and midwifery workforce.	Achieved	Northern Health has: - successfully supported the transition of Enrolled Nurses into Registered Nurses by providing 64 scholarships. - maintained a 96% retention rate of Graduate Nurses/Midwives from 2024/25 program. - maintained a 96% retention rate of Graduate Nurses/Midwives from 2024/25 program. - supported clinical post graduate specialisation by offering 24 post graduate scholarships. Post graduate studies have been accepted by 67 RNs and midwives in 13 specialties. - successfully implemented the postgraduate midwifery incentive program by funding nine RNs to undertake midwifery training. - remained employer of choice for Graduate Nurse Program, with a 100% match for 2025. - training two RNs as surgical assistants.
	Develop alternative employment models such as Career Medical Officer (CMO) to support newer models of care in metropolitan and regional centres.	Achieved	A Working Group with RACGP and the John Flynn Program, in the Department of Health and Aged Care, has been established to discuss a GP training pathway at Northern Health. Northern Health has increased the number of CMOs in the VVED and a CMO now runs a gynaecology specialist clinic. CMO and Transition to Consultant agreements have been finalised.

A stronger workforce

Goal	Northern Health Deliverable	Status	Outcome
	Continue to support the implementation of medium and long-term priorities of the Mental Health Workforce Strategy.	Achieved	Northern Health's Mental Health Division continues to provide support to ensure new graduates are skilled and educated to meet role capabilities and support career progression. Clinical Educators continue to work in partnership with universities to offer Allied Health placements and identify opportunities to increase student placements. Northern Health is developing models of care that enable staff to practice in their professional discipline, rather than generic roles, through the implementation of specialist clinics and group programs. Opportunities to broaden the mental health workforce have been explored through an evaluation of the current roles in the Mental Health Division. The evaluation found that there is value in exercise physiology in both community and inpatient settings, along with dietetics for new consumers on weight management and appetite changes with some medications and in aged mental health. Northern Health has strengthened the Lived Experience workforce through establishing the role of Director of Lived Experience.

Moving from competition to collaboration

Goal	Northern Health Deliverable	Status	Outcome
Partner with other organisations (for example community health, ACCHOs, PHNs, General Practice, private health) to drive further collaboration and build a more integrated system.	Develop agreements with priority partners in primary and community health that provide the platform for interventions to keep our patients healthy in the community.	Achieved	Northern Health has collaborated with DPV Health to develop a Local Health Service Directory, which has been published on our respective websites. Northern Health and First Peoples' Health and Wellbeing (FPHW) and Victorian Aboriginal Health Service meet regularly and support each other with key strategies, such as promoting the VVED and connecting with Northern Health's GP liaison officer.
Engage in integrated planning and service design approaches while assuring consistent and strong clinical governance with partners to connect the system to deliver seamless and sustainable care pathways and build sector collaboration.	Partner with mental health and wellbeing services in the local region to implement mental health reform.	Achieved	Northern Health is currently exploring options to partner with Austin Health and Orygen to improve access to care for young people in the Northern Growth Corridor. To improve pathways to housing support, Northern Health has established Housing Coordinator role to undertaken a gap analysis of short-term housing options. An evaluation of the use of Priority Discharge Funds has been completed and brokerage is being sought with a housing provider to provide short term accommodation options.

Statement of Priorities Part B

High quality and safe care

Key Performance Measure	Target	Actual
Infection prevention and control		
Percentage of healthcare workers immunised for influenza	94%	97%
Continuing care		
Average change in the functional independence measure (FIM) score per day of care for rehabilitation separations	≥ 0.645	0.73
Adverse events		
Percentage of reported sentinel events for which a root cause analysis (RCA) report was submitted within 30 business days from notification of the event	All RCA reports submitted within 30 business days	20%
Aged care		
Public sector residential aged care services overall star rating	Minimum rating of 3 stars	4 stars
Patient experience		
Percentage of patients who reported positive experiences of their hospital stay	95%	90.78%
Aboriginal Health		
The gap between the number of Aboriginal patients who discharged against medical advice[1] compared to non-Aboriginal patients	0%	5%
The gap between the number of Aboriginal patients who 'did not wait' presenting to hospital emergency departments non-Aboriginal patients	0%	3.3%

Key Performance Measure	Target	Result
Mental Health Patient Experience		
Percentage of consumers/families/carers reporting a 'very good' or 'excellent' overall experience of the service	80%	80%*
Percentage of families/carers who report they 'always' or 'usually' felt their opinions as a carer were respected	90%	86%*
Percentage of mental health consumers reporting they 'usually' or 'always' felt safe using this service.	90%	92%*
Mental Health follow-ups, readmissions, and seclusions		
Percentage of consumers followed up within 7 days of separation – Inpatient.	88%	70%
Percentage of consumers re-admitted within 28 days of separation - inpatient.	< 14%	11%
Rate of seclusion episodes per 1,000 occupied bed days - inpatient	≤ 6	6.5

*This data is sourced from the Northern Health Patient Experience Survey (NHPES) which reflects the questions captured in the YES/CES survey related to patient care, respect and safety. The YES and CES collection processes were delayed in 2024–25 due to an upgrade in survey methodology. This resulted in a one-off delay to data collection for the cycle. The surveys are now being conducted continuously throughout the year, with the change expected to provide a more accurate and timely picture of consumer and carer experience.

Strong governance, leadership and culture

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

Timely access to care

Key Performance Measure	Target	Result
Planned Surgery		
Percentage of urgency category 1 planned surgery patients admitted within 30 days.	100%	100%
Percentage of all planned surgery patients admitted within the clinically recommended time	94%	92%
Number of patients admitted from the planned surgery waiting list	12,000	12,294
Percentage of patients on the waiting list who have waited longer than the clinically recommended time for their respective triage category	5.1%	3.20%
Emergency Care		
Percentage of patients transferred from ambulance to emergency department within 40 minutes[1]	4% improvement on 23-24 performance (80%)	78%
Number of emergency patients with a length of stay in the ED greater than 24 hours	Zero	0
Mean ED length of stay (admitted) in minutes[2]	7% improvement on 23-24 performance (423)	455
Mean ED length of stay (non-admitted) in minutes[3]	3% improvement on 23-24 performance (240)	256
Inpatient length of stay in minutes	3% improvement on 23-24 performance (3615)	3,570
Mental Health		
Percentage of mental health-related emergency department presentations with a length of stay of less than 4 hours	65%	26%
Percentage of departures from emergency departments to a mental health bed within 8 hours	80%	41%
Number of admitted mental health occupied bed days	33,288	40,723
Specialist Clinics		
Percentage of patients referred by a GP or external specialist who attended a first appointment within the recommended timeframe[4]	95%	87%
Home Based Care		
Percentage of admitted bed days delivered at home	Equal to or better than prior year result (7.9%)	9.10%
Optimisation of surgical inpatient length of stay, including through use of virtual and home-based pre- and post-operative models of care	1.31	1.46

Effective financial management

Key Performance Measure	Target	Result
Finance		
Operating result ($M)	Breakeven	Breakeven
Adjusted current asset ratio	0.7 or 3% improvement from health service base target	0.51
Variance between forecast and actual Net result from transactions (NRFT) for the current financial year ending 30 June	Variance < $250,000	Not achieved

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

Statement of Priorities Part C

Activity and Funding

Funding Type	2024-25 Activity Achievement
Consolidated Activity Funding	
Acute admitted, subacute admitted, emergency services, non-admitted NWAU	145,344
Acute admitted mental health NWAU	11,801
Acute admitted additional planned surgery NWAU	2,487
Acute Admitted	
Acute admitted DVA	2
Acute admitted TAC	3
Acute Non-Admitted	
Radiotherapy - other	229
Government Initiatives Subacute/Non-Acute, Admitted & Non- admitted	
Subacute - DVA	0
Transition care - bed days	8,322
Transition care - home days	14,570
Aged Care	
Residential Aged Care	26,787
HACC	1,826
Mental Health and Drug Services	
Mental health ambulatory	148,281
Mental health residential	18,264
Mental health subacute	18,970

Mental Health and Wellbeing Act 2022

Through the implementation of the Mental Health and Wellbeing Act 2022 (MHWA22), Northern Health's Mental Health and Wellbeing (MHW) directorate reviewed all training, staff and consumer resources, advocacy programs, feedback pathways and policies and procedures. This was to ensure the principles of the Mental Health and Wellbeing Act 2022, including dignity and autonomy, was accurately reflected and implemented in a meaningful and sustainable way.

Northern Health ensures that consumers and their supporters are aware of their rights and responsibilities and how they can express their needs whilst receiving treatment and support as part of standard care. Information on Consumer Rights and Responsibilities is provided verbally and in written communication on admission if at the hospital or at commencement of service in the community. Information is available regarding IMHA (independent advocacy agency) is provided by the service and staff help consumers get further support.

There are multiple options for consumers to provide formal and informal feedback to Northern Health. Mutual Help groups are in place in inpatient settings which support early identification of feedback and resolution during care, some of which are run by Lived Experience staff.

There are named and anonymous suggestion and feedback boxes located throughout all our services as well as posters to promote the Mental Health Complaints Commissioner processes. All feedback is collected and presented to the teams at a service level and areas for improvement are identified and addressed. There has been significant changes to the inpatient wards to better meet the needs of consumers including the refurbishment of the Adult Acute Inpatient Units across Epping and Broadmeadows hospitals.

Corporate Information

General Information

Northern Health is a public health service established under the Health Services Act 1988 (Vic).

The responsible Minister is the Minister for Health.

Minister for Health

Minister for Ambulance Services

The Hon. Mary-Anne Thomas

(1 July 2024 – 30 June 2025)

Northern Health provides a wide range of health care services to the northern growth corridor, a catchment expected to grow from 543,000 residents in 2021 to 970,000 by 2041.

Northern Health comprises Broadmeadows Hospital, Bundoora Centre, Craigieburn Centre, Kilmore District Hospital and Northern Hospital Epping. The Craigieburn Community Hospital and Mernda Community Hospital are expected to open in the 2025-26 financial year.

Northern Health also delivers mental health services from a number of different sites as part of the Northern Area Mental Health Service (NAMHS) and NorthWest Area Mental Health Service (NWAMHS).

Northern Area Mental Health Service includes Northern Hospital adult inpatient units (Epping), Northern Community Care Unit (Preston), Northern PARC (Preston), Hotham Street Community Clinic (Preston) and Noogal Clinic (Mill Park).

NorthWest Area Mental Health Service sites include the Broadmeadows Hospital Adult Inpatient Unit, Broadmeadows Community Care Unit (CCU), Broadmeadows Prevention and Recovery Care (PARC), Moreland Community Clinic (Coburg), and Craigieburn Centre.

Consultancies

Consultancy fees greater than $10,000 in individual amount

In 2024-25 Northern Health engaged three consultancies with an individual amount greater than $10,000. The total expenditure incurred in 2024-25 in relation to these consultancies was $79,950. This is detailed below.

Consultant	Purpose of Consultancy	Period	Total Project fee (Exc GST)	Expenditure 2023-24 (Exc GST)
Arinco	Advice in relation to development of cloud-based solutions.	July 2024 – August 2024	$49,950	$49,950
Innovative Thinking	Advice in relation to assessing and improving Asset Management Accountability Framework (AMAF) maturity.	July 2024 – August 2024	$15,000	$15,000
Innovative Thinking	Advice in relation to the development of Asset Management Plans that comply with AMAF and Department of Health requirements.	April 2024 – June 2024	$15,000	$15,000

Consultancies below $10,000

In 2024-25 Northern Health engaged five consultancies with an individual amount less than $10,000. The total value of these consultancies was $27,055.

Information and Communications Technology (ICT Expenditure)

The total ICT expenditure incurred during 2024-25 is detailed below:

Business as Usual (BAU) ICT Expenditure ($000)		Non-Business as Usual (non-BAU) ICT Expenditure ($000)	
Total (excluding GST)	Total = Operational expenditure and Capital Expenditure (excluding GST) (a) + (b)	Operational expenditure (excluding GST) (a)	Capital expenditure (excluding GST) (b)
$16,102	$14,497	$4,614	$9,882

Occupational Health and Safety

Occupational Health and Safety Statistics	2024-25	2023-24	2022-23
The number of reported hazards/incidents for the year per 100 FTE	83.0 (with OVA) 15.2 (exc OVA)	70.3 (with OVA) 12.9 (exc OVA)	60.4 (with OVA) 13.2 (exc OVA)
The number of 'lost time' standard WorkCover claims for the year per 100 FTE	81	61	55
The average cost per WorkCover claim for the year	$66'000	$153'000	$92'000

Occupational Violence Statistics	2024-25
Workcover accepted claims with an occupational violence cause per 100 FTE	0.15
Number of accepted Workcover claims with lost time injury with an occupational violence cause per 1,000,000 hours worked	0.96
Number of occupational violence incidents reported	4,275
Number of occupational violence incidents reported per 100 FTE	69.0
Percentage of occupational violence incidents resulting in a staff injury, illness or condition	4.1%

Definitions of occupational violence

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

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

Accepted Workcover claims – accepted Workcover claims that were lodged in 2024–25.

Lost time – is defined as greater than one day.

Injury, illness or condition – this includes all reported harm as a result of the incident, regardless of whether the employee required time off work or submitted a claim.

Safe Patient Care Act 2015

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

Gender Equality Act 2020

Northern Health is committed to being a gender-equitable employer and service provider, where all staff and consumers—regardless of gender or intersectional characteristics—are recognised, celebrated, and supported.

Following the launch of our first Gender Equality Action Plan (GEAP) 2021–2025 in June 2022, the following progress has been made over the past 12 months:

- Submitted on Northern Health's GEAP and workplace gender equality indicators (such as gender composition, family violence leave, and flexible working arrangements) progress report to the Public Sector Gender Equality Commissioner in 2024.
- Northern Health hosted Dr Niki Vincent, Gender Equality Commissioner, Victoria, on 6 February 2025, where feedback was provided on our progress and discussed areas for continued improvement. The session was both informative and inspiring, reinforcing Northern Health's commitment to fostering an inclusive and equitable environment for all staff and patients.
- Conduct further Gender Impact Assessments (GIAs) on programs that impact the public, ensuring they are fair and equitable for all genders and do not unintentionally create or exacerbate inequality, recent GIA's conducted in 2025 included:
  - On a newly introduced Patient Entertainment System in 2025. This system goes beyond simply providing TV services for admitted patients—it includes a suite of features that connect clinicians, patients, and families in a more inclusive model of care. Key GIA considerations included:
    - Content analysis (e.g., ensuring fair representation of women, men, and non-binary individuals—such as balancing breast cancer and prostate health content)
    - Inclusive language and accessibility across genders
    - Analysis of viewing patterns to ensure they are representative
    - Inclusion of stakeholders from a range of gender identities: and
  - On the design of the new Craigieburn Community Hospital to assess whether the planned facilities were equitable and inclusive.
    - Stakeholder consultation identified a lack of gender-specific toilets—particularly for women—as a significant barrier to gender equality and a critical intersectionality issue.
    - Women from culturally diverse backgrounds may face compounded discrimination due to both gender and cultural norms that require greater privacy or gender-segregated spaces.
    - Inadequate facilities not only limit access to public spaces and deter people from seeking treatment, but also reinforce systemic exclusion and marginalisation.
    - In response, several gender-neutral toilets have been converted to female-only toilets at Craigieburn Community Hospital.
    - Site Director has committed to ongoing consultation with affected groups to ensure that respectful and culturally sensitive adjustments continue to be made where needed.

Freedom of Information Act 1982

Northern Health received 1,729 applications. Of these requests, zero were from Members of Parliament, zero from the media, and the remainder from the general public. Northern Health made 1,717 FOI decisions during the 12 months ended 30 June 2025. There were 1,643 decisions made within the statutory time periods. Of the decisions made outside time, 49 were made within a further 46 days and 14 decisions were made in greater than 46 days.

An FOI request can be made by submitting an FOI application form, which is available on the Northern Health website. Of the total decisions made, 1,129 granted access to documents in full, 573 granted access in part and two denied access in full.

During 2024-25, four requests were subject to a complaint/internal review by Office of the Victorian Information Commissioner. Zero requests progressed to the Victorian Civil and Administrative Tribunal (VCAT).

Local Jobs First Act

In the 2024-25 financial year, the Local Jobs First Policy (LJFF) applied to four projects:

- Carpark Equipment and Managed Services ($3.35M)
- End-User Computing Devices ($3.4M)
- Provision of Cisco Enterprise License Agreement $($4.75M)
- Upgrade of Central Sterilisation Department and Antenatal Theatres ($3.53M)

Summary

- The End-User Computing Devices was evaluated by ICN and assessed as non-contestable with the requirement to develop a Local Industry Development plan (LIDP). The successful respondent has committed to a local content commitment of 81.25% and employment commitment of 3.16.
- CISCO Enterprise Licenses Agreement was evaluated by ICN and assessed as contestable with the requirement to develop a Local Industry Development plan (LIDP). The successful respondent has committed to a local content commitment of 15% and employment commitment of 0.20.
- Carpark Equipment and Managed Services was evaluated by ICN and assessed as contestable with the requirement to develop a Local Industry Development plan (LIDP). The successful respondent has committed to a local content commitment of 70.8% and employment commitment of 2.95.
- Upgrade of Central Sterilisation Department and Antenatal Theatres was evaluated by ICN and assessed as contestable with the requirement to develop a Local Industry Development plan (LIDP). The successful respondent has committed to a local content commitment of 93.7% and employment commitment of 15.37.

National Competition Policy

Services that are regularly market tested in accordance with the Victorian Government's Competitive Neutrality Policy include:

- Patient Transport
- Waste Management
- Car Parking
- Fleet Management
- Medical Consumables
- Medical Imaging/Radiology
- Food Services
- Laundry
- Security
- Retail Services
- Financial Services
- Information and Communications Technology
- Clinical Services
- Building and Engineering Services
- Community Services
- Electricity
- Gas Supply
- Telecommunications
- Pharmaceutical Products.

Market testing of services will continue in FY25-26 based on the contract lifecycle, category strategies and operational requirements at Northern Health.

Social Procurement

Northern Health has a commitment to implementing the Victorian Government's Social Procurement Strategy. At Northern Health, the following objectives have been incorporated into our Social Procurement Strategy:

- Opportunities for Victorian Aboriginal people
- Opportunities for disadvantaged Victorians
- Environmentally sustainable outputs
- Opportunities for Victorians with a disability
- Women's equality and safety
- Supporting safe and fair workplaces

Social procurement creates an opportunity for Northern Health to use its buying power to deliver positive social impacts that help to build a fair, inclusive and sustainable Victoria.

Procurement process where the value is over $3M include evaluation criteria for Social Procurement objectives and outcomes. In the 2024-2025 financial year, the following four large value contracts incorporated our Social Procurement strategy:

- Carpark Equipment and Managed Services
- End-User Computing Devices

- Provision of Cisco Enterprise License Agreement
- Upgrade of Central Sterilisation Department and Antenatal Theatres

For the FY25 reporting period, Northern Health directly engaged 12 social benefit suppliers, including seven Victorian Aboriginal businesses and five Victorian Social Enterprises. The total direct spend with social benefit suppliers is

- $77,723, comprising:
- $8,979 with Victorian Aboriginal businesses
- $68,744 with Victorian Social Enterprises
- $789 with Victorian Social Enterprises led by a mission for people with disability and Australian Disability Enterprises

While no baseline comparison is available for this period, these figures provide a clear picture of current activity and will inform future tracking towards Northern Health's target of 1% growth in business with social benefit suppliers over two years, and alignment with the Victorian Government's 1% Aboriginal procurement target.

Building Act 1993

Northern Health has put in place appropriate internal controls and processes to ensure that it complies with the building and maintenance provisions of the Building Act 1993, with all works completed in 2024-25 according to the relevant provisions of the National Construction Code and relevant statutory regulations, compliance with building standards and the Department of Health Fire Risk Management Guidelines.

Northern Health ensures works are inspected by independent building surveyors and maintains registers of jobs they have certified along with certificates of occupancy for those jobs. All building practitioners are required to show evidence of current registration and must maintain their registration throughout the course of their work at Northern Health.

All contractors engaged by Northern Health in major construction projects are on the approved Victorian Health Building Authority Construction Supplier register.

Carers Recognition Act 2012

Northern Health is dedicated to providing the highest quality of care in the safest possible environment for every patient. Northern Health complies with the intent of the Carers Recognition Act 2012 which seeks to:

- Recognise, promote and value the role of people in care relationships
- Recognise the different needs of persons in care relationships
- Support and recognise that care relationships bring benefits to the persons in the care relationships and the community
- Mental Health has a Carer Lived Experience workforce and a co-designed framework

Public Interest Disclosures Act 2012

Under the Public Interest Disclosure Act 2012, complaints about certain serious misconduct or corruption involving public health services in Victoria should be made directly to the Independent Broad-based Anti-Corruption Commission (IBAC) in order to remain protected under the Act.

Northern Health encourages individuals to make any disclosures which are protected disclosures within the meaning Act with IBAC.

Car Parking Fees

Northern Health complies with the Department of Health hospital circular on car parking fees and concession benefits can be viewed at www.nh.org.au.

Additional information available on request

In compliance with the requirements of the Standing Directions 2018 under the Financial Management Act 1994, details in respect of the items listed below have been retained by the health service and are available on request to the relevant Ministers, Members of Parliament and the public, subject to the provisions of the Freedom of Information Act 1982.

The following information must be retained and made available upon request:

(a) a statement that declarations of pecuniary interests have been duly completed by all relevant officers;

(b) details of shares held by a senior officer as nominee or held beneficially in a statutory authority or subsidiary;

(c) details of publications produced by the entity about itself, and how these can be obtained;

(d) details of changes in prices, fees, charges, rates, and levies charged by the entity;

(e) details of any major external reviews carried out on the entity;

(f) details of major research and development activities undertaken by the entity;

(g) details of overseas visits undertaken including a summary of the objectives and outcomes of each visit;

(h) details of major promotional, public relations and marketing activities undertaken by the entity to develop community awareness of the entity and its services;

(i) details of assessments and measures undertaken to improve the occupational health and safety of employees;

(j) a general statement on industrial relations within the entity and details of time lost through industrial accidents and disputes;

(k) a list of major committees sponsored by the entity, the purposes of each committee and the extent to which the purposes have been achieved; and

(l) details of all consultancies and contractors including:

- (i) consultants/contractors engaged;
- (ii) services provided; and
- (iii) expenditure committed to for each engagement

This information is available on request from:

Basil Ireland
Chief Financial Officer
Email: Basil.Ireland@nh.org.au

Antoinette
Volunteer
Northern Health
VOLUNTEER

Attestations

Data Integrity Declaration

Data Integrity Declaration Statement for the 2024-25 Annual Report

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

Ms Debra Bourne
Chief Executive
Northern Health
21 August 2025

Conflict of Interest Declaration

Conflict of Interest Declaration Statement for the 2024-25 Annual Report

I, Debra Bourne, certify that Northern Health has put in place appropriate internal controls and processes to ensure that it has implemented a 'Conflict of Interest' policy consistent with the minimum accountabilities required by the VPSC. Declaration of private interest forms have been completed by all executive staff within Northern Health and members of the board, and all declared conflicts have been addressed and are being managed. Conflict of interest is a standard agenda item for declaration and documenting at each executive board meeting.

Ms Debra Bourne
Chief Executive
Northern Health
21 August 2025

Integrity, Fraud and Corruption Declaration

Integrity, Fraud and Corruption Declaration Statement for the 2024-25 Annual Report

I, Debra Bourne, certify that Northern Health has put in place appropriate internal controls and processes to ensure that integrity, fraud and corruption risks have been reviewed and addressed at Northern Health during the year.

Ms Debra Bourne
Chief Executive
Northern Health
21 August 2025

Compliance with Health Service Victoria (HSV) Purchasing Policies

Proposed HSV Purchasing Policies Compliance Statement for the 2024-25 Annual Report

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

Ms Debra Bourne
Chief Executive
Northern Health
21 August 2025

Financial Management Compliance Attestation

Proposed Financial Management Compliance Attestation Statement for the 2024-25 Annual Report

I, Alan Lilly, on behalf of the Northern Health Board, certify that Northern Health has no Material Compliance Deficiency with respect to the applicable Standing Directions under the *Financial Management Act 1994* and instructions.

Alan Lilly
Board Chair
Northern Health
21 August 2025

Workforce Information

Northern Health has grown significantly due to the commencement of new services, and being situated in a growth corridor within the northern region. Northern Health will continue to expand over the coming years, to provide a positive and proactive healthcare system to staff, and the community.

Labour information

The Full Time Equivalent (FTE) head count for Northern Health as at 30 June 2024 and 30 June 2025 is provided below.

	June Current Month FTE		Average Monthly FTE	
Labour Category	**2024**	**2025**	**2023/24**	**2024/25**
Total	**6,104.88**	**6,193.81**	**5,786.44**	**6,076.19**
Nursing Services	2,811.97	2,840.68	2,700.39	2,769.20
Administration and Clerical	888.48	874.60	862.66	873.79
Medical Support Services	508.15	528.79	464.06	519.56
Hotel and Allied Services	266.76	264.74	255.16	262.44
Medical Officers	124.74	123.83	113.55	123.70
Hospital Medical Officers	600.21	604.65	550.53	606.75
Sessional Medical Officers	277.74	316.00	252.41	293.96
Ancillary Support Services	626.83	640.52	587.69	626.80

*FTE stands for full-time equivalent position. All employees of Northern Health are correctly classified in the workforce data collections.

Employment and Conduct Principles

Northern Health is committed to ensuring all aspects of employment, including recruitment, selection, promotion, training and retention of employees are fair and transparent.

Embedded in Northern Health's policies and procedures are the principles of merit and equity, with appropriate avenues for grievance and complaint processes.

Northern Health provides a dynamic working environment with a culture of teamwork, diversity, safety and respect, based on strong values and Codes of Conduct.

Financial Results

Northern Health's financial objective is to provide the resources necessary to meet service and activity requirements, address capital needs and ensure cash sustainability.

In 2024-25, Northern Health generated a Statement of Priorities (SoP) operating surplus of $9,000, or break-even (2024: $73.9m deficit). This was achieved in challenging financial circumstances.

Available cash improved to a break-even position (2024: $6.8m deficit) due to increases in working capital driven by the growth in employee benefits provisions.

Northern Health is confronted with financial challenges in 2024-25. We will continue to drive efficiency initiatives while working with DH to secure adequate funding to sustain our operations.

The financial results for Northern Health over the past five financial years are shown below.

Item	2025 $000	2024 $000	2023 $000	2022 $000	2021 $000
Operating result (SoP)	$9	(73,927)	483	135	113
Total revenue	1,341,776	1,149,319	1,202,183	946,952	810,742
Total expenses	1,356,278	1,266,113	1,146,538	876,366	740,212
Net result from transactions	(14,502)	(116,794)	55,645	70,586	70,530
Total other economic flows	709	1,003	(9,251)	4,900	7,224
Net result	(13,793)	(115,791)	46,394	75,486	77,755
Total assets	1,194,842	1,168,249	965,048	822,560	714,935
Total liabilities	420,211	379,847	302,621	242,812	216,595
Net assets / Total equity	774,631	788,402	662,427	579,748	498,340

*Figures were updated 21 August 2025

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 Northern Health, the results of the operations or the state of affairs of Northern Health in the future financial years.

Reconciliation of net result from transactions and operating result

Item	2025 $000
Operating Result (SoP)	9
Capital purpose income	65,233
Specific income	1,097
COVID-19 State Supply Arrangements: - Assets received free of charge or for nil consideration under the State Supply	321
State supply items consumed up to 30 June 2025	(321)
Expenditure for capital purpose	(7,221)
Depreciation and amortisation	(69,882)
Impairment of non-financial assets	(3,094)
Finance costs (other)	(644)
Net result from transactions	(14,502)

*Figures were updated 21 August 2025

Disclosure Index

The annual report of Northern Health is prepared in accordance with all relevant Victorian legislation. This index has been prepared to facilitate identification of the Department's compliance with statutory disclosure requirements.

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Board member's, Accountable Officer's and Chief Finance and Accounting Officer's declaration

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

We further state that, in our opinion, the information set out in the Consolidated Comprehensive Operating Statement, Consolidated Balance Sheet, Consolidated Statement of Changes in Equity, Consolidated Cash Flow Statement and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2025 and the financial position of Northern Health and the consolidated entity at 30 June 2025.

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

We authorise the attached financial statements for issue on this day.

Board Member	Accountable Officer	Chief Finance and Accounting Officer
Adjunct Professor Alan Lilly Board Chair Northern Health	**Ms Debra Bourne** Chief Executive Officer Northern Health	**Mr Basil Ireland** Chief Finance and Accounting Officer Northern Health
28 August 2025	28 August 2025	28 August 2025

Independent Auditor's Report

VAGO
Victorian Auditor-General's Office

To the Board of Northern Health

Opinion	I have audited the consolidated financial report of Northern Health (the health service) and its controlled entities (together the consolidated entity), which comprises the: • consolidated entity and health service balance sheets as at 30 June 2025 • consolidated entity and health service comprehensive operating statements for the year then ended • consolidated entity and health service statements of changes in equity for the year then ended • consolidated entity and health service cash flow statements for the year then ended • notes to the financial statements, including material accounting policy information • board members', accountable officer's and chief financial and accounting officer's declaration. In my opinion, the financial report presents fairly, in all material respects, the financial positions of the consolidated entity and the health service as at 30 June 2025 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the *Financial Management Act 1994* and applicable Australian Accounting Standards.
Basis for Opinion	I have conducted my audit in accordance with the *Audit Act 1994* which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. My independence is established by the *Constitution Act 1975*. My staff and I are independent of the health service and the consolidated entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.
Board's responsibilities for the financial report	The Board of the health service is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the *Financial Management Act 1994*, and for such internal control as the Board determines is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error. In preparing the financial report, the Board is responsible for assessing the health service and the consolidated entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.

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

Auditor's responsibilities for the audit of the financial report	As required by the *Audit Act 1994,* my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report. As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also: • identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. • obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the health service and the consolidated entity's internal control • evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board • conclude on the appropriateness of the Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the health service and the consolidated entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the health service and the consolidated entity 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 • obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the health service and consolidated entity to express an opinion on the financial report. I remain responsible for the direction, supervision and performance of the audit of the health service and the consolidated entity. I remain solely responsible for my audit opinion. I communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

MELBOURNE
1 September 2025

Simone Bohan
as delegate for the Auditor-General of Victoria

Northern Health
Consolidated Comprehensive Operating Statement
For the Year Ended 30 June 2025

	Note	Consolidated 2025 $'000	Consolidated 2024 $'000
Revenue and income from transactions			
Revenue from contracts with customers	2.1	1,073,634	964,470
Other sources of income	2.1	268,142	184,849
Total revenue and income from transactions		**1,341,776**	**1,149,319**
Expenses from transactions			
Employee expenses	3.1	(1,034,606)	(947,429)
Finance costs	6.1	(644)	(586)
Depreciation and amortisation	4.3	(69,882)	(50,528)
Other operating expenses	3.1	(251,146)	(267,570)
Total expenses from transactions		**(1,356,278)**	**(1,266,113)**
Net result from transactions - net operating balance		**(14,502)**	**(116,794)**
Other economic flows included in net result			
Net gain/(loss) on sale of non-financial assets		148	242
Other gain/(loss) from other economic flows		561	761
Total other economic flows included in net result		**709**	**1,003**
Net result		**(13,793)**	**(115,791)**
Other economic flows- other comprehensive income			
Items that will not be reclassified to net result			
Changes in property, plant and equipment revaluation surplus		-	213,732
Changes in the fair value of equity instruments at fair value through other comprehensive income		20	3
Total other comprehensive income		**20**	**213,735**
Comprehensive result		**(13,773)**	**97,944**

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

Northern Health
Consolidated Balance Sheet
As at 30 June 2025

	Note	Consolidated 2025 $'000	Consolidated 2024 $'000
Financial assets			
Cash and cash equivalents	6.2	62,582	71,265
Receivables	5.1	118,060	86,864
Contract assets	5.2	1,743	2,315
Investments and other financial assets		2,540	1,249
Total financial assets		**184,926**	**161,693**
Non-financial assets			
Prepayments		48,540	31,554
Inventories		5,291	4,901
Property, plant and equipment	4.1	955,941	969,796
Intangible assets	4.2	144	305
Total non-financial assets		**1,009,916**	**1,006,556**
Total assets		**1,194,842**	**1,168,249**
Liabilities			
Payables	5.3	105,807	102,127
Contract liabilities	5.4	973	2,363
Borrowings	6.1	11,222	13,354
Employee benefits	3.1(b)	276,638	235,646
Other liabilities	5.5	25,572	26,357
Total liabilities		**420,211**	**379,847**
Net assets		**774,631**	**788,402**
Equity			
Property, plant and equipment revaluation surplus		491,260	491,260
Financial assets at fair value through other comprehensive income revaluation reserve		(15)	(36)
Restricted specific purpose reserve		9,927	8,294
Contributed capital		215,535	215,535
Accumulated surplus/(deficit)		57,923	73,349
Total equity		**774,631**	**788,402**

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

Northern Health
Consolidated Statement of Changes in Equity
For the Year Ended 30 June 2025

Consolidated	Note	Property, plant & equipment revaluation surplus	Financial Assets through Other Comprehensive Income Revaluation Reserve	Restricted specific purpose reserve	Contributed capital	Accumulated surplus/ (deficits)	Total
		$'000	$'000	$'000	$'000	$'000	$'000
Balance at 1 July 2023		**277,528**	**(39)**	**7,492**	**187,503**	**189,942**	**662,427**
Net result for the year		-	-	-	-	(115,791)	(115,791)
Transfer to restricted specific purpose surplus/(deficit)		-	-	802	-	(802)	-
Other comprehensive income for the year		213,732	-	-	-	-	213,732
Movement in reserves		-	3	-	-	-	3
Contributed capital		-	-	-	28,032	-	28,032
Balance at 30 June 2024		**491,260**	**(36)**	**8294**	**215,535**	**73,349**	**788,402**
Net result for the year		-	-	-	-	(13,793)	(13,793)
Transfer to restricted specific purpose surplus/(deficit)		-	-	1,633	-	(1,633)	-
Other comprehensive income for the year		-	-	-	-	-	-
Movement in reserves		-	20	-	-	-	20
Contributed capital		-	-	-	-	-	-
Balance at 30 June 2025		**491,260**	**(15)**	**9,927**	**215,535**	**57,923**	**774,631**

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

Northern Health
Consolidated Cash Flow Statement
For the Year Ended 30 June 2025

	Note	Consolidated 2025 $'000	Consolidated 2024 $'000
Cash flows from operating activities			
Operating grants from State Government		1,147,409	1,008,623
Operating grants from Commonwealth Government		51,722	47,558
Capital grants from State Government		25,484	14,137
Commercial activities, patient and hospital fees received		46,751	44,539
Pharmaceutical sales received		313	397
Donations and bequests received		2,742	982
Interest and investment income received		7,496	5,801
Other receipts received		21,370	19,188
Total receipts		**1,303,287**	**1,141,225**
Payments to employees		(998,253)	(892,912)
Payments for supplies and consumables		(161,482)	(158,907)
Finance costs		(4)	(38)
GST paid to ATO		(2,397)	1,577
Other payments		(111,682)	(109,586)
Total payments		**(1,273,818)**	**(1,159,868)**
Net cash flows from/(used in) operating activities	8.1	**29,469**	**(18,641)**
Cash flows from investing activities			
Proceeds from sale of non-financial assets		338	327
Purchase of non-financial assets		(38,540)	(58,581)
Purchase of financial assets		(21)	(20)
Net cash flows from/(used in) investing activities		**(38,223)**	**(58,274)**
Cash flows from financing activities			
Repayment of borrowings		(63)	(63)
Receipt of borrowings		-	179
Payments for investments and other financial assets		(1,250)	(250)
Repayment of accommodation deposits		(4,909)	(4,045)
Receipt of accommodation deposits		6,293	13,076
Net cash flows from/(used in) financing activities		**71**	**8,897**
Net increase /(decrease) in cash and cash equivalents		**(8,683)**	**(68,018)**
Cash and cash equivalents at beginning of year		71,265	139,283
Cash and cash equivalents at end of year	6.2	**62,582**	**71,265**

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

Note 1. About this report

These financial statements represent the consolidated financial statements of Northern Health and its controlled entities (the Northern Health Foundation) for the year ended 30 June 2025. This section explains the basis of preparing the financial statements.

Note 1.1. Basis of preparation

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

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

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

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

The financial statements have been prepared on a going concern basis (refer to Note 1.8 Economic Dependency).

The financial statements are presented in Australian dollars.

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

The annual financial statements were authorised for issue by the Board of Northern Health and its controlled entities on 28 August 2025.

Note 1.2. Abbreviations and terminology used in financial statements

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

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

Note 1.3. Principles of consolidation

The financial statements include the assets and liabilities of Northern Health and its controlled entities as a whole as at the end of the financial year and the consolidated results and cash flows for the year.

Northern Health controls the Northern Health Foundation. Details of the controlled entity are set-out in Note 8.8.

The transactions and balances of the parent entity Northern Health are not disclosed separately in the notes to the financial statements.

An entity is considered to be a controlled entity where Northern Health has the power to govern the financial and operating policies of an organisation to obtain benefits from its activities. In assessing control, potential voting rights that are presently exercisable are considered.

Northern Health consolidates the results of its controlled entities from the date on which it gains control until the date it ceases to have control. Where dissimilar accounting policies are adopted by entities and their effect is considered material, adjustments are made to ensure consistent policies are adopted in these financial statements.

Transactions between segments within Northern Health have been eliminated to reflect the extent of Northern Health's operations as a group.

Note 1.4. Material accounting estimates and judgements

Management makes estimates and judgements when preparing the financial statements.

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

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

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

- Note 2.1: Revenue and income from transactions
- Note 3.1: Expenses incurred in the delivery of services
- Note 4.1: Property, plant and equipment
- Note 4.2: Intangible assets
- Note 4.3: Depreciation and amortisation
- Note 4.4: Impairment of assets
- Note 5.1: Receivables
- Note 5.2: Contract assets
- Note 5.3: Payables
- Note 5.4: Contract liabilities
- Note 6.1(a): Lease liabilities
- Note 7.4: Fair value determination

Note 1.5. Accounting standards issued but not yet effective

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

Standard	Adoption Date	Impact
AASB 2022-10: *Amendments to Australian Accounting Standards – Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities*	Reporting periods beginning on or after 1 January 2024. In accordance with FRD 103, Northern Health will apply Appendix F of AASB 13 prospectively, in the next formal asset revaluation or interim revaluation (whichever is earlier).	Adoption of this standard is not expected to have a material impact.
AASB 2022-9: *Amendments to Australian Accounting Standards – Insurance Contracts in the Public Sector*	Reporting periods beginning on or after 1 January 2026.	Adoption of this standard is not expected to have a material impact.
AASB 2024-2: *Amendments to Australian Accounting Standards – Classification and Measurement of Financial Instruments*	Reporting periods beginning on or after 1 January 2026.	Adoption of this standard is not expected to have a material impact.
AASB 18*: Presentation and Disclosure in Financial Statements*	Reporting periods beginning on or after 1 January 2028.	Adoption of this standard is not expected to have a material impact.

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

Note 1.6. Goods and Services Tax (GST)

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

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

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

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

Note 1.7. Reporting entity

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

Northern Health's principal address is:
185 Cooper Street
Epping, Victoria, 3076

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

Note 1.8. Economic dependency

Northern Health is a public health service governed and managed in accordance with the *Health Services Act 1988* and its results form part of the Victorian General Government consolidated financial position.

Northern Health provides essential services and is dependent on the continued financial support of the State Government, particularly the Department of Health, and the Commonwealth funding via the National Health Reform Agreement (NHRA).

The State of Victoria plans to continue Northern Health operations and on that basis, the financial statements have been prepared on a going concern basis.

Note 2. Funding delivery of services

Structure

Note 2.1. Revenue and income from transactions

Material judgements and estimates

This section contains the following material judgements and estimates:

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

Note 2.1. Revenue and income from transactions

		Consolidated 2025 $'000	Consolidated 2024 $'000
Revenue from contracts with customers	2.1(a)	1,073,634	964,470
Other sources of income	2.1(b)	268,142	184,849
Total revenue and income from transactions		**1,341,776**	**1,149,319**

Note 2.1(a): Revenue from contracts with customers

	Consolidated 2025 $'000	Consolidated 2024 $'000
Government grants (State) – Operating	967,553	869,514
Government grants (Commonwealth) – Operating	68,387	59,462
Patient and resident fees	28,867	27,049
Private practice fees	2,562	1,876
Commercial activities[1]	5,804	6,028
Other revenue from operating activities	461	541
Total revenue from contracts with customers	**1,073,634**	**964,470**

Northern Health disaggregates revenue by the timing of revenue recognition.

Goods and services transferred to customers:		
At a point in time	1,053,709	944,840
Over time[2]	19,925	19,630
Total revenue from contracts with customers	**1,073,634**	**964,470**

[1] Commercial activities represent business activities which Northern Health undertakes to support its operations.

[2] Revenue received for patient and resident fees relating to accommodation charges are recognised over time, to reflect the period accommodation is provided.

Note 2.1. Revenue and income from transactions (continued)

How we recognise revenue from contracts with customers

Government operating grants

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

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

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

Government grant	Performance obligation
Activity Based Funding (ABF) paid as National Weighted Activity Unit (NWAU)	The performance obligations for ABF are the number and mix of patients admitted to hospital (defined as 'case mix') in accordance with the levels of activity agreed to, with DH in the annual Statement of Priorities. NWAU activity is a cost weight that is adjusted for time spent in hospital, and represents a relative measure of resource used for each episode of care in a diagnosis related group (DRG). The performance obligations for NWAU are the number and mix of admissions, emergency department presentations and outpatient episodes, and is weighted for clinical complexity. Revenue is recognised at point in time, which is when a patient is discharged.
Other Victorian and Commonwealth funding	Northern Health receives various funding streams from both Victorian and Commonwealth government departments. The performance obligations are defined in accordance with the levels of activity agreed to within each funding agreement. Revenue is recognised at a point in time, which is when the service is provided.

Patient and resident fees

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

Private practice fees

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

Commercial activities

Revenue from commercial activities such as carpark, retail and rental revenue are recognised on an accrual basis. Commercial activities revenue is recognised at a point in time upon provision of the goods or services to the customer. Rental income from investment properties is recognised on a straight-line basis over the term of the lease, unless another systematic basis is more representative of the pattern of use of the underlying asset.

Note 2.1. Revenue and income from transactions (continued)

Note 2.1(b): Other sources of income

		Consolidated 2025 $'000	Consolidated 2024 $'000
Operating activities			
Government grants (State) – Operating		191,923	134,821
Government grants (State) – Capital		42,438	18,558
Other capital purpose income		737	25
Capital donations		3,627	3,899
Assets received free of charge or for nominal consideration[1]	2.1(c)	321	1,369
Salary and other recoveries		3,227	3,971
Research and sundry income		5,029	4,965
Other income from operating activities		2,836	1,019
Total other sources of income		**250,138**	**168,627**
Non-operating activities			
Capital interest		8,266	6,399
Other income from non-operating activities		9,738	9,823
Total other sources of income		**18,004**	**16,222**
Total other sources of income		**268,142**	**184,849**

[1] Assets received free of charge mainly comprise Personal Protective Equipment (PPE) received free of charge from the state-wide supply centre.

How we recognise other sources of income

Government operating grants

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

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

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

Capital grants

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

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

Interest income

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

Rental income

Northern Health recognised $14.4m of capital rent in advance from the University of Melbourne and La Trobe University for the Northern Centre for Health, Education and Research (NCHER) as part of a lease arrangement executed on 1 January 2015. The $14.4m in funding received from the universities is progressively recognised as rental income on a straight-line basis for the 21 years period of the lease ending 31 December 2035.

Note 2.1. Revenue and income from transactions (continued)

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

	Consolidated 2025 $'000	Consolidated 2024 $'000
Personal protective equipment and other consumables	321	1,369
Total fair value of assets and services received free of charge or for nominal consideration	**321**	**1,369**

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

Donations and bequests

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

Personal protective equipment (PPE)

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

Contributions of resources

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

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

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

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

Voluntary services

Northern Health is supported by volunteers from the community. Northern Health recognises contributions by volunteers in its financial statements, only if the fair value can be reliably measured and the services would have been purchased had they not been donated. Northern Health greatly values the services contributed by volunteers but it does not depend on volunteers to deliver its services.

Non-cash contributions from the Department of Health (DH)

DH makes some payments on behalf of Northern Health as follows:

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

Note 3. The cost of delivering our services

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

Structure

Note 3.1. Expenses incurred in the delivery of services

Material judgements and estimates

This section contains the following material judgements and estimates:

Material judgements and estimates	Description
Classifying employee benefit liabilities	Northern Health applies material judgment when classifying its employee benefit liabilities. Employee benefit liabilities are classified as a current liability if Northern Health does not have an unconditional right to defer payment beyond 12 months. Annual leave, accrued days off and LSL entitlements (for staff who have exceeded the minimum vesting period) fall into this category. Employee benefit liabilities are classified as a non-current liability if Northern Health has a conditional right to defer payment beyond 12 months. LSL leave entitlements (for staff who have not yet exceeded the minimum vesting period) fall into this category.
Measuring employee benefit liabilities	Northern Health applies material judgment when measuring its employee benefit liabilities. The health service applies judgement to determine when it expects its employee entitlements to be paid. With reference to historical data, if the health service does not expect entitlements to be paid within 12 months, the entitlement is measured at its present value, being the expected future payments to employees. Expected future payments incorporate: • An inflation rate of 4.250% reflecting the future wage and salary levels; • Durations of service and employee departures, which are used to determine the estimated value of long service leave that will be taken in the future, for employees who have not yet reached the vesting period. The estimated rates are between 24% and 46%; and • Discounting at the rate of 4.203%, as determined with reference to market yields on government bonds at the end of the reporting period. All other entitlements are measured at their nominal value.

Note 3.1. Expenses incurred in the delivery of services

	Note	Consolidated 2025 $'000	Consolidated 2024 $'000
Employee expenses	3.1(a)	1,034,606	947,429
Other operating expenses	3.1(d)	251,146	267,570
Total expenses incurred in the delivery of services		**1,285,752**	**1,214,999**

Note 3.1(a): Employee expenses

	Consolidated 2025 $'000	Consolidated 2024 $'000
Salaries and wages	772,387	715,771
On-costs	226,001	192,226
Agency expenses	12,144	15,138
Fee for service medical officer expenses	9,922	6,081
Workcover premium	14,152	18,213
Total employee expenses	**1,034,606**	**947,429**

How we recognise employee expenses

Employee expenses include:

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

Note 3.1. Expenses incurred in the delivery of services (continued)

Note 3.1(b): Employee benefits in the balance sheet

	Consolidated 2025 $'000	Consolidated 2024 $'000
Current employee benefits and related on-costs		
Accrued days off		
Unconditional and expected to be settled wholly within 12 months [1]	2,329	2,197
	2,329	2,197
Annual leave		
Unconditional and expected to be settled wholly within 12 months [1]	81,274	70,455
Unconditional and expected to be settled wholly after 12 months [2]	12,922	11,192
	94,196	81,647
Long Service leave		
Unconditional and expected to be settled wholly within 12 months [1]	11,469	18,409
Unconditional and expected to be settled wholly after 12 months [2]	108,266	78,578
	119,735	96,987
Provision related to employee benefit on-costs		
Unconditional and expected to be settled within 12 months [1]	12,694	11,940
Unconditional and expected to be settled after 12 months [2]	17,258	13,121
	29,952	25,061
Total current employee benefits and related on-costs	246,212	205,892
Non-current employee benefits and related on-costs		
Conditional long service leave	26,615	25,948
Provisions related to employee benefits and on-costs	3,811	3,806
Total non-current employee benefits and related on-costs	30,426	29,754
Total employee benefits and related on-costs	276,638	235,646

[1] The amounts disclosed are nominal amounts.
[2] The amounts disclosed are discounted to present values.

Provision for related on-costs movement schedule

	Consolidated 2025 $'000	Consolidated 2024 $'000
Carrying amount at start of year	28,867	23,696
Additional provisions recognised	1,148	1,527
Amounts incurred during the year	3,688	3,377
Net gain/(loss) arising from revaluation of long service liability	59	267
Carrying amount at end of year	33,762	28,867

Note 3.1. Expenses incurred in the delivery of services (continued)

How we recognise employee benefits

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

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

Annual leave and accrued days off

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

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

- Nominal value: If Northern Health expects to wholly settle within 12 months; or
- Present value: If Northern Health does not expect to wholly settle within 12 months.

Long service leave (LSL)

The liability for LSL is recognised in the provision for employee benefits.

Unconditional LSL is disclosed in the notes to the financial statements as a current liability, even where Northern Health does not expect to settle the liability within 12 months because it will not have the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months. An unconditional right arises after a period of 10 years of continuous service.

The components of this LSL liability are measured at:

- Nominal value: If Northern Health expects to wholly settle within 12 months; or
- Present value: If Northern Health does not expect to wholly settle within 12 months.

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

Termination benefits

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

Provision for on-costs related to employee benefits

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

Note 3.1. Expenses incurred in the delivery of services (continued)

Note 3.1(c): Superannuation

	Paid contributions for the year		Contributions outstanding at 30 June[1]	
	Consolidated 2025 $'000	Consolidated 2024 $'000	Consolidated 2025 $'000	Consolidated 2024 $'000
Defined benefit plans[2]				
Aware Super	-	77	-	2
Defined contribution plans				
Aware Super	32,570	30,439	1,250	1,298
HESTA	33,259	31,004	1,413	1,266
Other	20,660	13,771	886	775
Total superannuation	**86,489**	**75,291**	**3,548**	**3,341**

[1] The contribution outstanding at year end refers to the accrual taken up at year end relating to the last pay period in June 2025.
[2] The basis for determining the level of contribution is determined by the various actuaries of the defined benefit superannuation plans.

How we recognise superannuation

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

Defined contribution superannuation plans

Defined contribution (i.e. accumulation) superannuation plan expenditure is the employer contributions that are paid or payable in respect of employees who are members of these plans during the reporting period. Contributions to defined contribution superannuation plans are expensed when incurred. The name, details and amounts that have been expensed in relation to the major employee superannuation funds and contributions made by Northern Health are disclosed above.

Defined benefit superannuation plans

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

Northern Health does not recognise any unfunded defined benefit liability in respect of the plans because Northern Health has no legal or constructive obligation to pay future benefits relating to its employees; its only obligation is to pay superannuation contributions as they fall due.

The DTF discloses the State's defined benefits liabilities in its disclosure for administered items. However, superannuation contributions paid or payable for the reporting period are included as part of employee benefits in the Comprehensive Operating Statement of Northern Health.

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

Note 3.1. Expenses incurred in the delivery of services (continued)

Note 3.1(d): Other operating expenses

	Note	Consolidated 2025 $'000	Consolidated 2024 $'000
Drug supplies		44,059	39,077
Medical and surgical supplies (including prostheses)		45,103	43,066
Diagnostic and radiology supplies		10,081	24,081
Other supplies and consumables		36,195	34,267
Patient transport		4,677	4,318
Other administrative expenses		10,126	14,852
Fuel, light, power and water		7,433	6,583
Repairs and maintenance		6,157	6,523
Maintenance contracts		6,511	6,758
Domestic services and supplies		20,722	19,915
Medical indemnity insurance		20,135	16,438
Computer and communication		11,640	12,018
Staff training and development		7,191	9,952
Security costs		9,108	9,889
Shared service costs		1,221	1,338
Expenditure for capital purposes		7,141	12,183
Specific and ex-gratia expenses		742	3,327
Bad and doubtful debts expenses		2,904	2,985
Total other operating expenses		**251,146**	**267,570**

How we recognise expenses from transactions

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

Supplies and consumables

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

The following lease payments are recognised on a straight-line basis:

- Short term leases - leases with a term of twelve months or less, and
- Low value leases - leases with the underlying asset's fair value (when new, regardless of the age of the asset being leased) is no more than $10,000.

Variable lease payments that are not included in the measurement of the lease liability, i.e. variable lease payments that do not depend on an index or a rate such as those based on performance or usage of the underlying asset, are recognised in the Comprehensive Operating Statement (except for payments which have been included in the carrying amount of another asset) in the period in which the event or condition that triggers those payments occurs. Northern Health's variable lease payments during the year ended 30 June 2025 was nil.

Other operating expenses

Other operating expenses generally represent the day-to-day running costs incurred in normal operations.

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

Specific and ex-gratia expenses

Specific and ex-gratia expenses include costs associated with employee departures and separations.

Note 4. Key assets to support service delivery

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

Structure

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

Material judgements and estimates

This section contains the following material judgements and estimates:

Material judgements and estimates	Description
Measuring fair value of property, plant and equipment	Northern Health obtains independent valuations for its non-current assets at least once every five years. Under FRD 103 a formal, independent revaluation occurs every five years with the revaluation performed by the VGV. In each year in between, a fair value assessment of land and buildings is undertaken utilising land and building indices issued by the VGV.
Estimating useful life of property, plant and equipment	Northern Health assigns an estimated useful life to each item of property, plant and equipment. This is used to calculate depreciation of the asset. The health service reviews the useful life and depreciation rates of all assets at the end of each financial year and where necessary, records a change in accounting estimate.
Estimating useful life of right-of-use assets	The useful life of each right-of-use asset is typically the respective lease term, except where the Northern Health is reasonably certain to exercise a purchase option contained within the lease (if any), in which case the useful life reverts to the estimated useful life of the underlying asset. Northern Health applies material judgement to determine whether or not it is reasonably certain to exercise such purchase options.
Estimating restoration costs at the end of a lease	Where a lease agreement requires Northern Health to restore a right-of-use asset to its original condition at the end of a lease, Northern Health estimates the present value of such restoration costs. This cost is included in the measurement of the right-of-use asset, which is depreciated over the relevant lease term.
Estimating the useful life of intangible assets	Northern Health assigns an estimated useful life to each intangible asset with a finite useful life, which is used to calculate amortisation of the asset.
Identifying indicators of impairment	At the end of each year, Northern Health assesses impairment by evaluating the conditions and events specific to it that may be indicative of impairment triggers. Where an indication exists, the Northern Health tests the asset for impairment. Northern Health considers a range of information when performing its assessment, including considering: • If an asset's value has declined more than expected based on normal use; • If a significant change in technological, market, economic or legal environment which adversely impacts the way Northern Health uses an asset; • If an asset is obsolete or damaged; • If the asset has become idle or if there are plans to discontinue or dispose of the asset before the end of its useful life; and • If the performance of the asset is or will be worse than initially expected. Where an impairment trigger exists, the Northern Health applies material judgement and estimate to determine the recoverable amount of the asset.

Note 4.1. Property, plant and equipment

	Gross carrying amount		Accumulated depreciation		Net carrying amount	
	2025 $'000	2024 $'000	2025 $'000	2024 $'000	2025 $'000	2024 $'000
Land at fair value: Crown	54,934	54,934	-	-	54,934	54,934
Land at fair value: Freehold	13,013	11,013	-	-	13,013	11,013
Buildings at fair value	837,516	806,688	(61,995)	(9,007)	775,521	797,681
Leasehold improvements at fair value	2,805	2,418	(920)	(573)	1,885	1,845
Works in progress at cost	51,245	51,702	-	-	51,245	51,702
Plant, equipment and vehicles at fair value	156,239	134,610	(96,896)	(81,989)	59,343	52,621
Total property, plant and equipment	**1,115,752**	**1,061,365**	**(159,811)**	**(91,569)**	**955,941**	**969,796**

How we recognise property, plant and equipment

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

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

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

Note 4.1(a): Reconciliations of carrying amount by class of asset

	Note	Land[1] $'000	Buildings[1] $'000	Works in progress $'000	Leasehold Improvements $'000	Plant, equipment and vehicles $'000	Total $'000
Balance at 1 July 2023		**75,793**	**568,443**	**18,229**	**2,134**	**43,533**	**708,132**
Additions		-	13,424	42,736	32	13,069	69,261
Asset transfer-in via contributed equity		2,658	20,644	1,376	-	4,280	28,958
Disposals		-	-	-	-	(154)	(154)
Revaluation increments/(decrements)		(12,504)	226,360	-	-	(3)	213,853
Net transfers between classes		-	5,165	(10,639)	-	5,474	-
Depreciation	4.3	-	(36,355)	-	(320)	(13,579)	(50,254)
Balance at 30 June 2024	4.1	**65,947**	**797,681**	**51,702**	**1,845**	**52,621**	**969,796**
Additions		2,000	7,076	40,173	387	6,644	56,279
Asset transfer-in via contributed equity		-	-	-	-	-	-
Disposals		-	-	-	-	(414)	(414)
Revaluation increments/(decrements)		-	-	-	-	-	-
Net transfers between classes		-	23,906	(40,630)	-	16,724	-
Depreciation	4.3	-	(53,141)	-	(347)	(16,233)	(69,721)
Balance at 30 June 2025	4.1	**67,947**	**775,521**	**51,245**	**1,885**	**59,343**	**955,941**

[1] Land and buildings are carried at valuation. Fair value assessments have been performed for all classes of assets in this purpose group and the decision was made that the movements were not material (less than or equal to 10%). As such, an independent revaluation was not required per FRD 103. In accordance with FRD 103, Northern Health has elected to apply the practical expedient in FRD 103 *Non-Financial Physical Assets* and has therefore not applied the amendments to AASB 13 *Fair Value Measurement*. As per FRD 103, the amendments to AASB 13 only apply if a full revaluation is conducted prior to the next scheduled valuation, which is planned for 2029, in line with Northern Health's revaluation cycle.

Note 4.1. Property, plant and equipment (continued)

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

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

	Gross carrying amount		Accumulated depreciation		Net carrying amount	
	2025 $'000	2024 $'000	2025 $'000	2024 $'000	2025 $'000	2024 $'000
Buildings at fair value	38,385	37,822	(12,901)	(9,007)	25,484	28,815
Plant, equipment and vehicles at fair value	-	482	-	(242)	-	240
Total right-of-use assets	**38,385**	**38,304**	**(12,901)**	**(9,249)**	**25,484**	**29,055**

	Note	Buildings at fair value $'000	Plant, equipment and vehicles at fair value $'000	Total $'000
Balance at 1 July 2023		**23,805**	**208**	**24,013**
Additions		8,703	222	8,925
Disposals		-	(68)	(68)
Revaluation increments/(decrements)		124	(3)	121
Net transfers between classes		-	-	-
Depreciation		(3,817)	(119)	(3,936)
Balance at 30 June 2024		**28,815**	**240**	**29,055**
Additions		717	-	717
Disposals		-	(224)	(224)
Revaluation increments/(decrements)		-	-	-
Net transfers between classes		-	-	-
Depreciation		(4,048)	(16)	(4,064)
Balance at 30 June 2025		**25,484**	**-**	**25,484**

How we recognise right-of-use assets

Initial recognition

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

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

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

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

Subsequent measurement

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

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

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

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

Note 4.2. Intangible assets

	Gross carrying amount		Accumulated depreciation		Net carrying amount	
	2025 $'000	2024 $'000	2025 $'000	2024 $'000	2025 $'000	2024 $'000
Software	8,726	8,726	(8,582)	(8,421)	144	305
Total intangible assets	**8,726**	**8,726**	**(8,582)**	**(8,421)**	**144**	**305**

Note 4.2(a): Reconciliation of carrying amount by class of asset

	Note	Software $'000	Work in progress $'000	Total $'000
Balance at 1 July 2023		365	230	595
Disposals		-	(16)	(16)
Net transfers between classes		214	(214)	-
Amortisation	4.3	(274)	-	(274)
Balance at 30 June 2024	4.2	305	-	305
Disposals		-	-	-
Net transfers between classes		-	-	-
Amortisation	4.3	(161)	-	(161)
Balance at 30 June 2025	4.2	144	-	144

How we recognise intangible assets

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

Initial recognition

Purchased intangible assets are initially recognised at cost.

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

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

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

Subsequent measurement

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

Note 4.3. Depreciation and amortisation

	Consolidated 2025 $'000	Consolidated 2024 $'000
Depreciation		
Buildings at fair value	53,141	36,355
Leasehold improvements at fair value	347	320
Plant, equipment and vehicles at fair value	16,233	13,579
Total depreciation	**69,721**	**50,254**
Amortisation		
Software	161	274
Total amortisation	**161**	**274**
Total depreciation and amortisation	**69,882**	**50,528**

How we recognise depreciation

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

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

How we recognise amortisation

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

Useful lives of non-current assets

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

	2025	2024
Buildings	5- 53 years	5- 53 years
Leasehold improvements	11 years	11 years
Plant, equipment and vehicles (including leased assets)	3 - 10 years	3 - 10 years
Intangible assets	3 years	3 years

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

Note 4.4. Impairment of Assets

How we recognise impairment

At the end of each reporting period, Northern Health reviews the carrying amount of its tangible and intangible assets that have a finite useful life, to determine whether there is any indication that an asset may be impaired.

The assessment will include consideration of external sources of information and internal sources of information.

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

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

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

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

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

Note 5. Other assets and liabilities

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

Structure

- Note 5.1. Receivables
- Note 5.2. Contract assets
- Note 5.3. Payables
- Note 5.4. Contract liabilities
- Note 5.5. Other liabilities

Material judgements and estimates

This section contains the following material judgements and estimates:

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

Note 5.1. Receivables

	Note	Consolidated 2025 $'000	Consolidated 2024 $'000
Current receivables			
Contractual			
Inter hospital debtors		778	-
Trade receivables		4,711	5,390
Patient fees		8,218	10,356
Allowance for impairment losses	5.1(a)	(3,528)	(5,659)
Amounts receivable from governments and agencies		10,000	-
Total contractual receivables		**20,179**	**10,087**
Statutory			
GST Receivable		6,175	3,778
Total statutory receivables		**6,175**	**3,778**
Total current receivables		**26,354**	**13,865**
Non-current receivables			
Contractual			
Long service leave – Department of Health		91,706	72,999
Total contractual receivables		**91,706**	**72,999**
Total non-current receivables		**91,706**	**72,999**
Total receivables		**118,060**	**86,864**
(i) Financial assets classified as receivables (Note 7.1)			
Total receivables		118,060	86,864
GST receivable		(6,175)	(3,778)
Total financial assets classified as receivables	7.1	**111,885**	**83,086**

How we recognise receivables

Receivables consist of:

- **Contractual receivables** include debtors that relate to the provision of goods and services. These receivables are classified as financial instruments and are categorised as 'financial assets at amortised cost'. They are initially recognised at fair value plus any directly attributable transaction costs. Northern Health holds the contractual receivables with the objective to collect the contractual cash flows and therefore they are subsequently measured at amortised cost using the effective interest method, less any impairment; and
- **Statutory receivables** include GST input tax credits that are recoverable. Statutory receivables do not arise from contracts and are recognised and measured similarly to contractual receivables (except for impairment), but are not classified as financial instruments for disclosure purposes. Northern Health applies AASB 9 for initial measurement of the statutory receivables and, as a result, statutory receivables are initially recognised at fair value plus any directly attributable transaction cost.

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

Note 5.1. Receivables (continued)

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

	Consolidated 2025 $'000	Consolidated 2024 $'000
Balance at the beginning of the year	(5,659)	(5,062)
Increase in allowance	(2,344)	(729)
Amount written off during the year	4,475	132
Balance at the end of the year	(3,528)	(5,659)

Impairment losses of contractual receivables

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

Note 5.2. Contract assets

	Note	Consolidated 2025 $'000	Consolidated 2024 $'000
Current			
Contract assets		1,743	2,315
Total current contract assets		**1,743**	**2,315**
Total contract assets	5.2(a)	**1,743**	**2,315**

Note 5.2(a): Movement in contract assets

	Consolidated 2025 $'000	Consolidated 2024 $'000
Balance at the beginning of the year	2,315	2,284
Add: Additional costs incurred that are recoverable from the customer	1,743	2,157
Less: Transfer to revenue recognition	(2,315)	(2,126)
Total contract assets	**1,743**	**2,315**

How we recognise contract assets

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

Note 5.3. Payables

	Note	Consolidated 2025 $'000	Consolidated 2024 $'000
Current payables			
Contractual			
Payables		13,325	2,368
Accrued salaries and wages		45,742	47,475
Accrued expenses		33,159	33,358
Deferred capital grant income	5.3(a)	7,983	10,095
Salary packaging		808	964
Superannuation		3,631	3,411
Inter hospital creditors		131	3,542
Amounts payable to governments and agencies		262	700
Other		766	214
Total contractual payables		105,807	102,127
Total current payables		105,807	102,127
Total payables		105,807	102,127
(i) Financial liabilities classified as payables (Note 7.1)			
Total payables		105,807	102,127
Deferred capital grant income		(7,983)	(10,095)
Total financial liabilities classified as payables	7.1	97,824	92,032

How we recognise payables and contract liabilities

Payables consist of:

- **Contractual payables**, including payables that relate to the purchase of goods and services. These payables are classified as financial instruments and measured at amortised cost. Accounts payable and salaries and wages payable represent liabilities for goods and services provided to Northern Health prior to the end of the financial year that are unpaid; and
- **Statutory payables**, including Goods and Services Tax (GST) payable. Statutory payables are recognised and measured similarly to contractual payables, but are not classified as financial instruments and not included in the category of financial liabilities at amortised cost, because they do not arise from contracts.

Standard credit terms for accounts payable are usually net 30 days.

Note 5.3(a): Movement in deferred capital grant income

	Consolidated 2025 $'000	Consolidated 2024 $'000
Opening balance of deferred capital grant income	10,095	4,982
Grant consideration for capital works received during the year	23,230	19,080
Deferred capital grant income recognised as income due to completion of capital works	(25,342)	(13,967)
Closing balance of deferred capital grant income	7,983	10,095

How we recognise deferred capital grant income

Grant consideration was received from DH to support the construction of infrastructure assets.

Capital grant income is recognised progressively as the asset is constructed, since this is the time when Northern Health meets its obligations. The progressive percentage of costs incurred is used to recognise income because this most closely reflects the percentage of completion of the building works. As a result, Northern Health has deferred recognition of a portion of the grant consideration received as a liability for the outstanding obligations.

Northern Health expects to recognise the remaining deferred capital grant income in line with the delivery of capital works in future years.

Note 5.4. Contract liabilities

	Note	Consolidated 2025 $'000	Consolidated 2024 $'000
Current			
Contract liabilities		973	2,363
Total current contract liabilities		**973**	**2,363**
Non-current			
Contract liabilities		-	-
Total non-current contract liabilities		-	-
Total contract liabilities	5.4(a)	**973**	**2,363**

Note 5.4(a): Movement in contract liabilities

	Consolidated 2025 $'000	Consolidated 2024 $'000
Opening balance of contract liabilities	2,363	2,205
Add: payment received for performance obligations yet to be completed during the period	15,619	13,360
Less: revenue recognised in the reporting period for the completion of a performance obligation	(17,009)	(13,202)
Total contract liabilities	**973**	**2,363**

How we recognise contract liabilities

Contract liabilities include consideration received in advance from customers in respect of various services or projects before a related performance obligation is satisfied.

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

Maturity analysis of payables

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

Note 5.5. Other liabilities

	Note	Consolidated 2025 $'000	Consolidated 2024 $'000
Current monies held in trust			
Patient monies		19	16
Refundable accommodation deposits		16,909	15,525
Other income in advance - current		2,062	3,349
Total current monies held in trust		18,991	18,890
Non-current monies held in trust			
Other income in advance – non current[1]		6,581	7,467
Total non-current monies held in trust		6,581	7,467
Total other liabilities		25,572	26,357
***Represented by:**			
Cash assets	6.2	17,317	15,585
Investment and other financial assets		8,255	10,772
		25,572	26,357

[1]As a lessor, Northern Health classifies its leases as either operating or finance leases. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of the underlying asset, and is classified as an operating lease if it does not. The Northern Centre for Health Education Research building was classified, assessed and accounted for as an operating lease at inception under AASB 117 and continues to be accounted for as such under AASB 16. These amounts represent the prepaid contributions made by respective tenants.

How we recognise other liabilities

Refundable Accommodation Deposit (RAD) /Accommodation bonds

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

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

Note 6. How we finance our operations

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

Structure

Note 6.1. Borrowings
Note 6.2. Cash and cash equivalents
Note 6.3. Commitments for expenditure

Material judgements and estimates

This section contains the following material judgements and estimates:

Material judgements and estimates	Description
Determining if a contract is or contains a lease	Northern Health applies material judgement to determine if a contract is or contains a lease by considering: • If it has the right-to-use an identified asset; • If it has the right to obtain substantially all economic benefits from the use of the leased asset; and • If it can decide how and for what purpose the asset is used throughout the lease.
Determining if a lease meets the short-term or low value asset lease exemption	Northern Health applies material judgement when determining if a lease meets the short-term or low value lease exemption criteria. Northern Health estimates the fair value of leased assets when new. Where the estimated fair value is less than $10,000, Northern Health applies the low-value lease exemption. Northern Health also estimates the lease term with reference to remaining lease term and period that the lease remains enforceable. Where the enforceable lease period is less than 12 months, Northern Health applies the short-term lease exemption.
Discount rate applied to future lease payments	Northern Health discounts its lease payments using the interest rate implicit in the lease. If this rate cannot be readily determined, which is generally the case Northern Health's lease arrangements, Northern Health uses its incremental borrowing rate, which is the amount we would have to pay to borrow funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. For leased land and buildings, Northern Health estimated the incremental borrowing rate to be between 4.293% and 5.854%.
Assessing the lease term	The lease term represents the non-cancellable period of a lease, combined with periods covered by an option to extend or terminate the lease if Northern Health is reasonably certain to exercise such options. Northern Health determines the likelihood of exercising such options on a lease-by-lease basis through consideration of various factors including: • If there are significant penalties to terminate (or not extend), Northern Health is typically reasonably certain to extend (or not terminate) the lease; • If any leasehold improvements are expected to have a significant remaining value, the Northern Health is typically reasonably certain to extend (or not terminate) the lease; and • Northern Health considers historical lease durations and the costs and business disruption to replace such leased assets.

Note 6.1. Borrowings

	Note	Consolidated 2025 $'000	Consolidated 2024 $'000
Current borrowings			
Lease liability[1]	6.1(a)	2,604	2,537
Advances from government[2]		54	62
Total current borrowings		2,658	2,599
Non-current borrowings			
Lease liabilities[1]	6.1(a)	8,564	10,701
Advances from government[2]		-	54
Total non-current borrowings		8,564	10,755
Total borrowings	7.1	11,222	13,354

[1] The borrowing rate is between 4.293% and 5.854%.
[2] These are secured loans which bear no interest.

How we recognise borrowings

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

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

Maturity analysis

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

Interest expense

	Consolidated 2025 $'000	Consolidated 2024 $'000
Interest on lease liabilities	644	586
Total interest expense	644	586

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

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

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

Defaults and breaches

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

Note 6.1(a): Lease liabilities

Northern Health's lease liabilities are summarised below:

	Consolidated 2025 $'000	Consolidated 2024 $'000
Current lease liabilities		
Lease liability	2,604	2,537
Total current lease liabilities	2,604	2,537
Non-current lease liabilities		
Lease liability	8,564	10,701
Total non-current lease liabilities	8,564	10,701
Total lease liabilities	11,168	13,238

Note 6.1. Borrowings (continued)

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

	Consolidated 2025 $'000	Consolidated 2024 $'000
No longer than one year	3,106	3,136
Longer than one year but not longer than five years	7,756	9,777
Longer than five years	1,806	2,374
Minimum future lease liability	**12,668**	**15,287**
Less unexpired finance expenses	(1,500)	(2,049)
Present value of lease liability	**11,168**	**13,238**

How we recognise lease liabilities

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

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

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

Northern Health's lease arrangements consist of the following:

Type of asset leased	Lease term
Leased land	13 to 28 years
Leased buildings	4 to 6 years

All leases are recognised on the balance sheet, with the exception of low value leases (less than $10,000 AUD) and short-term leases of less than 12 months. Northern Health has elected to apply the practical expedients for short-term leases and leases of low-value assets. As a result, no right-of-use asset or lease liability is recognised for these leases; rather, lease payments are recognised as an expense on a straight-line basis over the lease term, within "other operating expenses" (refer to Note 3.1(d)).

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

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

Initial measurement

The lease liability is initially measured at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease if that rate is readily determinable or Northern Health's incremental borrowing rate. Our lease liability has been discounted by rates between 4.293% and 5.854%.

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

- Fixed payments (including in-substance fixed payments) less any lease incentive receivable;
- Variable payments based on an index or rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- Payments arising from purchase and termination options reasonably certain to be exercised.

Note 6.1. Borrowings (continued)

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

- Building leases:
  Options to extend can vary from one fixed-term of two years and up to two fixed-terms of five years.

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

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

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

During the current financial year, no extension or termination option was exercised in recognised lease liabilities and right-of-use assets.

Subsequent measurement

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

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

Leases with significantly below market terms and conditions

Northern Health holds lease arrangements which contain significantly below-market terms and conditions, which are principally to enable Northern Health to further its objectives. These are commonly referred to as a peppercorn or concessionary lease arrangement.

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

Description of leased asset	Our dependence on lease	Nature and terms of lease
Broadmeadows Hospital campus land	The leased land is used to accommodate the Broadmeadows Hospital buildings. Northern Health's dependence on this lease is considered high given its nature (i.e. land).	There are no lease payments associated with this lease. The current lease commenced in August 2018 with a lease term of 10 years. The lease extension will be negotiated between Northern Health and DH. There are no restrictions placed on the use of the asset other the standard conditions that apply to all land and buildings controlled by Northern Health.
Craigieburn Community Hospital campus land	The leased land is used to accommodate the Craigieburn Community Hospital buildings. Northern Health's dependence on this lease is considered high given its nature (i.e. land).	There are no lease payments associated with this lease. The current lease commenced in April 2017 with a lease term of 20 years. The lease extension will be negotiated between Northern Health and DH. There are no restrictions placed on the use of the asset other the standard conditions that apply to all land and buildings controlled by Northern Health.

Note 6.2. Cash and cash equivalents

		Consolidated 2025 $'000	Consolidated 2024 $'000
Cash on hand (excluding monies held in trust)		35	34
Cash at bank - CBS (excluding monies held in trust)		45,230	55,646
Total cash held for operations		**45,265**	**55,680**
Cash at bank - CBS (monies held in trust)		17,317	15,585
Total cash held as monies in trust		**17,317**	**15,585**
Total cash and cash equivalents	7.1	**62,582**	**71,265**

Note 6.3. Commitments for expenditure

30 June 2025	Less than 1 year $'000	1-5 years $'000	Over 5 years $'000	Total $'000
Capital expenditure commitments	49,692	2,838	-	52,530
Operating expenditure commitments	82,606	136,314	4,915	223,835
Non-cancellable short term and low value lease commitments	20	11	-	31
Total commitments (inclusive of GST)	132,318	139,163	4,915	276,396
Less GST recoverable				(25,127)
Total commitments (exclusive of GST)				251,269
30 June 2024				
Capital expenditure commitments	53,943	9,690	-	63,633
Operating expenditure commitments	74,891	146,026	4,600	225,517
Non-cancellable short term and low value lease commitments	16	17	-	33
Total commitments (inclusive of GST)	128,850	155,733	4,600	289,183
Less GST recoverable				(26,289)
Total commitments (exclusive of GST)				262,894

How we disclose our commitments

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

Expenditure commitments

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

Northern Health has entered into commercial leases on certain medical equipment, computer equipment and property where it is not in the interest of Northern Health to purchase these assets. These leases have an average life of between 1 and 20 years with renewal terms included in the contracts. Renewal is at the option of Northern Health. There are no restrictions placed upon Northern Health by entering into these leases.

Short term and low value leases

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

Note 7. Risks, contingencies and valuation uncertainties

Northern Health is exposed to risk from its activities and outside factors. 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 hospital is related mainly to fair value determination.

Structure:

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

Material judgements and estimates

This section contains the following material judgements and estimates:

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

Note 7.1. Financial instruments

Financial instruments arise out of contractual agreements that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Due to the nature of Northern Health'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 carrying amount excludes statutory receivables (i.e. GST receivable and DH receivable) and statutory payables (i.e. DH payable).

Categorisation of financial instruments

Consolidated 2025	Note	Financial assets at amortised cost $'000	Financial Assets at Fair Value Through Other Comprehensive Income $'000	Financial liabilities at amortised cost $'000	Total $'000
Contractual financial assets					
Cash and cash equivalents	6.2	62,582	-	-	62,582
Receivables	5.1	111,885	-	-	111,885
Contract assets	5.2	1,743	-	-	1,743
Investment and other financial assets		2,000	540	-	2,540
Total financial assets		**178,210**	**540**	**-**	**178,750**
Financial liabilities					
Payables	5.3	-	-	97,824	97,824
Borrowings	6.1	-	-	11,222	11,222
Other financial liabilities - refundable accommodation deposits	5.5	-	-	16,909	16,909
Other financial liabilities – patient monies held in trust	5.5	-	-	19	19
Total financial liabilities		-	**-**	**125,974**	**125,974**

Consolidated 2024	Note	Financial assets at amortised cost $'000	Financial Assets at Fair Value Through Other Comprehensive Income	Financial liabilities at amortised cost $'000	Total $'000
Contractual financial assets					
Cash and cash equivalents	6.2	71,265	-	-	71,265
Receivables	5.1	83,086	-	-	83,086
Contract assets	5.2	2,315	-	-	2,315
Investment and other financial assets		750	499	-	1,249
Total financial assets		**157,416**	**499**	**-**	**157,915**
Financial liabilities					
Payables	5.3	-	-	92,032	92,032
Borrowings	6.1	-	-	13,354	13,354
Other financial liabilities - refundable accommodation deposits	5.5	-	-	15,525	15,525
Other financial liabilities – patient monies held in trust	5.5	-	-	16	16
Total financial liabilities		-	**-**	**120,927**	**120,927**

Note 7.1. Financial instruments (continued)

How we categorise financial instruments

Categories of financial assets

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

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

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

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

Financial assets at amortised cost

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

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

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

Northern Health recognises the following assets in this category:

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

Categories of financial liabilities

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

Financial liabilities at 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.

Northern Health recognises the following liabilities in this category:

- Payables (excluding statutory payables and contract liabilities);
- Borrowings; and
- Other liabilities (including monies held in trust).

Note 7.1. Financial instruments (continued)

Offsetting financial instruments

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

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

De-recognition of financial assets

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

- The rights to receive cash flows from the asset have expired; or
- Northern Health retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass through' arrangement; or
- Northern Health has transferred its rights to receive cash flows from the asset and either:
  - Has transferred substantially all the risks and rewards of the asset; or
  - Has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

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

De-recognition of financial liabilities

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

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

Reclassification of financial instruments

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

A financial liability reclassification is not permitted.

Note 7.2. Financial risk management objectives and policies

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

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

Northern Health's main financial risks include credit risk, liquidity risk, and interest rate risk. Northern Health manages these financial risks in accordance with its financial risk management policy.

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

Note 7.2 (a): Credit risk

Credit risk refers to the possibility that a borrower will default on its financial obligations as and when they fall due. Northern Health's exposure to credit risk arises from the potential default of a counterparty on their contractual obligations resulting in financial loss to Northern Health. Credit risk is monitored on a regular basis.

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

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

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

Contractual financial assets are written off against the carrying amount when there is no reasonable expectation of recovery. Bad debt written off by mutual consent is classified as a transaction expense. Bad debt written off following a unilateral decision is recognised as other economic flows in the net result. Except as otherwise detailed in the following table, the carrying amount of contractual financial assets recorded in the financial statements, net of any allowances for losses, represents Northern Health's maximum exposure to credit risk without taking account of the value of any collateral obtained.

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

Impairment of financial assets under AASB 9

Northern Health records the allowance for expected credit losses for the relevant financial instruments by applying AASB 9's Expected Credit Loss approach. Subject to AASB 9, the impairment assessment includes Northern Health's contractual receivables. Equity instruments are not subject to impairment under AASB 9. Other financial assets mandatorily measured or designated at fair value through net result are not subject to an impairment assessment under AASB 9.

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

Contractual receivables and contract assets at amortised costs

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

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

30 June 2025	Note	Current $'000	Less than 1 month $'000	1-3 Months $'000	3 months - 1 Year $'000	1-5 Years $'000	Total $'000
Expected loss rate		4.6%	27.6%	16.9%	43.5%	37.7%	
Gross carrying amount of contractual receivables and contract assets[1]	5.1, 5.2	6,487	1,445	940	3,271	3,307	15,450
Loss allowance		(301)	(398)	(159)	(1,423)	(1,247)	(3,528)
30 June 2024							
Expected loss rate		19.6%	35.7%	29.2%	43.6%	37.9%	
Gross carrying amount of contractual receivables and contract assets[1]	5.1, 5.2	7,334	1,711	677	4,408	3,931	18,061
Loss allowance		(1,439)	(611)	(198)	(1,921)	(1,490)	(5,659)

[1] Contractual receivables in this schedule exclude amounts receivable from governments and agencies.

Note 7.2. Financial risk management objectives and policies (continued)

Note 7.2 (b): Liquidity risk

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

Northern Health is exposed to liquidity risk mainly through the financial liabilities as disclosed in the balance sheet.

Northern Health manages its liquidity risk by:

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

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

The following table discloses the contractual maturity analysis for Northern Health's financial liabilities. The interest rates applicable to each class of liability are covered in note 6.1 Borrowings. The ageing analysis of financial liabilities excludes statutory financial liabilities (i.e. GST payable).

				Maturity Dates				
Consolidated	Note	Carrying Amount	Nominal Amount	Less than 1 Month	1-3 Months	3 months - 1 Year	1-5 Years	Over 5 years
30 June 2025		$'000	$'000	$'000	$'000	$'000	$'000	$'000
Financial liabilities at amortised cost								
Payables	5.3	97,824	97,824	62,235	9,987	25,602	-	-
Borrowings	6.1	11,222	12,668	259	518	2,329	7,756	1,806
Other financial liabilities - refundable accommodation deposits	5.5	16,909	16,909	16,909	-	-	-	-
Other financial liabilities – patient monies held in trust	5.5	19	19	19	-	-	-	-
Total financial liabilities		125,974	127,420	79,422	10,505	27,931	7,756	1,806
30 June 2024								
Financial liabilities at amortised cost								
Payables	5.3	92,032	92,032	53,159	7,068	31,805	-	-
Borrowings	6.1	13,354	15,287	142	284	2,710	9,777	2,374
Other financial liabilities - refundable accommodation deposits	5.5	15,525	15,525	15,525	-	-	-	-
Other financial liabilities – patient monies held in trust	5.5	16	16	16	-	-	-	-
Total financial liabilities		120,927	122,860	68,842	7,352	34,515	9,777	2,374

Note 7.2. Financial risk management objectives and policies (continued)

Note 7.2 (c): Market risk

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

Sensitivity disclosure analysis and assumptions

Northern Health's sensitivity to market risk is determined based on the observed range of actual historical data for the preceding five-year period. Northern Health's fund managers cannot be expected to predict movements in market rates and prices. The following movements are 'reasonably' possible over the next 12 months: a change in interest rates of one per cent up or down and changes in the top ASX 200 index of 15 per cent 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. Northern Health does not hold any interest-bearing financial instruments that are measured at fair value, and therefore has no exposure to fair value interest rate risk.

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

Note 7.3. Contingent assets and contingent liabilities

Northern Health does not have any contingent assets or liabilities as at 30 June 2025 (2024: nil).

Note 7.4. Fair value determination

How we measure fair value

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

The following assets and liabilities are carried at fair value:

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

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

Valuation hierarchy

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

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

Northern Health determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. There have been no transfers between levels during the period.

Northern Health monitors changes in the fair value of each asset and liability through relevant data sources to determine whether revaluation is required. The Valuer-General Victoria (VGV) is Northern Health's independent valuation agency for property, plant and equipment.

Note 7.4. Fair value determination (continued)

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.

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

		Consolidated carrying amount	Fair value measurement at 30 June 2025 using:		
	Note	30 June 2025 $'000	Level 1 $'000	Level 2 $'000	Level 3 $'000
Non-specialised land		2,200	-	2,200	-
Specialised land		65,747	-	7,500	58,247
Total land at fair value	4.1	**67,947**	**-**	**9,700**	**58,247**
Non-specialised buildings		12,601	-	2,247	10,354
Specialised buildings		764,805	-	44,765	720,040
Total buildings at fair value	4.1	**777,406**	**-**	**47,012**	**730,394**
Plant, equipment and vehicles at fair value		59,343	-	666	58,677
Total plant, equipment and vehicles at fair value	4.1	**59,343**	**-**	**666**	**58,677**
Total non-financial physical assets at fair value		**904,695**	**-**	**57,378**	**847,317**

		Consolidated carrying amount	Fair value measurement at 30 June 2024 using:		
	Note	30 June 2024 $'000	Level 1 $'000	Level 2 $'000	Level 3 $'000
Non-specialised land at fair value		200	-	200	-
Specialised land at fair value		65,747	-	7,500	58,247
Total of land at fair value	4.1	**65,947**	**-**	**7,700**	**58,247**
Non-specialised buildings at fair value		370	-	370	-
Specialised buildings at fair value		797,311	-	16,405	780,906
Total buildings at fair value	4.1	**797,681**	**-**	**16,775**	**780,906**
Plant, equipment and vehicles at fair value		52,621	-	654	51,967
Total plant, equipment and vehicles at fair value	4.1	**52,621**	**-**	**654**	**51,967**
Total non-financial physical assets at fair value		**916,248**	**-**	**25,129**	**891,119**

Note 7.4. Fair value determination (continued)

How we measure fair value of non-financial physical assets

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

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

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

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

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

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

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

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

Non-specialised land, non-specialised buildings, investment properties and cultural assets

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

For non-specialised land and non-specialised buildings and investment properties, an independent valuation was performed by the Valuer-General Victoria to determine the fair value using the market approach. Valuation of the assets was determined by analysing comparable sales and allowing for share, size, topography, location and other relevant factors specific to the asset being valued. An appropriate rate per square metre has been applied to the subject asset. The effective date of the valuation is 30 June 2024.

Specialised land and specialised buildings

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

During the reporting period, Northern Health held Crown Land. The nature of this asset means that there are certain limitations and restrictions imposed on its use and/or disposal that may impact their fair value.
The market approach is also used for specialised land although it is adjusted for the community service obligation (CSO) to reflect the specialised nature of the assets being valued. Specialised assets contain significant, unobservable adjustments; therefore, these assets are classified as Level 3 under the market based direct comparison approach.

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

Note 7.4. Fair value determination (continued)

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

An independent valuation of Northern Health's specialised land and specialised buildings was performed by the Valuer-General Victoria. The effective date of the valuation is 30 June 2024.

Vehicles

The Northern Health acquires new vehicles and at times disposes of them before completion of their economic life. The process of acquisition, use and disposal in the market is managed by the health service who set relevant depreciation rates during use to reflect the consumption of the vehicles. As a result, the fair value of vehicles does not differ materially from the carrying amount (depreciated cost).

Furniture, fittings, plant and equipment

Furniture, fittings, plant and equipment (including medical equipment, computers and communication equipment) are held at fair value. When plant and equipment is specialised in use, such that it is rarely sold other than as part of a going concern, the current replacement cost is used to estimate the fair value.

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

Reconciliation of level 3 fair value measurement

Consolidated	Note	Land $'000	Buildings $'000	Plant, equipment, furniture, fittings and vehicles $'000
Balance at 1 July 2023		**75,593**	**254,367**	**43,076**
Additions/(Disposals)		-	8,827	12,914
Asset transfer-in- via contributed equity		2,658	20,644	4,280
Net transfers between classes		(6,713)	297,035	5,276
Gains/(Losses) recognised in net results				
Depreciation and amortisation		-	(26,044)	(13,579)
Items recognised in other comprehensive income				
Revaluation		(13,291)	226,077	-
Balance at 30 June 2024	7.4(a)	**58,247**	**780,906**	**51,967**
Additions/(Disposals)		-	717	6,218
Asset transfer-in- via contributed equity		-	-	-
Net transfers between classes		-	-	16,724
Gains/(Losses)recognised in net result				
Depreciation and amortisation		-	(51,229)	(16,233)
Items recognised in other comprehensive income				
Revaluation		-	-	-
Balance at 30 June 2025	7.4(a)	**58,247**	**730,394**	**58,677**

Fair value determination of level 3 fair value measurement

Asset class	Likely valuation approach	Significant inputs (Level 3 only)
Specialised land (Crown/freehold)	Market approach	Community Service Obligations Adjustment (range of 0%-30%)
Specialised buildings	Current replacement cost approach	Cost per square metre Useful life
Non-specialised buildings	Current replacement cost approach	Cost per square metre Useful life
Plant, equipment, furniture, fittings and vehicles	Current replacement cost approach	Cost per unit Useful life

Note 8. Other disclosures

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

Structure:

- Note 8.1. Reconciliation of net result to net cash flow from operating activities
- Note 8.2. Responsible persons disclosures
- Note 8.3. Remuneration of executives
- Note 8.4. Related parties
- Note 8.5. Remuneration of auditors
- Note 8.6. Ex-gratia expenses
- Note 8.7. Events occurring after the balance sheet date
- Note 8.8. Controlled entities
- Note 8.9. Equity

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

	Note	Consolidated 2025 $'000	Consolidated 2024 $'000
Net Result for the year		(13,793)	(115,791)
Non-cash movements			
Depreciation of non-current assets	4.3	69,721	50,254
Amortisation of non-current assets	4.3	161	274
Net (gain) / loss from other economic flows in net result		(709)	(1,003)
Government non-cash grants		(16,954)	(20,029)
Movements in assets and liabilities			
(Increase)/Decrease in receivables		(31,197)	(13,036)
(Increase)/Decrease in contract assets		572	(31)
(Increase)/Decrease in inventories		(390)	(400)
(Increase)/Decrease in prepaid expenses		(16,986)	3,895
Increase/(Decrease) in payables		3,680	25,963
Increase/(Decrease) in contract liabilities		(1,390)	158
Increase/(Decrease) in borrowings		(2,070)	6,631
Increase/(Decrease) in employee benefits		40,992	38,809
Increase/(Decrease) in other provisions		(2,169)	5,665
Net cash flow from operating activities		**29,469**	**(18,641)**

Note 8.2. Responsible persons disclosures

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

	Period
Responsible Minister	
Minister for Health, The Hon. Mary-Anne Thomas MP	1 July 2024 to 30 June 2025
Former Minister for Health Infrastructure, The Hon. Mary-Anne Thomas MP	1 July 2024 to 19 December 2024
Minister for Health Infrastructure, The Hon. Melissa Horne MP	19 December to 30 June 2025
Minister for Ambulance Services, The Hon. Mary-Anne Thomas MP	1 July 2024 to 30 June 2025
Minister for Mental Health, The Hon. Ingrid Stitt MP	1 July 2024 to 30 June 2025
Minister for Ageing, The Hon. Ingrid Stitt MP	1 July 2024 to 30 June 2025
Minister for Children, The Hon. Lizzie Blandthorn MP	1 July 2024 to 30 June 2025
Governing Board	
Ms Jennifer Williams AM (Chair)	1 July 2024 to 30 June 2025
Mr Phillip Bain	1 July 2024 to 30 June 2025
Dr Sherene Devanesen AM	1 July 2024 to 30 June 2025
Mr Domenic Isola	1 July 2024 to 30 June 2025
Dr Andrea Kattula	1 July 2024 to 30 June 2025
Associate Professor Jo-Anne Mazzeo	1 July 2024 to 30 June 2025
Mr Peter McDonald	1 July 2024 to 30 June 2025
Ms Linda Rubinstein	1 July 2024 to 30 June 2025
Mr John Watson	1 July 2024 to 30 June 2025
Accountable Officer	
Mr Siva Sivarajah, Chief Executive	1 July 2024 to 18 August 2024
Ms Debra Bourne, Chief Executive	19 August 2024 to 30 June 2025

Remuneration of Responsible Persons The number of responsible persons is shown in their relevant income bands: **Income band**	Consolidated 2025 No.	Consolidated 2024 No.
$20,000 - $29,999	-	1
$30,000 - $39,999	8	7
$80,000 - $89,999	1	1
$120,000- $129,999	1	-
$420,000 - $429,999	1	-
$570,000 - $579,999	-	1
Total numbers	11	10

	2025 $'000	2024 $'000
Total remuneration received or due and receivable by Responsible Persons from the reporting entity amounted to:	937	962

Amounts relating to the Governing Board Members and Accountable Officer are disclosed in Northern Health's controlled entities financial statements.

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

Note 8.3. Remuneration of Executives

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

Remuneration of Executive Officers (Including Key Management Personnel Disclosed in Note 8.4)	Consolidated 2025 $'000	Consolidated 2024 $'000
Short term employee benefits	2,916	2,752
Other long-term benefits	90	85
Post-employment benefits	335	302
Total remuneration of Executive Officers[1]	**3,341**	**3,139**
Total number of executives	9	9
Total annualised employee equivalent[2]	9	9

[1] The total number of executive officers includes persons who meet the definition of Key Management Personnel (KMP) of Northern Health under *AASB 124 Related Party Disclosures* and are also reported within Note 8.4. Related parties.

[2] The annualised employee equivalent is based on working 38 ordinary hours per week over the reporting period.

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

Short-term employee benefits

Salaries and wages, annual leave or sick leave as well as non-monetary benefits such as allowances and free or subsidised goods or services.

Post-employment benefits

Pensions and other retirement benefits (such as superannuation guarantee contribution) paid or payable on a discrete basis when employment has ceased.

Other long-term benefits

LSL, other LSL benefits or deferred compensation.

Termination benefits

Termination of employment payments, such as severance packages.

Note 8.4. Related parties

Northern Health is a wholly owned and controlled entity of the State of Victoria.

Related parties of Northern Health include:

- All key management personnel (KMP) and their close family members;
- All cabinet ministers and their close family members;
- Controlled entities (the Northern Health Research, Training and Equipment Trust and the Northern Health Research, Training and Equipment Foundation Limited); and
- All hospitals and public sector entities that are controlled and consolidated into the State of Victoria financial statements.

KMPs are those people with the authority and responsibility for planning, directing and controlling the activities of Northern Health and its controlled entities, directly or indirectly.

Note 8.4. Related parties (continued)

The Board Directors and Executive of Northern Health and its controlled entities are deemed to be KMPs. The KMPs during the year were as follows.

KMP	Position
Ms Jennifer Williams AM	Director Northern Health (Chair)
Mr Phillip Bain	Director Northern Health
Dr Sherene Devanesen AM	Director Northern Health
Mr Domenic Isola	Director Northern Health
Dr Andrea Kattula	Director Northern Health
Associate Professor Jo-Anne Mazzeo	Director Northern Health
Mr Peter McDonald	Director Northern Health
Ms Linda Rubinstein	Director Northern Health
Mr John Watson	Director Northern Health
Mr Siva Sivarajah	Chief Executive (ended 18 August 2024)
Ms Debra Bourne	Chief Executive (commenced 19 August 2024)
Associate Professor Jason Cirone	Chief Allied Health Officer
Mr Basil Ireland	Chief Financial Officer
Professor Prahlad Ho	Chief Medical Officer
Ms Lisa Cox	Chief Nursing and Midwifery Officer
Ms Linda Romano	Chief Operating Officer (commenced 19 August 2024)
Associate Professor Anthony Gust	Chief Executive Director Digital Health
Ms Belinda Scott	Executive Director Mental Health
Dr Bill Shearer	Executive Director High Reliability Office (HRO)
Ms Michelle Fenwick	Executive Director People and Culture

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

Compensation - KMPs	Consolidated 2025 $'000	Consolidated 2024 $'000
Short term employee benefits[1]	3,743	3,605
Other long-term benefits	104	100
Post-employment benefits	431	397
Total compensation - KMPs[2]	**4,278**	**4,102**

[1]Total remuneration paid to KMPs employed as a contractor during the reporting period through accounts payable has been reported under short-term employee benefits.
[2]KMPs are also reported in Note 8.2 Responsible Persons or Note 8.3 Remuneration of Executives.

Note 8.4. Related parties (continued)

Transactions with KMPs and other related parties

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

Outside of normal citizen type transactions with Northern Health, there were no related party transactions have been identified that involve KMPs, their close family members or their personal business interests. No provision has been required, nor any expense recognised, for impairment of receivables from related parties.

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

Except for the transaction listed below, there were no other related party transactions required to be disclosed for the Northern Health Foundation Board of Directors in 2025 (2024: none).

Transactions with controlled entities

During the financial year transactions were conducted between Northern Health and the Foundation. The following transactions were conducted as part of Northern Health's normal operations and are on normal commercial terms.

Controlled entities related party transactions

	Consolidated 2025 $'000	Consolidated 2024 $'000
Distribution of funds by the Foundation	1,666	307
Total distribution of funds by the Foundation	**1,666**	**307**

Note 8.5. Remuneration of auditors

	Consolidated 2025 $'000	Consolidated 2024 $'000
Victorian Auditor-General's Office		
Audit of financial statements	91	87
Total remuneration of Auditors	**91**	**87**

Note 8.6. Ex-gratia Expenses

Ex-gratia expenses are the voluntary payments of money or other non-monetary benefit (e.g. a write off) that are not made either to acquire goods, services or other benefits for the entity or to meet a legal liability, or to settle or resolve a possible legal liability of or claim against the entity. Northern Health did not make any ex-gratia payments for the year ended 30 June 2025 (2024: $60,293).

Note 8.7. Events occurring after the balance sheet date

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

Note 8.8. Controlled entities

The Northern Health's interest in controlled entities is detailed below. The amounts are included in the consolidated financial statements under their respective categories.

Name of entity	Country of incorporation	Ownership Interest %	Equity holding
Northern Health Research, Training and Equipment Foundation Ltd	Australia	100	Limited by guarantee
Northern Health Research, Training and Equipment Trust	Australia	100	100%

Controlled entities contribution to the consolidated results: Net Result for the year	Consolidated 2025 $'000	Consolidated 2024 $'000
Northern Health Research, Training and Equipment Foundation Ltd	-	-
Northern Health Research, Training and Equipment Trust	1,097	610

Contingent liabilities and capital commitments

There are no known contingent liabilities or capital commitments held by controlled entities at balance date.

Note 8.9. Equity

Contributed capital

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

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

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

Property, plant and equipment revaluation surplus

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

Financial assets at fair value through comprehensive income revaluation reserve

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

Restricted specific purpose reserve

Restricted specific purpose reserves are funds where Northern Health has possession or title to the funds but has no discretion to amend or vary the restriction and/or condition underlying the funds.

Northern Health

Broadmeadows Hospital
35 Johnstone Street
Broadmeadows VIC 3047
T. (03) 8345 5000

Bundoora Centre
1231 Plenty Road
Bundoora VIC 3083
T. (03) 9495 3100

Craigieburn Centre
121 Lygon Drive
Craigieburn VIC 3064
T. (03) 8338 3000

Kilmore District Hospital
1 Anderson Street
Kilmore VIC 3764
T. (03) 5734 2000

Northern Hospital Epping
185 Cooper Street
Epping VIC 3076
T. (03) 8405 8000