Latrobe Community Health Service

Annual report

2019-20

Latrobe Community Health Service

Artwork by Deadly Designs, Victoria.

We acknowledge all Aboriginal and Torres Strait Islander peoples as the traditional custodians on whose ancestral lands our offices are situated.

We recognise and pay our respects to Elders – past, present and emerging – and their ongoing connections to country, and to all Aboriginal and Torres Strait Islander peoples and communities across Australia.

Contents

Our Children's Service team provides occupational therapy to help kids grow, learn and play.

About us

Purpose

Delivering services that improve the health and social wellbeing of Australians.

Vision

Better health, better lifestyles, stronger communities.

We're inspired by a vision of strong, vibrant communities, where people enjoy good health and healthy lifestyles.

Our values

Providing excellent customer service

Actively assist our customers and clients to receive the quality services they require in a professional and courteous manner.

Creating a successful environment

Contribute to making Latrobe Community Health Service a positive, respectful, innovative and healthy place to be.

Always providing a personal best

Embrace a 'can do' attitude and go the extra distance when required.

Acting with the utmost integrity

Practice the highest ethical standards at all times.

Board Chair and CEO's statement

Ben Leigh
Chief Executive Officer

Judith Walker
Board Chairperson

Over the past financial year, the Latrobe Community Health Service values – providing excellent customer service, always providing a personal best, creating a successful environment and acting with the utmost integrity – have provided steady guidance in the face of multiple challenges.

The summer bushfires and the COVID-19 pandemic have not defined our year, but they have shaped it.

When faced with fast-moving, complex events, our values have pointed the way to what is important; a focus on our clients and community.

Many of our staff, volunteers and clients were displaced while fires burnt across Victoria and New South Wales through December and January. And in a matter of weeks, COVID-19 demanded a radical response to how we provide services to the community while keeping them and our staff safe.

We have extensive policies and procedures, and a robust risk management framework, to help us respond to such situations. This year, these were put to the test. During the summer bushfires, we implemented our disaster and emergency procedures. Led by our occupational health and safety team, we assessed the needs and safety of our vulnerable clients, and monitored the whereabouts and travel plans of staff in bushfire-affected areas.

When COVID-19 emerged as a serious domestic threat in March, we moved employees to work from home arrangements. However, many of our services – general practice (GP), nursing, palliative care, aged care, allied health and dental – cannot be delivered from home.

We took advantage of our various locations and dispersed staff who provide these services, so we can guarantee their safety and maintain physical distancing measures. We have provided hundreds of phone and video appointments in lieu of face-to-face appointments across most of our services.

Older people are perhaps the most impacted by COVID-19 and stay at home restrictions. Many are at greater risk of serious illness if they contract the virus, and have been unable to see family members who live interstate or quite a distance away. Our provision of home care packages has almost doubled in the past 12 months, providing care to many more older people, and providing reassurance to their families that their loved one is safe and well. Since March 2020 we have also recruited 17 additional home care support workers to provide essential care and support for older people. This recruitment drive to our direct care service, Your Care Choice, has allowed us to provide much-needed certainty to our aged community during an uncertain time.

Amid these challenges, we have made strong progress towards the goals of the Latrobe Community Health Service 2017-2022 strategic plan.

This year we merged Link Health and Community into Latrobe Community Health Service. Link Health and Community has operated in the eastern suburbs of Melbourne for more than 40 years, and is an organisation whose values, culture and vision align with ours. Both organisations are committed to community health and to excellence in care for our clients. We have similar program areas; we both provide NDIS, GP, dental, allied health, counselling and other community services. Coming together strengthens our community health platform and ability to provide increasingly important health services for the community.

Latrobe Community Health Service has also expanded into New South Wales, where we deliver planning and community connection services in South Eastern Sydney as a partner in the National Disability Insurance Scheme (NDIS). We provide local area coordination and early childhood, early intervention services for the NDIS in ten service areas across two states, supporting more than 38,000 people with a disability.

As a result of this growth, our workforce has almost doubled in size since the strategic plan commenced. We now employ nearly 1,400 people – an increase of nearly 90 percent since 1 July 2017.

New programs we commenced in the previous financial year are also coming to fruition. In 2018-19, we began providing assessment and coordination services for veterans and their families in Western Australia. In the past 12 months we have helped 328 veterans, war widows and widowers receive home care support for the first time.

Despite the organisation's growth in metropolitan Melbourne and interstate, our strategic plan explicitly states our ongoing commitment to the Gippsland region. This is reflected in a number of new services launched in Gippsland over the year, including a new overdose prevention program, a nurse embedded at headspace Morwell, a new partnership with Bass Coast Health to deliver locally-produced dental prosthetics to clients from our Churchill prosthetics laboratory, and a key leadership role in the successful campaign to stop a new poker machine venue in Warragul.

We continue to provide critical primary health services to Gippsland, including GP clinics, dental, allied health, and alcohol and drug counselling to keep people well and out of hospital. While available to everyone, we have a special focus on ensuring the most vulnerable members of our community don't miss out on these high-quality health services.

During the year we reorganised our doctors, nurses and allied health staff into inter-professional teams to reduce working in silos and to provide an improved response to clients with chronic and complex health problems. Our health professionals are now working much closer together in these interprofessional teams.

The increasingly central role of primary health within the broader health system means there is also increased clinical risk for Latrobe Community Health Service. This is an area the Board regards as particularly important. In 2019-20, our governance team implemented a new quality and clinical governance framework. It emphasises that quality and safety is everyone's responsibility. The new framework changes the focus of our Board Quality and Safety Committee from one of compliance, to the experience and outcomes of our clients.

Our practices are informed by and adhere to legislation, industry guidelines and standards, evidence-based best practice and our regulatory and funding bodies' requirements.

But this framework goes further to ensure we are well-placed to meet and exceed community expectations. This framework places people at the centre of the services we deliver; their outcomes and experiences will inform our improvement activities.

Fostering a culture of innovation remains a high priority, with the specific aim of improving the client experience. This requires a 'safe-to-fail' culture in which our staff try new approaches based on comprehensive research, and are not discouraged by setbacks. Clients of our therapeutic day rehabilitation program have benefitted from this pursuit of innovation. Research showed that gardening could aid the recovery of people with substance addiction, and we have since incorporated therapeutic gardening into our rehabilitation program. We are developing an organisation-wide innovation framework to encourage and better support staff to trial innovative ideas such as this.

As Latrobe Community Health Service has grown, so too has the Board and its committees. Bernadette Uzelac joined the Board in October 2019, bringing with her a wealth of experience. We farewelled Carolyne Boothman and Stephen Howe at the same meeting. Carolyne and Stephen were valued directors, and we thank them for their contribution to Latrobe Community Health Service.

We would like to welcome Kaye Borgelt and Robert Setina, and John Guy, who have all taken up roles on Board committees.

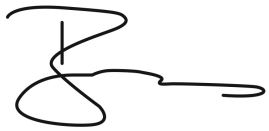
Lastly we would like to thank Allison Higgins and Rosemary Parker, whose terms of office on the Board Quality & Safety Committee ceased in November 2019.

Like every other organisation, Latrobe Community Health Service has faced unprecedented challenges over the past 12 months. That we have continued to progress our strategic plan despite these obstacles is a credit to our staff and volunteers. They have demonstrated resilience, an innovative spirit, and an unwavering commitment to caring for our clients. In doing so they have also upheld our values; providing excellence in customer service, creating a successful environment, providing a personal best, and acting with the utmost integrity. Thankyou.

We will remember 2019-20 as a year of unprecedented challenges – but also as a year of significant achievement, both for Latrobe Community Health Service and the community health sector more broadly.

Ben Leigh
Chief Executive Officer

Judith Walker
Board Chairperson



Financial summary

Latrobe Community Health Service delivered a net surplus of $2.5 million and retained a strong financial position in 2019-20. The financial ratios and cash position remained healthy and within financial strategy benchmarks during the year.

Operating results

Our operating result for the year, excluding capital income, was a surplus of $2.5 million. Operating revenue, excluding capital grants, decreased by 1.12% to $116.4 million.

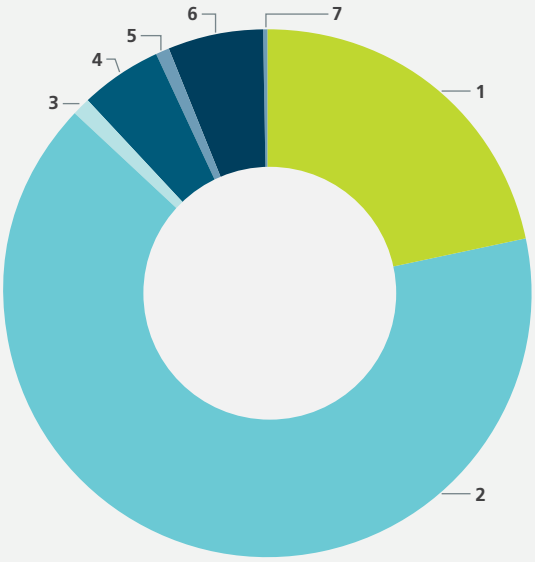
Commonwealth funding remained consistent with 2019-20 and now represents 65.4% of income received. This is primarily the result of National Disability Insurance Scheme (NDIS) funding for 2019-20 which contributed $47.1 million (2018-19: $51.1 million).

Operating expenditure increased by 8.19% ($8.6 million) to $113.9 million. This was principally due to an increase in employee benefits expense which showed the largest increase with an additional $7.8 million spent during 2019-20.

Net results

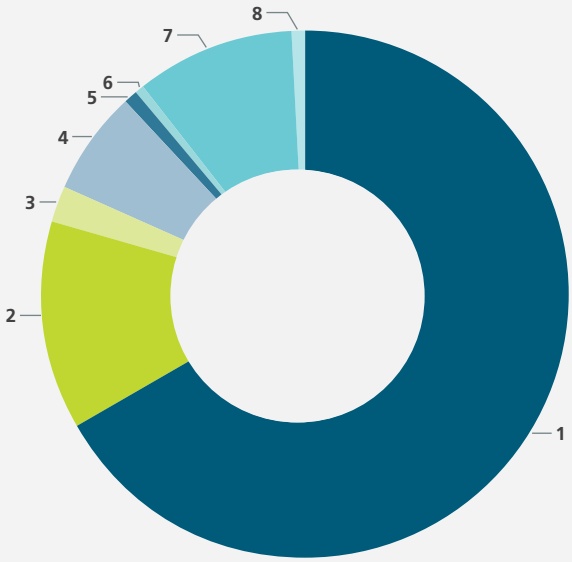
After taking into consideration capital grants, Latrobe Community Health Service's overall net result for the 2019-20 financial year was a surplus of $2.5 million.

Total revenue 2019-20



1. Department of Health and Human Services **21.8%**
2. Commonwealth Government **65.4%**
3. Other **1.0%**
4. Client fees **5.0%**
5. Interest **0.8%**
6. Other government grants **5.9%**
7. Rental **0.1%**
8. Capital grants **0.0%**

Total expenditure 2019-20



1. Employee benefits **68.6%**
2. Brokerage client services **13.1%**
3. Contract labour **2.5%**
4. Depreciation **6.5%**
5. Motor vehicle costs **0.7%**
6. Operating leases **0.8%**
7. Program administration costs **9.9%***
8. Utilities **0.7%**

*The main components making up program administration costs are medical supplies, staff training, information technology, consortium payments and maintenance.

	2019-20 ($m)	2018-19 ($m)	2017-18 ($m)	2016-17 ($m)	2015-16 ($m)	2014-15 ($m)	2013-14 ($m)
Net results							
What we receive - revenue	116.4	117.7	96.1	62.4	49.7	44.1	43.6
What we spent - expenses	113.9	105.3	86.1	54.5	45.8	41.2	43.9
Operating result for the year	**2.5**	**12.4**	**10.0**	**7.8**	**4.0**	**2.9**	**(0.3)**
Plus capital grants received	0.0	0.1	2.5	2.0	0.9	1.1	2.4
Net result for the year	**2.5**	**12.5**	**12.5**	**9.8**	**4.9**	**4.0**	**2.1**

Assets and liabilities

Latrobe Community Health Service's total assets increased by $14.1 million. This consists of an increase in current assets of $5.1 million due mostly to cash held for regular programs that will be completed in future years; these grants have been recognised as current liabilities. Non-current assets increased by $9 million with this primarily relating to the treatment of right of use assets under the changed leasing accounting standard.

Liabilities increased by $20 million. This consists of a $10.2 million increase due to the treatment of lease liabilities under the changed leasing accounting standard. In addition to this, there is a $6.9 million increase due to the accounting treatment of revenue which will be recognised in future years. There was also a $2.7 million increase due to a large increase in leave provisions with the growth in staff numbers during 2019-20.

	2019-20 ($m)	2018-19 ($m)	2017-18 ($m)	2016-17 ($m)	2015-16 ($m)	2014-15 ($m)	2013-14 ($m)
Assets and liabilities							
What we own - assets	98.8	84.7	68.2	51.4	37.6	31.1	27.0
What we owe - liabilities	41.7	21.7	17.7	13.5	9.0	7.4	6.9
Net assets	**57.1**	**63.0**	**50.4**	**37.9**	**28.5**	**23.7**	**20.1**
Working capital ratio							
Current assets/current liabilities	2.13	2.88	2.54	2.33	2.26	1.93	1.59
Debt ratio							
Total liabilities/total assets	**42.48%**	**35.56%**	**26.01%**	**26.27%**	**24.03%**	**23.75%**	**25.52%**

	2019-20 ($m)	2018-19 ($m)	2017-18 ($m)	2016-17 ($m)	2015-16 ($m)	2014-15 ($m)	2013-14 ($m)
Cash flow including financial assets							
Cash flow from operating activities	11.7	21.5	16.5	12.3	6.4	6.0	(0.2)
Cash flow from investing activities	(2.6)	(4.6)	(6.1)	(2.1)	(2.5)	(2.0)	(5.0)
Cash flow from financing activities	(3.5)	-	-	-	-	-	-
Cash and cash equivalents at beginning of period	52.4	35.5	25.1	14.8	11.0	7.0	12.3
Cash and cash equivalents at end of period	**58.1**	**52.4**	**35.5**	**25.1**	**14.8**	**11.0**	**7.0**

Board and governance

Latrobe Community Health Service is incorporated under the *Corporations Act 2001* as a Company Limited by Guarantee and is regulated by the *Australian Charities and Not-for-profits Commission Act 2012*. It is also registered with the Victorian Government as a community health service.

It is governed by a skills-based Board of up to nine directors who are elected by Latrobe Community Health Service members or appointed by the Board.

Professor Judith Walker

Board Chairperson

PhD, Grad Dip Ed, BA Hons, FACE, AICD.

Board Chairperson since October 2019; Board Director since July 2012; Chair of the Board Governance Committee.

Judi Walker holds professorial positions at Monash University as Principal Co-Investigator of the Hazelwood Health Study, investigating the long-term health impact of the 2014 Hazelwood open cut brown coal mine fire in the Latrobe Valley, and in the School of Medicine at the University of Tasmania's Rural Clinical School, involved in a large COVID-19 cohort study, and teaching medical students.

She is the Lead of an anticipatory care project – Connecting Care, investigating how well primary health is organised for partnering with patients and the wider community to manage and reduce chronic conditions, and how this may be more effective. She holds an honorary position as Adjunct Professor, Faculty of Health at Federation University Australia.

Nathan Voll

Deputy Board Chairperson

B Commerce, Grad Cert Bus Mgt, FCPA MBA, FAICD.

Board Director since March 2016; Deputy Chair; Chair of the Board Audit and Risk Committee.

Nathan has more than 25 years of experience in the private and public sector in management, consulting and finance / accounting. He is currently the Regional Finance Manager for South East Victoria with the Department of Education and Training and has previously worked as the General Manager Corporate Services at the Department of Justice and Regulation.

Nathan has experience in the healthcare sector serving on the Board of Latrobe Health Insurance since 2011 and as a Board Director of West Gippsland Healthcare Group (WGHG) for six years. He is also the Chair of the Latrobe Health Audit Committee and member of their Risk Committee, an independent member of the Gippsland Primary Health Network Audit and Risk Committee, a former member of the WGHG Audit Committee and Clinical Governance Committee and was previously on the Faculty of Education Board at Monash University.

Mark Biggs

BA (SocSci), Grad Dip Counselling Psychology.

Board Director since February 2014; Member of the Board Governance Committee; Member of the Board Community Investment Committee.

Mark has an extensive management career in the primary health and community services sector including child protection, youth, disability, occupational rehabilitation and project management. He has expertise in strategic planning, policy, risk and business management.

In addition to serving on the Latrobe Community Health Service Board, Mark is also on the Board of Lyrebird Village for the Aged. Mark was a Board Director of Gippsland Primary Health Network and Latrobe Regional Hospital, holding positions as Deputy Chair and Audit Chair. Mark is skilled in the areas of governance, quality assurance and compliance.

Murray Bruce

LLB, BA (Political Science), GAICD.

Board Director since 2018; Chair of the Board Nominations Committee; Member of the Board Governance Committee.

Murray is an experienced commercial lawyer and government executive with extensive experience in commercial law, administrative law, contract management, procurement and compliance.

From 2010-2014, he was employed by the Department of Health and Human Services undertaking roles as the Director of the Victorian Bushfire and Flood Appeal Funds, Principal Risk Advisor and Acting Director Contract Management and Procurement Branch. Prior to this Murray was a senior solicitor in the Victorian Government Solicitor's Office and also developed policy, legislation and Ministerial Orders at Consumer Affairs Victoria.

He worked in private practice as a Barrister and Solicitor for Martin, Irwin & Richards Lawyers in Mildura from 2004-2007. Recently, he managed the Commercial and Property Law Division of the Department of Education and Early Childhood Development, and he has served on the Board of the Gippsland Primary Health Network for the past three years.

Stelvio Vido

BCom, LLB, MBA, GAICD.

Board Director since 2018; Chair of the Board Quality and Safety Committee; Member of the Board Governance Committee.

Stelvio is an experienced Director and Chair with more than 20 years' Board experience in healthcare, group training and employment services, community legal services and technical and further education (TAFE). He is currently a director on the Board of AMES Australia.

Stelvio has 30 years' senior executive experience in for-purpose organisations, consulting, local government and commercial media with a strong skill set in leadership, general management, business development and corporate governance. Most recently he was the CEO of Spectrum Migrant Resource Centre.

From 2003-2014, Stelvio was the Executive General Manager Projects and Business Development for the Royal District Nursing Service. Prior to this, he was the Director Community Development for the City of Yarra, held the Station / Business Manager role for the Nine Network for almost a decade and was the Deputy Executive Director for the Australian Medical Association.

Bernadette Uzelac

B.Com, GAICD, FIML, Grad Dip Organisation Change and Development.

Board Director since 2019; Member of the Board Quality and Safety Committee; Member of the Board Nominations Committee.

Bernadette has more than 25 years of experience as a Board Director across various sectors including aged care, education, the arts, disability services, local government, regional development and business. She has a strong commercial background with skills in business development and marketing, brand management, strategic planning, human resources, change management, government relations, stakeholder engagement and media.

Bernadette also has significant international business experience and expertise in human resources, leading the growth of her successful recruitment and human resources company for more than 20 years.

Bernadette is a Trustee of the Kardinia Park Stadium Trust, Chair of the Geelong Tech School and sits on the Victorian Small Business Ministerial Council and the Telstra Victorian Telecommunications Regional Advisory Council. Until early 2019, Bernadette was Chief Executive of the Geelong Chamber of Commerce, a role she held for many years.

Board and governance

Placido Cali

B. Bus (Accounting), Grad.Dip Business Administration, MAICD, Chartered Accountant ICAA.

Board Director since 2017; Member of the Board Audit and Risk Committee; Member of the Board Nominations Committee; Member of the Board Community Investment Committee.

Placido has more than 17 years of experience in finance, strategic development and corporate growth. Working as a senior executive within Advantage Pharmacy, Placido has helped grow Advantage from servicing 14 pharmacies in Gippsland to an organisation that services more than 300 pharmacies nation-wide.

Joanne Booth

Grad Cert Internal Audit, GAICD, Cert Governing Non-Profit Excellence, Master Public Health, Grad Dip Occupational Health, Bachelor Arts, Advanced Cert Nursing, Cert General Nursing.

Board Director since 2017; Member of the Board Audit and Risk Committee; Member of the Board Community Investment Committee.

Joanne is committed to improving health and social outcomes for disadvantaged people and communities. Joanne has a background in public health and policy and has worked extensively in the health, public and not-for-profit sectors. She operates a governance and risk management consultancy.

Joanne currently serves as Independent Chair of the Nominations Committee Western Victoria Primary Health Network, Independent Member of the VicHealth Finance Audit and Risk Committee and Independent Member of the Latrobe City Council Audit Committee.

Previously, she served as Chair East Gippsland Region Water Corporation, Chair Gippsland Lakes Community Health, Independent Chair Gippsland Water Audit Committee and Director, Victorian Healthcare Association.

Board committees

The work of the Board is supported by five Board committees:

- Audit and Risk
- Quality and Safety
- Governance
- Nominations
- Community Investment

Board Audit and Risk Committee

The purpose of the Board Audit and Risk Committee is to assist the Latrobe Community Health Service Board to discharge its responsibility to exercise due care, diligence and skill.

The terms of reference relate to:

- reporting financial information to users of financial reports
- applying accounting policies
- the independence of Latrobe Community Health Service's external auditors
- the effectiveness of the internal and external audit functions
- financial management
- internal control systems
- risk management
- organisational performance management
- Latrobe Community Health Service business policies and practices
- complying with Latrobe Community Health Service's constitutional documentation and material contracts
- complying with applicable laws and regulations, standards and best practice guidelines.

The committee includes two independent representatives:

Tanya James

GAICD, CPA, Bachelor of Arts (Political Science), Master of Science in Accountancy.

Tanya is an experienced management consultant and corporate finance executive. She has previously worked for global firms such as Deloitte and Carlson Companies and their subsidiaries. She was an external auditor for Deloitte and Touche in the US and Russia, and is currently working with the Department of Education and Training Victoria.

Tanya held a non-Executive Director position on the Women's Cancer Resource Centre's Board in the USA, and was a Director and chaired the International Service Committee for the Rotary Club of Orono (USA). Currently, she chairs the Finance Committee for Brighton Secondary College and has served as a College Councillor and Treasurer.

Rob Setina

GAICD, MBA, Grad. Dip Applied Finance, B.Comm LLB.

Rob is a senior leader with more than 20 years' experience within both the private and public sectors, and across Business Transformations and Information Technology including consulting. Rob is a skilled innovator and uses technology, workforce mix, practical thinking and empowerment as enablers to drive business transformation. Rob is currently the Director of Data and Systems (CIO) at Health Purchasing Victoria.

Board Quality and Safety Committee

The purpose of the Board Quality and Safety Committee is to assist the Latrobe Community Health Service Board to maintain systems by which the Board, managers and clinicians share responsibility and are held accountable for patient or client care, minimising risk to consumers and continuously monitoring and improving the quality of clinical care (Australian Council on Healthcare Standards).

The committee also ensures Latrobe Community Health Service's quality and safety systems will support the implementation of the four key principles of clinical governance, which are:

- Build a culture of trust and honesty through open disclosure in partnership with consumers and community.
- Foster organisational commitment to continuous improvement.
- Establish rigorous monitoring, reporting and response systems.
- Evaluate and respond to key aspects of organisational performance.

The Quality and Safety Committee is informed by the work of two staff committees:

- Occupational Health and Safety Committee
- Clinical Governance Advisory Committee.

The committee includes one consumer representative:

Kaye Borgelt (BQSC)

GAICD, Master of Health Sciences (HIM), Grad. Cert Management of Organisational Change, Assoc. Dip Medical Record Administration, HIMAA.

Kaye has more than 30 years of experience working in rural public health services. Over her 20 years at West Wimmera Health Service, Kaye was the Director of Health Information Services, Executive Director of Corporate and Quality Services, and Executive Director of Primary and Preventative Health. She has a depth of experience in quality and safety and primary and preventative health, including meeting the needs of culturally and linguistically diverse communities in her catchment areas.

This resulted in her new services program being shortlisted as a finalist in the 2016 Victorian Public Healthcare Awards – Excellence in CALD Health. In 2018-19 Kaye worked as a Volunteer Health Information Manager in the Pacific Island nation of Tuvalu and is now employed as a Health Data Analyst at the Gippsland Primary Health Network.

The Board Quality and Safety Committee is also informed by the work of Latrobe Community Health Service's Consumer and Community Participation Committee. The committee facilitates consumer or community representative feedback to the organisation to influence health services, policy, systems and service reform from the consumer perspective.

This includes:

- providing a consumer and community member perspective that reflects their health journey and the collective experience of health consumers and community members
- helping the organisation to think about things from a consumer perspective by raising consumer concerns and views
- providing broader community feedback to inform system and service level improvements
- engagement with formal and informal consumer and community networks.

The committee's membership consists of four community representatives and three Latrobe Community Health Service staff members. The community representatives are:

- Bec Taylor
- Peter Corser
- Bev Mason
- Janet O'Keeffe

Board Governance Committee

The role of the Board Governance Committee is to assist and advise the Board to fulfil its responsibilities to the members of Latrobe Community Health Service on:

- matters relating to the composition, structure and operation of the Board and its Committees
- matters relating to CEO selection and performance
- remuneration; and
- other matters as required by the Board.

Board Nominations Committee

The Board Nominations Committee provides advice and recommendations to the Board on specified matters as set out in the Latrobe Community Health Service Constitution.

These include conducting searches for board directors, reviewing elected and appointed nominations for validity, providing advice to the Board on the prevailing skills matrix and consulting with the Board regarding preferred candidates.

The committee includes two independent members:

Angela Hutson

FAICD, B. Arts, Masters Organisational Leadership, Dip Frontline Management, Dip Education, Grad. Dip Business in Entrepreneurship and Innovation, Grad. Cert Enterprise Management.

Angela served on the Board of Bairnsdale Regional Health Service for 17 years and was Board chair for six years. She is currently a Board Director of Workways Australia, East Gippsland Water and TAFE Gippsland. Angela has a depth of experience in establishing skills matrices, developing Board capability profiles, the recruitment and shortlisting process and has a strong background in governance and executive leadership.

John Guy, OAM JP

Grad. Dip. Personnel Admin, Latrobe Community Health Service Board Director September 1997-2018, Chairperson 2002-04 and 2008-16, Member of the Board Nominations Committee 2020.

John spent 35 years with the State Electricity Commission of Victoria, six years on the Morwell Shire/City Council (three consecutive years as Mayor); was Chairman of the Latrobe Regional Commission and Chairman of Commissioners of Wellington Shire during the amalgamation process. He is a Justice of the Peace, President of the Central Gippsland Branch of the Justice Association, a volunteer with the Office of the Public Advocate, Independent Third Person Program and a volunteer with the Youth Referral and Independent Person Program. John is also Chairman (life member) of Advance Morwell Inc.

Board Community Investment Committee

The Board Community Investment Committee is responsible for overseeing the Latrobe Community Health Service Community Grants program, which is funded by the Latrobe Community Health Service Community Capital Investment Fund dividend as set by the Board annually.

As part of undertaking an annual grants program, the Board Community Investment Committee will develop grant guidelines, assessment criteria, recommend projects to the Board for funding and monitor the progress of projects and report this to the Board.

Board attendance

Details of attendance by Board Directors and non-Board Director members of Latrobe Community Health Service at Board, Board Audit and Risk Committee, Board Quality and Safety Committee, Board Governance Committee and Board Nominations Committee meetings held during the period 1 July 2019 – 30 June 2020, are as follows:

	Meetings									
	Board		Board Audit and Risk Committee		Board Quality and Safety Committee		Board Governance Committee		Board Nominations Committee	
	A	B	A	B	A	B	A	B	A	B
Mark Biggs	11	11	1^	1^	1^	1^	4	4	-	-
Judith Walker	11	11	3^	2^	4^	4^	4^	4^	-	-
Carolyne Boothman*	3	3	-	-	1	1	-	-	-	-
Nathan Voll	11	11	3	3	-	-	3	3	3	3
Stephen Howe*	3	3	-	-	1	1	-	-	-	-
Placido Cali	11	10	4	3	-	-	-	-	2	1
Joanne Booth	11	11	2	2	-	-	1	1	3	3
Stelvio Vido	11	11	1	1	3	3	3	3	3	3
Murray Bruce	11	11	-	-	3	3	1	0	2	2
Bernadette Uzelac	8	8	-	-	3	3	-	-	2	2
	Non-Board Director members									
Tanya James	-	-	4	4	-	-	-	-	-	-
Rob Setina	-	-	2	2	-	-	-	-	-	-
Kaye Borgelt	-	-	-	-	2	2	-	-	-	-
Allison Higgins*	-	-	-	-	2	1	-	-	-	-
Rosemary Parker*	-	-	-	-	2	1	-	-	-	-
Angela Hutson	-	-	-	-	-	-	-	-	5	5
John Guy	-	-	-	-	-	-	-	-	2	2

Notes:

Column A: Indicates the number of meetings held while Board Director / non-Board Director member was a member of the Board / Board Committee.

Column B: Indicates number of meetings attended.

The Board Community Investment Committee did not meet during the 2019-20 financial year.

^ Board Chair will on occasion attend board committees ex-officio.

* Carolyne Boothman and Stephen Howe retired from the Board at the AGM in October 2019.

* Board Quality and Safety Committee independent members Allison Higgins' and Rosemary Parker's terms of office ceased in November 2019.

- Board Director Bernadette Uzelac was elected at the October 2019 AGM.
- Kaye Borgelt was appointed as non-Board Director on the Board Quality and Safety Committee in January 2020.
- Robert Setina was appointed as non-Board Director on the Board Audit and Risk Committee in February 2020.
- John Guy was appointed as non-Board Director on the Board Nominations Committee in April 2020.

Risk management

Latrobe Community Health Service maintains a robust and flexible risk management framework that supports future growth, a safe environment, and compliance with relevant legislation, regulations and standards.

This framework both promotes and is supported by a strong risk culture in which staff are able to identify and respond to emerging risks. The Latrobe Community Health Service Board oversees the organisation's risk management via the Board Audit and Risk Committee and the Board Quality and Safety Committee.

All staff members at Latrobe Community Health Service are responsible for identifying, reporting and responding to risks in a timely and effective manner. Our stringent policies and procedures outline how current and emerging risks should be managed. As a community health service, our exposure to risk may occur at a strategic, operational or clinical level, and therefore our risk management framework relates to the organisation's:

- quality of care
- infection control
- occupational health and safety
- business continuity
- management of facilities
- financial position
- growth and innovation.

A strong risk culture at Latrobe Community Health Service means that all risks are adequately managed; incidents are promptly reported, responded to and resolved; staff complete mandatory training; and our clients receive high-quality and safe healthcare.

Nurse Kathy Sultana and Receptionist Pam Chapman.

Organisational structure

Ben Leigh
Chief Executive Officer

Rick Davies
Executive Director
Corporate

Reports

- Manager Marketing and Communications
- Manager Governance
- Senior Manager People, Learning and Culture
- Manager Information, Communication and Technology
- Manager Accounting Services and Procurement
- Manager Client Services
- Manager Facilities and Fleet
- Manager Business Development

Andrina Romano-Whitworth
Executive Director
Primary Health

Reports

- Manager Paediatric and Youth Hub program
- Manager Integrated Primary Health (Central Gippsland)
- Manager Integrated Primary Health (West Gippsland)
- Practice Manager GP Clinics (Melbourne)
- Manager Dental Services
- Manager Gateway
- Link Allied Health Services
- Link Oral Wellbeing

Alison Skeldon
Executive Director
Aged and Community Care

Reports

- Executive Officer Central West Gippsland Primary Care Partnership
- Manager Prevention and Partnerships
- State Manager Home Care Services
- Manager Commonwealth Home Support and Carer Programs
- Manager Behavioural Health Programs
- Manager headspace Morwell and Youth Services

Vince Massaro
Executive Director
NDIS Services

Reports

- Regional Manager North West Victoria
- Regional Manager South East Victoria and South Eastern Sydney
- Link General Manager Early Childhood Early Intervention

Key enablers

When the 2017-22 strategic plan was developed, we identified areas for organisational focus that would be precursors to our strategic success.

Coined 'key enablers', these are the backbone of our day-to-day operations. The two areas of focus are service excellence and internal organisation.

Framework paves way to service excellence

We value service excellence in all areas of our work. So much so, we have a full-time service excellence officer who works to understand the current experience of our clients and how we can improve our services. We consider our clients' end-to-end journey, from their very first contact with us until they're discharged from our service. We conduct client interviews and run focus groups to determine how our clients receive our care and what aspects of our service could be improved. We then implement change based on what clients tell us, and follow up three, six and 12 months later to make sure our solutions work in practice.

In 2019-20, we engaged with 150 clients, ran 13 focus groups and co-designed 45 improvements across 16 programs. People told us they felt listened to. They appreciated the chance to have their say, and were informed about the tangible changes made as a result of their feedback.

This feedback framework does not just apply to our client-facing programs. We also use it to ensure our corporate teams – finance, ICT, marketing, governance, facilities, and human resources – continue to provide consistent and reliable support to the rest of the organisation. Staff have told us the framework has allowed teams working in different program areas to understand each other's processes and improve relationships. In client-facing programs, staff recognise one small change can make a huge difference to our clients.

We further guarantee service excellence at Latrobe Community Health Service by empowering our people through education and training, professional development opportunities and genuine career pathways. After all, if our people don't feel valued, we cannot expect them to deliver consistent, high-quality services.

In 2019-20, our staff completed more than 12,500 online learning modules and attended more than 9,500 professional development courses. Almost 80 people – managers, team leaders and emerging leaders – took part in a leadership day where colleagues from across Victoria participated in team-building exercises and heard from a leading psychologist about resilience. The day was so successful, our organisation will now run two leadership days a year. Staff appreciated the chance to step out of the office, learn about themselves and mingle with colleagues in different fields.

Training our people during COVID-19 restrictions

The COVID-19 pandemic impacted the face-to-face training delivered across our organisation. Training is essential in a health and community care setting like ours, to maintain registration and credentials and deliver best-practice care. While we continued to deliver essential training courses face-to-face, such as CPR and first aid, we conducted these courses with smaller numbers to allow for physical distancing. Throughout the pandemic most of our training courses transitioned to online formats, with interactive sessions held via secure videoconferencing technology.

Our workplace trainers took up the challenge of delivering engaging training sessions via video link. Our trainers opted to deliver courses to smaller groups of 10-15 people to better engage staff.

12,500

online learning modules completed by staff

9,500

professional development courses

80

staff members took part in leadership training

Involving clients in our service design

Our Forensic Mental Health in Community Health Program is one of five of its kind in Victoria, delivering mental healthcare to people who are on parole or a Community Corrections Order. Thanks to funding from the Department of Health and Human Services in collaboration with the Department of Justice and Regulation, people involved in the justice system now receive the mental healthcare they need to reduce their reoffending and to strengthen community confidence.

The program is made up of mental health nursing, mental health social work and a psychology workforce. The team conducts assessments and delivers a range of therapeutic interventions including general physical health monitoring, mental state examinations, risk assessments, harm minimisation approaches, counselling, psycho-education, health education and referrals to social services as required.

"It is well-known that people in the criminal justice system are more likely to experience mental illness. If we can address a person's mental health issues and deliver the support they need, they may be better placed to achieve optimal health and less likely to reoffend," Program Coordinator Niyi Ijiyera says.

The program adopts a holistic approach, partnering with organisations across Victoria including Ramahyuck District Aboriginal Corporation and Lakes Entrance Aboriginal Health Association to deliver culturally safe mental healthcare, as well as Corrections Victoria, Latrobe Regional Hospital's Mental Health Service and the Gippsland Primary Health Network.

"We do not focus on mental healthcare alone – we individualise care. Depending on the person's needs, we may also help them find housing, employment or make referrals to allied health or dental services," Mr Ijiyera says.

Using the service design framework, our service excellence officer interviewed clients and ran focus groups to determine how clients receive care and what aspects of the program could be improved.

Nine out of 10 clients reported having a positive experience with our program. They told us the program helped them to stabilise their mental health, increase their social engagement, organise appointments, link with job services and find stable housing.

The team was also able to address several pain points, including establishing appointment reminders and developing an 'exit resource pack' that contains self-management strategies and supports available locally so people are not left to fend for themselves after they complete their corrections order.

"Our client attendance rate to therapy sessions continues to improve. In June 2020, we achieved an attendance rate of 71 percent. Since our first referral in January 2019 until the end of June 2020, we have received 279 referrals," Mr Ijiyera says.

An internal organisational focus supports our people to deliver safe, high-quality health and community care

Behind-the-scenes of our public-facing services is a corporate unit that supports the day-to-day operations of Latrobe Community Health Service. Made up of information, communication and technology officers; human resources partners; marketing and communications advisors; accountants; quality officers and business development experts, this unit drives internal activities that focus on improving our service delivery.

Our internal activities range from establishing a secure videoconferencing system that provides reliable telehealth appointments across all programs, to modernising document management processes, to developing a quality and clinical governance framework that supports our clinical staff to deliver safe, effective and person-centred care. When we execute internal activities such as these, we unlock the potential of our client-facing services.

Find out more: https://www.lchs.com.au/about-us/our-strategic-plan/

Staff survey informs organisational action plan

Every year at Latrobe Community Health Service, we conduct a confidential staff survey to better understand how our staff feel about working for our organisation. This survey provides a platform for staff to voice their opinion, share their experience and propose better ways of doing things.

Our 2019 survey showed our employees remain engaged and enthusiastic in their work, with a 'culture of ambition' instilled across the organisation. Of particular note is how our organisational values resonate with staff, with many agreeing excellent customer service, personal bests, successful environments and integrity are reflected in the day-to-day actions of our workforce.

The feedback from our staff surveys helps to inform our annual organisational action plan, which outlines key activities to better support and engage our staff.

Our focus throughout 2019-20 has been in the following four areas:

- organisational change
- celebrating success
- managing workloads
- improving our systems.

Leaders at LCHS celebrate at the inaugural leadership day.

Preparation holds us in good stead to welcome Link Health and Community into our organisation

Link Health and Community, Oakleigh.

In December 2019, Latrobe Community Health Service signed an agreement to acquire Link Health and Community. This is a significant acquisition that paves the way for future service growth in metropolitan Melbourne. As part of the agreement, Latrobe Community Health Service was contracted to provide day-to-day oversight of Link Health and Community operations.

This provided an important opportunity to embed the technology, policies and procedures that are the foundations for a smooth integration into Latrobe Community Health Service.

In the first half of 2020, Latrobe Community Health Service has:

- moved all Link Health and Community staff onto Latrobe Community Health Service employment contracts
- transitioned Link Health and Community to our finance, payroll, human resources, technology, fleet, facilities and governance platforms
- provided comprehensive orientation and training in Latrobe Community Health Service technology, business applications and policies and procedures.

As a result of this work, we are well-placed for further service improvement and growth at Link Health and Community in the financial year ahead.

Telehealth not possible without our information, communication and technology support

In 2019-20, our ICT team set out to implement a range of infrastructure projects. These included a new server strategy to support our future business requirements, an expanded security model and multiple software upgrades. In addition to these 'business-as-usual' activities, the team also took on the challenges of incorporating Link Health and Community into Latrobe Community Health Service's ICT environment; establishing a secure ICT network across our new South Eastern Sydney sites; and responding to COVID-19.

Expanding our ICT environment to support more staff members working across more sites presents its own set of unique challenges. However, the coronavirus pandemic had the greatest impact on our ICT team's day-to-day operations.

In response to COVID-19, the team has:

- deployed more than 350 'soft' phone setups, so staff members working from home can receive and make calls from their office landline on their mobile phone or computer
- responded to internal ICT help desk requests, which continued to increase by 80 percent each week. Over April and May, ICT support requests increased by 400 percent.
- Expanded the organisation's videoconferencing system to support virtual team and peer-to-peer meetings. The use of our videoconferencing technology increased by 350 percent.
- introduced new videoconferencing services across our GP clinics and allied health teams, so we could provide telehealth appointments.

The work of our ICT team isn't visible to the public, but their efforts have a very real impact on our client-facing services.

Hannah Francis runs an online session.

STRATEGIC PRIORITY ONE

Focus on primary and community health services in Gippsland

GOALS

- Continue to develop community and primary health service offerings in Gippsland
- Achieve genuine integration of services in the Latrobe Valley

The healthcare experience of people in regional areas is typically one of long travel distances and wait times between appointments.

It often involves a lot of 'running around' as people are referred from one health professional to the next. Far too often, people have to repeat their story and wait too long before they can access treatment. By the time they receive treatment, their needs have often multiplied and become more complex.

These experiences leave people feeling like they are 'just a number', bounced around the health system.

At Latrobe Community Health Service, we're doing our best to change that experience. We're aiming to provide integrated health services, where our different health experts work together to provide our clients with coordinated, consistent care.

We already offer integrated healthcare in some of our services. Since 2015, Latrobe Valley residents with diabetes – who are at greater risk of foot wounds and ulcers – have been able to attend a clinic where they see a diabetes educator, podiatrist and dietitian. Instead of booking multiple appointments to see each of these healthcare workers separately, our clients come in for the one appointment and receive foot care, dietary advice and education to help them better manage their condition at home.

Throughout 2019-20, we have made a concerted effort to offer integrated healthcare across our primary and community health services in Gippsland.

For example, physical and mental health are often linked, and so we are working towards addressing them together.

Some practical benefits we are already experiencing include:

- our staff meet to plan a shared client's care, and gain a more holistic view of that client's condition
- our clients don't have to repeat their story, and they receive consistent health advice
- our clients can see multiple health professionals in the same place, often at the same time
- our staff no longer work in silos – they can collaborate across disciplines to improve health and wellbeing outcomes.

We understand our approach isn't perfect, and what works in one service may not be practical in another. We listen to the feedback from our staff and clients to improve our service delivery.

Another way we apply integration is in partnership with other healthcare providers and organisations across Gippsland whose vision aligns with ours. These partnerships exist between our funding bodies, councils, non-government organisations and other health services who are working to improve the health and social wellbeing of their communities.

Through these partnerships, we are working to prevent health problems with coordinated health promotion. We are also ensuring a smoother and faster delivery of healthcare, no matter where someone lives.

Early intervention and multidisciplinary healthcare for people with a terminal illness

Latrobe Valley residents with a terminal illness are receiving timely care and advice from a range of health clinicians.

Latrobe Community Health Service established an early intervention clinic for palliative care, to reduce the need to visit one healthcare worker after another and decrease the rate of hospital admissions.

Many people experience appointment fatigue when they are diagnosed with a terminal illness.

To address this, a nurse, occupational therapist, dietitian and exercise physiologist are based at the monthly clinic, and work together to coordinate clients' care.

Our nurse completes a health assessment and establishes a care plan designed to support each person, their family and carers. Our occupational therapist provides advice and strategies to help people manage everyday activities, such as showering, toileting, preparing meals and getting out and about in their community. Our dietitian provides education around how diet can improve physical health and emotional wellbeing. Our exercise physiologist provides exercise plans and lifestyle modification strategies to help people remain active and well.

This clinic is suitable for people who remain active in their community and do not require full-time care. Anyone with an advanced illness is referred onto our community-based palliative care team.

Before COVID-19 physical distancing measures were introduced, we ran three monthly centre-based clinics. In response to COVID-19, we provided four telehealth appointments. We have realised many of our clients need assistance to use the technology, so in 2020-21 our nurse will visit each person's home and dial the rest of the team who are based at the office.

So far, our multidisciplinary clinic has supported ten people.

Integrated approach leads to better health outcomes

Robyn Couch felt like she was on a "medical merry-go-round" until she walked into Latrobe Community Health Service.

The Latrobe Valley resident, who has diabetes and lymphoedema, among other health conditions, had previously spent most of her time travelling to and from appointments, often taking her list of medications with her. Her health workers were based all over town and at different organisations, which made it difficult for them to communicate and coordinate her care.

Now Robyn attends two multidisciplinary clinics at Latrobe Community Health Service, where she sees a lymphoedema nurse, dietitian, exercise physiologist, diabetes educator and podiatrist who work together on her care plan and goals.

This integrated approach has made a real difference to Robyn's health.

"The most important thing is I'm not lonesome anymore in my health journey," she says.

"I know I have people surrounding me who have the knowledge and ability to help."

"Genuine service integration allows people to access the support and care they need in the same location, often at the same time," Integrated Primary Health Services Manager Nicole McFarlane says.

"It also allows clinicians to discuss and coordinate the care of shared clients, which leads to better health outcomes," Ms McFarlane says.

"We know when people receive integrated healthcare, they no longer have to repeat their story and often experience a better quality of life. Robyn's story is just one example of the real impact integrated healthcare can have."

Client Robyn Couch.

Diabetes clinic empowers people to take control of their health

Kristy Ferguson meets with her healthcare team that helps her manage her diabetes.

Before attending the diabetes clinic at Latrobe Community Health Service, Kristy Ferguson struggled to keep her diabetes under control. She was frequently visiting her GP and having spells of dizziness and fatigue.

Now, Kristy attends Latrobe Community Health Service each month, where she has a joint appointment with a diabetes educator and dietitian.

"The girls taught me how to manage my diabetes on my own. Now I don't have to see a specialist as often," Kristy explains.

At the diabetes clinic, people can choose to see a diabetes educator, dietitian and podiatrist - who work together to coordinate their care - in the same appointment.

The clinic saves Kristy time and money, and our healthcare workers have helped her access new technology, which monitors her blood sugar levels in real time.

"I insert a continuous glucose monitor under my skin each week - it's like a little capsule," Kristy says.

"It's really easy. It reads my blood sugar level and sends it to my iPad, which alerts me if anything is off."

"Kristy has picked up the technology and management of her condition with ease," Dietitian Natalie Caprara says.

"Kristy is now able to more independently manage her diabetes. She put in a lot of hard work and was willing to learn new skills. We're really proud of how far she has come."

Providing mental health support to young people across Latrobe Valley and Baw Baw

Latrobe Community Health Service has operated the headspace Morwell centre since October 2015. headspace Morwell provides a safe space for young people aged 12-25 who need support and / or treatment regarding mental health, alcohol and drug issues, general health, relationships and sexuality.

headspace Morwell's team consists of youth workers, mental health clinicians and drug and alcohol withdrawal workers who are experienced in supporting people with mild-to-moderate mental health conditions.

Our services include one-on-one counselling, community outreach in schools and youth events, as well as group-based sessions. We also support families with children aged 0-18 at the centre by providing behavioural and mental health interventions.

Our service uptake has continued to increase since we've operated the centre. In 2013 the centre helped 321 young people improve their mental health and wellbeing. In 2020, we provided counselling to 815 young people. This financial year, headspace Morwell has provided 2,886 counselling appointments.

At headspace Morwell, we rely on the voices of young people – through client feedback and our volunteer-run Youth Reference Group – to inform what we're doing well and what we can do better. By drawing on these voices, we've been able to implement several new initiatives so young people receive the mental healthcare they need, in a format or space that makes them feel safe.

Our 'headspace heroes' group is one such initiative.
The Dungeons and Dragons group helps young people who struggle socially to build social skills, increase problem-solving skills and reduce social anxiety.
The moderated group runs fortnightly and has on average 5-9 players. About 18 months old, the program is now peer-led; some young people who have developed these social skills are now 'dungeon masters' and run extra tables so more people can join.

headspace Morwell is committed to making LGBTQI+ young people feel safe.

In response to COVID-19, our headspace and youth services team implemented safe screening, physical distancing and hygiene measures to continue seeing young people in person. We also offered video and phone sessions for counselling, alcohol and drug support, and family mental health.

Many young people and their families who live further away from the centre have told us this option works better for them; they no longer have to travel long distances to get the support they need.

Our group programs, such as 'headspace heroes' and our 'whatever' LGBTIQ+ support group, moved to a secure online platform, providing much-needed social connection during a particularly isolating time. Due to the positive feedback, we will offer phone and video sessions as an ongoing option.

Sexual health advice, pregnancy tests and sleep education made available at headspace Morwell

headspace Morwell welcomed a registered nurse to its centre in early 2020, as part of our commitment to providing integrated and accessible support for younger people.

Young people seeking sexual health advice, support with a chronic health condition such as endometriosis or who need their wounds checked can visit headspace Morwell, where the nurse is available every week to offer free general health advice, check-ups and referrals to GPs.

A growing body of research shows mental health and physical health are closely linked. People with chronic physical health conditions may experience depression or anxiety, and those living with mental health issues are at higher risk of physical health conditions such as migraines, insomnia and obesity.

Yet, people with mental and physical health conditions spend a lot of time going from one health service to the next, with their conditions often treated in isolation of one another.

Before COVID-19 restrictions came into effect in Victoria, we based a registered nurse at headspace Morwell every Wednesday afternoon as part of a six-month pilot.

The nurse provides sexual health advice and education, wound care, medication support, referrals to GPs, pregnancy testing and sleep education.

Young people can receive information and support for chronic conditions such as chronic pain, migraines, polycystic ovary syndrome, fibromyalgia and endometriosis.

This is part of our ongoing efforts to provide a truly integrated healthcare experience that looks after the whole person – both their mental and physical health.

We hope to continue the nurse pilot project when it is safer to do so.

Latrobe Community Health Service recognises and upholds the *Carers Recognition Act 2012.*

In 2019-20, we:

- distributed information about the Act to clients of our carer programs
- provided information to clients about their rights under the Act, if applicable.

In 2020-21, we will:

- focus on raising awareness and greater understanding of the role carers play by sharing carers' stories across our organisation during National Carers' Week.

815
young people received counselling

454
new young people received counselling

2,886
counselling appointments

3.5
average number of counselling appointments per person

Bass Coast, South Gippsland residents sport new smiles thanks to locally-made dentures, night guards and mouth guards

Public dental patients from across the Bass Coast and South Gippsland regions are smiling brighter, knowing their dentures, night guards and mouth guards are designed and made in Gippsland.

Latrobe Community Health Service and Bass Coast Health finalised a service agreement in 2019. This means most dental prosthetics for Bass Coast Health clients are now made at the Latrobe Community Health Service dental prosthetics laboratory in Churchill.

Previously, the only option for Bass Coast Health's public dental patients was to have a voucher to visit a private clinic if they required dental prosthetics such as dentures. This new partnership ensures public funds are reinvested into local, low-cost healthcare and Gippsland's health workforce of the future continues to grow.

Our publicly-funded dental prosthetics laboratory - based in Churchill in the Latrobe Valley - is the only one of its kind in regional Victoria and provides much-needed services to the Gippsland community.

At the lab, we train dental technicians in partnership with RMIT University; operate within an accredited, best practice environment and use the latest equipment and cutting-edge technology to produce high quality, affordable dental prosthetics.

Between October 2019 and March 2020, Latrobe Community Health Service clinicians visited Bass Coast Health's Wonthaggi Hospital every week to take initial impressions and provide locals with their finished dentures, mouth guard or night guard. These onsite appointments were put on hold due to COVID-19.

Our dental prosthetics laboratory opened in December 2017 with one senior dental prosthetics technician and two apprentices.

In just over two years, the team has grown to 11 people, including a lab teaching coordinator, three apprentices who work under supervision, and two additional qualified dental technicians who we recruited as a result of our agreement with Bass Coast Health.

Noriza Surat (LCHS), Mariana Cassini (BCH), Anh Hoang (LCHS) with client Anna Owondo.

Preventative health measures where people live, work, learn and play

Staff wear odd socks during mental health week.

One in four people experiences very high levels of disadvantage in Latrobe; nearly one in four adults is a smoker; almost one in five adults experiences high or very high levels of psychological distress and one in three adults has two or more diagnosed chronic diseases.

Initiating change in the health and wellbeing of Latrobe Valley residents requires solutions that are innovative, adaptive and responsive. It requires a place-based approach that focuses on the unique needs of the Latrobe Valley community instead of a one-size-fits-all mindset. It requires a whole-of-community effort that involves schools, workplaces, the local council and community health providers. It requires us to ask better questions before jumping to conclusions.

In October 2019, our health promotion team put forward a new action plan, Action for a Better Latrobe. This plan sets the current and future direction of our health promoters. Underpinning Action for a Better Latrobe is a new place-based, systems thinking approach, which encourages our team to leverage existing partnerships, analyse patterns of behaviours and events over time and use their local knowledge. Ultimately, it focuses the team's attention on creating tangible change where people live, work, learn and play.

Our health promoters are working in the following settings to improve the health and wellbeing of the Latrobe Valley community:

- early childhood education settings, primary and secondary schools
- workplaces
- food outlets, providers and suppliers
- sports and recreation
- non-government and non-profit organisations.

Newborough East Primary School leads the way in health and wellbeing

Newborough East Primary became the first school in the Latrobe Valley to realise all seven benchmarks of the Victorian Achievement Program.

The Achievement Program is accreditation that recognises Victorian early childhood services, schools and workplaces that promote good health and wellbeing using an evidence-based framework.

No other school in the Latrobe Valley has achieved this feat, which has seen Newborough East Primary create a healthier and safer environment for staff, students and families to learn, play and work.

Newborough East Primary first joined the Achievement Program in 2012, and over the past seven years has worked alongside Latrobe Community Health Service's health promotion team to implement meaningful change.

"We know supportive environments that promote healthy lifestyles can help prevent chronic disease, support better learning outcomes and kick-start healthy habits for life," Senior Health Promotion Officer Claire Watts says.

The seven health priority areas for Victorian schools are healthy eating and oral health, sun protection, physical activity and movement, sexual health and wellbeing, safe environments, mental health and wellbeing, and tobacco and other drugs.

Schools must demonstrate strong leadership, provide a healthy physical environment, embed a health promoting culture, deliver a curriculum that focuses on health and wellbeing, support staff and educators, and establish community and family partnerships in each of these health areas.

Activities at Newborough East Primary School include:

- its on-site canteen has been assessed against and meets the Healthy Choices guidelines
- four different paths to the school have been visually mapped out, showing students and families how to get to school when they walk, ride or skate
- the introduction of a Child Safe Code of Conduct that promotes an inclusive, safe and orderly environment
- Mental Health First Aid training for staff
- the development of a Therapy in Schools program, which allows students to see a range of health professionals at school, where they spend most of their time
- a clearer policy and procedure that details how to safely administer and store medication
- drug education sessions for older students
- a partnership with local health food business Raw Harvest to assist with school fundraising activities.

"To meet all seven benchmarks of the Achievement Program is a huge milestone and one that will go on to benefit the physical, social and emotional health of everyone at Newborough East Primary School. The school should be incredibly proud," Ms Watts says.

Power of community voice rings out

Our Warragul site was metres away from a proposed pokies venue.

A vigorous and swift response in opposition to a pokies venue application in regional Victoria has proven the power of community-led campaigns.

An application to run a new pokies venue just metres from the Latrobe Community Health Service Warragul office was withdrawn after a successful campaign.

Latrobe Community Health Service, in conjunction with the Victorian Local Governance Association, kicked off the campaign after a local football and netball club applied to run 52 new poker machines at a neighbouring restaurant.

"Latrobe Community Health Service provides counselling services to people experiencing gambling harm from our Warragul office," Prevention and Partnerships Manager Michelle Ravesi says.

"If the proposed new pokies venue went ahead, our clients would have had to walk directly past it on their way to or from counselling appointments – a time of heightened risk."

The two organisations led community information sessions, encouraging community members to express their concerns and join the fight against the pokies.

What followed was a well-coordinated community campaign opposing the application:

- letters to the editor
- letters to all Baw Baw Shire Councillors
- submissions to the Victorian Commission for Gambling and Liquor Regulation (VCGLR)
- a sustained media and social media campaign against the application.

"The withdrawal of the application is a great result, and an example of how advocacy can prevent community and health harm from occurring in the first place," Ms Ravesi says.

STRATEGIC PRIORITY TWO

Grow our organisation to deliver services across Australia

GOALS

- Achieve coverage across Australia for aged care and disability services
- Achieve growth in aged care and disability services within Victoria
- Grow user-pays services in aged care (across Australia) and dentistry (within Gippsland) to diversify revenue sources

When an organisation grows, it risks losing touch with its core values and in turn, its primary purpose. We were aware of this risk when developing our current strategic plan, and so we have purposefully aligned our service growth with our vision and values.

We exist for people, not profit. We decided to partner with the National Disability Insurance Agency (NDIA) to deliver the NDIS, because we genuinely believe in putting people with disability at the centre of decisions about their own lives.

We are a registered provider of home care packages, managing the coordination and delivery of Commonwealth-subsidised home care services to older Australians still living at home. We are about helping older people to live independently and safely in their homes, where most people wish to stay.

We deliver direct home care to older people through Your Care Choice, because we are about providing people with affordable, high-quality support.

Each of these business decisions sits comfortably within our vision of 'better health, better lifestyles, stronger communities'. They have led to an expansion of Latrobe Community Health Service offerings in more communities across Australia. Not only are we diversifying our revenue streams, but we are well-placed to continue improving the health and social wellbeing of Australians – our core purpose.

Our new Sydney staff celebrate our expanded local area coordination role in New South Wales.

Ensuring West Australian veterans and their families receive the support they need

A team of seven people at Latrobe Community Health Service provides a telephone-based assessment service for veterans, war widows and widowers who live in Western Australia.

The assessment service is part of the Veterans' Home Care program, which aims to maintain the health, wellbeing and independence of eligible veterans and their families who are still living at home.

Our team assesses the needs of eligible people and approves appropriate services to be delivered in their home, such as cleaning assistance, personal care, respite and safety-related home and garden maintenance.

In 2019-20, we completed 3,659 assessments, with 328 veterans and / or their families receiving funded home care support for the first time.

3,659
veterans home care assessments

328
veterans and their families supported for the first time

3,849
aged care assessments

47%
growth in home care packages

Thousands of Gippsland residents assessed for Commonwealth-funded aged care

Latrobe Community Health Service provides the Aged Care Assessment Service (ACAS) in Gippsland.

This is a free service that assesses whether a person aged 65 and older, or 50 and older for Aboriginal and Torres Strait Islanders, is eligible to receive government-funded aged care services.

This is the first step for many Australians who need government support to help pay for a little help at home or fund their move into a residential aged care home.

Our independent ACAS team is made up of 27 health professionals who have expertise in aged care and community services. Located in Sale, Bairnsdale, Morwell, Wonthaggi and Warragul, the team undertakes face-to-face assessments across all six local government areas in Gippsland, up to the New South Wales border.

In 2019-20, the team completed 3,849 assessments, many of which are conducted where the person feels safest – in their home, in the company of a family member or trusted friend.

Our dedicated Home Care Services team celebrates Aged Care Employee Day.

Supporting more older Australians to live at home for longer

Aged care services has been an area of significant growth for Latrobe Community Health Service for many years. The 2019-20 financial year was no different.

Our organisation has entered its third decade of delivering home care services to older Australians, and word continues to spread about our reputation as an experienced and trusted provider.

As a home care package provider, we play the role of service planner, coordinator and advocate. We work alongside older Australians and their families to plan a package of services that help them live a full and active life. Together, we plan the care and support each older person requires, and arrange the appropriate personal care workers, cleaners and gardeners to provide that care and support.

The number of home care packages we provide has almost doubled in the past 12 months. In 2019-20 we experienced a 47 percent increase. While Gippsland remains our largest service area, we continue to grow our service footprint in other regions across Victoria. Outside of Gippsland, our consumer base has grown by 24 percent.

Your Care Choice is our direct home care service, which is available for older people who can afford to pay for services themselves or through a government subsidy. Your Care Choice home support workers provide personal care, help with housework and grocery shopping on behalf of the older person.

In 2019-20, we made the strategic decision to begin expanding Your Care Choice outside of Gippsland.

Couple of 60 years remains happiest at home

Les and Jeanette are happiest at home.

House cleaning, help with the gardening and individual pharmacy accounts are among the services Gippsland couple Les and Jeanette receive through their home care packages.

But if you were to ask the husband and wife of 60 years what's made the biggest difference to their life, neither hesitate to point to Les' renovated shed.

"We've been able to set up his garage for him, so he can go out and have time to himself away from the main home and get his mind active and keep himself active," Care Advisor Jo Twomey says.

"And that's what's brought me back with a bang," Les says.

"It's really great and people admire what I'm doing. It gives me a real boost."

A few years ago, Les became quite ill and was assigned a home care package after Jeanette realised the pair needed help at home. Jeanette also received a home care package about a year later.

"They were both unaware of what services they could really have besides home care, so it was my job to advise them on what other services were out there for them," Ms Twomey says.

Ms Twomey organised home care and pharmacy accounts through their respective packages. After getting to know the couple a little better, she discovered Les' love of DIY projects and gardening. So she got to work on making the shed and garden safe for Les and Jeanette to use.

"It helps him mentally and physically down there – he just lives for the shed and he has lots of nice new tools," Jeanette says.

"And the bed's coming out there soon – he's always out in the shed."

Les believes he's "blossomed" ever since he's received his package, thanks to his supportive wife and a care advisor who listens.

"I just couldn't ask for anyone better," he says. Jeanette agrees.

Find out more: care.lchs.com.au

We want to offer our home care package consumers – and other older Australians who can pay for home care services themselves – more choice over who delivers the care and support in their home. In February 2020, we expanded Your Care Choice into Wangaratta.

Your Care Choice delivers home care support to 667 people, an increase of 40 percent over the previous 12 months. We have welcomed an additional 22 staff members to the team as a result of this growth.

Supporting 5,700 South Eastern Sydney residents with disability

Thousands of people with a disability who live in South Eastern Sydney are set to benefit from the experience of our organisation.

In 2019-20 we were awarded the contract to deliver NDIS planning and community connection services on behalf of the NDIA across six local government areas in New South Wales.

Latrobe Community Health Service first partnered with the NDIA in 2016 when we began our role as a Local Area Coordinator in the Central Highlands region of Victoria. We now provide Local Area Coordination in ten service areas in New South Wales and Victoria, and Early Childhood Early Intervention in seven service areas in Victoria.

We spent the second half of 2019-20 working with the NDIA and the former LAC partner to ensure a smooth transition for NDIS participants in South Eastern Sydney. We on-boarded our team, transitioned into three sites in Miranda, Hurstville and Maroubra, and are ready to support 5,700 people with NDIS plans, officially commencing operations in those areas on 1 July 2020.

This new contract demonstrates our excellent track record of working alongside people with disability, their families and carers to help them live the life they want to.

Our dedicated staff across Victoria support more than 28,000 people with NDIS plans. In 2019-20, we created 7,596 first plans and conducted 20,475 plan reviews. We continue to work alongside community groups, businesses and mainstream providers, such as GP clinics, to better include people with disability. We also help people with disability who aren't eligible for the NDIS and ensure they are linked into informal, community and mainstream supports. We harness our vast local knowledge to connect people with activities that align with their interests and networks that can support them to live an independent life that is meaningful for them.

Find out more: lchs.com.au/services/aged-disability-carers/national-disability-insurance-scheme-ndis/

Inclusion festival showcases how to be inclusive, accessible for people with disability

Central Highlands Inclusion Festival 2019.

Latrobe Community Health Service held its first free community festival in Ballarat to showcase what it means to be inclusive for people with disability.

The inaugural Central Highlands Inclusion Festival took place in November 2019 so people with disability, their families and carers could learn about where they can participate in social and recreational activities – like sports and arts – and access local services. Businesses, service providers and community groups could also get advice on how they can be more accessible and welcoming.

"Although most organisations and businesses want to be inclusive and accessible for people with disabilities, not everyone really knows how to do that and do it well," Rebecca Paton, Central Highlands Inclusion Working Group member, says.

"On the flip side, there are very inclusive and accessible organisations across the Central Highlands region, but many in the disability community may not be aware of them."

About 300 people attended the first festival, where they could have a go at seated volleyball, lawn tennis and wheelchair basketball, learn about 3D printing and robotics, play 'legal lingo bingo' and understand how to be an inclusive coach.

As part of our role as the Local Area Coordinator in the Central Highlands, Latrobe Community Health Service works with local businesses, organisations and service providers to reduce the barriers and stigmas people with disability continue to face. This festival was another way we could continue this important work.

"We are working very hard to break down physical barriers and change community attitudes. In doing so, we've met so many passionate and inclusive organisations that have a lot to teach others about inclusiveness," NDIS Services Regional Manager Loretta Beardmore says.

"What better way than to bring these organisations together to connect with people with disability, and demonstrate inclusiveness to the wider community?"

STRATEGIC PRIORITY THREE

Innovate to improve client outcomes

GOALS

- Use technology innovatively to improve client outcomes
- Utilise research to drive improvement in client outcomes

Ask business leaders, entrepreneurs, politicians and think tanks what drives their success, and a common theme will emerge: innovation. We hear about innovation everywhere, every day.

As a community health service, we continue to deliver essential health and community care, as we have done for decades. But innovation is changing how we deliver that care and the experience we provide our clients. Executed properly, innovation shifts the typical healthcare approach from 'what is the matter with you?', to 'what matters to you?'

We have set out to improve client outcomes through innovation, by embracing technology and researching evidence-based best practices. This approach requires critical and visionary thinking, collaboration between our corporate teams, clinicians and clients, and an environment where staff are encouraged to suggest new ideas.

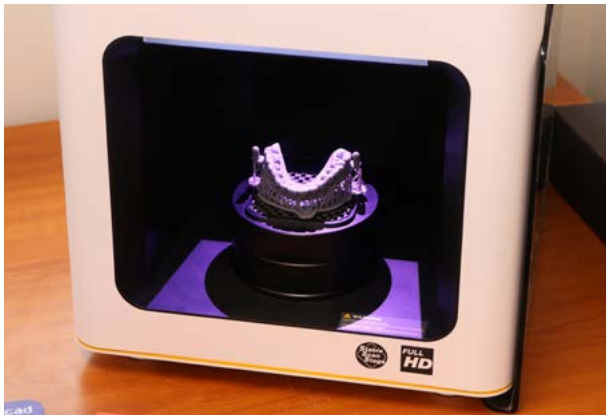
Innovation already occurs within our organisation. But our aspiration is to achieve an organisation-wide culture that allows every idea the chance to be considered, tested and – if appropriate – implemented.

To achieve this, we have developed an innovation framework, which all staff members can easily follow to bring their ideas to life. This does not mean all ideas will be implemented across the organisation.

But now there is a clear process for curating ideas, either for learning or for future implementation, and selecting the best ideas to trial.

As part of the rollout of this innovation framework, we first defined what innovation means to our organisation, and what benefits we envision it will bring: at Latrobe Community Health Service, innovation is a new or improved program, process, system or capability that delivers improved client outcomes. Our vision is that innovation will enable our organisation to improve health and social wellbeing outcomes.

We look forward to introducing and rolling out our framework across the organisation to support both our corporate and clinical staff. In the meantime, we are proud to highlight examples of innovation from our dedicated staff throughout 2019-20.



3D print scanner, Churchill Prosthetics Laboratory.

1,926

telehealth appointments from 1 March to 30 June 2020

600

people received their flu vaccination at our drive through clinic

68

oral health education appointments in one week

Drive-through healthcare clinic protects 600 people against the flu

Latrobe Community Health Service launched a new drive-through clinic in response to the COVID-19 crisis, encouraging Latrobe Valley residents to protect themselves against the flu – all from the comfort of their car.

"The coronavirus (COVID-19) crisis made us think harder about what we could do differently to encourage people to get their flu shot and feel at ease knowing there'd be minimal physical contact doing so," Gippsland GP Clinic Practice Manager Caitlin Sevior says.

"We pride ourselves on our long track record of innovation here at Latrobe Community Health Service, and this clinic is just another example of that."

The drive-through clinic ran once a week over five weeks at our Morwell centre, where about 600 people received their vaccination.

A GP and nurse were stationed at a designated area, where people could safely park, have their blood pressure and temperature taken, and receive their vaccination. Clients would then wait in their car until they were cleared of any adverse reaction.

"The public loved the idea of not having to come into a health clinic during the first wave of COVID-19," Ms Sevior says.

"People told us the process was easy, comfortable and quick – and it really eased their mind regarding the potential spread of COVID-19," she says.

"We're proud to have protected 600 people against the flu and hopefully ease the strain on Victoria's health system while we all grapple with the ever-changing coronavirus crisis."

Our first drive-through flu vaccination clinic.

Treatment plans transformed to provide integrated support and care

There is a growing body of research that shows mental health issues, drug dependency and gambling harm often co-exist, with the symptoms of one condition impacting on or leading to another.

As a result, our family violence counsellors, financial counsellors, alcohol and drug treatment workers and psychologists may provide treatment and support to the same person. We recognised our clinicians often worked in silos - our systems prevented them from working together on treatment plans and accessing notes about a shared client.

As part of our efforts to provide an integrated experience - where people do not have to tell their story over and over again, and our clinicians work together to provide holistic support - we have introduced an 'integrated treatment plan'.

"The integrated treatment plan is a simple innovation that will make the world of difference to the experience we provide our clients," Behavioural Health Program Manager Paula Gibb says.

"Our clinicians are no longer completing notes only they can access, and providing treatment for just one condition. Instead, they now manage client files in a shared electronic client management system, allowing them to understand a client's history, provide consistent advice and work with their colleagues to improve continuity of care."

The integrated treatment plan considers a person's substance use, psychological and physical health, community connections, support network, housing, employment, activities that are important to them and their perceived quality of life. This information helps clinicians work together with clients to identify goals, agree on actions and inform ongoing treatment.

We implemented the automated integrated treatment plan across all behavioural health programs in February 2020. We continue to improve the plan based on feedback from staff and clients, and hope to be able to extend its use across more services at Latrobe Community Health Service.

"Our next step is to conduct a formal evaluation and co-design improvements with clients," Ms Gibb says.

"We then plan to extend it into our primary health teams, meaning our doctors and dietitians can work alongside our counsellors to address someone's physical and mental health issues together."

Therapeutic gardening aids recovery for people with a drug addiction

Latrobe Community Health Service has embraced gardening's therapeutic effects to help people recover from alcohol and other drug addiction.

People who participate in our six-week therapeutic day rehabilitation program now have access to weekly gardening sessions with other people working to overcome a drug dependency. The sessions involve garden planning, watering, seed planting, weeding and crop rotation.

Gardening became a permanent feature of the program, which supports people recovering from substance misuse, after an extensive research project measured the impact of the program and the role gardening plays in people's recovery.

Researchers explored the effects of therapeutic gardening in a rehabilitation setting by measuring participants' quality of life at the beginning, end and four weeks after their involvement in our therapeutic day rehabilitation program. We collected data from 26 people across four six-week programs.

Our research has shown the program significantly improves physical health, psychological health and social relationships. We also found our Grow Hope garden helped to form stronger social connections, as participants could openly talk to each other in an informal and unstructured environment.

People told us the gardening activities gave them a sense of tranquillity, relaxation and achievement.

Having access to, participating in, and being responsible for the garden was a new experience for many of our clients, and they valued the chance to learn new skills.

Here's what we heard:

"I benefited a lot from the program. I'm not sitting at home drinking or smoking. That's a big difference."

"I learned something new, learnt something about gardening and you get to watch this thing grow. A bit like ourselves, I guess."

While our face-to-face program activities have been on hold due to COVID-19, the team has been busy applying the research learnings and recommendations into the program's ongoing curriculum.

Therapeutic gardening will continue to be part of the therapeutic day rehabilitation program, with additional gardening sessions available for clients who want to attend outside of the program's usual hours. Ongoing garden and mentor roles are offered to former clients who've successfully completed the program. We are also expanding our gardening sessions to include networking with other community gardens, worm farms and produce shops.

Scott Forrest and Anthony Alindogan have researched the therapeutic benefits of gardening.

Helping pregnant women access dental care

Keeping up a good dental hygiene routine and reaching out to your GP or dentist if something is amiss is really important for everyone, but this is especially true for pregnant women.

Many women are not aware of the risks involved with gum disease during pregnancy, which can lead to low birth weight in babies and poor health outcomes for mum.

Morning sickness and vomiting can strip the enamel from teeth, making them more vulnerable to tooth decay.

Gum disease during pregnancy can also pass decay-causing bacteria onto the newborn baby. Despite 2,000 births in the Latrobe Valley and Baw Baw in 2016, only 30 pregnant women accessed dental treatment at Latrobe Community Health Service. Many of these were emergency treatments when tooth pain had become too much.

With funding from the Latrobe Health Assembly, we engaged a project worker to engage with local GPs, specialists and allied health workers who see pregnant women. Our aim was to encourage more referrals to our dental service – ideally within the first trimester of a woman's pregnancy.

Latrobe Community Health Service prioritises pregnant women who book in for a dental check-up, and offers reduced rates to concession card holders.

We designed referral pads to encourage health providers to refer pregnant women to our dental team, along with brochures and posters that had the consistent message: 'the best time for a dental check-up is early in your pregnancy'.

Between July 2019 and June 2020, we distributed 522 dental packs – including toothbrushes, toothpaste and oral health resources – to health providers, GP clinics and hospitals around Latrobe and Baw Baw.

In the same period, 89 pregnant women accessed one of our dental clinics – an encouraging sign that more pregnant women are seeking dental treatment.

The project ended early due to the limited dental treatment we could provide during the first wave of COVID-19.

We will evaluate the project outcomes and our key learnings early in 2021. Our next step is to work with midwives to provide ongoing education. We will also continue to provide toothbrush kits to hospitals, to ensure all mums go home with the right oral health resources.

Technology proves vital during COVID-19 pandemic

Over the past few years, teams across Latrobe Community Health Service have investigated, trialled and introduced videoconferencing technology to create better access to healthcare. This is especially helpful for people who live in regional and rural areas, and for people with disability.

We have embraced 'teledentistry' to connect Latrobe Valley residents with oral healthcare specialists in Melbourne, and offer people the option to have an NDIS planning meeting via video link.

Our uptake of secure technology proved pivotal during the COVID-19 pandemic, when we were able to quickly shift many of our face-to-face services to phone, video and online platforms.

Our GP clinics in Warragul, Morwell, Traralgon, Churchill and Bundoora provided 1,926 telehealth appointments between 1 March and 30 June 2020, meaning people could speak to a doctor over the phone or via video. Our allied health and chronic disease management teams provided 608 telehealth appointments from March to June 2020, and continued to offer face-to-face consultations when necessary in a COVID-19 safe environment.

Our NDIS teams have held NDIS planning meetings either over the phone or via video link since March 2020. While many people are happy to talk over the phone with their Local Area Coordinator, video meetings are beneficial for others who may be meeting our staff for the first time, or are hard of hearing and need to communicate with visual cues. From March to June, we held 559 meetings via video link – this is almost ten times the amount of video meetings held in the previous eight months combined.

Our behavioural health programs – which include treatment for alcohol and other drug use, psychology, generalist counselling, financial counselling and mental health support for people with a community corrections order – began offering video and phone appointments in April.

While COVID-19 was the main driver in introducing video and phone appointments, we have found these are a more suitable option for many people who live in remote areas, have a disability or experience other difficulties in getting to our sites.

Attendance rates pre- and post- introduction of telehealth appointments.

Service	Jan - Mar 2020	Apr - Jun 2020
Alcohol and other drug treatment and counselling	71.39%	**81.90%**
Generalist counselling	80.63%	**91.32%**
Family violence women and children's counselling	71.68%	**82.41%**
Gambler's Help therapeutic counselling	94.96%	**95.19%**
Gambler's Help financial counselling	67.74%	**100%**

We will continue to offer phone and video appointments as an ongoing option for everyone.

Our dental services were perhaps the most impacted by COVID-19. All general and routine dental treatment – including denture care – was put on hold, with appointments limited to emergency dental treatment.

We introduced a dynamic triage system to determine who required emergency care, and provided self-management advice to anyone who didn't meet the criteria for a face-to-face appointment. Acutely aware the restrictions would lengthen wait times for public dental patients, our dental team developed a telehealth model aimed at helping people improve their oral hygiene and maintain healthy teeth at home.

In one week, we provided 68 oral health education appointments. In each appointment, our dental clinicians discussed the person's oral hygiene routine, medical history, diet, smoking habits and checked how they were going during the stay at home restrictions. They then sent out a handout with customised information and advice, reinforcing how to maintain healthy habits at home.

STRATEGIC PRIORITY FOUR

Use evidence-based outcomes to drive improvement across services

GOALS

■ Develop the capability to measure client and organisational outcomes

Gathering data and reporting on service delivery is a reality for any health organisation. Latrobe Community Health Service is no different in that regard.

The number of appointments we deliver, the kind of services we provide and who is referring to our organisation can be helpful in measuring our operational performance. This data tells our funding partners how their resources are being used, and it can inform us whether we are reaching the right people.

However, this traditional method of reporting – counting what gets delivered; acquitting the resources expended; documenting what services exist – only provides a limited view of our true impact. It does not help us to understand the difference our services make in the lives of the people we help.

Did that course of dental treatment and subsequent oral health advice prevent our patient from experiencing more dental decay? Has our community settlement worker helped that migrant find meaningful work and a safe place to live? Are our alcohol and drug interventions helping people to recover from substance dependence, and take back control of their lives?

Some of our teams already collect this information; others don't yet have the tools to report on client outcomes. What we are working towards is a clear way in which every staff member – regardless of their discipline or program area – can consistently collect client outcome information.

Our aspiration is to establish a comprehensive system that sees:

- our staff given the adequate support (clear procedures and straightforward tools) to report on client outcomes
- our staff consistently collecting information on five key health and wellbeing outcomes
- this information used to inform what we're doing well, and where we need to improve
- an organisational shift in thinking from outputs-focused performance, to quality of outcomes achieved.

First, we must understand what client outcome data we already collect, and what tools we're using to collect it.

Occupational therapist Jessie Wyatt works with children and their families.

In 2019-20 our research and evaluation officer conducted a thorough review of our existing data collection methods and tools. The review involved mapping out the data collected and measurement tools used across our organisation, and compiling these into a 'data dictionary'. The officer then compared our current practices with existing Australian standards and guidelines that aligned with our service offering.

From the review, our research and evaluation officer has proposed ten recommendations. These learnings and recommendations will translate into an action plan, aimed at developing our capacity to report on the following five outcomes:

- improved or maintained physical health
- improved or maintained mental health
- improved or maintained social connection or participation
- improved or maintained functioning
- achievement of a client's or participant's goals.

This is just one step in the multi-year process of enabling our organisation to report on client outcomes. We will spend 2020-21 getting ready to report on these outcomes by executing our action plan.

Our next goal is to make this data publicly available. Not only is this initiative intended to better inform us about our impact, but it is hoped to promote transparency and accountability for the communities we serve.

50

different outcomes currently measured across LCHS

5

health and wellbeing outcomes to be measured consistently

4

preferred tools identified to help staff capture those outcomes

10

recommendations to inform our action plan

Our volunteers

If you were to wander through the corridors of Latrobe Community Health Service, you'd be sure to come across a dedicated volunteer quietly working away.

115
active volunteers

17,842
hours of service

$744,368
monetary value of volunteer contribution

From administration and clerical assistance, driving clients to and from appointments, or preparing meals for our supported social groups, our volunteers play a crucial role in the running of our organisation.

Volunteers not only help us to reach more people sooner, but their contribution means we can continue to invest in free and affordable healthcare.

Many of our volunteers are retired, older than 65 and care for vulnerable loved ones. As such, they and the people they care for are at higher risk of serious complications if they contract COVID-19. We therefore made the tough decision to pause our client-facing volunteer program on 23 March 2020. We did this to protect the health and safety of our volunteers and clients.

In 2019-20, our volunteers contributed 17,842 hours of service, which equates to $744,368 of equivalent financial value.

Planning ahead for safer times

Our volunteers program would not be possible without the support of three volunteer coordinators, who register, train and allocate volunteer roles across the organisation. Our coordinators have been busy checking in on volunteers throughout the COVID-19 pandemic, and exploring new ways to connect volunteers with people who are receiving palliative care treatment and support.

The team has also prepared for an expansion of our volunteer transport program, thanks to additional funding through the Federal Government's Commonwealth Home Support Program. This funding will allow us to help more people aged 65 and older get to and from medical appointments and procedures, both in Gippsland and in Melbourne. We have been able to lease three more vehicles for volunteers to use when transporting clients. Our coordinators are also working an additional day each week to coordinate the expanded program.

Our volunteer of 40 years, Joan.

To our volunteers — your dedication and care is invaluable.

Stay healthy, check in on each other and we look forward to welcoming you back when it is safe to do so.

Years of service

40 years
- Joan Leister

25 years
- Karen Cooper

15 years
- Annelie Roberts

10 years
- Kaye Chester
- Ken Findlay
- Gwyneth Jones
- Lyn Watts

5 years
- Richard Kolek
- Shirley Newman
- Rhonda Owen
- Tony Rae
- Les Spark
- Allan Wallwork

Thank you

Thank you to our volunteers, who may not be able to come into our health centres or support vulnerable clients they know and care for, but have continued to support our organisation, and the communities we serve, in other meaningful ways.

One volunteer organised a weekly walk with a client and friend, and made up care packages for other clients. Gestures like these warm our hearts and bring communities together during challenging times.

Find out more: lchs.com.au/volunteer/

Our volunteer coordinators, Michelle, Hayley and Adriana.

Operating & financial review

LATROBE COMMUNITY HEALTH SERVICE LIMITED
AND CONTROLLED ENTITY
ABN: 74 136 502 022
DIRECTORS' REPORT

Your directors present this report on the entity for the financial year ended 30 June 2020.

Directors

The names of each person who has been a director during the year and to the date of this report are:

Judith Walker
Mark Biggs
Carolyne Boothman retired (22/10/2019)
Stephen Howe retired (22/10/2019)
Nathan Voll
Joanne Booth
Placido Cali
Murray Bruce
Stelvio Vido
Bernadette Uzelac appointed (22/10/2019)

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Principal Activities

The principal activity of the entity during the financial year was:

Provision of Community Health Services

Meetings of Directors

During the financial year, 11 meetings of directors were held. Attendances by each director were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Judith Walker	11	11
Mark Biggs	11	11
Carolyne Boothman	3	3
Stephen Howe	3	3
Nathan Voll	11	11
Joanne Booth	11	11
Placido Cali	11	10
Murray Bruce	11	11
Stelvio Vido	11	11
Bernadette Uzelac	8	8

The entity is incorporated under the Australian Charaties and Not-for-profit commission Act 2012 and is a company limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum of $10 each towards meeting any outstanding obligations of the entity. At 30 June 2020, the total amount that members of the entity are liable to contribute if the entity is wound up is $170 (2019: $240).

This directors' report is signed in accordance with a resolution of the Board of Directors.

Director Judith H Walker

Judith Walker

Dated this [day] 8th day of October [month] 2020

AUDITOR'S INDEPENDENCE DECLARATION

UNDER SECTION 60-40 OF THE AUSTRALIAN CHARITIES AND NOT-FOR-PROFITS COMMISSION ACT 2012

To the Directors of Latrobe Community Health Service Ltd

We declare that, to the best of our knowledge and belief, during the year ended 30 June 2020, there have been:

(i) no contraventions of the auditor independence requirements as set out in the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and

(ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Rochelle Wrigglesworth
Director
GippsAudit Pty Ltd

Date: 13 October 2020
Place: Sale

LATROBE COMMUNITY HEALTH SERVICE LIMITED
AND CONTROLLED ENTITY
ABN: 74 136 502 022
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2020

	Note	2020 (Consolidated) $	2019 (Consolidated) $
Revenue	2	109,315,053	110,157,498
Other income	2	7,098,253	7,666,505
Employee benefits expense		(78,139,858)	(70,323,450)
Depreciation and amortisation expense	3	(7,351,702)	(3,383,242)
Interest expense on lease liabilities	3	(442,603)	-
Motor vehicle expenses		(783,940)	(835,712)
Utilities expense		(691,785)	(586,566)
Rental expense		-	(3,588,197)
Staff training and development expenses		(455,725)	(679,492)
Audit, legal and consultancy fees		(946,716)	(670,737)
Marketing expenses		(617,231)	(372,379)
Service agreements		(1,772,381)	(1,488,444)
Contract labour		(2,060,351)	(3,029,019)
Client support services expense		(11,551,656)	(9,560,338)
Doubtful debts expense		(22,006)	(13,618)
Sundry expenses		(9,070,524)	(10,779,641)
Current year surplus before income tax		2,506,828	12,513,169
Income tax expense		-	-
Net current year surplus		2,506,828	12,513,169
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss:			
Equity instrument at FVOCI - fair value change		(178,977)	148,356
Total other comprehensive (losses)/income for the year		(178,977)	148,356
Total comprehensive income for the year		2,327,851	12,661,525

The accompanying notes form part of these financial statements.

LATROBE COMMUNITY HEALTH SERVICE LIMITED
AND CONTROLLED ENTITY
ABN: 74 136 502 022
STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2020

	Note	2020 (Consolidated) $	2019 (Consolidated) $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	14,563,639	7,044,494
Trade and other receivables	5	931,934	1,139,440
Inventories	6	251,037	262,472
Financial assets	8	43,520,311	45,423,719
Other current assets	7	1,456,306	1,757,528
TOTAL CURRENT ASSETS		60,723,227	55,627,653
NON-CURRENT ASSETS			
Property, plant and equipment	9	28,258,199	29,065,303
Right-of-use assets	10	9,842,561	-
TOTAL NON-CURRENT ASSETS		38,100,760	29,065,303
TOTAL ASSETS		98,823,987	84,692,956
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	11	18,988,684	11,930,796
Employee provisions	12	9,562,415	7,364,842
Lease liabilities	13	3,778,499	-
TOTAL CURRENT LIABILITIES		32,329,598	19,295,637
NON-CURRENT LIABILITIES			
Lease liabilities	13	6,413,115	-
Employee provisions	12	2,988,938	2,444,329
TOTAL NON-CURRENT LIABILITIES		9,402,053	2,444,329
TOTAL LIABILITIES		41,731,651	21,739,966
NET ASSETS		57,092,336	62,952,990
EQUITY			
Retained surplus		45,035,532	45,084,589
Reserves		12,056,804	17,868,402
TOTAL EQUITY		57,092,336	62,952,990

The accompanying notes form part of these financial statements.

LATROBE COMMUNITY HEALTH SERVICE LIMITED
AND CONTROLLED ENTITY
ABN: 74 136 502 022
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2020

CONSOLIDATED

	Retained Surplus	Asset revaluation reserve	Capital reserve	Community projects reserve	General reserve	Equity FVOCI Reserve	Total
	$	$	$	$	$	$	$
Balance at 1 July 2018	38,771,177	486,486	2,716,678	2,000,000	6,419,488	45,991	50,439,821
Comprehensive Income							
Surplus for the year	12,513,169						12,513,169
Total other comprehensive income	12,513,169	-	-	-	-	-	12,513,169
Other transfers							
Transfers to/(from) capital reserve	(2,387,390)		2,387,390				-
Transfers to/(from) community projects reserve	1,000,000			(1,000,000)			-
Transfers to/(from) general reserve	(4,664,013)				4,664,013		-
Equity investments FVOCI - Fair value change	(148,356)					148,356	-
Total other transfers	(6,199,759)	-	2,387,390	(1,000,000)	4,664,013	148,356	-
Balance at 30 June 2019	45,084,588	486,486	5,104,068	1,000,000	11,083,501	194,347	62,952,990
Balance at 1 July 2019	45,084,588	486,486	5,104,068	1,000,000	11,083,501	194,347	62,952,990
Cumulative adjustment upon adoption of new accounting standards - AASB 16 and AASB 1058	(8,188,506)						(8,188,506)
Balance at 1 July 2019 (restated)	36,896,082	486,486	5,104,068	1,000,000	11,083,501	194,347	54,764,484
Comprehensive Income							
Surplus for the year	2,506,828						2,506,828
Total other comprehensive income	39,402,910	-	-	-	-	-	39,402,910
Other transfers							
Transfers to/(from) capital reserve	(21,355)		21,355				-
Transfers to/(from) community projects reserve	(500,000)			500,000			-
Transfers to/(from) general reserve	6,153,976				(6,153,976)		-
Equity investments FVOCI - Fair value change						(178,977)	(178,977)
Total other transfers	5,632,622	486,486	5,125,422	1,500,000	4,929,525	15,370	-
Balance at 30 June 2020	45,035,532	486,486	5,125,422	1,500,000	4,929,525	15,370	57,092,336

For a description of each reserve, refer to Note 21.

The accompanying notes form part of these financial statements.

LATROBE COMMUNITY HEALTH SERVICE LIMITED
AND CONTROLLED ENTITY
ABN: 74 136 502 022
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2020

	Note	2020 (Consolidated) $	2019 (Consolidated) $
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from grants and other income		114,036,930	116,807,848
Payments to suppliers and employees		(103,535,132)	(96,442,430)
Interest received		1,186,556	1,175,336
Interest paid		-	-
Net cash generated from operating activities	17	11,688,354	21,540,754
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		1,073,250	355,143
Payment for property, plant and equipment		(3,454,791)	(5,037,424)
Payment for held-to-maturity investments		1,724,431	(19,311,339)
Receipts from capital grants		-	90,282
Net cash used in investing activities		(657,110)	(23,903,338)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of lease liabilities		(3,512,099)	-
Net cash used in financing activities		(3,512,099)	-
Net increase in cash held		7,519,145	(2,362,584)
Cash on hand at beginning of the financial year		7,044,494	9,407,078
Cash on hand at end of the financial year	4	14,563,639	7,044,494

The accompanying notes form part of these financial statements.

Note 1 Summary of Significant Accounting Policies

The financial report includes the consolidated financial statements of LCHS and Latrobe CHS nominees Pty Ltd. (controlled entity). Latrobe CHS Nominees Pty Ltd does not have any financial transactions as it is not yet operational.

Basis of Preparation

Latrobe Community Health Service applies Australian Accounting Standards – Reduced Disclosure Requirements as set out in AASB 1053: Application of Tiers of Australian Accounting Standards.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Board (AASB) and the Australian Charities and Not-for-profits Commission Act 2012. The entity is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements, except for the cash flow information, have been prepared on an accrual basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar. The accounts have been prepared on a going concern basis.

The financial statements were authorised for issue on 24 September 2020 by the directors of the company.

Accounting Policies

Principles of consolidation

Consolidation is the incorporation of the assets and liabilities of the Parent and all subsidiaries as at the reporting date and the results of the Parent and all subsidiaries for the year then ended as if they had operated as a single entity. The balances and effects of intragroup transactions are eliminated from the consolidation. Subsidiaries are those entities controlled by the Parent. An investor controls an investee if and only if the investor has power over the investee; exposure, or rights, to variable returns from its involvement with the investee; and the ability to use its power over the investee to affect the amount of the investor's returns. Where an entity either began or ceased to be controlled during a financial reporting year, the results are included only from the date control commenced or up to the date control ceased. The financial information of all subsidiaries is prepared for consolidation for the same reporting year as the Parent, using consistent accounting policies. The financial statements of entities operating outside Australia that maintain accounting records in accordance with overseas accounting principles are adjusted where necessary to comply with the significant accounting policies of the Consolidated entity. Where a subsidiary is less than wholly owned, the equity interests held by external parties are presented separately as non-controlling interests on the consolidated balance sheet, except where the subsidiary is a trust or similar entity for which the third party interest is presented separately on the consolidated balance sheet as a liability.

(a) Revenue

Revenue recognition

The Company has applied AASB 15: Revenue from Contracts with Customers (AASB 15) and AASB 1058: Income of Not-for Profit Entities (AASB 1058) using the cumulative effective method of initially applying AASB 15 and AASB 1058 as an adjustment to the opening balance of equity at 1 July 2019. Therefore, the comparative information has not been restated and continues to be presented under AASB 118: Revenue and AASB 1004: Contributions. The details of accounting policies under AASB 118 and AASB 1004 are disclosed separately since they are different from those under AASB 15 and AASB 1058, and the impact of changes is disclosed in Note 1.

In the current year

Contributed Assets

The company receives assets from the government and other parties for nil or nominal consideration in order to further its objectives. These assets are recognised in accordance with the recognition requirements of other applicable accounting standards (for example AASB 9, AASB 16, AASB 116 and AASB 138).

On initial recognition of an asset, the company recognises related amounts being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer.

The company recognises income immediately in profit or loss as the difference between initial carrying amount of the asset and the related amounts.

Operating Grants, Donations and Bequests

When the company receives operating grant revenue, donations or bequests, it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance to AASB 15.
When both these conditions are satisfied, the company:

- identifies each performance obligation relating to the grant;
- recognises a contract liability for its obligations under the agreement; and
- recognises revenue as it satisfies its performance obligations.

Where the contract is not enforceable or does not have sufficiently specific performance obligations, the company:

- recognises the asset received in accordance with the recognition requirements of other applicable accounting standards (for example AASB 9. AASB 16, AASB 116 and AASB 138);
- recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer); and
- recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.

If a contract liability is recognised as a related amount above, the company recognises income in profit or loss when or as it satisfies its obligations under the contract.

Capital Grant

When the company receives a capital grant, it recognises a liability for the excess of the initial carrying amount of the financial asset received over any related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer) recognised under other Australian Accounting Standards.

The company recognises income in profit or loss when or as the company satisfies its obligations under terms of the grant.

Interest Income

Interest income is recognised using the effective interest method.

In the comparative period

Non-reciprocal grant revenue is recognised in profit or loss when the company obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the company and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

When grant revenue is received whereby the company incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Latrobe Community Health Service Limited and Controlled Entity receives non-reciprocal contributions of assets from the government and other parties for zero or a nominal value. These assets are recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in profit or loss.

Donations and bequests are recognised as revenue when received.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

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

(b) Inventories

Inventories held for sale are measured at the lower of cost and net realisable value. Inventories held for distribution are measured at cost adjusted, when applicable, for any loss of service potential.

Inventories acquired at no cost, or for nominal consideration, are valued at the current replacement cost as at the date of acquisition.

(c) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated, less, where applicable, accumulated depreciation and any impairment losses.

Freehold Property

Freehold land and buildings are shown at their fair value based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings.

In periods when the freehold land and buildings are not subject to an independent valuation, the directors conduct directors' valuations to ensure the carrying amount for the land and buildings is not materially different to the fair value.

Increases in the carrying amount arising on revaluation of land and buildings are recognised in other comprehensive income and accumulated in the revaluation surplus in equity. Revaluation decreases that offset previous increases of the same class of assets shall be recognised in other comprehensive income under the heading of revaluation surplus. All other decreases are recognised in profit or loss.

Any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Freehold land and buildings that have been contributed at no cost, or for nominal cost, are initially recognised and measured at the fair value of the asset at the date it is acquired.

Plant and Equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(f) for details of impairment).

Plant and equipment that have been contributed at no cost, or for nominal cost, are valued and recognised at the fair value of the asset at the date it is acquired.

Depreciation

The depreciable amount of all fixed assets, including buildings and capitalised lease assets but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the company commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets for the current and prior year are:

Class of Fixed Asset	Depreciation Rate
Buildings	3%
Plant and equipment	5% to 33%
Leased motor vehicles	10% to 20%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss in the period in which they arise. Gains are not classified as revenue. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

(d) Leases

The Company as lessee

At inception of a contract, the Company assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability is recognised by the Company where the Company is a lessee. However all contracts that are classified as short-term leases (lease with remaining lease term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Initially the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Entity uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- lease payments under extension options if lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The right-of-use assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement date as well as any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset whichever is the shortest.

The average lease term is approximately 3 years.

Where a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

(e) Financial Instruments

Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the financial instrument, and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss, which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities are described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and subsequent measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments are classified into the following categories upon initial recognition:

- Amortised cost
- Fair value through profit or loss (FVPL)
- Equity instruments at fair value through other comprehensive income (FVOCI)

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

Classifications are determined by both:

- The company's business model for managing the financial asset
- The contractual cash flow characteristics of the financial assets

Subsequent measurement financial assets

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVPL):

- They are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows
- The contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The company's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments as well as long-term deposits.

Equity instruments at fair value through other comprehensive income (Equity FVOCI)

Investments in equity instruments that are not held for trading are eligible for an irrevocable election at inception to be measured at FVOCI. Under Equity FVOCI, subsequent movements in fair value are recognised in other comprehensive income and are never reclassified to profit or loss. Dividend from these investments continue to be recorded as other income within the profit or loss unless the dividend clearly represents return of capital. This category includes unlisted equity securities – JB Were.

Impairment of Financial assets

AASB 9's impairment requirements use more forward looking information to recognize expected credit losses - the 'expected credit losses (ECL) model'. Instruments within the scope of the new requirements included loans and other debt-type financial assets measured at amortised cost and FVOCI and trade receivables.

The company considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1'); and
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2').

'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date.'12-month expected credit losses' are recognised for the first category while 'lifetime expected credit losses' are recognised for the second category.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Trade and other receivables

The company makes use of a simplified approach in accounting for trade and other receivables records the loss allowance at the amount equal to the expected lifetime credit losses. In using this practical expedient, the company uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

The company assess impairment of trade receivables on a collective basis as they possess credit risk characteristics based on the days past due. The company allows 1% for amounts that are 30 to 60 days past due, 1.5% for amounts that are between 60 and 90 days past due and writes off fully any amounts that are more than 90 days past due.

Classification and measurement of financial liabilities

The company's financial liabilities include borrowings and trade and other payables. Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs. Subsequently, financial liabilities are measured at amortised cost using the effective interest method. All interest-related charges are included within finance costs or finance income.

(f) Impairment of Assets

At the end of each reporting period, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, is compared to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised in profit or loss.

Where the assets are not held primarily for their ability to generate net cash inflows – that is, they are specialised assets held for continuing use of their service capacity – the recoverable amounts are expected to be materially the same as fair value.

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

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

(g) Employee Benefits

Short-term employee benefits

Provision is made for the company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The company's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as part of current trade and other payables in the statement of financial position.

Short term employee benefits also includes annual leave entitlements which are measured at nominal amounts including on costs.

Other long-term employee benefits

The company classifies employees' long service leave entitlements as other long-term employee benefits as they are not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Provision is made for the company's obligation for other long-term employee benefits, which are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on high quality corporate bonds that have maturity dates that approximate the terms of the obligations. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss classified under employee benefits expense.

The company's obligations for long-term employee benefits are presented as non-current liabilities in its statement of financial position, except where the company does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current liabilities.

Retirement benefit obligations

Defined contribution superannuation benefits

All employees of the company receive defined contribution superannuation entitlements, for which the company pays the fixed superannuation guarantee contribution (currently 9.5% of the employee's average ordinary salary) to the employee's superannuation fund of choice. All contributions in respect of employees' defined contribution entitlements are recognised as an expense when they become payable. The company's obligation with respect to employees' defined contribution entitlements is limited to its obligation for any unpaid superannuation guarantee contributions at the end of the reporting period. All obligations for unpaid superannuation guarantee contributions are measured at the (undiscounted) amounts expected to be paid when the obligation is settled and are presented as current liabilities in the company's statement of financial position.

(h) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

(i) Trade and Other Debtors

Trade and other debtors include amounts due from members as well as amounts receivable from customers for goods sold.

Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Accounts receivable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to Note 1(e) for further discussion on the determination of impairment losses.

(j) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

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

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

(k) Income Tax

No provision for income tax has been raised as the company is exempt from income tax under Div 50 of the *Income Tax Assessment Act 1997*.

(l) Provisions

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of reporting period.

(m) Comparative Figures

When required by Accounting Standards comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(n) Critical Accounting Estimates and Judgements

The directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

Key estimates

(i) Valuation of freehold land and buildings

At 30 June 2020 the directors have performed a directors' valuation on the freehold land and buildings. The directors have reviewed the key assumptions adopted by the valuers in 2017 and considered movements in land and construction indices. The Directors do not believe there has been a significant change in the assumptions at 30 June 2020 and therefore believe the carrying amount of the land and buildings correctly reflects the fair value less costs to sell at 30 June 2020. However, due to the impacts of COVID-19, there is some estimation uncertainty regarding the fair values which cannot be qualified as the impacts are unknown.

(ii) Useful lives of property, plant and equipment

As described in Note 1, the Company reviews the estimated useful lives of property, plant and equipment at the end of each annual reporting period.

Key judgements

(i) Performance obligations under AASB 15

To identify a performance obligation under AASB 15, the promise must be sufficiently specific to be able to determine when the obligation is satisfied. Management exercises judgement to determine whether the promise is sufficiently specific by taking into account any conditions specified in the arrangement, explicit or implicit, regarding the promised goods or services. In making this assessment, management includes the nature/ type, cost/ value, quantity and the period of transfer related to the goods or services promised.

Management have assessed its contracts with the National Disability and Insurance Agency and concluded that the contracts have sufficiently specific performance obligations under AASB 15.

(ii) Lease term and Option to Extend under AASB 16

The lease term is defined as the non-cancellable period of a lease together with both periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option; and also periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option. The options that are reasonably going to be exercised is a key management judgement that the company will make. The company determines the likeliness to exercise the options on a lease-by-lease basis looking at various factors such as which assets are strategic and which are key to future strategy of the company.

The company has included any options exercisable in the next 5 years in the lease term.

(iii) Employee benefits

For the purpose of measurement, AASB 119: *Employee Benefits* defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service. As the company expects that most employees will not use all of their annual leave entitlements in the same year in which they are earned or during the 12-month period that follows (despite an informal internal policy that requires annual leave to be used within 18 months), the directors believe that obligations for annual leave entitlements satisfy the definition of other long-term employee benefits and, therefore, are required to be measured at the present value of the expected future payments to be made to employees.

(o) Economic Dependence

Latrobe Community Health Service Ltd. is dependent on the Commonwealth and State Government including the National Disability Insurance Agency for the majority of its revenue used to operate the business. At the date of this report the directors have no reason to believe the Commonwealth and State Government will not continue to support Latrobe Community Health Service Ltd.

(p) Fair Value of Assets and Liabilities

The company measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

"Fair value" is the price the company would receive to sell an asset or would have to pay to transfer a liability in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability). In the absence of such a market, market information is extracted from the most advantageous market available to the company at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the company's own equity instruments (if any) may be valued, where there is no observable market price in relation to the transfer of such financial instrument, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and where significant, are detailed in the respective note to the financial statements.

(q) Rounding

Amounts in the financial report have been rounded to the nearest dollar. Figures in the financial report may not equate due to rounding.

(r) New and Amended Accounting Standards Adopted by the Company

Initial application of AASB 16

The Company has adopted AASB 16: *Leases* retrospectively with the cumulative effect of initially applying AASB 16 recognised at 1 July 2019. In accordance with AASB 16, the comparatives for the 2019 reporting period have not been restated.

The Company has recognised a lease liability and right-of-use asset for all leases (with the exception of short-term and low-value leases) recognised as operating leases under AASB 117: *Leases where the Company is the lessee*.

The lease liabilities are measured at the present value of the remaining lease payments. The Company's incremental borrowing rate as at 1 July 2019 was used to discount the lease payments.

The right-of-use assets for the remaining leases were measured and recognised in the statement of financial position as at 1 July 2019 by taking into consideration the lease liability and prepaid- and accrued lease payments previously recognised as at 1 July 2019 (that are related to the lease).

The following practical expedients have been used by the Company in applying AASB 16 for the first time:

- for a portfolio of leases that have reasonably similar characteristics, a single discount rate has been applied;
- leases that have a remaining lease term of less than 12 months as at 1 July 2019 have been accounted for in the same way as short-term leases;
- hindsight has been used to determine lease terms on contracts that have options to extend or terminate;
- AASB 16 has been applied to leases previously identified as leases under AASB 117 and Interpretation 4: *Determining whether an arrangement contains a lease* without reassessing whether they are, or contain, a lease at the date of initial application; and
- AASB 16 has not been applied to leases previously not identified as containing a lease under AASB 117 and Interpretation 4.

The table below provides details of the significant changes and quantitative impact of these changes on initial date if application 1 July 2019.

Statement of financial position	As presented on 30 June 2019	Application impact of AASB 16	As at 1 July 2019
Non-Current assets			
Right of use asset	-	13,356,337	13,356,337
Current liabilities			
Lease liability	-	3,164,723	3,164,723
Non-Current liabilities			
Lease liability	-	10,191,614	10,191,614

Initial application of AASB 15 and AASB 1058

The Company has elected to apply AASB 1058 retrospectively only to contracts that are not completed contracts at the date of initial application. The adjustment to opening retained surplus on 1 July 2019 was a decrease of $8,188,506 with a corresponding increase in contract liabilities. A classification change occurred which resulted in the deferred income now being classified as contract liability in line with wording used in AASB 15.

The table below provides details of the significant changes and quantitative impact of these changes on initial date if application 1 July 2019.

Statement of financial position	As presented on 30 June 2019	Application impact of AASB 15 and AASB 1058	As at 1 July 2019
Current liabilities			
Deferred income	5,215,598	(5,215,598)	-
Contract liability	-	13,404,104	13,404,104
Equity			
Retained surplus	45,084,589	(8,188,506)	36,896,083

The table below provides details of the significant changes and quantitative impact of the changes as discussed above for the year ended 30 June 2020.

	As presented under previous accounting standard	Application impact of AASB 15 and AASB 1058	As presented under AASB 15 and AASB 1058 as at 30 June 2020
	$	$	$
Revenue	112,367,493	4,045,814	116,413,307

Note 2 Revenue and Other Income

	2020	2019
Revenue	$	$
Revenue from grants		
— Commonwealth government grants – operating	76,983,433	76,300,954
— State government grants	24,514,259	25,269,976
— Other organisations	6,875,603	7,210,443
Total revenue	108,373,295	108,781,373
Other revenue		
— Interest received on investments in government and fixed interest securities	941,758	1,376,125
	941,758	1,376,125
Total revenue	109,315,053	110,157,498
Other income		
— Gain on disposal of property, plant and equipment	301,905	46,437
— Charitable income and fundraising	6,237	12,143
— Capital grants	-	90,282
— Rental income	145,775	202,338
— Other	829,251	946,988
— Client fees	5,815,086	6,368,318
Total other income	7,098,253	7,666,505
Total revenue and other income	116,413,307	117,824,003
Revenue can be summarised as follows:		
Revenue from contracts with customers	114,334,156	
Other revenue	2,079,151	
	116,413,307	

Transaction price allocated to the remaining performance obligation

The table below shows the grant revenue expected to be recouped in the future related to the aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied (partially unsatisfied) at the reporting date as these performance obligations are unlikely to be satisfied.

	2021	Total
	$	$
Revenue from government grants and other grants	4,142,693	4,142,693

Note 3 Expenditure

	2020 $	2019 $
a. Expenses		
Depreciation and amortisation:		
— Buildings and leasehold improvements	1,023,627	963,931
— motor vehicles	620,831	588,773
— furniture and equipment	1,846,093	1,830,537
— leased assets	3,861,152	-
Total depreciation and amortisation	7,351,702	3,383,242
Finance costs:		
— interest expense on lease liabilities	442,603	-
Rental expense on operating leases:		
— minimum lease payments	-	3,588,197
Total rental expense	-	3,588,197

Note 4 Cash and Cash Equivalents

	2020 $	2019 $
CURRENT		
Cash at bank	860,139	840,681
Cash on hand	3,500	3,814
Cash at deposit	13,700,000	6,200,000
	14,563,639	7,044,494

Note 5 Trade and Other Receivables

	2020 $	2019 $
CURRENT		
Trade receivables	740,810	874,297
Consumer fees	246,372	298,384
Provision for impairment	(55,248)	(33,242)
Total current accounts receivable and other debtors	931,934	1,139,440

The company's normal credit term is 30 days.

Note 6 Inventories

	2020	2019
	$	$
CURRENT		
At cost:		
Inventory	251,037	262,472
	251,037	262,472

Note 7 Other Assets

	2020	2019
	$	$
Accrued Income	715,601	891,931
Deposits	-	146,283
Prepayments	740,705	719,313
	1,456,306	1,757,528

Note 8 Financial Assets

	2020	2019
	$	$
CURRENT		
Term deposits with original maturities greater than 3 months	36,724,000	40,000,000
Other financial assets - Investment portfolio - measured at fair value through OCI.	6,796,311	5,423,719
Total current assets	43,520,311	45,423,719

Note 9 Property, Plant and Equipment

	2020 $	2019 $
LAND AND BUILDINGS		
Freehold land at fair value:		
— Directors valuation in 2020	3,031,031	
— Directors valuation in 2019		3,031,031
Total land	3,031,031	3,031,031
Buildings at fair value:		
— Directors valuation in 2020	15,039,261	
— Directors valuation 2019		15,039,262
Less accumulated depreciation	(1,044,299)	(668,313)
Total buildings	13,994,962	14,370,949
Leasehold improvements		
— Leasehold improvements at cost	4,060,142	4,060,142
Less accumulated depreciation	(1,909,711)	(1,262,071)
Total leasehold improvements	2,150,431	2,798,071
Total land and buildings	19,176,424	20,200,051
PLANT AND EQUIPMENT		
Furniture and Equipment		
At cost	20,259,326	18,824,141
(Accumulated depreciation)	(13,930,882)	(12,084,789)
	6,328,444	6,739,351
Motor Vehicles		
At cost	3,412,731	3,256,074
(Accumulated depreciation)	(778,505)	(1,130,173)
	2,634,226	2,125,900
Total plant and equipment	8,962,671	8,865,252
Total property, plant and equipment	28,139,095	29,065,303
Capital work in progress	119,104	-
	28,258,199	29,065,303

Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Land $	Buildings $	Motor Vehicles $	Furniture and Equipment $	Total $
2019					
Balance at the beginning of the year	2,064,840	17,286,584	2,027,241	6,314,920	27,693,585
Additions at cost	966,191	846,367	1,024,886	2,256,995	5,094,439
Disposals			(337,454)	(2,026)	(339,480)
Depreciation expense		(963,931)	(588,773)	(1,830,537)	(3,383,242)
Carrying amount at the end of the year	3,031,031	17,169,020	2,125,900	6,739,351	29,065,303
2020					
Balance at the beginning of the year	3,031,031	17,169,020	2,125,900	6,739,351	29,065,303
Additions at cost			1,900,502	1,435,186	3,335,687
Disposals			(771,345)		(771,345)
Depreciation expense		(1,023,627)	(620,831)	(1,846,093)	(3,490,550)
Carrying amount at the end of the year	3,031,031	16,145,393	2,634,226	6,328,444	28,139,095

Asset Revaluations

The freehold land and buildings were independently valued at 30 June 2017 by Herron Todd White. The valuation resulted in a revaluation decrement of $681,413 for the year ended 30 June 2017 of which $486,293 was written back to the asset revaluation reserve to fully utilise available reserves for the respective asset class and the remaining $195,120 was taken up as an impairment on buildings expense in the statement of profit or loss.

At 30 June 2020 the directors have performed a directors' valuation on the freehold land and buildings. The directors have reviewed the key assumptions adopted by the valuers in 2017 and considered movements in land and construction indices. The Directors do not believe there has been a significant change in the assumptions at 30 June 2020 and therefore believe the carrying amount of the land and buildings correctly reflects the fair value less costs to sell at 30 June 2020. However, due to the impacts of COVID-19, there is some estimation uncertainty regarding the fair values which cannot be qualified as the impact are unknown.

Note 10 Right-of-use assets

The Company's lease portfolio includes motor vehicles and buildings. These leases have an average of 3 years as their lease term.

Options to extend or terminate

The option to extend or terminate are contained in several of the property leases of the Company. These clauses provide the Company opportunities to manage leases in order to align with its strategies. All of the extension or termination options are only exercisable by the Company. The extension options or termination options which were probable to be exercised have been included in the calculation of the right-of-use asset. The company has included any options exercisable in the next 5 years in the lease term.

i) AASB 16 related amounts recognised in the balance sheet

Right-of-use assets	2020
	$
Leased building	13,006,073
Accumulated depreciation	(3,511,098)
	9,494,975
Leased motor vehicles	697,640
Accumulated depreciation	(350,055)
	347,586
Total right-of-use asset	9,842,561

Movements in carrying amounts:

Leased buildings:

Recognised on initial application of AASB 16 (previously classified as operating leases under AASB 117)	13,006,073
Depreciation expense	(3,511,098)
Net carrying amount	9,494,975

Leased motor vehicles:

Recognised on initial application of AASB 16 (previously classified as operating leases under AASB 117)	350,265
Addition to right-of-use asset	347,376
Depreciation expense	(350,055)
Net carrying amount	347,586

ii) AASB 16 related amounts recognised in the statement of profit or loss

	2020
	$
Depreciation charge related to right-of-use assets	3,861,152
Interest expense on lease liabilities	442,603

Note 11 Trade and Other Payables

	Note	2020 $	2019 $
CURRENT			
Trade payables		3,945,347	3,209,337
Deferred income		-	5,215,598
Contract liability		12,132,353	
Other current payables		(119,925)	30,978
GST payable		150,213	149,202
Accrued expenses		2,357,061	1,837,536
Accrued salaries and wages		523,635	1,488,146
	11a	18,988,684	11,930,796

		2020 $	2019 $
a Financial liabilities at amortised cost classified as accounts payable and other payables			
Accounts payable and other payables:			
— Total current		18,988,684	11,930,796
		18,988,684	11,930,796
Less deferred income		-	(5,215,598)
Less contract liability		(12,132,353)	-
Less other payables (net amount of GST payable)		(150,213)	(149,202)
Financial liabilities as trade and other payables	19	6,706,118	6,565,996

b Contract liabilities

	2020 $
Balance at the beginning of the year	-
Initial application of AASB 15	8,188,506
Reclassified from deferred income on initial application of AASB 15	5,215,598
Funding repaid during year	(7,505,006)
Additions:	
— Grants for which performance obligations will only be satisfied in subsequent years.	6,233,255
	12,132,353

If grants are enforceable and have sufficiently specific performance obligations in accordance with AASB 15, the amount received at that point in time, is recognised as a contract liability until the performance obligations have been satisfied.

Note 12 Provisions

	2020	2019
CURRENT	$	$
Provision for employee benefits: annual leave	6,191,910	4,550,489
Provision for employee benefits: long service leave	3,370,505	2,814,353
	9,562,415	7,364,842
NON-CURRENT		
Provision for employee benefits: long service leave	2,988,938	2,444,329
	2,988,938	2,444,329
	12,551,353	9,809,171

Analysis of total provisions:

Opening balance at 1 July 2019	9,809,171
Additional provisions raised during the year	10,677,708
Amounts used	(7,935,526)
Balance at 30 June 2020	12,551,353

Note 13 Leasing liabilities

(a) Right of use leases

	2020	2019
Payable – minimum lease payments:	$	$
— not later than 12 months	4,087,881	-
— between 12 months and five years	6,706,737	-
— later than five years	-	-
Minimum lease payments	10,794,618	-
Less future finance charges	(603,004)	-
Present value of minimum lease payments	10,191,614	-

Reconciled to:	
Current lease liability	3,778,499
Non current lease liability	6,413,115
	10,191,614

(b) Operating Lease Commitments

Non-cancellable operating leases contracted for but not capitalised in the financial statements

	2020	2019
Payable – minimum lease payments	$	$
— not later than 12 months	-	3,288,311
— between 12 months and five years	-	4,949,779
— later than five years	-	503,346
	-	8,741,436

Note 14 Contingent Liabilities and Contigent Assets

There were no contingent liabilities or assets as at the reporting date (2019: Nil)

Note 15 Events After the Reporting Period

Other than the following, the directors are not aware of any significant events since the end of the reporting period.

During 2019/20 Latrobe Community Health Service Ltd. (LCHS) reached an agreement with Link Health & Community Ltd. (Link HC) for Link HC to be merged into LCHS. The merger is to be implemented by way of Link HC transferring its assets and its business to LCHS, subject to the assumed liabilities also being transferred.

The merger date is 1 July 2020 and the process of finalising the transfer and the merger commenced on that date.

Note 16 Key Management Personnel Compensation

Key Management Personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the company directly or indirectly, including any director (whether executive or otherwise) is considered key management personnel (KMP). KMP consists of the Board, CEO and Executives.

The totals of remuneration paid to KMP of the company during the year are as follows:

	2020	2019
	$	$
Key management personnel compensation:	1,604,915	1,466,052

Note 17 Key Cash Flow Information

Reconciliation of Cash Flows from Operating Activities with Net Current Year Surplus		
Net current year surplus	2,506,828	12,513,169
Less capital income	-	(90,282)
Non-cash flows:		
Depreciation and amortisation expense	7,351,702	3,383,242
Gain on disposal of property, plant and equipment	(301,905)	(46,437)
Doubtful debts expense	22,006	13,618
Changes in assets and liabilities:		
(Increase)/decrease in trade and other receivables	185,500	(116,593)
Increase/(decrease) in trade and other payables	(1,130,616)	1,890,948
(Increase)/decrease in other assets	301,222	1,934,642
Increase/(decrease) in provisions	2,742,182	2,114,941
(Increase)/decrease in inventories on hand	11,435	(56,494)
	11,688,354	21,540,754

Note 18 Other Related Party Transactions

Board Member	Related Parties
Mark Biggs	Lyrebird Village Aged Care
Murray Bruce	Gippsland Primary Health Network
Joanne Booth	East Gippsland Water
Ben Leigh	Latrobe Health Assembly

During the year revenue of $1,237,840 was received from Gippsland Primary Health Network.

During the year $1,008 was paid to East Gippsland Water and $8,236 to Lyrebird Village Aged Care.

All transactions with related parties are per normal commercial terms and conditions.

Note 19 Financial Risk Management

The company's financial instruments consist mainly of deposits with banks, local money market instruments, short-term and long-term investments, accounts receivable and payable, and lease liabilities.

The totals for each category of financial instruments, measured in accordance with AASB 9: *Financial Instruments* as detailed in the accounting policies to these financial statements, are as follows:

	Note	2020 $	2019 $
Financial assets			
— cash and cash equivalents	4	14,563,639	7,044,494
— trade and other receivables	5	931,934	1,139,440
— Financial assets	8	43,520,311	45,423,719
— Other assets	7	715,601	1,038,214
Total financial assets		59,731,485	54,645,867
Financial liabilities			
Financial liabilities at amortised cost:			
— trade and other payables	11a	6,706,118	6,565,996
— lease liabilities		10,191,614	-
Total financial liabilities		16,897,732	6,565,996

Note 20 Fair Value Measurements

The company measures and recognises the following assets and liabilities at fair value on a recurring basis after initial recognition:

- financial assets at fair value through profit or loss;
- financial assets at fair value through other comprehensive income; and
- freehold land and buildings.

The company does not subsequently measure any liabilities at fair value on a recurring basis, or any assets or liabilities at fair value on a non-recurring basis.

Valuation techniques

The company selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the company are consistent with one or more of the following valuation approaches:

- the market approach, which uses prices and other relevant information generated by market transactions for identical or similar assets or liabilities;
- the income approach, which converts estimated future cash flows or income and expenses into a single discounted present value; and
- the cost approach, which reflects the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the company gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

		2020	2019
Recurring fair value measurements	**Note**	$	$
Financial assets			
Term deposits with original maturities greater than 3 months	8	36,724,000	40,000,000
Investment portfolio - measured at fair value through OCI (i)	8	6,796,311	5,423,719
		43,520,311	45,423,719
Property, plant and equipment			
Freehold land (ii)	9	3,031,031	3,031,031
Freehold buildings (ii)	9	13,994,962	14,370,949
		17,025,993	17,401,980

(i) For investments in listed shares, the fair values have been determined based on closing quoted bid prices at the end of the reporting period.

(ii) For freehold land and buildings, the fair values are based on a directors' valuation taking into account an external independent valuation performed in the previous year, which used comparable market data for similar properties.

Note 21 Reserves

(a) Asset Revaluation Reserve

The Asset Revaluation Reserve records the revaluations of non-current assets (land and buildings)

(b) Capital reserve

The Capital Reserve records funds allocated to Capital projects.

(c) Community Projects Reserve

The Community Projects Reserve records funds allocated to future Board initiatives and community Projects.

(d) General Reserve

The General Reserve records funds allocated to deliver programs to the community.

(e) Equity Fair Value through Other Comprehensive Income (Equity FVOCI)

This reserve records movements in share prices.

Note 22 Company Details

The registered office of the company is:

Latrobe Community Health Service Limited and Controlled Entity
81-87 Buckley Street
Morwell
Victoria

The principal place of business is:

Latrobe Community Health Service Limited and Controlled Entity
81-87 Buckley Street
Morwell
Victoria

Note 23 Members' Guarantee

The company is incorporated under the Australian Charities and Not-for-profit Commission Act 2012 and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of $10 towards meeting any outstanding obligations of the company. At 30 June 2020 the number of members was 17.

Note 24 Impact of COVID-19

The Covid-19 pandemic has not had a significant impact on our financial arrangements. Some programs had restrictions placed on the services they provide, and others could not continue to be delivered in their usual manner. Latrobe Community Health Service has seen this as an opportunity to innovate around our service delivery methods, and in the use of technology. As a result almost all clients have continued to receive services throughout. There has been the requirement to provide additional PPE to employees and to enhance infection control infrastructure at our sites, however these costs have been immaterial.

LATROBE COMMUNITY HEALTH SERVICE LIMITED
AND CONTROLLED ENTITY
ABN: 74 136 502 022
DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Latrobe Community Health Service Limited And Controlled Entity, the directors of the entity declare that:

1. The financial statements and notes, as set out on pages 2 to 21, are in accordance with the Australian Charities and Not-for-profits Commission Act 2012 and:

   (a) comply with Australian Accounting Standards - Reduced Disclosure Requirements; and

   (b) give a true and fair view of the financial position of the consolidated group as at 30 June 2020 and of its performance for the year ended on that date.

2. There are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with subs 60.15(2) of the Australian Charities and Not-for-profits Commission Regulation 2013.

Director Judith H Walker

Judith Walker

Dated this [day] 8th day of October [month] 2020

INDEPENDENT AUDITOR'S REPORT

To the Members of Latrobe Community Health Service Limited

Opinion

We have audited the accompanying financial report of Latrobe Community Health Service Limited and Controlled Entity ("the Group"), which comprises the statement of financial position as at 30 June 2020, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and directors' declaration.

In our opinion, the financial report of Latrobe Community Health Service Limited and Controlled Entity is in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* including:

(i) giving a true and fair view of the Group's financial position as at 30 June 2020 and of its performance for the year ended on that date; and

(ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Regulation 2013.*

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Australian Charities and Not-for-profits Commission Act 2012*, which has been given to the directors of the Group, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Directors for the Financial Report

The directors of the Group are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Act 2012,* and for such internal control as the directors determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group'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 the directors either intend to liquidate the group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives 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 our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 the financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We 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 our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

AUDIT & ADVISORY

- 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.

Rochelle Wrigglesworth
Director
GippsAudit Pty Ltd

Date: 8 October 2020
Place: Sale

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Latrobe Community Health Service ABN: 74 136 502 022