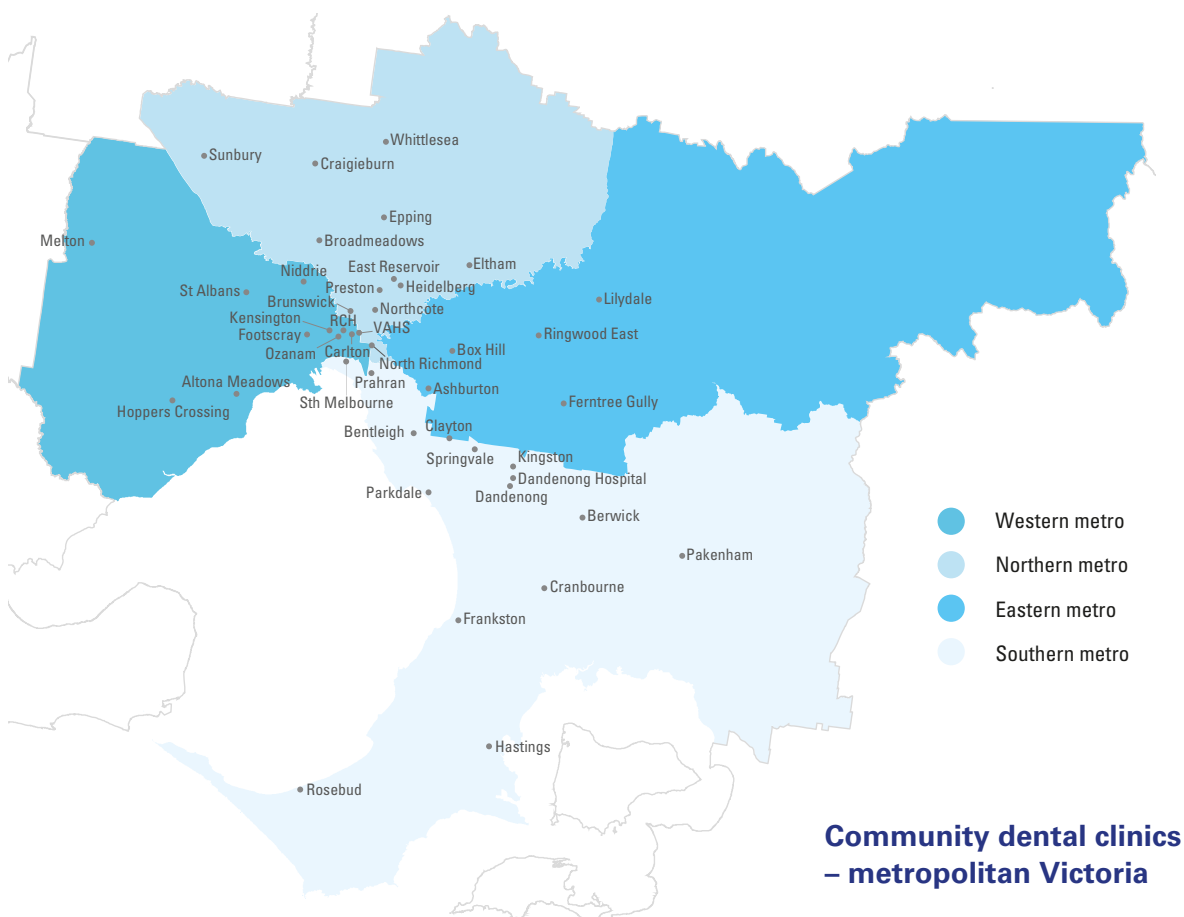
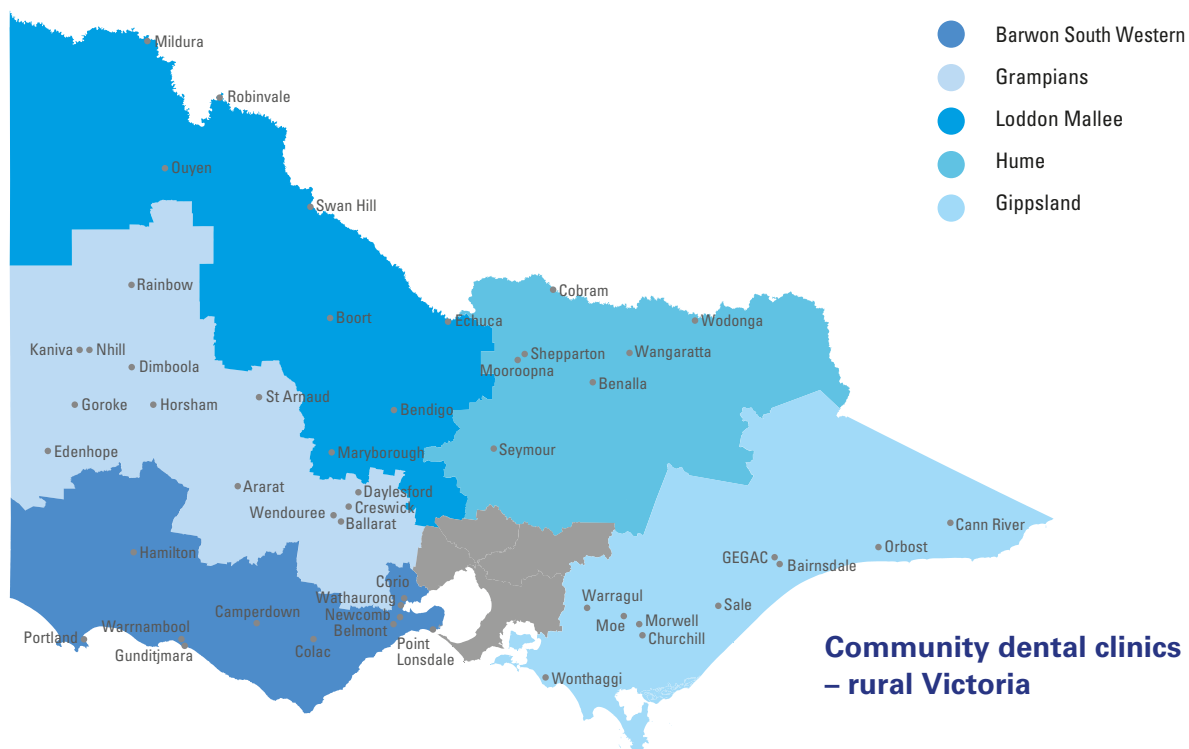




dental health  
services victoria  
oral health for better health

# DENTAL HEALTH SERVICES VICTORIA

**ANNUAL REPORT**  
2022–23



## ACKNOWLEDGEMENT

In the spirit of reconciliation, DHSV acknowledges the Traditional Custodians of Country throughout Australia and their connections to land, sea, and community. We pay our respect to their elders past and present and extend that respect to all Aboriginal and Torres Strait Islander peoples today.

# DENTAL HEALTH SERVICES VICTORIA

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Dental Health Services Victoria (DHSV) is the lead public oral health agency in Victoria. We aim to improve the oral health of all Victorians, particularly vulnerable groups and those most in need.

DHSV was established in 1996 and is funded by the Victorian Government to provide and purchase clinical dental services for eligible Victorians; and improve the planning, integration, coordination, and management of Victoria's public dental services.

We provide Victorians with quality oral healthcare through the Royal Dental Hospital of Melbourne (RDHM) and by purchasing dental services for clients from more than 50 community dental agencies throughout Victoria.

Our aim is to add value to the relationships we have with all agencies to provide support in the provision of oral health services to as many eligible people as possible.

Responsible to the Victorian Minister for Health, DHSV is a public health service which employs 623 staff who work to an agreed Statement of Priorities. As trusted advisors in public oral health policy, program delivery, and guideline development, we aim to lead the improvement of oral health across Victoria.

DHSV was established under the Health Services Act 1988. The responsible Minister for Health during the reporting period was Mary-Anne Thomas MP. DHSV acknowledges the ongoing support of the Victorian Government.

## Our mission

To deliver the world's best oral and dental healthcare

## Our vision

A future where every Victorian is disease and cavity-free

## Our values

### Respect

Act with respect towards every person or idea we encounter

### Accountable

Be accountable to the people we care for and those we work with

### Collaboration

Embrace collaboration with all partners that help us achieve our goals

### Transform

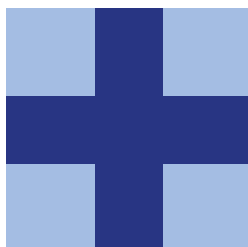
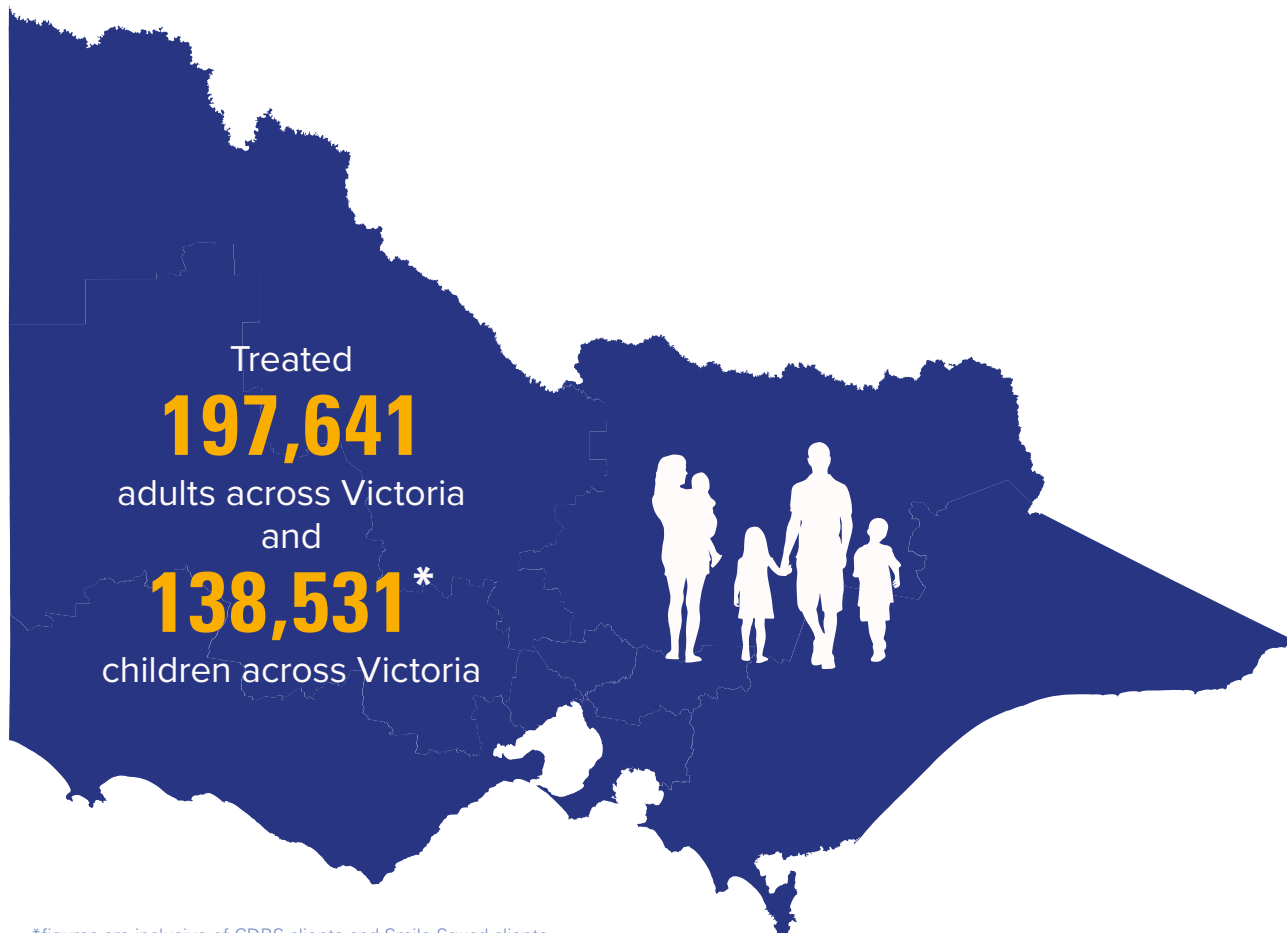
Transform ourselves and our organisation to achieve better health outcomes

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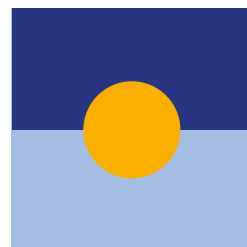
Where the term 'Aboriginal' is used it refers to both Aboriginal and Torres Strait Islander peoples. Indigenous is retained when it is part of the title of a report, program, or quotation.

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# HIGHLIGHTS



**116,410**  
people received emergency  
care across the state



**14,403**  
Aboriginal people were  
treated statewide



**598**

people received early  
childhood oral health training



**87**

staff members trained in  
Front Line Adapted  
Communication



Smile Squad distributed  
more than

**315,000**

dental packs to students



Smiles 4 Miles reached  
more than

**60,000**

children



**13,366**

refugees and people seeking  
asylum received treatment  
statewide



**322**

staff and students received  
training to respond to family  
violence

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We apply the Victorian public sector values of responsiveness, integrity, impartiality, accountability, respect, leadership and human rights.

In accordance with the Financial Management Act 1994,  
I am pleased to present the Report of Operations for  
Dental Health Services Victoria for the year ending  
30 June 2023.



David Stevenson  
Chair, Board of Directors  
Dental Health Services Victoria Carlton VIC

**31 August 2023**

Consistent with the DataVic Access Policy issued by the  
Victorian Government in 2012, the information included  
in this Annual Report will be available at  
[www.data.vic.gov.au](http://www.data.vic.gov.au) in machine readable format.



# FROM THE BOARD CHAIR AND CEO



We are pleased to present the Dental Health Services Victoria (DHSV) Annual Report for 2022–23. At DHSV, we have an ambitious goal – to create a Victoria that is disease and cavity-free. During the year, we made substantial progress towards our vision by adopting a life course approach and centring our efforts around three key themes – empower, care and lead.

Aligned with our preventative approach, the ‘empower’ pillar focuses on supporting people to prioritise their oral health at home. We continued to partner with the health, education, early childhood, and community sectors to help families eat well, drink well and clean well.

Our acclaimed Smiles for Miles oral health promotion program reached 60,657 preschool children and our Healthy Families, Healthy Smiles program provided professional development to 379 practitioners across maternal, early childhood and Aboriginal health settings, enabling them to support oral health for pregnant women and young children.

Under our ‘care’ pillar, we focused on providing world-class oral and dental care at the Royal Dental Hospital of Melbourne (RDHM) and via more than 50 community dental agencies across the state. Our care is designed to be evidence-based, compassionate, culturally affirming and built around the principles of value-based healthcare – a philosophy that focuses on improving the health outcomes that matter to patients in the most cost-efficient way.

Due to less pandemic-related disruptions as well as a raft of new initiatives, we were able to provide care to 336,172 Victorians – an increase of 16 per cent compared to the previous year. This included a 28 per cent increase in the number of children treated across the state and a 46 per cent increase in people accessing oral surgery at the hospital.

Demonstrating our continued commitment to improve the oral health of at-risk communities and those experiencing disadvantage, we provided priority access to children and young people, refugees and asylum seekers, Aboriginal and Torres Strait Islander people, homeless individuals, pregnant women, and individuals registered with mental health or disability services. In 2022–23, priority groups receiving care increased by an impressive 27 per cent including a 34 per cent increase in the number of Aboriginal people accessing care at the hospital and a 47 per cent increase in the number of refugees and asylum seekers treated at our community dental agencies.

Thanks to the ongoing support of the Victorian Government and our community dental agencies, we were able to make oral healthcare more accessible and affordable for families via the Smile Squad school dental program. We continued the statewide rollout of Smile Squad and provided free care to 454 schools and 38,109

primary and secondary school students with a focus on prevention and early intervention of oral disease. With the support of the Department of Health, we are establishing specialised dental hubs in the Bendigo, Geelong, and Latrobe Valley regions so that children can access free specialised dental care closer to home.

Under our ‘lead’ pillar, we made considerable progress in improving the oral health system. We have forged and strengthened partnerships to expand our reach and impact, developed evidence-based healthcare practices, and collaborated with our esteemed university partners to train a new generation of oral health professionals.

At RDHM we initiated ‘Operation Lighthouse’, a transformation program that will reinforce the hospital’s standing as the leading teaching and training environment and a centre for oral health excellence. We also proudly launched three new scholarships including the CEO Professional Development Scholarship, the Women and Leadership Scholarship and the Colin Riley Scholarship to help staff advance their skills and diversify their experience.

We are immensely grateful to all the dedicated and hardworking staff across the public oral health sector. Our new Workforce Strategy will support the growth of this essential workforce by attracting more oral health professionals to the public sector. Workforce shortages continue to present significant challenges so we continue to build the oral health workforce by creating new training and professional development opportunities and fostering partnerships.

It is impossible to encapsulate all our 2022–23 highlights on a page, so we hope you enjoy reading about them in detail throughout this annual report.

We could not have achieved any of this without the guidance and support of the Minister for Health, the Department of Health, the DHSV Board and subcommittees, our community dental agencies, university partners, patients, staff, and contractors as well as our oral health advocates across health, education, early childhood, diversity, and cultural advancement.

We have experienced a year of remarkable growth through valued partnerships. Thank you to every person and organisation that made it happen.

A handwritten signature in dark ink, appearing to read 'D Stevenson'.

**David Stevenson**  
Board Chair

A handwritten signature in dark ink, appearing to read 'Susan McKee'.

**Susan McKee**  
Chief Executive Officer  
(CEO)

# YEAR IN REVIEW: REPORT OF OPERATIONS

## SMILE SQUAD SCHOOL DENTAL PROGRAM

Smile Squad continued its statewide rollout this year, offering free dental care to all Victorian government school students with a focus on prevention and early detection.

Smile Squad is the Victorian Government's free school dental program. It provides Victorian government primary and secondary school students with free, high quality oral health care, saving families valuable time and money.

DHSV is responsible for leading and managing Smile Squad service delivery through partnerships with community dental agencies across the state. Continued program development is being led by DHSV and the Department of Health in partnership with the Department of Education.

Smile Squad provides a unique opportunity to reduce the burden of oral disease across Victoria, supporting students to enjoy the benefits of good oral health. Smile Squad believes children and young people should be free to learn and play without dental disease negatively impacting their eating, sleeping, or ability to concentrate.

With a strong focus on education and prevention, Smile Squad empowers students with the tools and knowledge they need to eat well, drink well and clean well – for life.

### Reaching all four corners of the state

Every Victorian government primary and secondary school has now been invited to participate in the program.

This year saw Smile Squad able to offer unrestricted service delivery across the state, for the first time in more than two years.

In August 2022, the Victorian Government announced the establishment of three regional hubs in Bendigo, Geelong, and Latrobe Valley regions, enabling children in regional Victoria to access specialist dental care closer to home.

The hubs will offer a range of specialised dental care for children in all specialist disciplines, except orthodontic treatment. Children can be referred to these new services through the Smile Squad program.

### Key activities

- All Victorian government primary and secondary schools have now been invited to participate in Smile Squad.
- Reviewed and adjusted the current service delivery model to ensure it continues to meet the needs of the community.
- DHSV recruited four regional service delivery teams. The teams supervise and coordinate student clinical placements, support agencies to provide services as efficiently and effectively as possible, and service small schools, predominantly in remote areas.
- Established the Specialised Care Program which will enable students to receive treatment through a network of public and private specialists, including at the three regional hubs.
- Developed and delivered the Smile Squad electronic consent form to make providing consent for services easier for families and ease the administrative burden for agencies.
- Created four in depth electronic learning (eLearning) modules to support clinical teams to provide Smile Squad services.
- Procured an additional 10 treatment vans for the Smile Squad fleet.
- Partnered with Cool Australia to develop free, curriculum-aligned, and teacher-approved lesson plans with an oral health theme for use in schools.
- Engaged with the University of Melbourne, La Trobe University and Holmesglen/Charles Sturt University to provide clinical placements for 114 oral health students.

### Key statistics

- 454 schools received a visit
- more than 38,000 students received an examination in 61,745 visits
- more than 315,000 dental packs were distributed to students
- fluoride varnish was provided to more than 25,108 students
- fissure sealants were provided to more than 10,583 students
- 32 agencies provided Smile Squad services.



## IMPROVING HEALTHCARE DELIVERY

DHSV is committed to delivering leading, world-class healthcare to empower all Victorians to improve their oral health.



### Operation Lighthouse

The appointment of a new General Manager to the Royal Dental Hospital of Melbourne (RDHM) supports the hospital to provide world class care in a positive, forward-thinking, and supportive environment. Central to this appointment is operationalising key activities from our Strategic Direction and finding opportunities to redesign the way we deliver care.

Our goal is for RDHM to become the 'beacon on the hill' as the leading teaching and training environment as well as a centre for oral health excellence. Operation Lighthouse is the foundational plan to improve the operational performance of RDHM.

We facilitated a series of workshops for clinical staff to explore what is working well and address areas for improvement. The core of this work forms the basis for Operation Lighthouse, which is designed around four key pillars:

1. Operational excellence: getting the foundations right and maximising patient throughput.
2. Workforce: building a sustainable workforce for now and the future.
3. Service planning and models of care: meet current and future demand.
4. University partnerships: strengthen the relationship with universities to deliver high quality teaching outcomes.

To support this body of work, we have recruited a transformation team who will partner with business leaders to deliver these initiatives and consult with our staff and consumers to support the co-design of RDHM solutions.

#### Key activities

- Patient Scheduling Redesign project: Work has commenced to review and redesign patient appointment scheduling, including stakeholder

consultation, mapping current processes, and engaging consumers in focus groups. The aim of this project is to improve patient access to care, reduce waiting times, eliminate system inefficiencies, streamline end-to-end processes, and improve the overall patient experience.

- Productive Operating Theatre project: A comprehensive review and redesign of the operational processes and patient journey through the Day Surgery Unit is underway. The initial consultation session with the Day Surgery Unit staff took place in June 2023. The Productive Operating Theatre project is an initiative of the National Health Service England and comprises a modular program to support the development of high-performing theatre teams, with the aim of improving the quality and safety of surgical services to achieve meaningful improvements in patient and staff experience.

### Electronic Oral Health Record

The Electronic Oral Health Record (EOHR) project will transition Victoria's public oral health system to a single statewide oral health patient record and identifier. Each of the community dental agencies currently has their own individual instance of the Titanium Legacy clinical management application. The EOHR project will consolidate each of these different versions into a single, consistent instance of Titanium Unity.

All patients migrated onto Titanium Unity will be merged chronologically into a single patient oral health record, which will enable efficient and coordinated care and provide clinicians with the most up-to-date clinical information for a patient at the point of care.

#### Key activities

- DHSV has contracted Titanium Solutions to deliver the statewide Titanium Unity application.
- Statewide workflows have been standardised and streamlined to provide a consistent user experience across agencies and ensure that coordinated patient care is achieved.
- The EOHR project team has consulted widely with stakeholders to ensure a smooth rollout of the Titanium Unity application.
- DHSV's Information Communication and Technology department has delivered a highly scalable, flexible, and secure platform to enable community dental agencies to access Titanium Unity.

The project is funded by the Department of Health and supports the capability of Victoria's public oral health digital records management system.



## Victorian Adult Oral Health Service Delivery Model

We continued our work on the Victorian Adult Oral Health Service Delivery Model which aims to improve health outcomes for adult clients and reduce the wait list. We are collaborating with community dental agencies across the state to embed the principles of value-based healthcare in the delivery of oral health services.

### Key activities

During this reporting period, we:

- prioritised clients for access to care based on population and individual risk factors
- delivered preventive interventions while clients wait for active clinical care, including disease stabilisation prior to definitive care
- ensured continuous care for clients by merging the general and denture wait lists
- enabled a shift to outcomes-based funding over time by measuring patient reported outcomes
- shifted to increased high-value preventive care and reduced low-value definitive care and unwarranted variation.

## Culturally responsive care

The Aboriginal Liaison Officer role plays a critical role by providing culturally safe and supportive care for Aboriginal and Torres Strait Islander patients and their families accessing oral health services at RDHM. The Aboriginal Liaison Officer acts as an advocate for Aboriginal and Torres Strait Islander patients and empowers them to navigate the hospital system and make informed decisions about oral health.

The Aboriginal Community Development Lead (ACDL) is a new role that drives DHSV's commitment to achieve and sustain better oral health outcomes for all Aboriginal and Torres Strait Islander peoples in Victoria. This role works closely with Aboriginal Community Controlled

Organisations, Aboriginal and Torres Strait Islander communities, community dental agencies, and the broader sector to improve oral health outcomes. This role is shared between DHSV and the Victorian Aboriginal Community Controlled Health Organisation Inc (VACCHO) and plays a key role in strengthening partnerships with the Aboriginal community and improving the staff experience. The ACDL is also integral to the progression and implementation of DHSV's Reconciliation Action Plan.

## DHSV Aboriginal and Torres Strait Islander Cultural Protocols Guide

In March 2023, we launched our new Aboriginal and Torres Strait Islander Cultural Protocols Guide. The new resource provides staff with practical guidelines for culturally appropriate behaviour when engaging with Indigenous patients, visitors, and communities across the state.

The guide covers a range of key cultural issues and was developed to assist staff to build and strengthen relationships, improve communication, and develop a richer understanding and respect for the culture of Aboriginal communities.

The Cultural Protocols Guide was developed in consultation with the Reconciliation Action Plan Working Group. The protocols also include information on the work DHSV is doing as an organisation to enhance cultural safety and improve oral health outcomes for First Nations people.

## Improved patient access pathways

We continue to leverage technology to enhance patient care, improve operational efficiency, and ensure data security and privacy.

### Key activities

- Patient Services introduced DHSV Webchat to provide an additional platform for consumer correspondence, which is available to the public on our website. Consumers can initiate a live chat to engage directly with staff from Patient Services, providing a safe and secure service for our clients who prefer not to or cannot talk on a phone.
- A telehealth online appointment calendar was developed to empower consumers to schedule their own telehealth appointments via the website. The introduction of the calendar has resulted in a significant increase in the use of the service.
- Patient Services introduced the eTray referrals portal to support community dental agencies to efficiently refer patients to DHSV. The multi-factor information platform allows users to send secure, end-to-end communications that protect sensitive patient information.
- A new statewide Interactive Voice Response service was implemented to enhance the patient experience and manage increased call volume.
- The digitisation of the paper-based patient medical history questionnaire form helps us to enhance data security and reduce the environmental impact of printing and mailing paper forms to patients.
- We have improved public access to patient information by enabling 'release of patient information' requests to be made via our online digital platform.

## New service improvements

Health Informatics integrates the business intelligence, data, analytics, research, and evaluation arms of the organisation and supports DHSV to make robust, evidence-based, data-driven decisions.

### Key activities

- The development of the Patient Reported Experience Measures dashboard to capture real-time patient feedback on their self-reported service and care experience, and the implementation of a centralised cloud platform to capture statewide Patient Reported Experience Measures.
- Undertaken major data modelling for the Department of Health on funding and pricing review of Victorian public dental services.
- Papers included in a range of peer reviewed journals on DHSV's core initiatives, including teledentistry, clinical and population oral health, and coordinating the update of oral health promotion evidence-based resources for the Department of Health.



## Capital works project

As part of the \$13 million capital works project fully funded by the Department of Health, we continue to improve our spaces and infrastructure for patients and staff. This is a significant investment that has allowed us to enhance existing spaces, create better organisational efficiencies and develop plans to construct an environment that is more accessible for patients.

### Key activities

- The design and tender process is underway for a range of work to improve the patient experience. This includes the redesign of the ground floor layout with improved access and wayfinding for patients, theatre pendants, the installation of new sterilising equipment and refurbishment of the Radiology Department.
- Upgrade of all lifts, installation of new compressors, improvements to fire services and upgrade of the stormwater system have also been completed during the year.



## FOSTERING A RESPECTFUL WORKPLACE

DHSV is committed to fostering a respectful and caring workplace that values diversity, safety, and inclusion for staff and the wider community.

DHSV's Respectful Workplace Framework was founded on the pillars of equity, diversity, inclusion, flexibility, wellbeing, and safety. The framework is operationalised through guiding principles, aligned leadership, employee engagement, and the enabling of systems and processes.

### Health and mental wellbeing initiatives

Employee health and wellbeing remains a key focus for DHSV. We have implemented annual strategic health and wellbeing initiatives to support the physical and psychological safety and wellbeing of our people. These initiatives are informed by the results of our 2022 People Matter and Pulse surveys and support mental health and wellbeing measures by providing multiple interventions aimed at awareness, prevention, education, and support.

#### Key activities

- Trained staff through the Mental Health First Aid (MHFA) program to provide them with the practical skills needed to assist someone experiencing a mental health crisis. Our network of MHFA Officers have been trained to de-escalate, take appropriate action, and show support.
- Provided staff with the opportunity to support their physical and general health with free onsite comprehensive health checks and body composition scans.
- Developed a series of activities aligned with Mental Health Awareness Month and National Safe Work Month campaigns, including visits from therapy dogs and mindfulness webinars to support staff wellbeing.
- Worked towards a more inclusive workplace with the provision of Hearing Awareness Training in conjunction with Expression Australia.

### Community engagement

DHSV continues to partner with consumers to improve the experience for patients and employees. Our Community Advisory Committee, Board sub-committees, Community Advisory Network and our Partnering with Consumers Advisory Group play an active role in supporting improvements across our services. The valuable lived experiences of our consumers have contributed to the enhancement of a range of key projects throughout 2022–23.

#### Key activities

During this reporting period, we:

- re-designed RDHM's ground floor to improve cultural sensitivity for Aboriginal and Torres Strait Islander patients



- contributed to the development of our Gender Equality Action Plan
- engaged in child safety and wellbeing procedures, and awareness programs on family violence and elder abuse.

### Gender Equality Action Plan

DHSV continues to work toward gender equality. We are progressively implementing the actions of our Gender Equality Action Plan to contribute to a safe, inclusive workplace for our employees, patients, and partners.

#### Key activities

- DHSV now offers paid family violence leave to all employees and has two Family Violence Contact Officers who can provide staff with information on leave, resources, and support services.
- We continue to offer opportunities, including scholarships and women in leadership programs to support the growth and development of our staff.
- We continuously monitor gender pay gaps and identify avenues to address any inequities. We have diversified our senior leadership and have achieved gender parity on our Executive team.
- The DHSV Inclusion Committee was established in late-2022 to contribute to the creation of a diverse and inclusive environment. The committee oversees and manages the progression of the action plan as part of our commitment to improve inclusion at all levels.

## DHSV Workforce Strategy

Through the development of DHSV's Workforce Strategy, we have gained a better understanding of the current and future public oral health workforce requirements in the context of expanded services, the current workforce challenges, and the priorities of our Strategic Direction.

The Workforce Strategy supports the attraction and retention of staff along with partnership activities across the state. The aim of the strategy is to proactively address the workforce vacancies across the public oral health sector and create sustainable pathways for growth.

The DHSV Workforce Strategy was endorsed by the DHSV Board and socialised throughout the organisation in November 2022. Action planning and project governance across a range of attraction, retention and partnership initiatives has commenced, with a strong focus on supporting the continued growth of the Smile Squad school dental program.

## Dental Assistant Traineeship Initiative

In July 2022, it was announced that Jobs Victoria had partnered with the Department of Health and DHSV to recruit 100 Dental Assistant trainees into the public oral health sector. The trainees will receive at least 12 months of secure employment, and on-the-job support including one-on-one mentoring while completing their Certificate III in Dental Assisting.



Through this program, DHSV has coordinated statewide training and recruitment with jobs to support people who have experienced challenges securing employment, including women aged over 45, Aboriginal and Torres Strait Islander people, culturally and linguistically diverse Victorians, and young people.

In addition to providing career opportunities, this program has increased the pool of skilled and qualified oral health professionals available to deliver public dental services across the state, including in the Smile Squad program. As of May 2023, a total of 56 trainees have been offered employment within RDHM or with one of our community dental agencies across regional and metropolitan settings.

## Supporting staff development

We continue to foster learning and development opportunities for our staff, particularly through the following scholarships:

## CEO Professional Development Scholarship

The CEO Professional Development Scholarship is aimed at transforming the way we work by fostering a culture of continuous improvement and championing the learning of DHSV staff by advancing their skills, diversifying their experience, and improving their capacity to build enduring careers. Eight staff members received funding of \$2,000 each to contribute towards learning or education programs.

## Women and Leadership Scholarship

Ten women from across DHSV were awarded Women and Leadership Scholarships, sponsored by our Chief Executive Officer. The scholarship forms part of our work on gender equity by sponsoring women in our organisation to develop their skills in preparation for taking on leadership roles. Aimed at mid-level to senior managers, it supports women to participate in the Executive Ready program run by Women and Leadership Australia.



## Colin Riley Scholarship

The Colin Riley Scholarship was developed to honour the legacy of a former staff member who devoted his professional life to improving public oral health. As part of the scholarship, two decommissioned dental vans have been donated to Tonga and the Solomon Islands and a third van will be donated to Fiji. Each van has been serviced and equipped, and each respective dental service will receive \$10,000 of consumables and instruments each year as part of a five-year agreement. DHSV will provide remote technical support to help maintain the equipment.

The capacity-building scholarship was established to provide support in the South Pacific region and will facilitate Victorian public oral health staff to participate in study tours and work exchange programs with local clinics and hospitals, with a rotation bringing clinicians from island communities to Victoria. The scholarship recipients will provide oral health support for the community, engaging in clinical dentistry with local dentists and support the community through health promotion and oral health education.

Applications for the program opened in February 2023 to oral health professionals from across the state. Two scholarship programs were offered, to Tonga and the Solomon Islands. Two recipients visited Tonga in June 2023, with the remaining two recipients scheduled to visit the Solomon Islands later in 2023.



## WORKING IN PARTNERSHIP FOR IMPROVED HEALTH

DHSV highlights the importance of education, prevention, and early detection through its collaborative work with organisations that support families to prioritise good oral health.

### Smiles 4 Miles

Smiles 4 Miles is a DHSV initiative that works in partnership with community organisations to improve the oral health of pre-school aged children (0 to 5 years), their families and staff in early childhood services. Smiles 4 Miles promotes three key messages: eat well, drink well and clean well.

In 2022–23, Smiles 4 Miles worked in partnership with a range of stakeholders to facilitate the initiative across Victoria. Partners included 34 community organisations who worked with 775 early childhood services to implement Smiles 4 Miles locally. The program also worked closely with statewide health promotion initiatives, the Achievement Program (Cancer Council Victoria) and Healthy Eating Advisory Service (Nutrition Australia).

Through these partnerships, Smiles 4 Miles was able to reach 60,657 children and their families in 2022–23. The program covered areas at greatest risk of poor oral health in 55 local government areas across Victoria.

Oral health training was provided to:

- 59 Smiles 4 Miles coordinators through the annual forum and one-on-one training
- 598 early childhood educators.

A new video case study was launched to highlight how Aboriginal community-owned education and care service, Perridak Burron Early Learning, achieved their Smiles 4 Miles award within the first year of opening. The video highlights the important partnership between DHSV, Ballarat Community Health and the Health Eating Advisory

Service, which supports services like Perridak Burron to create environments that foster healthy eating and good oral health habits for children and families.

### Healthy Families, Healthy Smiles

The Healthy Families, Healthy Smiles program aims to improve the oral health of young children and pregnant people by building the capacity of health and early childhood professionals to embed oral health promotion into daily practice.

During 2022–23, professional development was provided to 379 professionals, including:

- maternal and child health nurses, midwives, and early parenting practitioners
- Aboriginal Health Practitioners and child protection workers
- supported playgroup facilitators and early childhood educators, librarians and pharmacy staff.

Additionally, 76 students in Graduate Diploma in Child and Family Health, Bachelor of Oral Health, Dental Assisting and Master of Public Health courses participated in oral health promotion training.

Family tooth packs were supplied to professionals who work with at-risk families, allowing for the promotion of twice-daily brushing. Oral health resources were distributed to organisations with an estimated reach of 5,600 families, including:

- 12,825 toothbrushes and 6,600 tubes of toothpaste distributed to 42 maternal and child health services in locations with higher incidence of early childhood decay
- 1,740 toothbrushes and 770 tubes of toothpaste distributed to 3 Early Parenting Centres
- 3,625 toothbrushes and 1,653 tubes of toothpaste distributed to 6 maternal and child health services, funded by Colgate as part of the Mrs Marsh initiative, which distributes oral health packs through maternal and child health services
- 4,270 toothbrushes and 2,185 tubes of toothpaste distributed to services working with vulnerable families.





### Oral health resources for families

In 2022–23, we launched the 'Keeping Teeth Healthy 0–5 years fact sheet'. The resource provides practical advice to families with young children to help care for their children's gums and teeth and guides them on establishing healthy habits as children become more independent. A complementary social media kit was also provided to our partners to help them share digestible information with families using their services.

We also extended our library of translated oral health information to support diverse families to care for their children's teeth from infancy. Our translated toothbrushing videos are now available in 15 community languages and our 'Caring for teeth and gums 0-6 years' fact sheet was translated into an additional 5 languages (now available in 17 languages). This resource also includes QR codes directing families to the relevant matching video in their language.

### Promoting oral health in schools

To enhance our support for improved oral health in school-aged children, DHSV launched 'A guide to supporting good oral health in schools'. This new resource helps schools to explore ways to incorporate oral health messaging in their communities. This included a partnership with Cool Australia to make available free, curriculum-aligned, and teacher-approved lesson plans with an oral health theme.

### Victorian Oral Cancer Screening and Prevention Program

The Victorian Oral Cancer Screening and Prevention Program is an initiative under the Victorian Cancer Plan 2020–2024, which supports oral health professionals and other health professionals such as General Practitioners (GPs) to play a key role in oral cancer screening, prevention, and early detection.

Funded by the Department of Health, the program is led by DHSV in partnership with the University of Melbourne Dental School, the Australian Dental Association Victorian Branch, and La Trobe University Department of Dentistry and Oral Health.

The first phase of the program focused on the creation of evidence-based training, information and tools for oral

health professionals that enabled them to identify people at risk of oral cancer, recognise suspicious lesions and refer appropriately.

The second phase of the program began in July 2022 with a focus on delivering training and learning resources to help health professionals, including GPs, identify people most at risk of oral cancer and ensure timely referral. An oral cancer training package is being developed and reviewed in collaboration with academic and medical experts at the University of Melbourne, Cancer Council Victoria (CCV), Victorian Comprehensive Cancer Centre (VCCC) and the Royal Australian College of General Practitioners (RACGP).

### Key activities

During this reporting period, key activities include:

- the development of an oral cancer screening tutorial video filmed with Dr Morton Rawlin (Chair, Rural Workforce Agency of Victoria)
- a Memorandum of Understanding was signed in March 2023 between DHSV and VCCC to create and deliver educational resources and events for primary healthcare professionals
- hosting agreement signed with RACGP in April 2023 for the publication of the oral cancer training package.

### Aboriginal Health Practitioners Fluoride Varnish Program

The first group of Aboriginal Health Practitioners who trained to apply fluoride varnish in Victoria recently gained their accreditations following a change to the regulations. This change enables Aboriginal Health Practitioners to administer fluoride varnish to children aged 3 to 17 years old. Fluoride varnish is an important preventive intervention which can significantly reduce the risk of tooth decay.

The Aboriginal Health Practitioner Fluoride Varnish Program is funded by the Department of Health, coordinated by Dental Health Services Victoria. Training was delivered in partnership with Aboriginal Community Controlled Health Organisations, DHSV and RMIT University.

## EXCELLENCE IN LEADERSHIP

DHSV is committed to building partnerships and strengthening clinical leadership to advocate for improved oral health outcomes.

### Clinical leadership

Our clinical leadership guides public oral health service delivery across Victoria. The team provides responsive, expert advice to the Executive, DHSV Board, and the Department of Health on clinical matters, including emerging evidence and opportunities, the development of service delivery models, safety and quality, and clinician engagement.

Throughout 2022–23, the team has been strengthened through increased collaboration and expanded statewide, national, and international perspectives.

#### Key activities

- Conducted a statewide Clinical Leadership project to identify opportunities for clinician engagement, leadership development and networking. Extensive consultation through surveys, Q&A sessions, regional meetings, and presentations found that more than half of public sector clinicians surveyed would like to take on a leadership role and has led to a plan to establish clinical Communities of Practice around the state.
- Strengthened clinical leadership and governance through the Oral Health Clinical Council, the National Standards Committee and working groups, Clinical Leadership in Practice (CLiP), the Project Evaluation and Technology Assessment Committee (PETAC), regional senior dentist meetings and the DHSV Population Health Committee.
- Built clinician capacity through peer advice and mentoring and led professional development opportunities such as nitrous oxide sedation training.

### Research and evidence

- Led and collaborated on research projects, conference presentations, lectures, grant applications and papers, including co-authored journal publications with our partners:
  - Learnings from a Victorian public dental model of care focused on periodontitis: A case study, Australian and New Zealand Journal of Oral Health Therapy
  - Is value-based healthcare a strategy to achieve universal health coverage that includes oral health? An Australian case study, Journal of Public Health Policy
  - Is Australia's lack of national clinical leadership hampering efforts with the oral health policy agenda? Australian Health Review



- Cost-effectiveness analysis of silver diamine fluoride to divert dental general anaesthesia compared to standard care, Australian Dental Journal.
- Provided up-to-date data, literature, and evidence-based information to support teams across DHSV.

### Partnerships and integration

- Built clinical partnerships with national and regional stakeholders through initiatives such as the National Dental Directors advisory group.
- Provided subject matter expertise and advice on service improvements including waiting list management initiatives, Smile Squad, the adult service delivery model, an Aboriginal model of care, and specialist referrals.
- Established a Health Pathways Partnership that engages with GP networks to support the management and referral of patients requiring dental care referral. This has included the development/review of 10 guidelines for the North West Primary Health Network.

### Clinical governance and continuous improvement

As part of DHSV's commitment to successfully maintain accreditation, all clinically focused procedures, guidelines and policies were reviewed by the clinical leadership group. These documents guide pragmatic, sustainable practice improvements across RDHM and inform community dental agencies across the state. Examples include:

- The Oral Health Clinical Council continues to play a key role in clinical governance by providing a voice to Victorian clinicians and ensuring safe, innovative high-quality care.
- Clinical Leadership in Practice is comprised of senior clinicians from key agencies across Victoria with a focus on clinical guidelines and procedures. During 2022–23, CLiP has provided advice on DHSV initiatives and service delivery models and has updated lapsed clinical guidelines and procedures.



## Comprehensive corporate brand review

Following the introduction of the new Strategic Direction, a comprehensive brand review was conducted to establish a leading brand that connects, engages, and informs a range of consumers and partners, including the broader Victorian community. The review was to ensure that the DHSV brand told a clear story about our leading role in the delivery of public health care, and programs and promotion of oral health messages that the Victorian community needs to know.

With the project's broad scope, a range of views were sought from both inside and outside the organisation. The project was conducted in stages:

- Research: review of the current brand including comparisons with similar organisations
- Consultation: A staff survey was undertaken to understand the current brand's salience with staff. Group and individual consultations sessions were held with:
  - DHSV Board, CEO, the Executive
  - Department of Health
  - Corporate Brand Review Steering Committee
  - Consumers
  - DHSV clinical and corporate staff across all levels of the organisation
  - Several community dental agency representatives.
- Testing – the proposed changes were tested with the Board, consumers, the Executive, and DHSV staff members for their input and feedback.

After consultation with staff and stakeholders, it was determined that DHSV needed a new brand that better represents our values, reflects our role as the lead oral health agency in Victoria and that connects us with the communities we serve. The implementation of the review outcomes will occur in the 2023–24 financial year.

## Roundtable event: Reflecting on World Oral Health Day

In March 2023, DHSV joined forces with colleagues from across the public oral health and education sectors as part of a roundtable event to identify new partnership opportunities to improve oral health. The event highlighted the importance of collaboration to improve oral health outcomes for vulnerable Victorians.

Guided by the three tenets of our Strategic Direction – Empower, Care, Lead – attendees explored oral health topics. Presenters facilitated stations exploring:

- How we can expand the reach of our health promotion programs to empower even more young children and families
- Ways to shift mindsets and build capability to adopt value-based health care principles to transform oral health care in public dental
- Opportunities to embed the new Australian Dental Council competencies into student placements and graduate programs.

## Advocating for vaping reform

DHSV partnered with Quit, the ADAVB, Cancer Council Victoria, La Trobe University, and the University of Melbourne to advocate for vaping reform to address the alarming uptake of e-cigarettes (vapes), particularly among children, teenagers, and young adults. Research links vaping with an increased risk of tooth decay and incidence of traumatic mouth and facial injuries caused by the spontaneous explosion of vapes.

As part of this partnership, we published a joint media release with Quit, the ADAVB, Cancer Council Victoria, La Trobe University, and the University of Melbourne, 'Poor oral health and traumatic mouth injuries, the real risks of vaping.' We also released a position statement on e-cigarettes with the ADAVB, La Trobe University and the University of Melbourne and an infographic on the facts about vaping and oral health.





## DEVELOPING A SKILLED WORKFORCE

DHSV is building a strong, skilled, and empowered workforce to deliver high-quality care across the public oral health sector.

### Oral Surgery program

During 2022–23, DHSV developed and implemented a new four-day practical oral surgery skills training program. The program is designed to upskill general dentists from RDHM and community dental agencies across the state to enable them to complete more complex work and reduce the number of referrals to the Oral Surgery Unit.

The program involves participants engaging with training videos and practising techniques on porcine jaws. Participants also see selected patients in the hospital under the close supervision of our Oral Surgeons, with feedback and ongoing support provided throughout. Twelve general dentists have completed the new training program.

### Supervised Clinical Placement program

We held a two-week Supervised Clinical Placement program for Australian Health Practitioner Regulation Agency (AHPRA) registered clinicians interested in boosting their skills and confidence in general dental practice. The program is aimed at creating job-ready dentists and is designed for recent graduates, clinicians returning to work and overseas trained clinicians who have completed their Australian Dental Council exam and have AHPRA registration.

Twelve participants took part in the program which provides participants with an introduction to public oral health and the opportunity to practise on patients under the supervision of an experienced clinician. Participants engage in workshops and clinical professional development activities, receive verbal and written assessment, and have access to employment opportunities in the Victorian public oral health sector.

### Oral health training videos for pharmacists

DHSV has been sponsored by the Collier Charitable Trust to develop three videos to train pharmacists to deliver evidence-based oral health advice. The training videos will be used as a bridge between community dental clinics and pharmacies, which is expected to be particularly useful in rural and remote areas where the pharmacist is often the only accessible health professional in the region.

The oral health videos address three key broad cohorts: pregnant people, mothers, and babies; people with disabilities and their support workers; and elderly people. The videos have been developed using research and resources produced by our Health Promotion team and filmed at La Trobe University Bendigo and will be disseminated across Victoria.

### Antarctic Doctors program

For more than 40 years, RDHM and then DHSV have delivered oral health training to medical doctors undertaking an expedition to the Antarctic bases. During 2022–23, DHSV delivered a two-week practical skills training program to doctors who have been accepted to be part of the next expedition to the Antarctic bases. Three doctors participated in the training program, which is designed to enable them to undertake emergency dental treatment to stabilise a patient until they can return to the mainland to see their dentist. DHSV provides 24/7 online support to the doctors while they are on the bases.

## Overseas Trained Clinicians program

Throughout 2022–23, we ran training programs to prepare overseas trained clinicians (OTC) to sit the Australian Dental Council examinations and seek registration to practise in Australia. We had more than 70 participants take part in programs held in the Simulation Laboratory at RDHM, with a mix of practical technical training, lectures, and demonstrations.

Our OTC Conference was delivered online to both recent and current participants, with subjects covering communication skills, trauma informed dental care, working with older people and cultural safety.

## Family violence response and social work service

The Strengthening Hospital Responses to Family Violence (SHRFV) initiative at DHSV has continued to consolidate our organisation's alignment to the Multi-Agency Risk Assessment and Management (MARAM) Framework.

### Key activities

- A sensitive practice eLearn package was launched for DHSV staff. Incorporating the latest evidence-informed practice guidance under the MARAM Framework, this eLearn supports staff working in direct practice roles to identify and safely respond to patients experiencing family violence.
- The MARAM Screening and Identification Tool has now been embedded into RDHM's patient management system, supporting clinicians in their safe engagement with patients experiencing family violence and to assist in identifying immediate risk.
- DHSV continues to actively participate in family violence awareness-raising campaigns, including the 16 Days of Activism Campaign to End Family Violence and Elder Abuse Awareness Training.
- The facilitation of family violence training workshops to undergraduate and post-graduate students from the University of Melbourne.

During 2022–23, a total of 322 staff and students have participated in family violence training, as appropriate to their role. Staff across RDHM have also undertaken training to understand their responsibilities under the new Victorian Child Safe Standards.

The DHSV Social Worker role continues to provide a clinical service and support multi-disciplinary care for patients who present with intersecting psychosocial issues at RDHM. Working collaboratively with staff, patients and their families, this role provides secondary consultation, advocacy, psychosocial assessment, support, and linkage to community services. In the last year, a total of 103 referrals have been received.



## Safety and Quality

DHSV implemented an improved system to source feedback from our patients. Patients receive a link via text message following their appointment at RDHM, allowing them to share feedback in their own time. Patient Reported Experience Measures was introduced to gain more meaningful insights from patients.

The overall client satisfaction score for RDHM during this reporting period was 91 per cent.

## New Child Safe Standards

DHSV published a Child Safe Statement of Commitment outlining our obligation to do our best to keep children safe from harm and abuse. Staff were reminded of their responsibilities to escalate and refer to services who can undertake further investigation and assessment of the situation. To support this important initiative, staff were assigned mandatory Child Safety Standards learning modules to understand the signs of abuse or maltreatment. We also created a series of Child Safety at DHSV videos on providing a safe environment for children and families.



# PURPOSE, FUNCTIONS, POWERS AND DUTIES

DHSV is the lead public oral health agency in Victoria. The organisation coordinates statewide oral health promotion programs and leads research to reduce the prevalence of oral disease and inform best practice.

We are committed to ensuring that public dental services are sustainable, cost-effective, and high quality while continuing to improve the oral health outcomes of all Victorians, particularly those most in need.

We work to educate the community and broader health sector about the links between oral health and general health. We use our position as leaders in oral health and our partnerships with other health organisations to better the oral health outcomes for all Victorians.

## DHSV:

- provides dental services through RDHM
- purchases dental services from more than 50 community dental agencies across Victoria
- develops the current workforce and supports the education and training of future oral health professionals
- supports and participates in oral health research
- advises government on policy, funding, and service development
- supports oral health promotion programs across Victoria
- provides clinical leadership to the public oral health sector.

## The following groups are eligible for public dental services:

- all children aged 0 to 12 years
- young people aged 13 to 17 years who hold a healthcare or pensioner concession card, or who are dependants of concession cardholders

- 0 to 17-year-olds eligible for dental care under the Child Dental Benefits Schedule (CDBS)
- children and young people up to 18 years of age in out-of-home care provided by the Department of Families, Fairness and Housing (including kinship and foster care)
- youth justice clients in custodial care
- adults, 18 years and over, who are healthcare or pensioner concession cardholders or dependants of concession cardholders
- refugees and people seeking asylum
- Aboriginal and Torres Strait Islander peoples\*.

People who are eligible for public dental services may also have priority access to general dental care. People who have priority access are not required to go on a waiting list. They are offered the next available appointment for general care.

## The following groups have priority access:

- Aboriginal and Torres Strait Islander peoples
- children and young people (0 to 17 years)
- people without homes and people at risk of homelessness
- pregnant women
- refugees and people seeking asylum
- people registered with mental health and disability services, supported by a letter of recommendation from their case manager or staff of special developmental schools.

\*All Aboriginal and Torres Strait Islander people are eligible for public dental treatment in Victoria regardless of concession card status.



# SUMMARY OF SERVICES

## The Royal Dental Hospital of Melbourne

The Royal Dental Hospital of Melbourne (RDHM) provides emergency, general and specialist outpatient services to eligible Victorians through 140 dental chairs, outreach services to special needs, residential and nursing home facilities, and a day procedure facility. RDHM is also a teaching facility working closely with partners at the University of Melbourne and RMIT University to educate and train future dental professionals.

## Community dental agencies

There are more than 50 community dental agencies located throughout metropolitan Melbourne and regional Victoria.

Community dental agencies can be independent entities or part of larger health services, community health services and hospitals. DHSV purchases services from these agencies to ensure eligible Victorians have access to public dental services.

## Services

### Emergency care

Emergency dental care is available to current Victorian healthcare and pensioner concession cardholders at RDHM and community dental clinics. Emergency care is also available to the general public at RDHM on a fee-for-service basis. All children aged 0 – 12 are eligible to receive emergency care. Children aged 13 – 17 with CDBS can also access emergency care.

### General care

General dental care including fillings, dentures and preventive care is available to current healthcare and pensioner concession cardholders, as well as children and young people who are eligible for care under the Child Dental Benefit Schedule at RDHM and community dental clinics across Victoria.

### Specialist care

Eligible people may be referred to RDHM for specialist dental care including orthodontics, special needs dentistry, oral and maxillofacial surgery, endodontics, periodontics, prosthodontics, paediatric dentistry, and oral medicine.

### Oral health promotion

Integrated health promotion programs deliver benefits for the community by promoting wellbeing, strengthening community capacity, and minimising the burden of disease. Our statewide health promotion team supports key policy objectives including the prevention of oral disease for those in highest need and building capacity to improve oral health outcomes.

## Education

RDHM's specialist and teaching clinics support the University of Melbourne's education programs for dentists, specialists, and oral health therapists. The teaching clinics also support RMIT University's education programs for dental assistants, technicians, prosthetists, and hygienists. In addition, RDHM provides training for overseas-trained clinicians seeking to sit for the Australian Dental Council exams to gain professional registration. DHSV works closely with La Trobe University's dentists and oral health therapists to support its rural oral health teaching program in several community dental agencies.

## Purchased services

DHSV purchases oral health services from more than 50 community dental agencies. DHSV ensures there is a fair and equitable distribution of public money used in the most effective and efficient way to improve public oral health. DHSV has developed policies and procedures to ensure that defined levels of community dental agency support are provided.

## Safety and quality

The DHSV safety and quality team works in partnership with members of the community to identify and drive improvement of processes to solve problems and improve patient experience and outcomes; and to consistently deliver safe, quality care for every person. It also ensures maintenance of processes and standards of care to minimise risk to patients and staff including monitoring compliance with National Safety and Quality Healthcare Standards and quality indicators.

## Partnering with the community

DHSV involves community members in all aspects of its healthcare delivery, including around improving the patient journey through our services. Community members sit on some Board sub-committees and are consulted wherever possible in service and program developments. DHSV consults with the Victorian community on the way services are provided and our strategic goals for the future.

## Information technology

DHSV develops and maintains patient management system solutions and infrastructure to support the activities at community dental agencies across Victoria.

## Management reporting and analysis

DHSV provides management reporting and analysis services to community dental agencies across Victoria.

## Agency Relationships Team

DHSV works closely with our community dental agency partners to ensure delivery of safe and responsive care within the allocated resources. The team provides leadership, support and advice ensuring statewide consistency with the DHSV Strategic Direction and reinforcing a culture of continuous improvement in public oral health. The Agency Relationships Team is the key link between community dental agencies and DHSV.

# BOARD AND EXECUTIVE

The functions of the Board of a public health service are set by the *Health Services Act 1988*. On the Minister for Health's recommendation, the Governor in Council appoints the DHSV Board of Directors. Members have a mix of qualifications, skills, and experience, particularly in the areas of health, oral health, community welfare, governance, law and finance.



**David Stevenson (Chair)**  
*BBus(Mgt) and GAICD*

Appointed to the Board in July 2018

David has over 20 years' experience as a CEO and Senior Executive, both in Australia and internationally. He has

worked with iconic brands such as Nike, and Foot Locker in the consumer goods and retail sectors. In the sport sector, he is currently the CEO for the National Basketball League, formerly CEO of the Western Bulldogs and General Manager Operations for the AFL. He is also founder and partner of Bold Works, a company that helps businesses develop their Bold future or execute bold ideas. David is passionate about developing people, setting a bold vision, developing a strong strategic plan and focusing on execution to deliver results.



**Sue Banks**  
*FCCA, MBA, GAICD*

Appointed to the Board in July 2019

Sue has over 20 years of board level executive and non-executive director experience across a wide range of

service sectors with a recent focus on organisations with a strong community purpose.

Her current boards include Vision Australia, where she also chairs the Finance, Audit and Risk Committee; The Bridge Inc., a significant Melbourne based disability services provider, where she is Chair and member of the Finance and Investment Committee; and South Eastern Melbourne Primary Health Network where she is Chair of the Finance, Audit and Risk Committee.



**Nicole Bartholomeusz (Deputy Chair)**  
*Dip Appl. Sci. (Dental Therapy), GDCH, MBA, GAICD*

Appointed to the Board in July 2020

Nicole Bartholomeusz has worked extensively in public health and

government in executive and non-executive roles for over 20 years and is currently the Chief Executive of cohealth and has a strong interest in health policy and health system redesign. Nicole's background as a clinician, combined with a Master of Business Administration and experience delivering public health services, puts her in a unique position to provide leadership within the health services sector.

Nicole is a non-Executive Director with the Victorian Healthcare Association, co-Chair of the Australian Health, Housing & Homelessness Network, and is a member of two Ministerial Committees focussed on health reform.



**Katherine Stevens**  
*BN and JD*

Appointed to the Board in July 2021

Katherine has worked extensively in public health as a nurse, lawyer, and leader for over 20 years at a variety of

public health services across Victoria. Katherine has advised on matters of governance, the law and Board operations. She has also been responsible for the translation of strategy into innovative policy and responsive legal frameworks.

In previous roles, Katherine has been responsible for a wide range of matters across operational and structural change, strategy development, and the delivery of major capital developments.



**Charles Power**  
*BEc (Hons) LLB*

Appointed to the Board in July 2020

Charles is a legal practitioner with more than 30 years of experience in workplace relations and safety law. He

has been a partner of the law firm Holding Redlich since 2002. His board experience includes service on the Committee of Early Learning Association Australia between 2014 and 2018.

Charles is accredited by the Law Institute of Victoria as a workplace relations specialist.



**Antony Tobin**  
*MBBS, FRACP, FCICM, DTM&H, MEpi, MHM*

Appointed to the Board in July 2018

Antony is the Chief Medical Officer at St Vincent's Hospital Melbourne. He

trained in respiratory and intensive care medicine and has worked as a consultant in the intensive care unit at St Vincent's since 2003.

Antony chairs a number of quality and planning committees within the hospital and has research interests in clinical outcome analysis. He has post graduate qualifications in epidemiology and health management.



**Candice Charles**  
B App Sc, MBA, MPH, GAICD

Appointed to the Board in July 2022

Candice has had a career in the financial, health and community sectors. She has a deep commitment to the human service sector, and in ensuring these services are accessible and effective for people in our community who are vulnerable or experiencing disadvantage.

Candice has held senior leadership positions in the financial services sector at National Australia Bank, Transport Accident Commission, in health and community service organisations including Good Shepherd Microfinance and Breast Cancer Network Australia. She is currently Chair of Aruma Services, one of Australia's largest providers of disability support services.

Prior roles include Chair of The Tipping Foundation, Deputy Chair of the North Richmond Community Health Centre. Candice has served on the board of several other community organisations.



**John Donovan**  
GAICD

Appointed to the Board in August 2021

John is Managing Director of AFM Investments Partners. He is a Director of Pensions for Purpose (UK) and was a Director of La Trobe Regional Hospital, Vline, Gippsland Water, and AdminPartners. He was an independent member of the managed funds Compliance Committee of Trustees Australia and was a member of the Advisory Committee of the Australian Centre for Financial Studies.

John is a Graduate Member of the Australian Institute of Company Directors, a Senior Fellow of Finsia, a Fellow of the Australian Institute of Management, a Certified Practising Marketer and Fellow of the Australian Marketing Institute, associate member of the Australasian Investor Relations Association and the Responsible Manager of an Australian Financial Services Licence. John holds a Master of Public Relations, Business and leadership specialist subjects and executive development courses at Melbourne Business School, and a Certificate in Governance Practice from the Australian Institute of Governance.



**John Gavens**  
BCom (Hons), M.Acc., GAICD

Appointed to the Board in July 2019

John is an experienced board director having held directorships in water, education, coastal asset management, professional services and the disability sectors. He has experience chairing or as a member of audit, risk management, customer advisory, executive performance and remuneration, environmental advisory and reconciliation action plan committees. He is an independent member of several audit committees. John provides strong strategic thinking capability combined with sound technical skills.

John has a background in auditing, risk management and internal audit, specialising in the public sector and local government. He is currently a Disciplinary Tribunal member and Quality Practice Reviewer for Chartered Accountants ANZ. John was a Registered Company Auditor and was a member of the Auditing and Assurance Standards Board. He has been a volunteer member of CAANZ Advisory Group for over 20 years and navigation sports.

## BOARD MEETINGS

**The Board requires all members to devote sufficient time to the work of the Board and to endeavour to attend meetings.**

In addition to the Annual General Meeting, the Board met 12 times during 2022–23. Attendance at Board meetings was as follows:

Member	Number of meetings eligible for	Number of meetings attended
David Stevenson	12	12
Nicole Bartholomeusz	12	9
Sue Banks	12	9
Candice Charles	12	11
John Donovan	12	10
John Gavens	12	10
Charles Power	12	10
Katherine Stevens	12	10
Antony Tobin	12	11

## SUB-COMMITTEES

The following committees provided advice to the DHSV Board of Directors during the 2022–23 financial year.

### Audit and Risk Committee

The Audit and Risk Committee assists the DHSV Board to fulfil its corporate governance and oversight responsibilities in relation to financial reporting, internal control systems, risk management systems and the internal and external audit functions.

**Chair:** Charles Power (from May 2023), Katherine Stevens (July 2022 – May 2023)

**Members:** John Donovan, John Gavens, Katherine Stevens (from May 2023) and Elizabeth Davenport (independent member)

### Community Advisory Committee

The Community Advisory Committee provides advice and leadership on strategies for effective community participation and ensures that community views are reflected in service delivery, planning and policy development.

**Chair:** John Gavens and Kevyn Morris

**Members:** Sandra Anderson (until April 2023), Andrea Cooper, Billy Park, Rana Ebrahimi, Wolfie Sun, Nicole Bartholomeusz, Charles Power, Jodie Letts (from August 2022)

### Finance Committee

The Finance Committee advises the Board on matters relating to financial strategies and performance as well as capital management.

**Chair:** Sue Banks

**Members:** David Stevenson and John Donovan

### People and Culture Committee

The People and Culture Committee ensures the continuous and effective functioning of DHSV by monitoring People Matters issues, the performance, remuneration and professional development of the CEO, Executive and DHSV Board of Directors.

**Chair:** David Stevenson

**Members:** Sue Banks, Nicole Bartholomeusz and John Gavens

### Population Health Committee

The role of the Population Health Committee is to provide advice and recommendations to the Board on health issues affecting the population served by DHSV. The committee supports achievements of the Victorian action plan to prevent oral disease.

**Chair:** Nicole Bartholomeusz

**Members:** Antony Tobin, Candice Charles, Anil Raichur, Kevyn Morris, Felicia Valianatos (until December 2022), Mihiri Silva, Jonathan Teoh, Tan Nguyen (until September 2022), Pooja Rai (from May 2023)

### Safety and Quality Committee

The Safety and Quality Committee provides advice and direction to the Board of Directors of DHSV on the continuous quality improvement of services provided and purchased by DHSV. The committee oversees the implementation and evaluation of safety, quality, and clinical governance activities across these services.

**Chair:** Antony Tobin

**Members:** Sandra Anderson, Keegan Crow, Peter Daffy (until May 2023), Roxanne Maule, Charles Power, Katherine Stevens, Candice Charles, Felicia Valianatos

### Compensation arrangements

The Board reviews the compensation arrangements of the CEO and other senior executives via its People & Culture Committee. DHSV complies with the Government Sector Executive Remuneration Panel policies. The remuneration of Board Directors is determined in accordance with government policy.

### Managing risk

The Board retained the services of HLB Mann Judd in 2022–23 as internal auditors and risk consultants as part of our ongoing commitment to risk management.

## EXECUTIVE

The DHSV Executive oversees all activity and ensures services provided are as efficient and effective as possible within the allocated resources.



### **Susan McKee**

Chief Executive Officer

*RN, BSC (HMS), MBA, GAICD*

Susan is a forward-thinking CEO and non-executive director on a mission to make quality healthcare more

accessible, safe, and patient-centred. Since starting her career as a Registered Nurse, Susan has spent 35 years improving healthcare systems across the public, not-for-profit and private sectors as a nursing director and senior executive.

Susan's strategic and values-driven approach inspires creative thinking, bold innovation, and a collaborative workplace culture. Never one to pull the ladder up behind her, Susan mentors aspiring healthcare leaders and strongly advocates for gender equity, cultural diversity, and social justice for all.

She lives by the motto "If not now, when? If not you, who?"



### **Tim Hogan**

Chief Financial Officer

*BBus, FCPA, FAICS, GAICD*

Tim has over 25 years' experience managing corporate administration functions. As Chief Financial Officer he

provides financial and corporate management leadership and is responsible for the achievement of Statement of Priority performance targets and annual business plan goals. He also provides leadership and operational management oversight for the operations of finance and accounting, governance and corporate services and asset management. Tim is a Board Director and Chair of the Finance Committee at Catholic Ladies' College Ltd (CLC) in Eltham.



### **Nuno Goncalves**

Chief Information Officer

*MAICD, BchA Psyc, AdvDip IT, Dip IT Serv, Dip Netwk Mgm, ITIL V3 Serv Mgmt, Cert IV Workpl Training/Assessment*

Nuno has over 15 years' experience in health information technology, and over 20 years of ICT experience across numerous industries. He has held the following positions – CTO at the Peter MacCallum Cancer Centre, CIO at the Eye and Ear Hospital and the Senior Director of ICT for Health Support Queensland at Queensland Health. As Chief Information Officer he provides leadership in the adoption of innovative technologies that deliver improved experiences and outcomes for our consumers, staff and partners.



### **Mark Sullivan**

Chief Operating Officer

*MHLthAdmin, GradDipHlthAdmin, Cert Purchasing/Planning, AFCHSM, CHM*

Mark has over 30 years' experience in the public health sector. He is

responsible for purchasing services and administering funding for statewide public oral health services, as well as service provision. Mark is responsible for overseeing health promotion and service performance, service improvement and statewide safety and quality. He is also the executive lead for the Smile Squad school dental program. Mark has expertise in project management, continuous improvement and customer service and has held senior executive positions in regional and specialist hospitals.



### **Dr Martin Hall**

Chief Oral Health Advisor

*BDS, MPH, AdvDipMan, FICD*

Martin has over 40 years' experience as a dentist working to improve the oral health of vulnerable communities. He

previously held positions in NSW as the Principal Dental Officer Mid North Coast Health Services and in Victoria as Senior Dentist and General Manager Clinical and Oral Health Services North Richmond Community Health.

He is an Honorary Enterprise Fellow in the Melbourne School of Population and Global Health; Honorary Adjunct Professor at La Trobe University's School of Rural Health and Director of "Kose Nehan" – an oral health project in Timor-Leste. Martin was inducted into the International College of Dentists. His current role as Chief Oral Health Officer has a focus on clinical leadership and governance and includes the development of new preventive-based models of care within Victoria's public oral health services.



### **Adj. Assoc. Prof. Werner Bischof AM**

Acting Chief Oral Health Advisor

*MDSc, FRACDS, MRACDS(Perio), GDQS, FPFA, FICD*

Werner is a specialist periodontist with 25 years' experience in public and

private practice. He is DHSV's Director Specialist Care and the consultant periodontist at the Royal Childrens Hospital. With extensive experience in clinical governance, dental program accreditation and regulation, Werner is the chair of the National Registration Committee of the Dental Board of Australia, past president of the Royal Australasian College of Dental Surgeons, and he held academic positions at Melbourne Dental School and La Trobe University School of Rural Health.





### Peter Branov

Chief People and Culture Officer (until December 2022)

*BBus and GradDip IR/HRM*

Peter has over 25 years' executive and HR leadership experience across many sectors. Peter leads the People and Culture portfolio and is committed to delivering high quality and people-centred services using innovative and creative solutions. Peter aligns his experience in strategic workforce planning, workplace relations, change management, talent engagement, health and wellbeing, and diversity to his keen interest in cultural development and engagement. Peter mentors emerging HR practitioners and supports the community by volunteering his HR expertise in the not-for-profit sector and emerging start-ups.



### Rebecca Paterson

General Manager RDHM (from September 2022)

*BN, PostGradDip ICN, MBA*

Rebecca has held director and senior leadership positions in the health sector for over 25 years at GenesisCare, Peter MacCallum Cancer Centre and The Alfred Hospital. Rebecca has led organisational change, driven continuous improvement and prioritised collaboration with staff and partners. Rebecca is skilled in building and leading high performing teams; leading large-scale change and transformation; achieving operational excellence; and achieving high levels of patient satisfaction. After beginning her studies with a Bachelor of Nursing, Rebecca went on to complete a Graduate Diploma in Intensive Care Nursing and a Master of Business Administration.



### Stephanie Milione

Chief Strategy and Engagement Officer (from January 2023)

*BA, JD, GDL*

Stephanie has held director and senior leadership positions in the public, private and not-for-profit sectors for over 10 years. Her roles included Senior Adviser to the Treasurer of Victoria, Deputy Chief of Staff to the Health Minister and Director at consulting firm Nous Group. An inclusive leader and adept communicator, Stephanie has expertise in strategic planning, policy development, and building high performing teams. She completed a Bachelor of Arts and Juris Doctor at the University of Melbourne, followed by a Graduate Diploma in Legal Practice at the ANU.



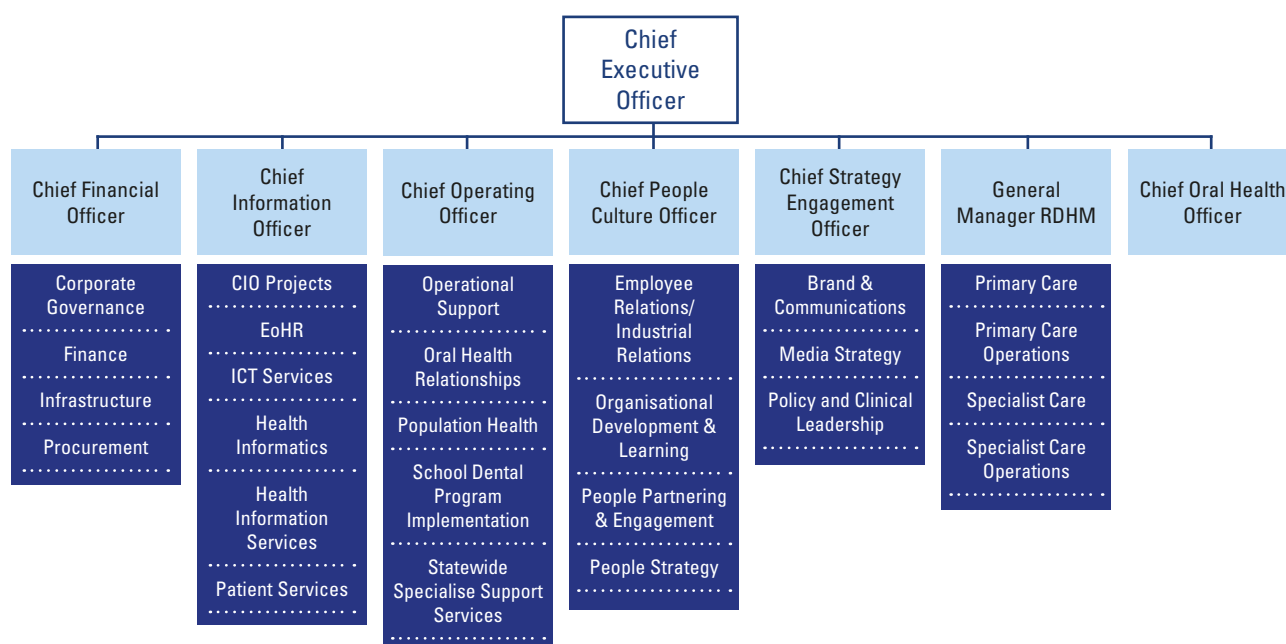
### Mikki Swindon

Interim Chief People and Culture Officer (from January 2023)

*ChMan*

Mikki has an extensive background in human resources and change management, working in the public and private sectors for more than 30 years. As a lead executive, Mikki has led significant change management projects in organisational relocation, organisation redesign and realignment, contract transition, systems implementation, and executive coaching. Mikki has also undertaken interim executive roles at Barwon Health, WorkSafe Victoria, Victorian Manager Insurance Authority and with several local government councils in Victoria. She has also held several Board advisory roles in the government and not-for-profit sector.

## ORGANISATIONAL CHART





## Buildings management

DHSV buildings are maintained in accordance with the *Building Act 1993*, the Building Code of Australia and Department of Health guidelines: Fire Safety Compliance Series 7.

## Purchasing and tendering

DHSV purchasing and tendering complies with HealthShare Victoria procurement policies.

## Probity

DHSV has undertaken procurements in accordance with HealthShare Victoria purchasing policies and has a developed supplier evaluation and contract management process in place. When necessary, DHSV utilises the services of an independent probity advisor.

## Social Procurement Framework

DHSV has embedded the requirements of the Victorian Social Procurement Framework (SPF) in the planning phase of individual procurements. DHSV seeks opportunities, and where available, clearly communicates identified social outcomes to potential suppliers from the outset of the market approach through the Invitation to Supply (ITS) suite of documents. For this reporting period, DHSV's spend on individual procurements was within the Below threshold Band. Across the 2022–23 reporting period DHSV purchased from 6 social benefit suppliers. The aggregate spend was approximately \$511,000. DHSV's approach to the SPF is one of continuous improvement.

## Local Jobs First

The *Local Jobs First Act 2003* introduced in August 2018 brings together the Victorian Industry Participation Policy (VIPP) and Major Project Skills Guarantee (MPSG) policy, which were previously administered separately. Departments and public sector bodies are required to apply the Local Jobs First policy to all projects valued at \$3 million or more in metropolitan Melbourne or for statewide projects, or \$1 million or more for projects in regional Victoria.

MPSG applies to all construction projects valued at \$20 million or more. The MPSG guidelines and VIPP guidelines will continue to apply to MPSG-applicable and VIPP applicable projects respectively where contracts have been entered prior to 15 August 2018. During the 2022–23 reporting period, DHSV commenced one (1) project that met the Local Jobs First policy value threshold.

## Projects completed – Local Jobs First Standard

During the 2022–23 period, DHSV did not complete any Local Jobs First Standard projects.

## Financial Management Compliance

I, David Stevenson, on behalf of the Responsible Body, certify that Dental Health Services Victoria has complied with the applicable Standing Directions of the Minister for Finance under the *Financial Management Act 1994* and Instructions.



David Stevenson  
Chair, Board of Directors  
Dental Health Services Victoria Carlton VIC

31 August 2023

## Data Integrity

I, Susan McKee, certify that Dental Health Services Victoria has put in place appropriate internal controls and processes to ensure that reported data accurately reflects actual performance. Dental Health Services Victoria has critically reviewed these controls and processes during the year.



Susan McKee  
Chief Executive Officer  
Dental Health Services Victoria Carlton VIC

31 August 2023

## Integrity, fraud and corruption

I, Susan McKee, certify that Dental Health Services Victoria, has put in place appropriate internal controls and processes to ensure that integrity, fraud and corruption risks have been reviewed and addressed at Dental Health Services Victoria during the year.



Susan McKee,  
Chief Executive Officer  
Dental Health Services Victoria Carlton VIC

31 August 2023

## Risk Management Framework and Processes

I, Susan McKee, certify that Dental Health Services Victoria has complied with Ministerial Direction 3.7.1 – Risk Management Framework and Processes. The Dental Health Services Victoria Audit and Risk Committee has verified this.



Susan McKee,  
Chief Executive Officer  
Dental Health Services Victoria Carlton VIC

31 August 2023

## Conflict of Interest

I, Susan McKee, certify that Dental Health Services Victoria has put in place appropriate internal controls and processes to ensure that it has complied with the requirements of hospital circular 07/2017 Compliance reporting in health portfolio entities (Revised) and has implemented a 'Conflict of Interest' policy consistent with the minimum accountabilities required by the Victorian Public Sector Commission. Declaration of private interest forms have been completed by all executive staff within Dental Health Services Victoria and members of the Board, and all declared conflicts have been addressed and are being managed. Conflict of interest is a standard agenda item for declaration and documenting at each Executive Board meeting.



Susan McKee,  
Chief Executive Officer  
Dental Health Services Victoria Carlton VIC

**31 August 2023**

## HealthShare Victoria purchasing policies

I, Susan McKee, certify that Dental Health Services Victoria has put in place appropriate internal controls and processes to ensure that it has complied with all requirements set out in the HealthShare Victoria purchasing policies, including mandatory HealthShare Victoria collective agreements as required by the *Health Services Act 1988 (Vic)* and has critically reviewed these controls and processes during the year.



Susan McKee,  
Chief Executive Officer  
Dental Health Services Victoria Carlton VIC

**31 August 2023**

## Public Interest Disclosures Act 2012

DHSV is committed to the aims and objectives of the Act. DHSV does not tolerate improper conduct by employees, nor the taking of reprisals against people who come forward to disclose such conduct. DHSV is not a public organisation prescribed under the Act to receive a protected disclosure, therefore disclosures about DHSV, its directors and employees must be made directly to the Independent Broad-based Anti-Corruption Commission. Although DHSV is not able to receive disclosures, DHSV has a procedure in place (as required under section 58 of the Act), which sets out how DHSV will protect people against detrimental action that might be taken against them in reprisal for making a protected disclosure or cooperating in an investigation into a protected disclosure complaint.

## Freedom of Information

The Victorian Freedom of Information (FOI) Act 1982 provides members of the public the right to apply for access to information held by DHSV. Most applications under Freedom of Information are requests by patients for access to their own personal dental records. DHSV received 326 requests during the year and all requests but one were granted in full.

## Competitive neutrality

DHSV applies competitive neutral pricing principles to all its identified business units in accordance with the requirements of the government policy statement, Competitive Neutrality Policy Victoria and subsequent reforms.

## WORKFORCE BREAKDOWN

		June 2023						June 2022					
		All employees			Ongoing			Fixed-term and casual			All employees		
		Number (head count)	FTE	Full-time (head count)	Part-time (head count)	FTE	Number (head count)	FTE	Number (head count)	FTE	Number (head count)	FTE	Number (head count)
Gender													
Women		453	333	134	216	257	103	76			418	292	
Men		170	118	58	62	82	50	36			157	106	
Self-described		-	-	-	-	-	-	-			-	-	
Total		623	451	192	278	339	153	112			575	398	
Age													
15-24		26	19	3	8	9	15	10			19	12	
25-34		134	99	39	31	54	64	45			107	74	
35-44		163	112	44	84	85	35	27			156	100	
45-54		149	106	48	81	91	20	15			157	111	
55-64		113	89	47	48	75	18	14			106	80	
65+		38	26	11	26	25	1	1			30	21	
Total		623	451	192	278	339	153	112			575	398	
Classification													
Administration & Clerical		252	215	111	58	150	83	65			214	184	
Specialist Dentist		60	19	-	51	16	9	3			61	20	
Dentist		57	35	5	31	20	21	15			52	28	
Dental Assistant		130	102	42	68	88	20	14			124	91	
Other*		117	73	34	70	65	13	8			118	69	
Executive		7	7	-	-	-	7	7			6	6	
Total Employees**		623	451	192	278	339	153	112			575	398	
											184	282	
											328	109	
											70		

This table discloses the headcount and full-time equivalent (FTE) of all active DHSV employees.

\* Other includes Nurses, Dental Technicians, Dental Therapists and other medical and non-medical staff.

\*\*Active employees refers to staff that were paid based on hours worked and those that were on paid leave during the last full pay period in June 2023.

## WORKFORCE INFORMATION

DHSV applies the classification guidelines as set down by the Victorian Public Sector Commission for all workforce data collection purposes.

### Employment principles

DHSV is committed to equal opportunity (including equal employment opportunity) and inclusive, fair and reasonable processes in all human resource management procedures. DHSV applies a framework that incorporates the employment principles outlined in the *Public Administration Act 2004*.

Our recruitment and selection processes apply the principles of merit and equity, relevant award and statutory requirements and best practice public sector approaches.

The principles of natural justice and procedural fairness underpin our procedures for handling staff complaints and grievances, which seek to achieve an effective resolution of issues that contribute to positive workplace relationships.

We have in place policies and procedures addressing legislative requirements in the areas of bullying, harassment and discrimination, occupational health and safety and other areas of government policy governing employment terms and conditions.

All policies and procedures and associated documentation are readily accessible for staff via the staff portal.

### Organisational values and staff code of conduct

DHSV's core values of respect, accountability, collaboration, and transformation, provide both a guide for employee behaviour and a framework for fostering a respectful workplace culture that promotes employee engagement and performance.

### Safety culture

DHSV is committed to ensuring that we continue to promote our safety culture and have the right systems in place to create a safe work environment. We continue to provide a range of initiatives to support the wellbeing of our staff, such as Mental Health First Aid Officers, wellbeing webinars and support services. A key initiative during the 2022–23 period was the development and implementation of a Return-to-Work library to ensure a comprehensive approach in identifying alternative duties to inform return to work plans. This new initiative enables us to support our team members who may have sustained an injury to have a smooth transition back to work.

### Occupational health and safety

The DHSV Workplace Health and Safety strategic direction is underpinned by leadership and employee engagement in Occupational Health and Safety (OHS), which is supported by a Health and Safety Consultant. The OHS management system provides a framework for risk management ensuring compliance with relevant legislation.

Our Human Resources team supports our workforce through the provision of continuous assistance, support, and mental health first aid programs. Central to these support services are a referral pathway for ongoing debriefing, an Employee Assistance Program, and peer support groups available for employees.

During 2022–23, we ran a series of Front Line Adapted Communication training sessions to provide 87 staff members, primarily Patient Liaison Officers, with the skills to de-escalate potentially hostile situations with patients and keep them safe from workplace aggression. The training covered:

- Safety and dynamic risk assessment
- Survival stress response and situational awareness
- Adaptive communication and negotiation principles
- Essential dialogue for critical incidents
- Negotiation boundaries
- Safety and team tactics
- Communication, body language and negotiation boundaries. working practices.

## MEETING ACCREDITATION

DHSV is committed to the continuous improvement of our treatment and services to ensure we can provide safe, high-quality care to our patients. We are assessed against a range of standards including the National Safety and Quality Health Service Standards (NSQHSS) for Day Procedure Centres, a set of nationally consistent standards established by the Australian Commission on Safety and Quality in Healthcare (The Commission).

We were last assessed by the Australian Council on Healthcare Standards against the NSQHSS in March 2022 and were awarded full accreditation for three years. The assessors congratulated DHSV on the continued work with Partnering with Consumers and Recognising and Responding to Acute Deterioration and acknowledged the work that has commenced with the new standards, Comprehensive Care and Communicating for Safety.

DHSV supports all public community dental agencies to successfully maintain accreditation with the NSQHSS for dental practices. DHSV continues to provide updated resources, advice, and ongoing support for over 50 public community dental agencies across the state.

The DHSV Radiology department was assessed by Quality Innovation Performance against the Diagnostic Imaging Scheme in 2020 and was awarded full accreditation until December 2024. In March 2023, the Oral and Maxillofacial Surgery Department was assessed by the Royal Australasian College of Dental Surgeons against the Standards and Criteria for Oral and Maxillofacial Surgery and awarded accreditation as an education and training facility in Oral and Maxillofacial Surgery for five years, until March 2028.

Occupational violence statistics		2022–23
WorkCover accepted claims with an occupational violence cause per 100 FTE		<b>0.179</b>
Number of accepted work cover claims with lost time injury with an OVA cause per 1,000,000 hours worked		<b>1.473</b>
Number of occupational violence incidents reported		<b>20</b>
Number of occupational violence incidents reported per 100 FTE		<b>3.58</b>
Percentage of occupational violence incidents resulting in a staff injury, illness or condition		<b>5%</b>
OH&S statistics		
Number of reported hazards/incidents for the year per 100 full-time equivalent staff members		<b>9.12</b>
The number 'lost time' standard claims for the year per 100 full-time equivalent staff members		<b>1.432</b>
The average cost per claim for the year 2023 – payments to date (as of 30 June 2023)		<b>\$85,054.14</b>
An estimate of outstanding claim costs as advised by WorkSafe		<b>\$2,540,493</b>
A minimum of two prior years' data on these indicators and explanations for significant variations from one year to the next; and two prior years' data (actual)		
• 2020–21 Average claims cost (payments made)		<b>\$678,387</b>
• 2021–22 Average claims cost (payments made)		<b>\$663,216</b>
• 2022–23 Average claims cost (payments made)		<b>\$1,786,137</b>
• Premium projection based on current claims		<b>\$1,096,578.32</b>
Significant variations:		
In the event of a fatality, a discussion of the circumstances that led to the fatality and the preventative measures that have been taken to prevent recurrence. If the fatality is under investigation or subject to an inquiry, a statement to that effect shall be included.		<b>N/A</b>

## FEES AND CHARGES

### Eligible adults:

- a fee of \$30.50 per visit if you hold a Pensioner Concession Card or Healthcare Card. The most you will need to pay for a complete general course of care is \$122
- a flat fee of \$30.50 for an emergency course of care, which includes assessment and treatment of the tooth/gums/denture that is causing pain
- a fee of \$73 per denture capped at \$146 for a full upper and lower denture.

### Children aged 0 to 12 years who are not healthcare or pensioner concession card holders or not dependants of concession card holders:

- free of charge for an emergency course of care
- a flat fee of \$36 per child for a general course of care, which includes an examination and all general dental treatment. Fees per family will not exceed \$144 per course of care.

### Fees for specialist services (RDHM only):

- depend on the treatment. It will not be more than \$370 for a course of care.

## FEE EXEMPTIONS

### Exemption from fees for public dental services apply to:

- Aboriginal and Torres Strait Islander peoples\*
- people without homes and people at risk of homelessness
- refugees and people seeking asylum
- all children and young people aged 0-17 years who hold a health care or pensioner concession card, or who are dependants of concession card holders
- all children and young people up to 18 years of age in out-of-home care provided by the Department of Families, Fairness and Housing (including kinship and foster care)
- all people in youth justice custodial care
- people registered with mental health and disability services, supported by a letter of recommendation from their case manager or staff of special development schools
- those receiving care from undergraduate students
- those experiencing financial hardship.

\*Fee exemption is not applicable to specialist services at RDHM for non-concession card holding Aboriginal clients over the age of 12.

## STATEMENT OF AVAILABILITY OF OTHER INFORMATION

Compliant with the requirements of the Standing Directions of the Minister for Finance, details in respect of the items listed on the right have been retained by DHSV and are available to the relevant ministers, Members of Parliament, and the public on request (subject to the freedom of information requirements, if applicable):

- a) a statement of pecuniary interests has been completed
- b) details of shares held by senior officers as nominee or held beneficially
- c) details of publications produced by the Department about the activities of DHSV and where they can be obtained
- d) details of changes in prices, fees, charges, rates, and levies charged by DHSV
- e) details of any major external reviews carried out on DHSV
- f) details of major research and development activities undertaken by DHSV that are not otherwise covered either in the Report of Operations or in a document that contains the financial statements and Report of Operations
- g) details of overseas visits undertaken including a summary of the objectives and outcomes of each visit
- h) details of major promotional, public relations and marketing activities undertaken by the entity to develop community awareness of DHSV and its services
- i) details of assessments and measures undertaken to improve the occupational health and safety of employees
- j) general statement on industrial relations within DHSV and details of time lost through industrial accidents and disputes, which is not otherwise detailed in the Report of Operations
- k) a list of major committees sponsored by DHSV, the purposes of each committee and the extent to which the purposes have been achieved
- l) details of all consultancies and contractors including consultants/contractors engaged, services provided, and expenditure committed for each engagement.

## QUALITY RESOURCES

DHSV develops a range of educational and informative written materials and resources for public dental patients, oral health and other health professionals and members of the public. These resources include training packages, video resources and brochures. All written materials can be obtained via the DHSV website or by contacting the DHSV Brand and Communications team via [communications@dhsv.org.au](mailto:communications@dhsv.org.au).



# ENVIRONMENT PERFORMANCE REPORT

DHSV procures energy, water, and waste services via the HealthShare Victoria collective agreements, which also serve as the primary source of data for these reports. Additionally, a significant portion of our vehicles are leased and managed by VicFleet. This data is collected

centrally through fuel cards, encompassing all DHSV vehicles, whether leased or owned. We are dedicated to continuous improvement in reducing our environmental impact, and we are actively working towards enhancing the reporting of this data in the future.

## Electricity use

EL1 Total electricity consumption segmented by source [MWh]		
	2022–23	2021–22
Purchased	2,774.79	2,525.58
<b>EL1 Total electricity consumption [MWh]</b>	<b>2,774.79</b>	<b>2,525.58</b>

EL4 Total electricity offsets segmented by offset type [MWh]		
	2022–23	2021–22
RPP (Renewable Power Percentage in the grid)	2,774.79	2,525.58
<b>EL4 Total electricity offsets [MWh]</b>	<b>2,774.79</b>	<b>2,525.58</b>

## Stationary energy

F1 Total fuels used in buildings and machinery segmented by fuel type [MJ]		
	2022–23	2021–22
Natural gas	9,791,297.60	6,459,535.90
<b>F1 Total fuels used in buildings [MJ]</b>	<b>9,791,297.60</b>	<b>6,459,535.90</b>

F2 Greenhouse gas emissions from stationary fuel consumption segmented by fuel type [Tonnes CO2-e]		
	2022–23	2021–22
Natural gas	504.55	332.86
<b>F2 Greenhouse gas emissions from stationary fuel consumption [Tonnes CO2-e]</b>	<b>504.55</b>	<b>332.86</b>

## Transportation energy (see note 2)

T1 Total energy used in transportation (vehicle fleet) within the Entity, segmented by fuel type [MJ]		
	2022–23	2021–22
Petrol	388,141.48	N/A
Diesel	1,879,444.61	N/A
<b>Total energy used in transportation (vehicle fleet) [MJ]</b>	<b>2,267,586.09</b>	<b>N/A</b>

T2 Number and proportion of vehicles in the organisational boundary segmented by engine/fuel type and vehicle category		
	2022–23	2021–22
Petrol	6 (5%)	N/A
Diesel	110 (95%)	N/A
<b>T2 Total number of vehicles (vehicle fleet) segmented by fuel type</b>	<b>116</b>	<b>N/A</b>

T3 Greenhouse gas emissions from transportation (vehicle fleet) segmented by fuel type [tonnes CO2-e]		
	2022–23	2021–22
Petrol	28.00	N/A
Diesel	158.30	N/A
<b>Total Greenhouse gas emissions from transportation (vehicle fleet) [tonnes CO2-e]</b>	<b>186.30</b>	<b>N/A</b>

## Total energy use

E1 Total energy usage from fuels, including stationary fuels (F1) and transport fuels (T1) [MJ]		
	2022–23	2021–22
Total energy usage from stationary fuels (F1) [MJ]	9,791,297.60	6,459,535.90
Total energy usage from transport (T1) [MJ]	2,267,586.09	
<b>Total energy usage from fuels, including stationary fuels (F1) and transport fuels (T1) [MJ]</b>	<b>12,058,883.69</b>	<b>6,459,535.90</b>

E2 Total energy usage from electricity [MJ]		
	2022–23	2021–22
Total energy usage from electricity [MJ]	9,989,230.32	9,092,089.30

E3 Total energy usage segmented by renewable and non-renewable sources [MJ]		
	2022–23	2021–22
Renewable	1,877,975.33	1,690,219.38
Non-renewable (E1 + E2 - E3 Renewable)	17,902,552.59	13,861,405.81
<b>Total energy usage segmented by renewable and non-renewable sources [MJ]</b>	<b>19,780,527.92</b>	<b>15,551,625.20</b>

E4 Units of Stationary Energy used normalised: (F1+E2)/normaliser		
	2022–23	2021–22
Energy per unit of LOS [MJ/LOS]	8,783.54	8,108.25
Energy per unit of Separations [MJ/ Separations]	8,783.54	8,108.25
Energy per unit of floor space [MJ/ m2]	1,081.02	849.91

## Water use

W1 Total units of metered water consumed by water source (kl)		
	2022–23	2021–22
Potable water [kl]	8,782.82	8,943.35
<b>Total units of water consumed [kl]</b>	<b>8,782.82</b>	<b>8,943.35</b>

W2 Units of metered water consumed normalised by FTE, headcount, floor area, or other entity or sector specific quantity		
	2022–23	2021–22
Water per unit of LOS [kl/LOS]	3.90	4.66
Water per unit of Separations [kl/ Separations]	3.90	4.66
Water per unit of floor space [kl/m2]	0.48	0.49

## Waste and recycling

WR1 Total units of waste disposed of by waste stream and disposal method [kg]		
	2022–23	2021–22

### Landfill (total)

General waste	266,257.20	266,618.00
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<b>Total units of water consumed [kl]</b>	<b>8,782.82</b>	<b>8,943.35</b>
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### Offsite treatment

Clinical waste – incinerated	263.80	204.70
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Clinical waste – sharps	237.60	280.41
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Clinical waste – treated	15,122.28	24,044.63
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### Recycling/recovery (disposal)

Cardboard	14,872.44	8,959.81
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Commingled	12,165.12	14,615.04
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Grease traps		
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Paper (confidential)	8,952.17	5,570.50
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Paper (recycling)	4,202.50	2,363.91
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<b>Total units of waste disposed [kg]</b>	<b>322,073.11</b>	<b>322,657.00</b>
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WR1 Total units of waste disposed of by waste stream and disposal method [%]		
	2022–23	2021–22

### Landfill (total)

General waste	82.67%	82.63%
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<b>Total units of water consumed [kl]</b>	<b>8,782.82</b>	<b>8,943.35</b>
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### Offsite treatment

Clinical waste – incinerated	0.08%	0.06%
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Clinical waste – sharps	0.07%	0.09%
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Clinical waste – treated	4.70%	7.45%
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### Recycling/recovery (disposal)

Cardboard	4.62%	2.78%
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Commingled	3.78%	4.53%
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Grease traps		
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Paper (confidential)	2.78%	1.73%
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Paper (recycling)	1.30%	0.73%
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WR3 Total units of waste disposed normalised by FTE, headcount, floor area, or other entity or sector specific quantity, by disposal method		
	2022–23	2021–22
Total waste to landfill per PPT [(kg general waste)/PPT]	59.12	69.50
Total waste to offsite treatment per PPT [(kg offsite treatment)/PPT]	3.47	6.39
Total waste recycled and reused per PPT [(kg recycled and reused)/PPT]	8.92	8.21
WR4 Recycling rate [%]		
	2022–23	2021–22
Weight of recyclable and organic materials [kg]	40,192.23	31,509.26
Weight of total waste [kg]	322,073.11	322,657.00
<b>Recycling rate [%]</b>	<b>12.48%</b>	<b>9.77%</b>
WR5 Greenhouse gas emissions associated with waste disposal [tonnes CO2-e]		
	2022–23	2021–22
tonnes CO2-e	366.33	378.41

## Greenhouse gas emissions

G1 Total scope one (direct) greenhouse gas emissions [tonnes CO2e]		
	2022–23	2021–22
Carbon Dioxide	503.27	332.02
Methane	0.98	0.65
Nitrous Oxide	0.29	0.19
<b>Total scope one (direct) greenhouse gas emissions [tonnes CO2e]</b>	<b>504.55</b>	<b>332.86</b>
G2 Total scope two (indirect electricity) greenhouse gas emissions [tonnes CO2e]		
	2022–23	2021–22
Electricity	1,906.14	1,844.30
<b>Total scope two (indirect electricity) greenhouse gas emissions [tonnes CO2e]</b>	<b>1,906.14</b>	<b>1,844.30</b>
G3 Total scope three (other indirect) greenhouse gas emissions associated with commercial air travel and waste disposal (tonnes CO2e)		
	2022–23	2021–22
Commercial air travel		
Waste emissions (WR5)	366.33	378.41
Indirect emissions from Stationary Energy	284.76	227.33
Any other Scope 3 emissions	14.88	16.80
<b>Total scope three greenhouse gas emissions [tonnes CO2e]</b>	<b>665.97</b>	<b>622.54</b>

## Normalisation factors

	2022–23	2021–22
<b>TotalAreaM2</b>	<b>18,298.00</b>	<b>18,298.00</b>

NOTE 1: Indicators are not reported where data is unavailable or an indicator is not relevant to the organisation's operations

NOTE 2: Transportation data includes Executive fleet, consisting of two vehicles in FY 2022–23.

# STATEMENT OF PRIORITIES

## PART A: STRATEGIC PRIORITIES

In 2022–23, Dental Health Services Victoria will contribute to the achievement of the Victorian Government's commitments by:

Goals	Health Service Deliverables	Comments
<b>Maintain robust COVID-19 readiness and response</b>	Participating in and assisting with the implementation of COVID-19 vaccine immunisation program rollout	<p>DHSV has a robust and active COVID plan which is reviewed regularly.</p> <p>DHSV has offered its assistance to support the COVID-19 vaccine immunisation and testing programs.</p>
<b>Increase utilisation of the Child Dental Benefits Schedule</b>	Develop and implement a plan to increase the capacity of CDBS services provided to children and young people at RDHM and the community dental agencies	<p>A Child Dental Benefits Schedule implementation plan is in place. The process has been significantly improved with the establishment of an electronic consent process in Smile Squad.</p> <p>Child Dental Benefits Schedule uptake continues to be monitored.</p> <p>Further opportunities to increase uptake are being considered in the scheduling re-design project.</p>
<b>Increase the capacity to deliver specialist dental services to children referred through Smile Squad</b>	Establish specialist regional hubs to provide specialised care; engage private specialists to deliver services; and enhance the capacity of the public specialist system	<p>DHSV has progressed discussions in establishing regional specialist hubs with Bendigo Health and Latrobe Community Health Service. Discussions are in progress with Barwon Health.</p> <p>Contracts have been signed with six private specialist practices to deliver services.</p> <p>Work has commenced on identifying areas of skills development for public general dentists and oral health therapists to support the delivery of specialised care.</p>
<b>Work with Safer Care Victoria in areas of clinical improvement to ensure the Victorian health system is safe and delivers the best care</b>	Collaborate on hospital-acquired complications, low value care, and targeting preventable harm to ensure that limited resources are optimised without compromising clinical care and outcomes	<p>DHSV has developed and implemented procedures and tools to support the requirements of the Statutory Duty of Candour.</p> <p>DHSV is committed to ongoing work to increase patient safety and quality of care through the application of the VBHC principles, review and reduction of low value care, clinical audit, and indicator reports.</p>
<b>Enhance health system resilience by improving environmental sustainability</b>	Identify and implement projects/processes that contribute to committed reduced emissions targets that will help the health system adapt to the impacts of climate change	<p>The hospital has recently undergone an energy efficient mechanical plant upgrade.</p> <p>All hospital light fittings are being replaced with LEDs. DHSV has tendered for installation of a 100KW solar array.</p> <p>Further energy efficient improvements are being considered following a recent Energy Audit.</p>
<b>Improve health service and Departmental Asset Management Accountability Framework</b>	Collaborate with health infrastructure to develop policy and processes to review the effectiveness of asset management and its impact on service delivery	<p>DHSV remains committed to ensuring that our asset base is efficient and effective.</p> <p>Plans are being finalised to upgrade the hospital's Building Management Systems to provide detailed information about plant operations and increase our capability to manage and refine outputs.</p>

Goals	Health Service Deliverables	Comments
<b>Develop and drive an Innovations Grant Program</b>	Use the funds from the Innovations Grant Program to drive innovative projects to improve access to dental care for vulnerable Victorians	<p>Funds have been allocated to support the Statewide Innovation Grants Program.</p> <p>An Expression of Interest was undertaken, and seven projects are currently in progress. Another five are finalising their project scope and will commence in July 2023.</p>
<b>Develop a statewide model of care to deliver public dental services to Aboriginal people</b>	Build collaborative partnerships that will enable improvements in Aboriginal oral health, with a focus on prevention and early intervention and system enhancements	<p>Funds have been allocated to develop an Aboriginal model of care. This project is led by VACCHO and supported by DHSV.</p> <p>Phase 1: Final Needs Assessment Report and Phase 2: Project Plan will be finalised by August 2023.</p> <p>An important part of the Aboriginal model of care is the development of an Aboriginal Health Practitioner Fluoride Varnish Program. The program helps deliver cost-effective preventive oral health interventions to Aboriginal children in culturally safe settings.</p> <p>The first training program commenced in late 2022. Eight Aboriginal Health Practitioners have now successfully completed the training program and are registered to apply fluoride varnish to children in their local communities.</p> <p>A second round of the Aboriginal Health Practitioner Fluoride Varnish training will be conducted in late 2023.</p>
<b>Strengthen cross-service collaboration in health service partnerships</b>	Collaborate with oral health and other health professionals across the sector on strategic priorities to achieve better and more consistent outcomes	<p>DHSV has recently met with The Women's and is exploring opportunities to partner with them to:</p> <ul style="list-style-type: none"> <li>• Promote our free professional development course for midwives that builds their knowledge of the importance of oral health for pregnant women and young children</li> <li>• Provide health promotion materials on the importance of oral health during pregnancy to share with their patients.</li> </ul>
<b>Implement the Strengthening Hospital Responses to Family Violence initiative deliverables</b>	Ensure health service aligns to family violence Multi-Agency Risk Assessment and Management Framework and participate in sector-wide Occupational Violence and Aggression training	<p>DHSV has embedded MARAM victim survivor practice responsibilities into its practices. Staff are required to undertake mandatory MARAM-aligned training appropriate to the scope of their duties. DHSV provides a combination of eLearn modules and in-person sessions to strengthen our ability to identify and safely respond to family violence. These compliance packages are part of DHSV's onboarding program.</p> <p>The MARAM Screening and Identification Tool has been incorporated into DHSV's patient management system. The Family Violence and Child Information Sharing process is in place, with delegates assigned to manage internal and external information sharing requests.</p> <p>DHSV provides customised OVA training programs to all staff. The programs are aligned to the OVA standards and customised to cater for DHSV's operating environment.</p>



Goals	Health Service Deliverables	Comments
<b>Prioritise wellbeing of healthcare workers</b>	Implement local strategies to address key staff wellbeing issues	DHSV has an annual wellbeing program which incorporates both psychological and physical wellbeing initiatives. Staff feedback and Pulse and People Matter surveys are utilised to monitor levels of wellbeing and tailor the program to support staff.
<b>Develop and deliver the Jobs Victoria Innovation Fund project for 100 priority job seekers</b>	Develop a plan for the implementation of the Dental Assistant Traineeship Initiative, recruiting 100 sustainable jobs for priority job seekers and enabling the delivery of Certificate III in Dental Assisting, including mentoring and wraparound supports	DHSV has commenced this project and has finalised intake 1 of 3 to recruit and onboard trainees into community dental agencies across the state. To date, DHSV has supported 56 new trainees to commence a career within public oral health. All project deadlines and budget requirements are tracking as per original agreements.
<b>Address workforce shortages across Victoria</b>	Establish a Workforce Strategy to address the workforce shortages across the state and ensure capacity to deliver dental services across public oral health	A Workforce strategy was created and implemented. It aligns with the Department's Smile Squad Accelerated Delivery Action Plan (ADAP). Additional resources were engaged to support a statewide graduate program and attraction and retention initiatives.

## PART B: PERFORMANCE PRIORITIES

### High quality and safe care

Key Performance Measure	Target	Actual
Infection prevention and control		
Compliance with the Hand Hygiene Australia program	85%	<b>85%</b>
Percentage of healthcare workers immunised for influenza	92%	<b>96%</b>
Patient experience		
Patient satisfaction at the Royal Dental Hospital of Melbourne, as measured by the Patient Experience Trackers (DHSV uses PREMS)	85% positive experience	<b>92%</b>

## Strong governance, leadership, and culture

Key Performance Measure	Target	Actual
Organisation culture		
People Matter survey – Percentage of staff with an overall positive response to safety culture survey questions	62%	<p>There is no longer a segment in the People Matter survey titled 'Safety Culture'. There is a segment titled Organisational Climate with a subset of questions grouped under 'Safety Climate'. The Safety Climate segment of PMS is made up of 6 questions relating to physical and psychological Health.</p> <p>In the October 2022 PMS reported the % of staff who agreed or strongly agreed with the 6 questions was 52%. An increase of 3% on the same questions in 2021.</p>

## Timely access to care

Key Performance Measure	2022–23 Agencies Target	2022–23 Actual (Q4)	2022–23 RDHM Target	2022–23 Actual (Q4)	2022–23 Statewide Target	2022–23 Actual (Q4)
Emergency Care						
Percentage of Dental Emergency Triage Category 1 clients treated within 24 hours	90%	<b>91%</b>	90%	<b>92%</b>	90%	<b>91%</b>
Percentage of Dental Emergency Triage Category 2 clients treated within 7 days	80%	<b>93%</b>	80%	<b>85%</b>	80%	<b>91%</b>
Percentage of Dental Emergency Triage Category 3 treated within 14 days	75%	<b>90%</b>	75%	<b>78%</b>	75%	<b>89%</b>

Key Performance Measure	2022–23 Agencies Target	2022–23 Actual (Q4)	2022–23 RDHM Target	2022–23 Actual (Q4)	2022–23 Statewide Target	2022–23 Actual (Q4)
General and Denture Care						
Number of hospital-initiated postponements per 100 scheduled appointments.	-	-	3	<b>3.5</b>	-	-
Average recall interval for high caries risk eligible clients aged 0 – 17 years (months)	-	-	-	-	12	<b>16</b>
Average recall interval for low caries risk eligible clients aged 0 – 17 years (months)	-	-	-	-	24	<b>16</b>
Waiting time for prosthodontics, endodontic, and orthodontics specialist services patients (months)	-	-	15	<b>14</b>	-	-
Waiting time for other dental specialist services patients (months)	-	-	9	<b>13</b>	-	-
Waiting time for general care (months)	-	-	-	-	23	<b>17</b>
Waiting time for denture care (months)	-	-	-	-	22	<b>16</b>
Waiting time for priority denture care (months)	-	-	-	-	3	<b>3</b>

Key Performance Measure	2022–23 Agencies Target	2022–23 Actual (Q4)	2022–23 RDHM Target	2022–23 Actual (Q4)	2022–23 Statewide Target	2022–23 Actual (Q4)
Activity						
Total number of individuals treated <sup>1&amp;2</sup>	-	-	-	-	365,000	<b>296,932</b>
Priority and emergency clients treated <sup>2</sup>	-	-	-	-	273,800	<b>221,565</b>
Dental Weighted Activity Units <sup>1&amp;2</sup>	-	-	-	-	351,488	<b>346,709</b>

## School Dental Program

Key Performance Measure	Target	Actual (Q4)
Schools visited by Smile Squad	200	<b>454</b>
Students examined by Smile Squad	10,000	<b>38,109</b>
Students receiving treatment by Smile Squad	1,500	<b>9,576</b>

## Participation in oral health promotion

Key Performance Measure	2022–23 Statewide Target	Actual (Q4)
<b>Oral Health Promotion Program</b>		
Children participating in Smiles 4 Miles	49,000	<b>60,657</b>

## Effective financial management

Key Performance Indicator	Target	Actual
Operating result (\$m)	0.00	<b>(0.125)</b>
Average number of days to pay trade creditors	60 days	<b>35 days</b>
Average number of days to receive patient fee debtors	60 days	<b>17 days</b>
Adjusted current asset ratio	0.7 or 3% improvement from health service base target	<b>0.99</b>
Actual number of days available cash, measured on the last day of each month	14 days	<b>24 days</b>
Variance between forecast and actual Net result from transactions (NRFT) for the current financial year ending 30 June	Variance ≤ \$250,000	<b>Variance is &lt; 0.25</b>

<sup>1</sup> Targets reflect additional activity to be delivered under the Federation Funding Agreement – Schedule on Public Dental Services for Adults and additional State investment for Responding to community – based healthcare demand.

<sup>2</sup> Targets exclude services provided via the Child Dental Benefits Schedule.

# FINANCIAL OVERVIEW

The DHSV operating result for the financial year was a deficit of \$125k. The net entity result was a deficit of \$2.7 million, due to capital grants of \$8.2m (primarily for School Dental Program and Dental Chair Replacement Program), offset by depreciation expenses of \$9.1m, assets transferred to agencies of \$1.2m and other economic flows.

Total revenue increased by \$58.3m (27.6% increase on previous year) attributed to the successful implementation of the transition plan to restore dental activity levels affected by COVID-19 and the growth in the School Dental Program's activity. Total expenditure increased by \$59.1m on the previous year, predominantly due to an increase in payments to agencies for activity delivered. Other factors include an increase in salaries and wages and other operating expenses.

Although the long-term impacts of the COVID pandemic remain uncertain, the financial effects during the financial year 2022–23 were not significant for DHSV. Furthermore, DHSV remains committed to addressing patient waitlists and actively working towards restoring and enhancing dental activity levels.

The total equity increased by \$5m as a result of building revaluation, which was partly offset by the entity deficit for the year.

The key operational and financial objectives at DHSV are documented in the Statement of Priorities 2022–23.

Detailed financial statements are available in the back cover of this report.

Summary of financial results					
	2023	2022	2021	2020	2019
	\$'000	\$'000	\$'000	\$'000	\$'000
Total revenue	269,299	210,998	217,964	214,583	207,196
Total expenses	(271,492)	(212,350)	(213,152)	(216,513)	(209,740)
Other operating flows included in the net result	(542)	309	(804)	(1,487)	(561)
Net result for the year	(2,735)	(1,043)	4,008	(3,417)	(3,105)
Operating result	(125)	(48)	2,714	140	(31)
Total assets	257,330	270,058	214,350	162,460	160,735
Total liabilities	124,506	141,821	85,070	40,756	35,614
Net assets	132,824	128,237	129,280	121,704	125,121
Total equity	132,824	128,237	129,280	121,704	125,121

\*The operating result is the result which DHSV is monitored against in its Statement of Priorities.

## Details of Information and Communication Technology (ICT) Expenditure

The total ICT expenditure incurred during 2022–23 is \$7,187 million (excluding GST) with the details shown below:

Business As Usual (BAU) ICT expenditure	
Total (excluding GST)	\$4,444,566
Non-Business as Usual (non-BAU) ICT expenditure	
(Total=Operational expenditure and capital expenditure) (excluding GST)	\$2,742,649
Operational expenditure (excluding GST)	
Total	\$423,408
Capital expenditure (excluding GST)	
Total	\$2,319,241

## Consultancies

### Details of consultancies (under \$10,000)

In 2022–23, there were 12 consultancies where the total fees payable to the consultants were less than \$10,000.

The total expenditure incurred during 2022–23 in relation to these consultancies were \$36,262 (excl. GST).

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

In 2022–23, there were 22 consultancies where the total fees payable to the consultants were \$10,000 or greater.

The total expenditure incurred during 2022–23 in relation to these consultancies were \$1,150,993 (excl. GST).

Details of individual consultancies can be requested by emailing [finance@dhsv.org.au](mailto:finance@dhsv.org.au).

# DISCLOSURE INDEX

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

Legislation	Requirement	Page reference
<b>Ministerial directions</b>		
<b>Report of Operations</b>		
<b>Charter and purpose</b>		
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# GLOSSARY

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<b>ACDL</b>	Aboriginal Community Development Lead
<b>BAU</b>	Business as Usual
<b>CDBS</b>	Child Dental Benefits Schedule
<b>CLiP</b>	Clinical Leadership in Practice Committee
<b>DHSV</b>	Dental Health Services Victoria
<b>DWAU</b>	Dental Weighted Activity Unit
<b>FOI</b>	Freedom of Information
<b>FTE</b>	Full time equivalent
<b>GPs</b>	General Practitioners
<b>GST</b>	Goods and services tax
<b>ICT</b>	Information and Communication Technology
<b>MARAM</b>	Multiagency Risk Assessment and Management
<b>MHFA</b>	Mental Health First Aid
<b>NSQHSS</b>	National Safety and Quality Health Service Standards
<b>OHS</b>	Occupational health and safety
<b>OVA</b>	Occupational Violence and Aggression
<b>RDHM</b>	The Royal Dental Hospital of Melbourne
<b>SHRFV</b>	Strengthening Hospital Responses to Family Violence
<b>VACCHO</b>	Victorian Aboriginal Community Controlled Health Organisation Inc
<b>VAGO</b>	Victorian Auditor General's Office



dental health  
services victoria  
oral health for better health

**DENTAL HEALTH  
SERVICES VICTORIA**

ABN: 55 264 981 997

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# DENTAL HEALTH SERVICES VICTORIA

ABN: 55 264 981 997

## FINANCIAL STATEMENTS

FOR THE YEAR ENDED  
30 JUNE 2022

## DENTAL HEALTH SERVICES VICTORIA

Dental Health Services Victoria (DHSV) has presented its audited general purpose financial statements for the financial year ended 30 June 2023 in the following structure to provide users with the information about DHSV's stewardship of the resources entrusted to it.

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## Dental Health Services Victoria

### Board Member's, Accountable Officer's and Chief Financial & Accounting Officer's declaration

The attached financial statements for Dental Health Services Victoria have been prepared in accordance with the Direction 5.2 of the Standing Directions of the Assistant Treasurer under the *Financial Management Act 1994*, applicable Financial Reporting Directions, Australian Accounting Standards including interpretations, and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and accompanying notes, present fairly the financial transactions during the year ended 30 June 2023 and the financial position of Dental Health Services Victoria at 30 June 2023.

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

We authorise the attached financial statements for issue on 31 August 2023.

David Stevenson  
Board Chair

Carlton  
31 August 2023

Susan McKee  
Chief Executive Officer

Carlton  
31 August 2023

Tim Hogar  
Chief Financial Officer

Carlton  
31 August 2023



# Independent Auditor's Report

## To the Board of Dental Health Services Victoria

<b>Opinion</b>	<p>I have audited the financial report of Dental Health Services Victoria (the health service) which comprises the:</p> <ul style="list-style-type: none"> <li>• balance sheet as at 30 June 2023</li> <li>• comprehensive operating statement for the year then ended</li> <li>• statement of changes in equity for the year then ended</li> <li>• cash flow statement for the year then ended</li> <li>• notes to the financial statements, including significant accounting policies</li> <li>• board member's, accountable officer's and chief finance &amp; accounting officer's declaration.</li> </ul> <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the health service as at 30 June 2023 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the <i>Financial Management Act 1994</i> and applicable Australian Accounting Standards.</p>
<b>Basis for Opinion</b>	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the health service in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
<b>Other information</b>	<p>My opinion on the financial report does not cover the Other Information and accordingly, I do not express any form of assurance conclusion on the Other Information. However, in connection with my audit of the financial report, my responsibility is to read the Other Information and in doing so, consider whether it is materially inconsistent with the financial report or the knowledge I obtained during the audit, or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude there is a material misstatement of the Other Information, I am required to report that fact. I have nothing to report in this regard.</p>
<b>Board's responsibilities for the financial report</b>	<p>The Board of the health service is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Financial Management Act 1994</i>, and for such internal control as the Board determines 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.</p> <p>In preparing the financial report, the Board is responsible for assessing the health service's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>

**Auditor's responsibilities for the audit of the financial report**

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

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

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

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



MELBOURNE  
14 September 2023

Dominika Ryan  
*as delegate for the Auditor-General of Victoria*

**DENTAL HEALTH SERVICES VICTORIA**  
**Comprehensive Operating Statement**  
**For the financial year ended 30 June 2023**

	<b>Note</b>	<b>Total 2023 \$'000</b>	<b>Total 2022 \$'000</b>
<b>Revenue and income from transactions</b>			
Operating activities	<b>2.1</b>	257,847	201,200
Non-operating activities	<b>2.1</b>	11,452	9,798
<b>Total revenue and income from transactions</b>		<b>269,299</b>	<b>210,998</b>
<b>Expenses from transactions</b>			
Employee expenses	<b>3.1</b>	(55,415)	(46,711)
Supplies and consumables	<b>3.1</b>	(4,701)	(3,504)
Grants to other health services and community agencies	<b>3.1</b>	(181,491)	(135,219)
Depreciation and amortisation	<b>4.3</b>	(9,113)	(8,316)
Other operating expenses	<b>3.1</b>	(18,868)	(14,792)
Other non-operating expenses	<b>3.1</b>	(1,904)	(3,808)
<b>Total expenses from transactions</b>		<b>(271,492)</b>	<b>(212,350)</b>
<b>Net result from transactions - net operating balance</b>		<b>(2,193)</b>	<b>(1,352)</b>
<b>Other economic flows included in net result</b>			
<b>Items that may be reclassified subsequently to net result</b>			
Net loss on sale of non-financial assets	<b>3.5</b>	(301)	(17)
Net loss on financial instruments at fair value	<b>3.5</b>	(29)	(193)
Other gain / (loss) from other economic flows	<b>3.5</b>	(212)	519
<b>Total other economic flows included in net result</b>		<b>(542)</b>	<b>309</b>
<b>Net result for the year</b>		<b>(2,735)</b>	<b>(1,043)</b>
<b>Other economic flows - other comprehensive income</b>			
<b>Items that will not be reclassified to net result</b>			
Changes in property, plant and equipment revaluation surplus	<b>4.1(f)</b>	9,042	-
Changes in contributed capital	<b>4.1(b)</b>	(1,720)	-
<b>Total other comprehensive income</b>		<b>7,322</b>	<b>-</b>
<b>Comprehensive result for the year</b>		<b>4,587</b>	<b>(1,043)</b>

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

# DENTAL HEALTH SERVICES VICTORIA

## Balance Sheet

As at 30 June 2023

	Note	Total 2023 \$'000	Total 2022 \$'000
<b>Current assets</b>			
Cash and cash equivalents	6.2	99,749	126,966
Receivables	5.1(a)	9,772	1,740
Inventories	4.4	854	836
Prepayments		1,971	937
<b>Total current assets</b>		<b>112,346</b>	<b>130,479</b>
<b>Non-current assets</b>			
Receivables	5.1(a)	1,689	1,638
Property, plant and equipment	4.1(a)	141,469	137,599
Intangible assets	4.2	1,826	342
<b>Total non-current assets</b>		<b>144,984</b>	<b>139,579</b>
<b>Total assets</b>		<b>257,330</b>	<b>270,058</b>
<b>Current liabilities</b>			
Payables	5.2	109,449	127,306
Borrowings	6.1	389	391
Provisions	3.3	12,057	11,105
<b>Total current liabilities</b>		<b>121,895</b>	<b>138,802</b>
<b>Non-current liabilities</b>			
Borrowings	6.1	1,329	1,673
Provisions	3.3	1,282	1,346
<b>Total non-current liabilities</b>		<b>2,611</b>	<b>3,019</b>
<b>Total liabilities</b>		<b>124,506</b>	<b>141,821</b>
<b>Net assets</b>		<b>132,824</b>	<b>128,237</b>
<b>Equity</b>			
Property, plant and equipment revaluation surplus	4.1(f)	114,434	106,487
Contributed capital		50,885	52,605
Accumulated surpluses/(deficits)		(32,495)	(30,855)
<b>Total equity</b>		<b>132,824</b>	<b>128,237</b>
Commitments for expenditure	6.3		
Contingent assets and contingent liabilities	7.2		

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



# DENTAL HEALTH SERVICES VICTORIA

## Statement of Changes in Equity

For the financial year ended 30 June 2023

Total	Property, plant & equipment revaluation surplus	Contributed capital	Accumulated surpluses / (deficits)	Total
Note	\$'000	\$'000	\$'000	\$'000
<b>Balance at 30 June 2021</b>	<b>4.1(f)</b>	<b>106,936</b>	<b>52,605</b>	<b>129,280</b>
Net result for the year	-	-	(1,043)	(1,043)
Transfer to accumulated surplus/deficit	(449)	-	449	-
<b>Balance at 30 June 2022</b>	<b>4.1(f)</b>	<b>106,487</b>	<b>52,605</b>	<b>128,237</b>
Net result for the year	-	-	(2,735)	(2,735)
Other comprehensive income for the year	9,042	-	-	9,042
Transfer to accumulated surplus/deficit	(1,095)	-	1,095	-
Reduction of contributed capital	-	(1,720)	-	(1,720)
<b>Balance at 30 June 2023</b>	<b>4.1(f)</b>	<b>114,434</b>	<b>50,885</b>	<b>132,824</b>

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

**DENTAL HEALTH SERVICES VICTORIA****Cash Flow Statement****For the financial year ended 30 June 2023**

	<b>Note</b>	<b>Total 2023 \$'000</b>	<b>Total 2022 \$'000</b>
<b>Cash flows from operating activities</b>			
Operating grants from government		201,332	242,811
Capital grants from government		3,742	11,653
Patient fees received		4,388	2,210
Donations and bequests received		50	20
GST received from the Australian Taxation Office		11,341	9,921
Interest and Investment Income received		3,225	270
Other receipts		7,439	6,523
<b>Total receipts</b>		<b>231,517</b>	<b>273,408</b>
Employee expenses paid		(54,427)	(46,644)
Payments for supplies and consumables		(4,712)	(3,430)
GST paid to the Australian Taxation Office		(604)	(558)
Grant payments to other Health Services and Community Agencies		(160,242)	(132,601)
Purchase of inventories for resale		(8,570)	(8,124)
Other payments		(22,387)	(16,993)
<b>Total payments</b>		<b>(250,942)</b>	<b>(208,350)</b>
<b>Net cash flow from / (used in) operating activities</b>	<b>8.1</b>	<b>(19,425)</b>	<b>65,058</b>
<b>Cash flows from investing activities</b>			
Purchase of non-financial assets		(5,945)	(9,123)
Purchase of intangible assets		(1,565)	(222)
Proceeds from disposal of non-financial assets		71	19
<b>Net cash flow from / (used in) investing activities</b>		<b>(7,439)</b>	<b>(9,326)</b>
<b>Cash flows from financing activities</b>			
Repayment of borrowings		(353)	(126)
<b>Net cash outflow from financing activities</b>		<b>(353)</b>	<b>(126)</b>
<b>Net increase/(decrease) in cash and cash equivalents held</b>		<b>(27,217)</b>	<b>55,606</b>
Cash and cash equivalents at beginning of financial year		<b>126,966</b>	<b>71,360</b>
<b>Cash and cash equivalents at end of financial year</b>	<b>6.2</b>	<b>99,749</b>	<b>126,966</b>

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

## DENTAL HEALTH SERVICES VICTORIA

### Notes to the Financial Statements for the year ended 30 June 2023

#### Note 1: Basis of preparation

These annual financial statements represent the audited general purpose financial statements for Dental Health Services Victoria (DHSV) for the year ended 30 June 2023. The report provides users with information about DHSV's stewardship of resources entrusted to it.

This section explains the basis of preparing the financial statements and identifies the key accounting estimates and judgements.

##### Note 1.1: Basis of preparation of the financial statements

These financial statements are presented in Australian dollars (the functional and presentation currency of DHSV) and the historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured.

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

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

##### (a) Statement of compliance

These financial statements are general purpose financial statements which have been prepared in accordance with the *Financial Management Act 1994* and applicable AASBs, which include interpretations issued by the Australian Accounting Standards Board (AASB). They are presented in a manner consistent with the requirements of AASB 101 *Presentation of Financial Statements*.

The financial statements also comply with relevant Financial Reporting Directions (FRDs) issued by the Department of Treasury and Finance, and relevant Standing Directions (SDs) authorised by the Assistant Treasurer.

DHSV is a not-for-profit entity and therefore applies the additional AUS paragraphs applicable to "not-for-profit" Health Service under the AASBs.

##### (b) Reporting entity

The financial statements include all the controlled entities of DHSV (of which there are none).

DHSV's principal address is:  
The Royal Dental Hospital of Melbourne  
720 Swanston Street  
CARLTON Victoria 3053

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

##### (c) Basis of accounting preparation and measurement

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

The accounting policies have been applied in preparing the financial statements for the year ended 30 June 2023 and the comparative information presented in these financial statements for the year ended 30 June 2022.

The financial statements are prepared on a going concern basis (refer to Note 8.8 Economic Dependency).

The annual financial statements were authorised for issue by the Board of DHSV and its controlled entities on 31 August 2023.

## **DENTAL HEALTH SERVICES VICTORIA**

### **Notes to the Financial Statements for the year ended 30 June 2023**

#### **Note 1.2: Impact of COVID-19 pandemic**

The financial impacts of the COVID-19 pandemic were not material to DHSV during the financial year 2022-23.

Long-term outcomes from COVID-19 infection are currently unknown and while the pandemic response continues, a transition plan towards recovery and reform in 2022-23 was implemented. DHSV's COVID-19 Catch-Up Plan is aimed at addressing patient waitlists and restoring dental activity levels affected by the pandemic.

#### **Note 1.3: Goods and Services Tax (GST)**

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

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

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

Commitments are presented on gross and net basis, taking into account an estimated GST recoverable.

## **DENTAL HEALTH SERVICES VICTORIA**

### **Notes to the Financial Statements for the year ended 30 June 2023**

#### **Note 1.4: Equity**

##### **Contributed Capital**

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

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

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

#### **Note 1.5: Key accounting estimates and judgements**

Management make estimates and judgements when preparing the financial statements.

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

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

The accounting policies and significant management judgements and estimates used, and any changes thereto, are identified at the beginning of each section where applicable.



## DENTAL HEALTH SERVICES VICTORIA

Notes to the Financial Statements for the year ended 30 June 2023

### Note 2: Funding delivery of our services

DHSV's overall objective is to deliver programs and services that support and enhance the wellbeing of all Victorians.

DHSV is predominantly funded by accrual based grant funding for the provision of outputs. DHSV also receives income from the supply of goods and services.

#### Structure

*2.1: Revenue and income from transactions*

*2.2: Fair value of assets and services received free of charge or nominal consideration*

*2.3: Other income*

#### Impact of COVID-19 pandemic

Revenue recognised to fund the delivery of our services during the financial year was not materially impacted by the COVID-19 Coronavirus pandemic and scaling down the COVID-19 public health response during the year ended 30 June 2023.

#### Key judgements and estimates

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

# DENTAL HEALTH SERVICES VICTORIA

Notes to the Financial Statements for the year ended 30 June 2023

## Note 2.1: Revenue and income from transactions

	<b>Total 2023 \$'000</b>	<b>Total 2022 \$'000</b>
<b>Operating activities</b>		
<b>Revenue from contracts with customers</b>		
Government grants (State) - Operating	217,025	147,108
Patient fees	4,410	2,103
Commercial activities <sup>(i)</sup>	7,094	5,624
<b>Total revenue from contracts with customers</b>	<b>228,529</b>	<b>154,835</b>
<b>Other sources of income <sup>(ii)</sup></b>		
Government grants (State) - Operating	27,881	44,275
Other revenue from operating activities	426	429
Assets received free of charge	1,011	1,661
<b>Total other sources of income</b>	<b>29,318</b>	<b>46,365</b>
<b>Total revenue and income from operating activities</b>	<b>257,847</b>	<b>201,200</b>
<b>Income from non-operating activities <sup>(ii)</sup></b>		
Government grants (State) - Capital	8,211	9,463
Donations	50	20
Other sources of income	3,191	315
<b>Total income from non-operating activities</b>	<b>11,452</b>	<b>9,798</b>
<b>Total revenue and income from transactions <sup>(iii)</sup></b>	<b>269,299</b>	<b>210,998</b>

<sup>(i)</sup> Commercial activities represent business activities which DHSV enter into to support its operations.

<sup>(ii)</sup> Other sources of income and Income from non-operating activities are recognised as income for not-for-profit entities (AASB 1058).

**DENTAL HEALTH SERVICES VICTORIA**  
**Notes to the Financial Statements for the year ended 30 June 2023**

**Note 2.1: Revenue and income from transactions (continued)**

**How we recognise revenue and income from transactions**

**Government operating grants**

To recognise revenue, DHSV assesses whether there is a contract that is enforceable and has sufficiently specific performance obligations in accordance with AASB 15: *Revenue from Contracts with Customers*.

When both of these conditions are satisfied, DHSV:

- Identifies each performance obligation relating to the revenue
- recognises a contract liability for its obligations under the agreement
- recognises revenue as it satisfies its performance obligations, at a point in time or over time as and when services are rendered.

Where the contract is not enforceable and/or does not have sufficiently specific performance obligations, the health service:

- 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 liabilities, financial instruments, provisions, revenue or contract liabilities 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.

The types of government grants recognised under AASB 15: *Revenue from Contracts with Customers* include:

Government Grant	Performance Obligation
Activity Based Funding (ABF) paid as Dental Weighted Average Units (DWAUs)	The performance obligations for ABF are the number of DWAUs generated in providing dental services to patients in accordance with levels of activity agreed to with the Department of Health (DoH) in the annual Statement of Priorities (SoP).  Revenue is recognised at a point in time, which is when a patient is provided dental services and in accordance with the DWAU activity for each treatment type. The performance obligations align with funding conditions set out in the Policy and Funding Guidelines issued by the DoH.
Other grants	Funding conditions for various recurrent and one-off grants that contain enforceable and sufficiently specific performance obligations.

**Capital grants**

Where DHSV 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 liabilities, financial instruments, provisions, revenue or contract liabilities arising from a contract with a customer) recognised under other Australian Accounting Standards. Income is recognised progressively as the asset is constructed which aligns with DHSV's obligation to construct the asset.

Income from grants to procure dental vans and associated equipment to provide dental care to children under the School Dental Project (also referred to as Smile Squad) is recognised progressively as the asset is assembled, as per AASB 1058. The progressive method is used as this most closely reflects the progress to completion, as costs are incurred as the works are done (see Note 5.2(a)).

Grants received for building upgrades and ICT infrastructure are recognised as income when or as these projects are completed, as per AASB 1058.

## DENTAL HEALTH SERVICES VICTORIA

### Notes to the Financial Statements for the year ended 30 June 2023

#### Note 2.1: Revenue and income from transactions (continued)

The following are other transactions that DHSV has determined to be classified as revenue from contracts with customers in accordance with AASB 15.

##### Patient Fees

The performance obligations related to patient fees are dependent on type of treatments and number of visits. These performance obligations have been selected as they align with the terms and conditions of the provision of dental services. Revenue is recognised at a point in time when the performance obligation (provision of service) is satisfied.

##### Commercial activities

Revenue from commercial activities is predominantly from sales of goods and services to community agencies including the provision of technical support and fees for training courses. Performance obligations are satisfied when goods and services are delivered to and accepted by the customers. Revenue is recognised when, or as, the performance obligations for the sale of goods and services to the customer are satisfied:

- Customers obtain control of goods at a point in time when the goods are delivered to and have been accepted at their premises.
- Revenue from rendering of services is recognised at a point in time when the performance obligation is satisfied through the completion of the service; and over time when the customer simultaneously receives and consumes the services as it is provided.
- Historically, refund obligations were not material.
- Consideration received in advance of recognising the associated revenue from the customer is recorded as a contract liability (Note 5.2(b)). Where the performance obligations are satisfied but not yet billed, a contract asset is recorded (Note 5.1(c)).

##### Other Revenue from Operating Activities

Other income is recognised as revenue when earned. Other income includes expense recoveries from The University of Melbourne and RMIT associated with tenancy agreements, recoveries for salaries and wages and external services provided.

#### Note 2.2: Fair value of assets and services received free of charge or nominal consideration

	<b>Total 2023 \$'000</b>	<b>Total 2022 \$'000</b>
Personal Protective Equipment (PPE) from Monash Health	738	1,399
Cash and capital donations	50	20
Non-cash revenue from DoH - Insurance	222	222
Non-cash revenue from DoH - Long Service Leave	51	40
<b>Total fair value of assets and services received free of charge</b>	<b>1,061</b>	<b>1,681</b>

## DENTAL HEALTH SERVICES VICTORIA

Notes to the Financial Statements for the year ended 30 June 2023

### Note 2.2: Fair value of assets and services received free of charge (continued)

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

##### Donations and bequests

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

##### Personal protective equipment

In order to meet the State of Victoria's health system supply needs during the COVID-19 pandemic, arrangements were put in place to centralise the purchasing of essential personal protective equipment (PPE) and other essential plant and equipment.

The general principles of the State Supply Arrangement were that HealthShare Victoria sourced, secured and agreed terms for the purchase of the PPE products, funded by the Department of Health, while Monash Health took delivery, and distributed an allocation of the products to DHSV as resources provided free of charge. HealthShare Victoria and Monash Health were acting as an agent of the Department of Health under this arrangement.

##### Non-cash contributions from the Department of Health

The Department of Health (DoH) makes some payments on behalf of DHSV as follows:

Supplier	Description
Victorian Managed Insured Authority	The Department of Health purchases non-medical indemnity insurance for DHSV which is paid directly to the Victorian Managed Insurance Authority. To record this contribution, such payments are recognised as income with a matching expense in the net result from transactions.
Department of Health	Long Service Leave (LSL) revenue is recognised upon finalisation of movements in LSL liability in line with the long service leave funding arrangements set out in the relevant Department of Health Hospital Circular.



## DENTAL HEALTH SERVICES VICTORIA

### Notes to the Financial Statements for the year ended 30 June 2023

#### Note 2.3: Other income

	<b>Total 2023 \$'000</b>	<b>Total 2022 \$'000</b>
Interest income	3,191	315
Rental income - operating leases	18	86
<b>Total other income</b>	<b>3,209</b>	<b>401</b>

#### *How we recognise other income*

##### Interest income

Interest income is recognised on a time proportionate basis and takes into account the effective yield of the financial asset, which allocates interest over the relevant period.

##### Rental and lease income

Rental income from operating leases previously related to sections of the building leased out to commercial and telecommunication businesses.

The commercial lease arrangement ceased during the financial year 2022-23, while the lease with the telecommunication business is renewed on an annual basis.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

All incentives for the agreement of a new or renewed operating lease are recognised as an integral part of the net consideration agreed for the use of the leased asset, irrespective of the incentive's nature or form or the timing of payments.

In the event that lease incentives are given to the lessee, the aggregate cost of incentives is recognised as a reduction of rental income over the lease term, on a straight-line basis unless another systematic basis is more appropriate of the time pattern over which the economic benefit of the leased asset is diminished.

The following table sets out the maturity analysis of undiscounted future lease payments receivable under DHSV's operating leases:

	<b>Total 2023 \$'000</b>	<b>Total 2022 \$'000</b>
<b>Non-cancellable operating lease receivables</b>		
Not longer than one year	9	98
Longer than one year but not longer than five years	-	41
<b>Total other income</b>	<b>9</b>	<b>139</b>

## DENTAL HEALTH SERVICES VICTORIA

### Notes to the Financial Statements for the year ended 30 June 2023

#### Note 3: The cost of delivering our services

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

##### Structure

**3.1** *Expenses from transactions*

**3.2** *Specific expenses*

**3.3** *Employee benefits in the balance sheet*

**3.4** *Superannuation*

**3.5** *Other economic flows*

##### Impact of COVID-19 pandemic

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

##### Key judgements and estimates

This section contains the following key judgements and estimates:

Key judgements and estimates	Description
Measuring and classifying employee benefit liabilities	<p>DHSV applies significant judgment when measuring and classifying its employee benefit liabilities.</p> <p>Employee benefit liabilities are classified as a current liability if DHSV does not have an unconditional right to defer payment beyond 12 months. Annual leave, accrued days off and long service leave entitlements (for staff who have exceeded the minimum vesting period) fall into this category.</p> <p>Employee benefit liabilities are classified as a non-current liability if DHSV has a conditional right to defer payment beyond 12 months. Long service leave entitlements (for staff who have not yet exceeded the minimum vesting period) fall into this category.</p> <p>DHSV also applies judgement to determine when it expects its employee entitlements to be paid. With reference to historical data, if the health service does not expect entitlements to be paid within 12 months, the entitlement is measured at its present value. All other entitlements are measured at their nominal value.</p> <p>Expected future payments incorporate anticipated future wage and salary levels, duration of service and employee departures, and are discounted at rates determined by reference to market yields on government bonds at the end of the reporting period.</p> <p>All other entitlements are measured at their nominal value.</p>

**DENTAL HEALTH SERVICES VICTORIA**  
**Notes to the Financial Statements for the year ended 30 June 2023**

**Note 3.1: Expenses from transactions**

		<b>Total 2023 \$'000</b>	<b>Total 2022 \$'000</b>
Note			
Salaries and wages		42,271	36,823
On-costs		10,914	8,373
Agency expenses		541	310
Work cover premium		1,689	1,205
<b>Total employee expenses</b>		<b>55,415</b>	<b>46,711</b>
Drug supplies		299	258
Medical and surgical supplies		4,402	3,246
<b>Total supplies and consumables</b>		<b>4,701</b>	<b>3,504</b>
Grants to other health services and community agencies		181,491	135,219
Finance costs		64	79
Medical indemnity and motor vehicle insurance		222	230
Fuel, light, power and water		1,443	823
Rental/Office space		265	-
Repairs and maintenance		825	585
Maintenance contracts including preventative maintenance		442	465
Computer expenses		3,535	2,825
Cleaning and laundry expenses <sup>(i)</sup>		1,302	1,204
Consultancy expenses		1,187	1,100
Motor vehicle expenses		835	678
Other administrative expenses <sup>(i)</sup>		8,701	6,706
Expenses related to leases of low value assets		47	50
Expenditure for capital purposes		-	47
<b>Total other operating expenses</b>		<b>18,868</b>	<b>14,792</b>
<b>Total operating expense</b>		<b>260,475</b>	<b>200,226</b>
Assets provided free of charge	2.2	738	1,399
Specific expenses	3.2	1,166	2,409
<b>Total other non-operating expenses</b>		<b>1,904</b>	<b>3,808</b>
Depreciation and amortisation	4.3	9,113	8,316
<b>Total depreciation and amortization</b>		<b>9,113</b>	<b>8,316</b>
<b>Total non-operating expense</b>		<b>11,017</b>	<b>12,124</b>
<b>Total expenses from transactions</b>		<b>271,492</b>	<b>212,350</b>

<sup>(i)</sup> Prior year figures have been updated to more accurately reflect cleaning expenses at year end.

**How we recognise expenses from transactions**

**Expense recognition**

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

**Employee expenses**

Employee expenses include:

- Salaries and wages (including fringe benefits tax, leave entitlements, termination payments);
- On-costs;
- Agency expenses;
- Work cover premium.

**Grants and other transfers**

Grants and other transfers to third parties are recognised as an expense in the reporting period in which they are paid or payable. They include transactions such as dental grants to other health services and community agencies.

## DENTAL HEALTH SERVICES VICTORIA

### Notes to the Financial Statements for the year ended 30 June 2023

#### Note 3.1: Expenses from transactions (continued)

##### Other operating expenses

Other operating expenses generally represent the day-to-day running costs incurred in normal operations and includes such things as:

- Fuel, light and power
- Repairs and maintenance
- Patient related expenses (i.e. interpreting)
- Other administrative expenses

The Department of Health also makes certain payments on behalf of DHSV. These amounts have been brought to account as grants in determining the operating result for the year by recording them as revenue and also recording the related expense.

##### Supplies and consumables

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

##### Finance costs

Finance costs include finance charges in respect of leases which are recognised in accordance with AASB 16 Leases.

##### Non-operating expenses

Other non-operating expenses generally represent expenditure for outside the normal operations such as depreciation and amortisation, and assets and services provided free of charge or for nominal consideration.

#### Note 3.2: Specific expenses

##### Specific expenses

Amounts paid for the purchase of dental equipment on behalf of external Dental agencies <sup>(i)</sup>

##### Total specific expenses

Total 2023 \$'000	Total 2022 \$'000
1,166	2,409
<b>1,166</b>	<b>2,409</b>

*(i) DHSV receives funding from DoH to provide dental equipment to external dental agencies. This funding is recognised as a specific income in the year it is received. Specific expenses are recognised once dental equipment is provided to the agencies.*

# DENTAL HEALTH SERVICES VICTORIA

Notes to the Financial Statements for the year ended 30 June 2023

## Note 3.3: Employee benefits in the balance sheet

	Total 2023 \$'000	Total 2022 \$'000
<b>Current provisions</b>		
Employee benefits <sup>(i)</sup>		
Accrued days off		
- Unconditional and expected to be settled wholly within 12 months <sup>(ii)</sup>	266	252
Annual leave		
- Unconditional and expected to be settled wholly within 12 months <sup>(ii)</sup>	3,038	2,543
- Unconditional and expected to be settled wholly after 12 months <sup>(iii)</sup>	422	563
Long service leave		
- Unconditional and expected to be settled wholly within 12 months <sup>(ii)</sup>	1,323	1,099
- Unconditional and expected to be settled wholly after 12 months <sup>(iii)</sup>	5,658	5,498
	<b>10,707</b>	<b>9,955</b>
Provisions related to employee benefit on-costs		
- Unconditional and expected to be settled within 12 months <sup>(ii)</sup>	543	418
- Unconditional and expected to be settled after 12 months <sup>(iii)</sup>	807	732
	<b>1,350</b>	<b>1,150</b>
<b>Total current provisions</b>	<b>12,057</b>	<b>11,105</b>
<b>Non-current provisions</b>		
Conditional long service leave <sup>(i) (iii)</sup>	1,131	1,199
Provisions related to employee benefit on-costs <sup>(iii)</sup>	151	147
<b>Total non-current provisions</b>	<b>1,282</b>	<b>1,346</b>
<b>Total provisions</b>	<b>13,339</b>	<b>12,451</b>
<b>(a) Employee benefits and related on-costs</b>		
<b>Current employee benefits and related on-costs</b>		
Unconditional long service leave entitlements	7,916	7,403
Annual leave entitlements	3,875	3,450
Accrued days off	266	252
<b>Non-current employee benefits and related on-costs</b>		
Conditional long service leave entitlements <sup>(iii)</sup>	1,282	1,346
<b>Total employee benefits and related on-costs</b>	<b>13,339</b>	<b>12,451</b>
<b>Notes:</b>		
<i>(i) Employee benefits consist of amounts for accrued days off, annual leave and long service leave accrued by employees, not including on-costs.</i>		
<i>(ii) The amounts disclosed are nominal amounts.</i>		
<i>(iii) The amounts disclosed are discounted to present values.</i>		
<b>(b) Movements in long service leave</b>		
<b>Balance at start of year</b>	8,749	8,997
Provision made during the year		
- Revaluations	212	(519)
- Expense recognising employee service	1,523	1,101
Settlement made during the year	(1,286)	(830)
<b>Balance at end of year</b>	<b>9,198</b>	<b>8,749</b>



## DENTAL HEALTH SERVICES VICTORIA

### Notes to the Financial Statements for the year ended 30 June 2023

#### Note 3.3: Employee benefits in the balance sheet (continued)

##### ***How we recognise employee benefits***

Provisions are made for benefits accruing to employees in respect of accrued days off, annual leave and long service leave for services rendered to the reporting date as an expense during the period the services are delivered.

##### **Provisions**

Provisions are recognised when DHSV has a present obligation, the future sacrifice of economic benefits is probable, and the amount of the provision can be measured reliably.

The amount recognised as a liability is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

##### **Annual leave and accrued days off**

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

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

- Nominal value - if DHSV expects to wholly settle within 12 months, or;
- Present value - if DHSV does not expect to wholly settle within 12 months.

##### **Long service leave**

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

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

The components of this current LSL liability are measured at:

- Nominal value - if DHSV expects to wholly settle within 12 months, or;
- Present value - if DHSV does not expect to wholly settle within 12 months.

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

##### **On-costs related to employee benefits**

Provision for on-costs such as workers compensation and superannuation are recognised separately from provisions for employee benefits.

## DENTAL HEALTH SERVICES VICTORIA

### Notes to the Financial Statements for the year ended 30 June 2023

#### Note 3.4: Superannuation

	Paid Contributions for the Year		Contributions Outstanding at Year End	
	<b>Total 2023 \$'000</b>	<b>Total 2022 \$'000</b>	<b>Total 2023 \$'000</b>	<b>Total 2022 \$'000</b>
<b>Defined benefit plans: <sup>(i)</sup></b>				
Aware Super	4	3	-	-
ESS State Super	34	28	-	1
<b>Defined contribution plans:</b>				
Aware Super	2,585	2,371	104	81
HESTA	411	312	19	12
Australian Super	320	192	16	6
Uni Super	241	212	10	7
Other	1,133	804	50	32
<b>Total</b>	<b>4,728</b>	<b>3,922</b>	<b>199</b>	<b>139</b>

<sup>(i)</sup> The basis for determining the level of contributions is determined by the various actuaries of the defined benefit superannuation plans.

Employees of DHSV are entitled to receive superannuation benefits and DHSV contributes to both defined benefit and defined contribution plans. The defined benefit plan provides benefits based on years of service and final average salary.

#### How we recognise superannuation

##### Defined benefit superannuation plans

The amount charged to the comprehensive operating statement in respect of defined benefit superannuation plans represents the contributions made by DHSV to the superannuation plans in respect of the services of current DHSV staff during the reporting period. Superannuation contributions are made to the plans based on the relevant rules of each plan, and are based upon actuarial advice.

DHSV does not recognise any unfunded defined benefit liability in respect of the plan because DHSV has no legal or constructive obligation to pay future benefits relating to its employees; its only obligation is to pay superannuation contributions as they fall due. The Department of Treasury and Finance discloses the State's defined benefits liabilities in its disclosure for administered items.

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

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

##### Defined contribution superannuation plans

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

## DENTAL HEALTH SERVICES VICTORIA

Notes to the Financial Statements for the year ended 30 June 2023

### Note 3.5: Other economic flows

	Total 2023 \$'000	Total 2022 \$'000
<b>Net gain / (loss) on non-financial assets</b>		
Impairment of intangible assets	(181)	-
Impairment of non-financial assets	(191)	(36)
Net gain on disposal of non-financial assets	71	19
<b>Total net gain / (loss) on non-financial assets</b>	<b>(301)</b>	<b>(17)</b>
<b>Net gain / (loss) on financial instruments</b>		
Allowance for impairment losses of contractual receivables	(29)	(193)
<b>Total net gain / (loss) on financial instruments</b>	<b>(29)</b>	<b>(193)</b>
<b>Other gain / (loss) from other economic flows</b>		
Net gain/ (loss) arising from revaluation of long service liability	(212)	519
<b>Total net gain / (loss) from other economic flows</b>	<b>(212)</b>	<b>519</b>
<b>Total other gains/(losses) from economic flows</b>	<b>(542)</b>	<b>309</b>

#### Net gain/ (loss) on non-financial assets

Net gain/ (loss) on non-financial assets and liabilities includes realised and unrealised gains and losses as follows:

- Revaluation gains/ (losses) of non-financial physical assets (Refer to Note 4.1 Property plant and equipment.)
- Net gain/ (loss) on disposal of non-financial assets
- Any gain or loss on the disposal of non-financial assets is recognised at the date of disposal.

#### Net gain/ (loss) on financial instruments at fair value

Net gain/ (loss) on financial instruments at fair value includes:

- realised and unrealised gains and losses from revaluations of financial instruments at fair value;
- impairment and reversal of impairment for financial instruments at amortised cost; and
- disposals of financial assets and derecognition of financial liabilities.

#### Other gains/ (losses) from other economic flows

Other gains/ (losses) include:

- the revaluation of the present value of the long service leave liability due to changes in the bond rate movements, inflation rate movements and the impact of changes in probability factors.

## DENTAL HEALTH SERVICES VICTORIA

Notes to the Financial Statements for the year ended 30 June 2023

### Note 4: Key assets to support service delivery

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

#### Structure

**4.1** Property, plant & equipment

**4.2** Intangible assets

**4.3** Depreciation and amortisation

**4.4** Inventories

#### Key judgements and estimates

This section contains the following key judgements and estimates:

Key judgements and estimates	Description
Measuring fair value of property, plant and equipment	<p>DHSV obtains independent valuations for its non-current assets at least once every five years.</p> <p>If an independent valuation has not been undertaken at balance date, DHSV estimates possible changes in fair value since the date of the last independent valuation with reference to Valuer-General of Victoria indices.</p> <p>Managerial adjustments are recorded if the assessment concludes a material change in fair value has occurred. Where exceptionally large movements are identified, an interim independent valuation is undertaken.</p>
Estimating useful life and residual value of property, plant and equipment	<p>DHSV assigns an estimated useful life to each item of property, plant and equipment, whilst also estimating the residual value of the asset, if any, at the end of the useful life. This is used to calculate depreciation of the asset.</p> <p>DHSV reviews the useful life, residual value and depreciation rates of all assets at the end of each financial year and where necessary, records a change in accounting estimate.</p>
Estimating useful life of right-of-use assets	The useful life of each right-of-use asset is typically the respective lease term.
Estimating restoration costs at the end of a lease	Where a lease agreement requires DHSV to restore a right-of-use asset to its original condition at the end of a lease, the health service estimates the present value of such restoration costs. This cost is included in the measurement of the right-of-use asset, which is depreciated over the relevant lease term.
Estimating the useful life of intangible assets	DHSV assigns an estimated useful life to each intangible asset with a finite useful life, which is used to calculate amortisation of the asset.
Identifying indicators of impairment	<p>At the end of each year, DHSV assesses impairment by evaluating the conditions and events specific to the health service that may be indicative of impairment triggers. Where an indication exists, the health service tests the asset for impairment.</p> <p>The health service considers a range of information when performing its assessment, including considering:</p> <ul style="list-style-type: none"> <li>- If an asset's value has declined more than expected based on normal use</li> <li>- If a significant change in technological, market, economic or legal environment which adversely impacts the way the health service uses an asset</li> <li>- If an asset is obsolete or damaged</li> <li>- If the asset has become idle or if there are plans to discontinue or dispose of the asset before the end of its useful life</li> <li>- If the performance of the asset is or will be worse than initially expected.</li> </ul> <p>Where an impairment trigger exists, DHSV applies significant judgement and estimate to determine the recoverable amount of the asset.</p>

**DENTAL HEALTH SERVICES VICTORIA**  
**Notes to the Financial Statements for the year ended 30 June 2023**

**Note 4.1: Property, plant and equipment**

**(a) Gross carrying amount and accumulated depreciation**

	<b>Total 2023 \$'000</b>	<b>Total 2022 \$'000</b>
<b>Land</b>		
Land - Crown	-	1,579
ROU - Land at fair value	35,547	35,547
Accumulated depreciation - ROU - Land	(1,793)	(1,173)
<b>Total land at fair value</b>	<b>33,754</b>	<b>35,953</b>
<b>Buildings</b>		
Buildings at fair value	835	1,259
Accumulated depreciation	-	(288)
ROU - Buildings at fair value	64,103	66,686
Accumulated depreciation - ROU - Buildings	-	(6,824)
<b>Total buildings at fair value</b>	<b>64,938</b>	<b>60,833</b>
<b>Leasehold Improvements</b>		
Leasehold improvements at fair value	15,425	18,593
Work in progress	422	526
Accumulated depreciation	-	(3,422)
<b>Total leasehold improvements</b>	<b>15,847</b>	<b>15,697</b>
<b>Plant and Equipment</b>		
Plant and equipment at fair value	1,121	867
Accumulated depreciation	(804)	(775)
<b>Total plant and equipment</b>	<b>317</b>	<b>92</b>
<b>Medical Equipment</b>		
Medical equipment at fair value	13,446	10,117
Work in progress	132	2,099
Accumulated depreciation	(5,813)	(4,950)
<b>Total medical equipment</b>	<b>7,765</b>	<b>7,266</b>
<b>Computers and Communication</b>		
Computers and communication at fair value	2,555	2,059
Work in progress	371	169
Accumulated depreciation	(1,522)	(1,335)
<b>Total computers and communication</b>	<b>1,404</b>	<b>893</b>
<b>Furniture and Fittings</b>		
Furniture and fittings at fair value	158	101
Accumulated depreciation	(78)	(59)
<b>Total furniture &amp; fittings</b>	<b>80</b>	<b>42</b>
<b>Motor Vehicles</b>		
Motor vehicles at fair value	19,288	16,083
Work in progress	-	1,734
Accumulated depreciation	(3,600)	(3,027)
ROU - Motor vehicles at fair value	2,695	2,686
Accumulated depreciation - ROU - Motor vehicles	(1,019)	(653)
<b>Total motor vehicles</b>	<b>17,364</b>	<b>16,823</b>
<b>Total</b>	<b>141,469</b>	<b>137,599</b>



**DENTAL HEALTH SERVICES VICTORIA**

Notes to the Financial Statements for the year ended 30 June 2023

**Note 4.1: Property, plant and equipment**

**(b) Reconciliations of the carrying amounts of each class of asset**

	Crown Land	ROU Land	Buildings	ROU Buildings	Leasehold Improvements	Plant & Equipment	Medical Equipment	Computers & Comm Equipment	Furniture & Fittings	Motor Vehicles	ROU Motor Vehicles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Balance at 1 July 2021</b>	1,579	34,986	1,115	63,274	15,560	116	6,505	836	-	10,438	2,167	136,576
Additions	-	-	-	-	1,505	-	37	237	50	10,536	238	12,603
Disposals	-	-	-	-	-	-	(425)	-	-	(2,242)	-	(2,667)
Work in progress assets movements	-	-	-	-	354	-	1,801	169	-	(3,173)	-	(849)
Depreciation and amortisation (note 4.3)	-	(612)	(144)	(3,412)	(1,722)	(24)	(652)	(349)	(8)	(769)	(372)	(8,064)
<b>Balance at 30 June 2022</b>	<b>1,579</b>	<b>34,374</b>	<b>971</b>	<b>59,862</b>	<b>15,697</b>	<b>92</b>	<b>7,266</b>	<b>893</b>	<b>42</b>	<b>14,790</b>	<b>2,033</b>	<b>137,599</b>
Additions	-	-	-	7	754	261	3,561	823	57	3,718	49	9,230
Disposals	-	-	-	-	-	(2)	(18)	-	-	(6)	(22)	(48)
Work in progress assets movements	-	-	-	-	(103)	-	(1,775)	201	-	(1,734)	-	(3,411)
Impairment of non-financial assets	-	-	-	-	-	-	(191)	-	-	-	-	(191)
Revaluation increments <sup>(i)</sup>	-	-	113	7,334	1,595	-	-	-	-	-	-	9,042
Net Transfers between Classes	-	-	-	312	(312)	-	-	-	-	-	-	-
Return of Assets to Victorian Govt <sup>(ii)</sup>	(1,579)	-	(141)	-	-	-	-	-	-	-	-	(1,720)
Depreciation and amortisation (note 4.3)	-	(620)	(108)	(3,412)	(1,784)	(34)	(1,078)	(513)	(19)	(1,080)	(384)	(9,032)
<b>Balance at 30 June 2023</b>	<b>-</b>	<b>33,754</b>	<b>835</b>	<b>64,103</b>	<b>15,847</b>	<b>317</b>	<b>7,765</b>	<b>1,404</b>	<b>80</b>	<b>15,688</b>	<b>1,676</b>	<b>141,469</b>

<sup>(i)</sup> Managerial revaluation, based on VGV indices, was completed as at 30 June 2023

<sup>(ii)</sup> Assets were surrendered to the Victorian Government

## DENTAL HEALTH SERVICES VICTORIA

### Notes to the Financial Statements for the year ended 30 June 2023

#### Note 4.1: Property, plant and equipment

##### *How we recognise property, plant and equipment*

###### **Initial recognition**

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

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

The initial cost for non-financial physical assets under lease is measured at amounts equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease.

The cost of a leasehold improvement is capitalised as an asset and depreciated over the shorter of the remaining term of the lease or the estimated useful life of the improvements.

###### **Subsequent measurement**

Property, plant and equipment (excluding right-of-use assets) are subsequently measured at fair value less accumulated depreciation and impairment. Fair value is determined with regard to the asset's highest and best use (considering legal or physical restrictions imposed on the asset, public announcements or commitments made in relation to the intended use of the asset) and is summarised on the following pages by asset category.

###### **Revaluation**

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

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

An independent valuation of DHSV's property, plant and equipment was performed by the Valuer-General of Victoria (VGV) in May 2019. Management conducted an annual assessment of the fair value of land and buildings, in compliance with FRD 103, in the year ended 30 June 2023. To facilitate this, management obtained from the Department of Treasury and Finance the VGV indices for the financial year ended 30 June 2023. The valuation, which complies with Australian Valuation Standards, was determined by reference to the amount for which assets could be exchanged between knowledgeable willing parties in an arm's length transaction. As the cumulative movement was greater than 10% but less than 40% for buildings since the last revaluation, a managerial revaluation adjustment was required as at 30 June 2023. The cumulative movement for land and ROU land was less than 10% since the last revaluation, thus a managerial revaluation adjustment was not required as at 30 June 2023.

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

###### **Impairment**

At the end of each financial year, DHSV assesses if there is any indication that an item of property, plant and equipment may be impaired by considering internal and external sources of information. If an indication exists, DHSV estimates the recoverable amount of the asset. Where the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recognised. An impairment loss of a revalued asset is treated as a revaluation decrease as noted above.

Impairment losses are recognised in 'Other economic flows' (refer to Note 3.5).

## DENTAL HEALTH SERVICES VICTORIA

### Notes to the Financial Statements for the year ended 30 June 2023

#### Note 4.1: Property, plant and equipment (continued)

##### *How we recognise right-of-use assets*

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

Unless the lease is considered a short-term lease or a lease of a low-value asset (refer to Note 6.1 for further information), the contract gives rise to a right-of-use asset and corresponding lease liability. DHSV presents its right-of-use assets as part of property, plant and equipment as if the asset was owned by the health service.

Right-of-use assets and their respective lease terms include:

Class of right-of-use asset	Lease term
Leased land and buildings	40 years & 99 years
Leased motor vehicles	5 years

##### **Initial Recognition**

When a contract is entered into, DHSV assesses if the contract contains or is a lease. If a lease is present, a right-of-use asset and corresponding lease liability is recognised. The definition and recognition criteria of a lease is disclosed at Note 6.1.

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

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

DHSV holds lease agreements which contain significantly below-market terms and conditions, which are principally to enable the health service to further its objectives. The health service has applied temporary relief and continues to measure the right-of-use assets at cost. Refer to Note 6.1 for further information regarding the nature and terms of the concessional lease, and DHSV's dependency on such lease arrangements.

##### **Subsequent measurement**

DHSV depreciates the right-of-use assets on a straight line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful life of the right-of-use assets are determined on the same basis as property, plant and equipment, other than where the lease term is lower than the otherwise assigned useful life. The right-of-use assets are also subject to revaluation, and as at 30 June 2023 right-of-use assets have been assessed for revaluation as per Note 4.1.

# **DENTAL HEALTH SERVICES VICTORIA**

Notes to the Financial Statements for the year ended 30 June 2023

## **Note 4.1: Property, plant and equipment**

### **(c) Fair value measurement hierarchy for assets**

Note	Carrying amount	Fair value measurement at end of reporting period using:		
		Level 1 <sup>(i)</sup>	Level 2 <sup>(i)</sup>	Level 3 <sup>(i)</sup>
	\$'000	\$'000	\$'000	\$'000
<b>Balance at 30 June 2023</b>				
Specialised land at fair value	-	-	-	-
<b>Total land at fair value</b>	<b>4.1 (a)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Specialised buildings at fair value	835	-	-	835
<b>Total of buildings at fair value</b>	<b>4.1 (a)</b>	<b>-</b>	<b>-</b>	<b>835</b>
Leasehold improvements at fair value	15,847	-	-	15,847
<b>Total of leasehold improvements at fair value</b>	<b>4.1 (a)</b>	<b>-</b>	<b>-</b>	<b>15,847</b>
Vehicles	15,688	-	35	15,653
Plant and equipment	317	-	-	317
Computer and communication	1,404	-	-	1,404
Furniture and fittings	80	-	-	80
<b>Total of plant, equipment and vehicles at fair value</b>	<b>17,489</b>	<b>-</b>	<b>35</b>	<b>17,454</b>
Medical equipment at fair value				
<b>Total medical equipment at fair value</b>	<b>4.1 (a)</b>	<b>-</b>	<b>-</b>	<b>7,765</b>
Specialised land	33,754			33,754
Specialised buildings	64,103			64,103
Motor vehicles	1,676		1,676	-
<b>Total right of use assets at fair value</b>	<b>4.1 (a)</b>	<b>99,533</b>	<b>1,676</b>	<b>97,857</b>
		<b>141,469</b>	<b>-</b>	<b>139,758</b>

### **Fair value measurement hierarchy for assets as at 30 June 2022**

Note	Carrying amount	Fair value measurement at end of reporting period using:		
		Level 1 <sup>(i)</sup>	Level 2 <sup>(i)</sup>	Level 3 <sup>(i)</sup>
	\$'000	\$'000	\$'000	\$'000
<b>Balance at 30 June 2022</b>				
Specialised land at fair value	1,579	-	-	1,579
<b>Total land at fair value</b>	<b>4.1 (a)</b>	<b>-</b>	<b>-</b>	<b>1,579</b>
Specialised buildings at fair value	971	-	-	971
<b>Total of buildings at fair value</b>	<b>4.1 (a)</b>	<b>-</b>	<b>-</b>	<b>971</b>
Leasehold improvements at fair value	15,697	-	-	15,697
<b>Total of leasehold improvements at fair value</b>	<b>4.1 (a)</b>	<b>-</b>	<b>-</b>	<b>15,697</b>
Plant and equipment at fair value				
Vehicles	14,790	-	35	14,755
Plant and equipment	92	-	-	92
Computer and communication	893	-	-	893
Furniture and fittings	42	-	-	42
<b>Total of plant, equipment and vehicles at fair value</b>	<b>15,817</b>	<b>-</b>	<b>35</b>	<b>15,782</b>
Medical equipment at fair value				
<b>Total medical equipment at fair value</b>	<b>4.1 (a)</b>	<b>-</b>	<b>-</b>	<b>7,266</b>
Specialised land	34,374			34,374
Specialised buildings	59,862			59,862
Motor vehicles	2,033		2,033	-
<b>Total right of use assets at fair value</b>	<b>4.1 (a)</b>	<b>96,269</b>	<b>2,033</b>	<b>94,236</b>
		<b>137,599</b>	<b>-</b>	<b>135,531</b>

Note

<sup>(i)</sup> Classified in accordance with the fair value hierarchy.

# **DENTAL HEALTH SERVICES VICTORIA**

Notes to the Financial Statements for the year ended 30 June 2023

## **Note 4.1: Property, plant and equipment**

### **(d) Reconciliation of level 3 fair value measurement**

	Note	Crown Land \$'000	ROU Land \$'000	Buildings \$'000	ROU Buildings \$'000	Leasehold Improvements \$'000	Plant & Equipment \$'000	Medical Equipment \$'000	Computers & Comm Eqpt \$'000	Furniture & Fittings \$'000	Motor Vehicles \$'000
<b>Balance at 1 July 2021</b>	4.1 (c)	1,579	34,986	1,115	63,274	15,560	116	6,505	836	-	10,363
Addition/(disposals)	4.1 (b)	-	-	-	-	1,505	-	(388)	237	50	8,322
Reclassification		-	-	-	-	-	-	-	-	-	-
Work in progress assets movements		-	-	-	-	354	-	1,801	169	-	(3,173)
Gains or losses recognised in net result											
- Depreciation	4.3	-	(612)	(144)	(3,412)	(1,722)	(24)	(652)	(349)	(8)	(757)
- Impairment loss		-	-	-	-	-	-	-	-	-	-
<b>Balance at 30 June 2022</b>	4.1 (c)	<b>1,579</b>	<b>34,374</b>	<b>971</b>	<b>59,862</b>	<b>15,697</b>	<b>92</b>	<b>7,266</b>	<b>893</b>	<b>42</b>	<b>14,755</b>
Addition/(disposals)	4.1 (b)	-	-	-	319	442	259	3,543	823	57	3,712
Work in progress assets movements		-	-	-	-	(103)	-	(1,775)	201	-	(1,734)
Gains or losses recognised in net result											
- Depreciation	4.3	-	(620)	(108)	(3,412)	(1,784)	(34)	(1,078)	(513)	(19)	(1,080)
- Impairment loss		-	-	-	-	-	-	(191)	-	-	-
Items recognised in other comprehensive income											
- Revaluation increments		-	-	113	7,334	1,595	-	-	-	-	-
- Return of Assets to Victorian Govt		(1,579)	-	(141)	-	-	-	-	-	-	-
<b>Balance at 30 June 2023</b>	4.1 (c)	<b>-</b>	<b>33,754</b>	<b>835</b>	<b>64,103</b>	<b>15,847</b>	<b>317</b>	<b>7,765</b>	<b>1,404</b>	<b>80</b>	<b>15,653</b>

**DENTAL HEALTH SERVICES VICTORIA**  
**Notes to the Financial Statements for the year ended 30 June 2023**

**Note 4.1: Property, plant and equipment (continued)**

**(e) Fair value determination**

Asset Class	Examples of types of assets	Expected fair value level	Likely valuation approach	Significant inputs (Level 3 only) <sup>(i)</sup>
<b>Specialised land</b> <b>Right of use - land</b>	Land subject to restrictions	Level 3	Market approach	- Community Service Obligations (CSO) adjustments <sup>(i)</sup>
<b>Specialised buildings</b> <b>Right of use - buildings</b>	Specialised buildings with limited alternative uses	Level 3	Depreciated replacement cost approach	- Cost per square metre - Useful life
<b>Plant and equipment</b>	Specialised items with limited alternative uses	Level 3	Depreciated replacement cost approach	- Cost per unit - Useful life
<b>Vehicles</b>	If there is an active market	Level 2 & 3	Market and depreciated replacement cost approach	- Cost per unit - Useful life

(i) CSO adjustment of 20% was applied to reduce the market approach value for DHSV's specialised land.

There were no changes in valuation techniques throughout the period to 30 June 2023.

**How we measure fair value**

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

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

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

The Valuer-General Victoria (VGV) is DHSV's independent valuation agency.

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

**Valuation hierarchy**

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

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

**Identifying unobservable inputs (level 3) fair value measurements**

Level 3 fair value inputs are unobservable valuation inputs for an asset or liability. These inputs require significant judgment and assumptions in deriving fair value for both financial and non-financial assets. Unobservable inputs are used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date. However, the fair value measurement objective remains the same, i.e. an exit price at the measurement date from the perspective of a market participant that holds the asset or owes the liability. Therefore, unobservable inputs shall reflect the assumptions that market participants would use when pricing the asset or liability, including assumptions about risk.



## DENTAL HEALTH SERVICES VICTORIA

### Notes to the Financial Statements for the year ended 30 June 2023

#### Note 4.1: Property, plant and equipment (continued)

##### Consideration of highest and best use (HBU) for non-financial physical assets

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

In accordance with paragraph AASB 13.29, DHSV can assume the current use of a non-financial physical asset is its HBU unless market or other factors suggest that a different use by market participants would maximise the value of the asset.

##### Specialised land and specialised buildings

Specialised land includes Crown Land which is measured at fair value with regard to the property's highest and best use after due consideration is made for any legal or physical restrictions imposed on the asset, public announcements or commitments made in relation to the intended use of the asset. Theoretical opportunities that may be available in relation to the assets are not taken into account until it is virtually certain that any restrictions will no longer apply. Therefore, unless otherwise disclosed, the current use of these non-financial physical assets will be their highest and best use.

During the reporting period, DHSV held Crown Land. The nature of this asset means that there are certain limitations and restrictions imposed on its use and/or disposal that may impact their fair value (Refer to Note 4.1(e)).

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

##### Vehicles

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

##### Plant and equipment

Plant and equipment (including medical equipment, computers and communication equipment and furniture and fittings) are held at carrying amount (depreciated cost). When plant and equipment is specialised in use, such that it is rarely sold other than as part of a going concern, the depreciated replacement cost is used to estimate the fair value. Unless there is market evidence that current replacement costs are significantly different from the original acquisition cost, it is considered unlikely that depreciated replacement cost will be materially different from the existing carrying amount.

There were no changes in valuation techniques throughout the period to 30 June 2023.

For all assets measured at fair value, the current use is considered the highest and best use.

## DENTAL HEALTH SERVICES VICTORIA

Notes to the Financial Statements for the year ended 30 June 2023

### Note 4.1: Property, plant and equipment

#### (f) Property, plant and equipment revaluation surplus

		<b>Total 2023 \$'000</b>	<b>Total 2022 \$'000</b>
	Note		
<b>Property, plant and equipment revaluation surplus</b>			
Balance at the beginning of the reporting period		106,487	106,936
Transfer of revaluation surplus		(1,095)	(449)
Revaluation increment			
- Buildings	4.1 (b)	113	-
- ROU - Buildings	4.1 (b)	7,334	-
- Leasehold Improvements	4.1 (b)	1,595	-
<b>Total revaluation increment</b>		<b>9,042</b>	<b>-</b>
<b>Balance at the end of the reporting period*</b>		<b>114,434</b>	<b>106,487</b>
* Represented by:			
- Crown land		-	779
- ROU - Land		27,202	27,202
- Buildings <sup>(i)</sup>		87,232	78,506
<b>Total</b>		<b>114,434</b>	<b>106,487</b>

<sup>(i)</sup> This includes ROU Buildings, Leasehold Improvements and Buildings owned by DHSV. Prior year has been adjusted to consolidate building classes.

## DENTAL HEALTH SERVICES VICTORIA

Notes to the Financial Statements for the year ended 30 June 2023

### Note 4.2: Intangible assets

#### (a) Gross carrying amount and accumulated amortisation

	<b>Total 2023 \$'000</b>	<b>Total 2022 \$'000</b>
Intangible produced assets - software	4,781	4,796
Work in progress assets	1,785	222
Accumulated amortisation	(4,740)	(4,676)
<b>Total intangible assets</b>	<b>1,826</b>	<b>342</b>

#### (b) Reconciliation of the carrying amount by class of asset

	<b>Total \$'000</b>
<b>Balance at 1 July 2021</b>	<b>372</b>
Work in progress assets	222
Amortisation (note 4.3)	(252)
<b>Balance at 1 July 2022</b>	<b>342</b>
Work in progress assets	1,746
Impairment of non-financial assets	(181)
Amortisation (note 4.3)	(81)
<b>Balance at 30 June 2023</b>	<b>1,826</b>

#### *How we recognise intangible assets*

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

#### **Initial recognition**

Purchased intangible assets are initially recognised at cost.

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

#### **Subsequent measurement**

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

#### **Impairment**

Intangible assets not yet available for use are tested annually for impairment and whenever there is an indication that the asset may be impaired. Intangible assets with finite useful lives are tested for impairment whenever an indication of impairment is identified.

**DENTAL HEALTH SERVICES VICTORIA**  
**Notes to the Financial Statements for the year ended 30 June 2023**

**Note 4.3: Depreciation and amortisation**

	<b>Total 2023 \$'000</b>	<b>Total 2022 \$'000</b>
<b>Depreciation</b>		
Buildings	108	144
Right of use - Buildings	3,412	3,412
Leasehold improvements	1,784	1,722
Right of use - Land	620	612
Plant and equipment	34	24
Medical equipment	1,078	656
Computers and communication	513	349
Furniture and fittings	19	8
Motor vehicles	1,080	765
Right of use motor vehicles	384	372
<b>Total depreciation</b>	<b>9,032</b>	<b>8,064</b>
<b>Amortisation</b>		
Intangible assets	81	252
<b>Total depreciation and amortisation</b>	<b>9,113</b>	<b>8,316</b>

**How we recognise depreciation**

All infrastructure assets, buildings, plant and equipment and other non-financial physical assets (excluding land) that have finite useful lives are depreciated.

Depreciation is generally calculated on a straight line basis, at rates that allocate the assets' value, less any estimated residual value over its estimated useful life. Estimates of the remaining useful lives, residual value and depreciation method for all assets are reviewed at least annually, and adjustments made where appropriate.

Right-of use assets are depreciated over the shorter of the asset's useful life and the lease term. Where DHSV obtains ownership of the underlying leased asset or if the cost of the right-of-use asset reflects that the entity will exercise a purchase option, the entity depreciates the right-of-use asset over its useful life.

**How we recognise amortization**

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

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

	<b>2023</b>	<b>2022</b>
Leasehold improvement		
- Structure shell building fabric <sup>(i)</sup>	8 to 25 years	8 to 25 years
- Site engineering services and central plant <sup>(i)</sup>	8 to 25 years	8 to 25 years
Central plant		
- Fit out	15 to 30 years	15 to 30 years
- Trunk reticulated building systems	15 to 30 years	15 to 30 years
Relocatable buildings <sup>(i)</sup>	7 to 14 years	7 to 14 years
Plant and equipment <sup>(i)</sup>	5 to 20 years	5 to 20 years
Medical equipment	3 to 15 years	5 to 15 years
Computers and communication	3 to 5 years	3 years
Furniture and fittings	5 years	5 years
Motor vehicles	3 to 15 years	5 to 15 years
Right of Use - Land & Buildings <sup>(i)</sup>	35 to 99 years	35 to 99 years
Right of Use - Motor Vehicles	5 years	5 years

<sup>(i)</sup> Prior year useful lives were updated to more accurately reflect depreciation rates applied.

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

## DENTAL HEALTH SERVICES VICTORIA

Notes to the Financial Statements for the year ended 30 June 2023

### Note 4.4: Inventories

	<b>Total 2023 \$'000</b>	<b>Total 2022 \$'000</b>
<b>Medical and surgical lines</b>		
At cost	465	575
Loss of service potential	(8)	(15)
<b>Total medical and surgical lines</b>	<b>457</b>	<b>560</b>
<b>Engineering stores</b>		
Engineering stores	442	322
Loss of service potential	(45)	(46)
<b>Total engineering stores</b>	<b>397</b>	<b>276</b>
<b>Total inventories</b>	<b>854</b>	<b>836</b>

### *How we recognise inventories*

Inventories include goods that are held for consumption or for distribution at no or nominal cost in the ordinary course of business operations. It excludes depreciable assets.

Inventories held for distribution are measured at cost, adjusted for any loss of service potential. All other inventories are measured at the lower of cost and net realisable value.

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

The basis used in assessing loss of service potential for inventories held for distribution include current replacement cost and technical or functional obsolescence. Technical obsolescence occurs when an item still functions for some or all of the tasks it was originally acquired to do, but no longer matches existing technologies. Functional obsolescence occurs when an item no longer functions the way it did when it was first acquired.

The cost for all other inventory is measured on the basis of weighted average cost.

## DENTAL HEALTH SERVICES VICTORIA

### Notes to the Financial Statements for the year ended 30 June 2023

#### Note 5: Other assets and liabilities

This section sets out other assets and liabilities that arose from DHSV's operations.

##### Structure

##### 5.1 Receivables and contract assets

##### 5.2 Payables and contract liabilities

#### Key judgements and estimates

This section contains the following key judgements and estimates:

Key judgements and estimates	Description
Measuring deferred capital grant income	<p>Where DHSV has received funding to construct an identifiable non-financial asset, such funding is recognised as deferred capital grant income until the underlying asset is constructed.</p> <p>DHSV applies significant judgement when measuring the deferred capital grant income balance, which references the estimated the stage of completion at the end of each financial year.</p>
Measuring contract liabilities	<p>DHSV applies significant judgement to measure its progress towards satisfying a performance obligation as detailed in Note 2. Where a performance obligation is yet to be satisfied, the health service assigns funds to the outstanding obligation and records this as a contract liability until the promised good or service is transferred to the customer.</p>
Recognition of other provisions	<p>Other provisions include DHSV's obligation to restore leased assets to their original condition at the end of a lease term. The health service applies significant judgement and estimate to determine the present value of such restoration costs.</p>

# DENTAL HEALTH SERVICES VICTORIA

## Notes to the Financial Statements for the year ended 30 June 2023

### Note 5.1(a): Receivables and contract assets

		<b>Total 2023 \$'000</b>	<b>Total 2022 \$'000</b>
	Note		
<b>Current Receivables</b>			
<b>Contractual</b>			
Inter hospital debtors		167	192
Trade debtors		592	522
Patient fees		215	193
Accrued investment income		12	46
Contract assets <sup>(i)</sup>	5.1 (c)	233	51
Amounts receivable from governments and agencies		7,509	-
<b>Less allowance for impairment losses of contractual receivables</b>			
Trade debtors		(15)	(149)
Patient fees		(79)	(74)
<b>Total current contractual</b>		<b>8,634</b>	<b>781</b>
<b>Statutory</b>			
GST receivable <sup>(i)</sup>		1,138	959
<b>Total current statutory</b>		<b>1,138</b>	<b>959</b>
<b>Total current receivables</b>		<b>9,772</b>	<b>1,740</b>
<b>Non-current Receivables</b>			
<b>Contractual</b>			
Long service leave - Department of Health		1,689	1,638
<b>Total non-current receivables</b>		<b>1,689</b>	<b>1,638</b>
<b>Total receivables <sup>(i)</sup></b>		<b>11,461</b>	<b>3,378</b>
<sup>(i)</sup> Financial assets classified as receivables and contract assets (Note 7.1(a)).			
Total receivables and contract assets		11,461	3,378
Contract assets		(233)	(51)
GST Receivable		(1,138)	(959)
Total Financial Assets	7.1(a)	<b>10,090</b>	<b>2,368</b>

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

	<b>Total 2023 \$'000</b>	<b>Total 2022 \$'000</b>
Balance at beginning of year	223	234
Reversal of allowance written off during the year as uncollectable	(158)	(204)
Increase in allowance recognised in net result	29	193
<b>Balance at end of year</b>	<b>94</b>	<b>223</b>

### (b) Ageing analysis of receivables

Please refer to note 7.1(c) for the ageing analysis of contractual receivables.

### (c) Nature and extent of risk arising from receivables

Please refer to note 7.1(c) for the nature and extent of credit risk arising from contractual receivables.



**DENTAL HEALTH SERVICES VICTORIA**  
**Notes to the Financial Statements for the year ended 30 June 2023**

**Note 5.1(b): Receivables (continued)**

**How we recognise receivables**

Receivables consist of:

**Contractual receivables** are classified as financial instruments and categorised as 'financial assets at amortised costs'. They are initially recognised at fair value plus any directly attributable transaction costs. DHSV holds the contractual receivables with the objective to collect the contractual cash flows and therefore subsequently measured at amortised cost using the effective interest method, less any impairment.

**Statutory receivables** do not arise from contracts and are recognised and measured similarly to contractual receivables (except for impairment), but are not classified as financial instruments for disclosure purposes. DHSV applies AASB 9 for initial measurement of the statutory receivables and as a result statutory receivables are initially recognised at fair value plus any directly attributable transaction cost.

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

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

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

**Note 5.1(c) Contract assets**

**Balance at beginning of year**

Revenue recognised from performance obligations satisfied in previous period

Revenue recognised in the period

**Total contract assets**

*Represented by*

**Current contract assets**

**Non-current contract assets**

**Total contract assets**

	<b>Total 2023 \$'000</b>	<b>Total 2022 \$'000</b>
	51	425
	233	51
	(51)	(425)
	233	51
	233	51
	-	-
	233	51

**How we recognise contract assets**

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

**Impairment losses of contractual receivables**

Refer to Note 7.1 (c) Contractual receivables at amortised costs for DHSV's contractual impairment losses.

## DENTAL HEALTH SERVICES VICTORIA

Notes to the Financial Statements for the year ended 30 June 2023

### Note 5.2: Payables and contract liabilities

		<b>Total 2023 \$'000</b>	<b>Total 2022 \$'000</b>
	Note		
<b>Current Payables</b>			
<b>Contractual</b>			
Trade creditors		4,429	3,284
Accrued wages and salaries		1,658	1,346
Accrued expenses		1,345	1,679
Deferred capital grant revenue <sup>(i)</sup>	5.2(a)	28,512	32,981
Contract liabilities - income received in advance <sup>(i)</sup>	5.2(b)	37,967	73,728
Amounts payable to government and agencies		35,528	14,279
		<b>109,439</b>	<b>127,297</b>
<b>Statutory</b>			
FBT Payable		10	9
		<b>10</b>	<b>9</b>
<b>Total Payables <sup>(i)</sup></b>		<b>109,449</b>	<b>127,306</b>

<sup>(i)</sup> Financial liabilities classified as payables and contract liabilities

Total payables	109,449	127,306
Deferred grant income	(28,512)	(32,981)
Contract liabilities	(37,967)	(73,728)
Total Financial Liabilities	<b>42,970</b>	<b>20,597</b>

(i) The average credit period is 30 days. No interest is charged on the other payables.

### How we recognise payables and contract liabilities

Payables consist of:

- **contractual payables**, classified as financial instruments and measured at amortised cost. Accounts payable and salaries and wages payable represent liabilities for goods and services provided to DHSV prior to the end of the financial year that are unpaid; and
- **statutory payables**, that are recognised and measured similarly to contractual payables, but are not classified as financial instruments and not included in the category of financial liabilities at amortised cost, because they do not arise from contracts.

The normal credit terms for accounts payable are usually net 30 days.

### Maturity analysis of payables

Please refer to Note 7.1(b) for the maturity analysis of payables.

### Note 5.2(a): Deferred capital grant revenue

	<b>Total 2023 \$'000</b>	<b>Total 2022 \$'000</b>
Opening balance of deferred grant income	32,981	30,791
Grant consideration for capital works received during the year	1,774	10,618
Deferred grant revenue recognition due to completion of capital works	(6,243)	(8,428)
<b>Closing balance of deferred grant income</b>	<b>28,512</b>	<b>32,981</b>

### How we recognise deferred capital grant revenue

Capital grant consideration was received from DoH for School Dental Program and Building upgrades. The progressive cost incurred is used to recognise income because this most closely reflects the progress to completion as costs are incurred as the works are done (see note 2.1). As a result, DHSV has deferred recognition of a portion of the grant consideration received as a liability for the outstanding obligations.

## DENTAL HEALTH SERVICES VICTORIA

Notes to the Financial Statements for the year ended 30 June 2023

### Note 5.2(b): Contract liabilities

	<b>Total 2023 \$'000</b>	<b>Total 2022 \$'000</b>
<b>Opening balance of contract liabilities</b>	73,728	22,392
Grants received for obligation not yet fulfilled	44,997	61,375
Other revenue received for obligation not yet fulfilled	463	159
Grants recognised for the completion of performance obligation in prior period	(81,062)	(9,947)
Other revenue recognised for the completion of performance obligation in prior period	(159)	(251)
<b>Total contract liabilities</b>	<b>37,967</b>	<b>73,728</b>
<b>Represented by</b>		
Current contract liabilities	<b>37,967</b>	<b>73,728</b>

### *How we recognise contract liabilities*

Contract liabilities predominantly include operating and project grants received in advance from DoH (refer to Note 2.1).

Contract liabilities are recognised as revenue when goods and services are transferred to the customer.

### Note 5.2(c): Grant consideration

Transaction price allocated to the remaining performance obligations from contracts with customers will be recognised in the next 12 months.

In addition, grant consideration was also received from the State Government in support of initiatives to advance the dental health of disadvantaged section of the community. Grant income is recognised as service obligations are met. Differences in the number of some services provided may be adjusted in the funding provided annually. The remaining grant revenue will be recognised when the service obligations are delivered the following year.

## **Note 6: How we finance our operations**

This section provides information on the sources of finance utilised by DHSV during its operations, along with other information related to financing activities of DHSV.

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

### **Structure**

#### **6.1 Borrowings**

#### **6.2 Cash and cash equivalents**

#### **6.3 Commitments for expenditure**

### **Key judgements and estimates**

This section contains the following key judgements and estimates:

<b>Key judgements and estimates</b>	<b>Description</b>
Determining if a contract is or contains a lease	DHSV applies significant judgement to determine if a contract is or contains a lease by considering if the health service: <ul style="list-style-type: none"> <li>- has the right-to-use an identified asset</li> <li>- has the right to obtain substantially all economic benefits from the use of the leased asset and</li> <li>- can decide how and for what purpose the asset is used throughout the lease.</li> </ul>
Determining if a lease meets the short-term or low value asset lease exemption	DHSV applies significant judgement when determining if a lease meets the short-term or low value lease exemption criteria. <p>The health service estimates the fair value of leased assets when new. Where the estimated fair value is less than \$10,000, the health service applies the low-value lease exemption.</p> <p>The health service also estimates the lease term with reference to remaining lease term and period that the lease remains enforceable. Where the enforceable lease period is less than 12 months the health service applies the short-term lease exemption.</p>
Discount rate applied to future lease payments	DHSV discounts its lease payments using the interest rate implicit in the lease. If this rate cannot be readily determined, which is generally the case for the health service's lease arrangements, DHSV uses its incremental borrowing rate, which is the amount the health service would have to pay to borrow funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. <p>For leased plant, equipment, furniture, fittings and vehicles, the implicit interest rate</p>
Assessing the lease term	The lease term represents the non-cancellable period of a lease, combined with periods covered by an option to extend or terminate the lease if DHSV is reasonably certain to exercise such options. <p>DHSV determines the likelihood of exercising such options on a lease-by-lease basis through consideration of various factors including:</p> <ul style="list-style-type: none"> <li>- If there are significant penalties to terminate (or not extend), the health service is typically reasonably certain to extend (or not terminate) the lease.</li> <li>- If any leasehold improvements are expected to have a significant remaining value, the health service is typically reasonably certain to extend (or not terminate) the lease.</li> <li>- The health service considers historical lease durations and the costs and business disruption to replace such leased assets.</li> </ul>

## DENTAL HEALTH SERVICES VICTORIA

Notes to the Financial Statements for the year ended 30 June 2023

### Note 6.1: Borrowings

	<b>Total 2023 \$'000</b>	<b>Total 2022 \$'000</b>
<b>CURRENT</b>		
Lease liability <sup>(i)</sup>	389	391
<b>Total current borrowings</b>	<b>389</b>	<b>391</b>
<b>NON CURRENT</b>		
Lease liability <sup>(i)</sup>	1,329	1,673
<b>Total non current borrowings</b>	<b>1,329</b>	<b>1,673</b>
<b>Total borrowings</b>	<b>1,718</b>	<b>2,064</b>

<sup>(i)</sup> Secured by the assets leased. Leases are effectively secured as the rights to the leased assets revert to the lessor in the event of default.

Total cash outflow for leases in the reporting period was \$547k (including \$59k of interest).

#### ***Maturity analysis of borrowings***

Please refer to Note 7.1(b) for the maturity analysis of borrowings.

## DENTAL HEALTH SERVICES VICTORIA

Notes to the Financial Statements for the year ended 30 June 2023

### Note 6.1: Borrowings (continued)

#### 6.1 (a) Lease liabilities

Repayments in relation to leases are payable as follows:

	Minimum future lease payments		Present value of minimum future lease payments	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Not later than one year	441	456	389	391
Later than 1 year and not later than 5 years	1,374	1,769	1,329	1,673
Minimum lease payments	<b>1,815</b>	<b>2,225</b>	<b>1,718</b>	<b>2,064</b>
Less future finance charges	(97)	(161)	-	-
<b>TOTAL</b>	<b>1,718</b>	<b>2,064</b>	<b>1,718</b>	<b>2,064</b>
Included in the financial statements as:				
Current borrowings - lease liability	389	391	389	391
Non-current borrowings - lease liability	1,329	1,673	1,329	1,673
<b>TOTAL</b>	<b>1,718</b>	<b>2,064</b>	<b>1,718</b>	<b>2,064</b>

The weighted average interest rate implicit in the lease is 3.45% (2022: 2.25%)

#### How we recognise lease liabilities

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

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

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

DHSV's lease arrangements consist of the following:

Type of asset leased	Lease term
Leased land and buildings	40 years & 99 years
Leased motor vehicles	5 years

All leases are recognised on the balance sheet, with the exception of low value leases (less than \$10,000 AUD) and short term leases of less than 12 months. The following low value, short term and variable lease payments are recognised in profit or loss:

Type of payment	Description of payment
Low value lease payments	Leases where the asset's fair value, when new, is no more than \$10,000

## DENTAL HEALTH SERVICES VICTORIA

### Notes to the Financial Statements for the year ended 30 June 2023

#### Note 6.1: Borrowings (continued)

##### Separation of lease and non-lease components

At inception or on reassessment of a contract that contains a lease component, the lessee is required to separate out and account separately for non-lease components within a lease contract and exclude the amounts when determining the lease liability and right-of-use asset amount.

##### Initial measurement

The lease liability is initially measured at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease if that rate is readily determinable or DHSV's incremental borrowing rate.

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

- fixed payments (including in-substance fixed payments) less any lease incentive receivable;
- variable payments based on an index or rate;
- amounts expected to be payable under a residual value guarantee; and
- payments arising from purchase and termination options reasonably certain to be exercised.

##### Subsequent measurement

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

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

##### Presentation of right-of-use assets and lease liabilities

DHSV presents right-of-use assets as 'property plant equipment' in the balance sheet. Lease liabilities are presented as 'borrowings' in the balance sheet.

##### Short-term leases and leases of low value assets

DHSV has elected to account for short-term leases and leases of low value assets using the practical expedients. Instead of recognising a right of use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight line basis over the lease term.

##### Leases with significantly below market terms and conditions

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

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

Description of asset	Our dependence on lease	Nature and terms
Leased land and buildings	The leased land and buildings is used for the provision of dental services. DHSV's dependence on this lease is considered to be high.	40 & 99 year leases with annual payments of \$104 (each).



## DENTAL HEALTH SERVICES VICTORIA

Notes to the Financial Statements for the year ended 30 June 2023

### Note 6.2: Cash and cash equivalents

	<b>Total 2023 \$'000</b>	<b>Total 2022 \$'000</b>
Cash on Hand and at Bank	9	15,966
Cash at Bank - Central Banking System	99,740	111,000
<b>Total cash and cash equivalents</b>	<b>99,749</b>	<b>126,966</b>

#### Represented by:

Cash for health service operations (as per cash flow statement)

<b>Total cash and cash equivalents</b>	<b>99,749</b>	<b>126,966</b>
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#### *How we recognise cash and cash equivalents*

Cash and cash equivalents recognised on the Balance Sheet comprise of cash on hand and cash at bank, and deposits at call, which are held for the purpose of meeting short term cash commitments rather than for investment purposes, which are readily convertible to known amounts of cash with an insignificant risk of changes in value.

## DENTAL HEALTH SERVICES VICTORIA

Notes to the Financial Statements for the year ended 30 June 2023

### Note 6.3: Commitments for expenditure

#### (a) Commitments Other Than Public Private Partnerships

	<b>Total 2023 \$'000</b>	<b>Total 2022 \$'000</b>
<b>Capital expenditure commitments</b>		
Less than 1 year	4,799	5,280
Longer than 1 year but not longer than 5 years	536	4,082
<b>Total capital expenditure commitments</b>	<b>5,335</b>	<b>9,362</b>
<b>Operating expenditure commitments</b>		
Less than 1 year	2,651	1,117
Longer than 1 year but not longer than 5 years	3,342	446
<b>Total operating expenditure commitments</b>	<b>5,993</b>	<b>1,563</b>
<b>Total commitments for expenditure (inclusive of GST)</b>	<b>11,328</b>	<b>10,925</b>
Less GST Recoverable from ATO	(1,030)	(993)
<b>Total commitments for expenditure (exclusive of GST)</b>	<b>10,298</b>	<b>9,932</b>

Future lease payments are recognised on the balance sheet, refer to Note 6.1 Borrowings.

#### *How we disclose our commitments*

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

#### **Short term and low value leases**

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

## **DENTAL HEALTH SERVICES VICTORIA**

**Notes to the Financial Statements for the year ended 30 June 2023**

### **Note 7: Risks, contingencies & valuation uncertainties**

DHSV has minimal exposure to risk from its activities and outside factors. In addition, it is often necessary to make judgments and estimates associated with recognition and measurement of items in the financial statements. This section sets out financial instrument specific information, (including exposures to financial risks) as well as those items that are contingent in nature or require a higher level of judgment to be applied, which for DHSV is related mainly to fair value determination.

#### **Structure**

**7.1** *Financial instruments*

**7.2** *Contingent assets and contingent liabilities*

# DENTAL HEALTH SERVICES VICTORIA

Notes to the Financial Statements for the year ended 30 June 2023

## Note 7.1: Financial instruments

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

### (a) Financial instruments: categorisation

		Financial assets at amortised cost \$'000	Financial liabilities at amortised cost \$'000	Total \$'000
<b>2023</b>	Note			
<b>Contractual financial assets</b>				
Cash and cash equivalents	6.2	99,749	-	99,749
Receivables and contract assets	5.1(a)	10,090	-	10,090
<b>Total financial assets <sup>(i)</sup></b>		<b>109,839</b>	<b>-</b>	<b>109,839</b>
<b>Financial liabilities</b>				
Payables	5.2	-	42,970	42,970
Borrowings	6.1	-	1,718	1,718
<b>Total financial liabilities <sup>(i)</sup></b>		<b>-</b>	<b>44,688</b>	<b>44,688</b>
		<b>Contractual Financial assets at amortised cost \$'000</b>	<b>Contractual Financial liabilities at amortised cost \$'000</b>	<b>Total Total \$'000</b>
<b>2022</b>	Note			
<b>Contractual financial assets</b>				
Cash and cash equivalents	6.2	126,966	-	126,966
Receivables and contract assets	5.1(a)	2,368	-	2,368
<b>Total financial assets (i)</b>		<b>129,334</b>	<b>-</b>	<b>129,334</b>
<b>Financial liabilities</b>				
Payables	5.2	-	20,597	20,597
Borrowings	6.1	-	2,064	2,064
<b>Total financial liabilities (i)</b>		<b>-</b>	<b>22,661</b>	<b>22,661</b>

(i) The carrying amount excludes statutory receivables (i.e. GST receivable) and statutory payables (i.e. FBT payable).

**Note 7.1: Financial instruments (continued)**

**Categories of financial assets under AASB 9 *Financial Instruments***

**Financial assets at amortised cost**

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

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

These assets are initially recognised at fair value plus any directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method less any impairment. DHSV recognises the following assets in this category:

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

*Derecognition of financial assets:* A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the asset have expired; or DHSV retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass through' arrangement; or DHSV has transferred its rights to receive cash flows from the asset and either:

- has transferred substantially all the risks and rewards of the asset; or
- has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

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

**Financial liabilities at amortised cost**

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

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

DHSV recognises the following liabilities in this category:

- Payables (excluding statutory payables and contract liabilities)
- borrowings, and
- other liabilities

*Derecognition of financial liabilities:* A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired.

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

**Reclassification of financial instruments**

Subsequent to initial recognition reclassification of financial liabilities is not permitted.

Financial assets are required to be reclassified between fair value through net result, fair value through other comprehensive income and amortised cost when and only when DHSV's business model for managing its financial assets has changed such that its previous model would no longer apply.

**Impairment of financial assets under AASB 9 *Financial Instruments***

DHSV records the allowance for expected credit loss for the relevant financial instruments in accordance with AASB 9: *Financial Instruments* 'Expected Credit Loss' approach. Subject to AASB 9 *Financial Instruments*, impairment assessment includes DHSV's contractual receivables, statutory receivables and its investment in debt instruments.

Equity instruments are not subject to impairment under AASB 9. Other financial assets mandatorily measured or designated at fair value through net result are not subject to impairment assessment under AASB 9. While cash and cash equivalents are also subject to the impairment requirements of AASB 9, the identified impairment loss was immaterial.

# DENTAL HEALTH SERVICES VICTORIA

Notes to the Financial Statements for the year ended 30 June 2023

## Note 7.1: Financial instruments (continued)

### (b): Maturity analysis of financial liabilities as at 30 June

The following table discloses the contractual maturity analysis for DHSV's financial liabilities. For interest rates applicable to each class of liability refer to individual notes to the financial statements.

#### Maturity analysis of financial liabilities as at 30 June

			Maturity Dates			
Note	Carrying amount \$'000	Nominal amount \$'000	Less than 1 month \$'000	1 - 3 months \$'000	3 months - 1 year \$'000	1 - 5 years \$'000
<b>2023</b>						
<b>Financial liabilities</b>						
At amortised cost						
Payables 5.2	42,970	42,970	42,970	-	-	-
Borrowings 6.1	1,718	1,718	32	65	292	1,329
<b>Total financial liabilities</b>	<b>44,688</b>	<b>44,688</b>	<b>43,002</b>	<b>65</b>	<b>292</b>	<b>1,329</b>
<b>2022</b>						
<b>Financial liabilities</b>						
At amortised cost						
Payables 5.2	20,597	20,597	20,597	-	-	-
Borrowings 6.1	2,064	2,064	33	65	293	1,673
<b>Total financial liabilities</b>	<b>22,661</b>	<b>22,661</b>	<b>20,630</b>	<b>65</b>	<b>293</b>	<b>1,673</b>

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

**DENTAL HEALTH SERVICES VICTORIA**

Notes to the Financial Statements for the year ended 30 June 2023

**Note 7.1: Financial instruments (continued)****(c) Contractual receivables at amortised costs**

<b>1/07/2022</b>	<b>Current</b>	<b>Less than 1 month</b>	<b>1 - 3 months</b>	<b>3 months - 1 year</b>	<b>1 - 5 years</b>	<b>Total</b>
Expected loss rate	0.68%	10.13%	21.28%	61.28%	100.00%	
Gross carrying amount of contractual receivables	296	237	94	266	14	907
Loss allowance	2	24	20	163	14	223

<b>30/06/2023</b>	<b>Current</b>	<b>Less than 1 month</b>	<b>1 - 3 months</b>	<b>3 months - 1 year</b>	<b>1 - 5 years</b>	<b>Total</b>
Expected loss rate	0.27%	10.00%	25.00%	63.81%	100.00%	
Gross carrying amount of contractual receivables	735	70	63	104	2	974
Loss allowance	2	7	16	67	2	94

**Contractual receivables at amortised cost**

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

On this basis, DHSV determines the opening loss allowance on initial application date of AASB 9 and the closing loss allowance at end of the financial year as disclosed above.



## **DENTAL HEALTH SERVICES VICTORIA**

### **Notes to the Financial Statements for the year ended 30 June 2023**

#### **Note 7.1: Financial instruments (continued)**

Credit loss allowance is classified as other economic flows in the net result. Contractual receivables are written off when there is no reasonable expectation of recovery and impairment losses are classified as a transaction expense. Subsequent recoveries of amounts previously written off are credited against the same line item.

In prior years, a provision for doubtful debts is recognised when there is objective evidence that the debts may not be collected and bad debts are written off when identified. A provision is made for estimated irrecoverable amounts from the sale of goods when there is objective evidence that an individual receivable is impaired. Bad debts considered as written off by mutual consent.

#### **Statutory receivables at amortised cost**

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

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

## DENTAL HEALTH SERVICES VICTORIA

### Notes to the Financial Statements for the year ended 30 June 2023

#### Note 7.2: Contingent assets and contingent liabilities

Details of estimates of maximum amounts of Contingent Assets or Contingent Liabilities are as follows:

	Total 2023 \$'000	Total 2022 \$'000
<b>Contingent assets</b>		
<b>Quantifiable</b>		
Guarantees and indemnities	25	-
<b>Total quantifiable contingent assets</b>	<b>25</b>	<b>-</b>

	Total 2023 \$'000	Total 2022 \$'000
<b>Contingent liabilities</b>		
<b>Quantifiable</b>		
Guarantees and indemnities	32	-
<b>Total quantifiable contingent assets</b>	<b>32</b>	<b>-</b>

#### Non-quantifiable liabilities

DHSV is currently dealing with two workplace relations claims that may potentially necessitate compensation. Based on the nature of these claims, potential compensation would be immaterial.

#### How we measure and disclose contingent assets and contingent liabilities

Contingent assets and contingent liabilities are not recognised in the balance sheet but are disclosed and, if quantifiable, are measured at nominal value.

Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively.

#### Contingent assets

Contingent assets are possible assets that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the the health service.

These are classified as either quantifiable, where the potential economic benefit is known, or non-quantifiable.

#### Contingent liabilities

Contingent liabilities are:

- possible obligations that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the health service, or
- present obligations that arise from past events but are not recognised because:
  - It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligations, or
  - the amount of the obligations cannot be measured with sufficient reliability.

## DENTAL HEALTH SERVICES VICTORIA

### Notes to the Financial Statements for the year ended 30 June 2023

#### Note 8: Other disclosures

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

##### Structure

- 8.1** *Reconciliation of net result for the year to net cash inflow/(outflow) from operating activities*
- 8.2** *Responsible persons disclosures*
- 8.3** *Remuneration of executives*
- 8.4** *Related parties*
- 8.5** *Remuneration of auditors*
- 8.6** *Ex-gratia expenses*
- 8.7** *Events occurring after the balance sheet date*
- 8.8** *Economic dependency*
- 8.9** *Changes in accounting policy and revision of estimates*
- 8.10** *AASBs issued that are not yet effective*
- 8.11** *Glossary of terms and style conventions*

**DENTAL HEALTH SERVICES VICTORIA**

Notes to the Financial Statements for the year ended 30 June 2023

**Note 8.1: Reconciliation of net result for the year to net cash inflow/(outflow) from operating activities**

		<b>Total 2023 \$'000</b>	<b>Total 2022 \$'000</b>
	Note		
<b>Net result for the Year</b>		(2,735)	(1,043)
<b>Non-cash movements:</b>			
Depreciation and amortisation	4.3	9,113	8,316
Impairment of intangible assets		181	-
Impairment of non-financial assets		191	36
Allowance for impairment losses of contractual receivables	5.1 (a)	29	193
<b>Movements included in investing and financing activities:</b>			
Net gain from disposal of non-financial physical assets		(71)	(19)
<b>Movements in assets and liabilities:</b>			
Change in operating assets and liabilities			
(Increase)/decrease in receivables		(8,112)	732
(Increase)/decrease in other assets		(1,034)	165
Increase/(decrease) in payables		(17,857)	57,449
Increase/(decrease) in employee benefits		888	(572)
(Increase)/decrease in inventories		(18)	(199)
<b>Net cash inflow/(outflow) from operating activities</b>		<b>(19,425)</b>	<b>65,058</b>

## DENTAL HEALTH SERVICES VICTORIA

### Notes to the Financial Statements for the year ended 30 June 2023

#### Note 8.2: Responsible persons disclosures

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

A caretaker period was enacted during the year ended 30 June 2023 which spanned the time the Legislative Assembly expired, until the Victorian election results were clear or a new government was commissioned. The caretaker period for the 2022 Victorian election commenced at 6pm on Tuesday the 1st of November and new ministers were sworn in on the 5th of December.

	Period	
<b>Responsible ministers:</b>		
The Honourable Mary-Anne Thomas MP Minister for Health	1/07/2022	30/06/2023
<b>Governing Board</b>		
Mr David Stevenson	1/07/2022	30/06/2023
Mr Antony Tobin	1/07/2022	30/06/2023
Ms Susan Banks	1/07/2022	30/06/2023
Mr John Gavens	1/07/2022	30/06/2023
Ms Candice Charles	1/07/2022	30/06/2023
Mr Charles Power	1/07/2022	30/06/2023
Ms Nicole Bartholomeusz	1/07/2022	30/06/2023
Ms Katherine Stevens	1/07/2022	30/06/2023
Mr John Donovan	1/07/2022	30/06/2023
<b>Accountable officer</b>		
Ms Susan McKee (Chief Executive Officer)	1/07/2022	30/06/2023

#### Remuneration of responsible persons

The number of responsible persons are shown in their relevant income bands:

	2023	2022
Income band	No.	No.
\$20,000 - \$29,999	8	8
\$50,000 - \$59,999	1	1
\$350,000 - \$359,999	-	1
\$380,000 - \$389,999	1	-
<b>Total numbers</b>	<b>10</b>	<b>10</b>
	2023	2022
	\$'000	\$'000
<b>Total remuneration received or due and receivable by Responsible persons from the reporting entity amounted to:</b>	<b>662</b>	<b>627</b>

Amounts relating to Responsible Ministers are reported within the State's Annual Financial Report.

## DENTAL HEALTH SERVICES VICTORIA

Notes to the Financial Statements for the year ended 30 June 2023

### Note 8.3: Remuneration of executives

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

Remuneration of executive officers (including Key Management Personnel disclosed in Note 8.4)	Total Remuneration	
	2023 \$'000	2022 \$'000
Short-term employee benefits	1,558	1,218
Post-employment benefits	168	115
Other long-term benefits	47	20
Termination benefits	130	-
<b>Total remuneration</b> <sup>(i) (ii)</sup>	<b>1,903</b>	<b>1,353</b>
<b>Total number of executives</b> <sup>(ii)</sup>	8	5
<b>Total annualised employee equivalents (AEE)</b> <sup>(iii)</sup>	8.00	5.00

Notes:

(i) The total remuneration and the total number of executive officers includes persons who meet the definition of Key Management Personnel (KMP) of the health service under AASB 124 Related Party Disclosures and are reported within Note 8.4 Related Parties.

(ii) The total number of executives includes an interim executive appointed through an agency, and therefore, the remuneration for this interim executive is not included in the overall remuneration figure. Total paid to agency was \$199k.

(iii) Annualised employee equivalent is based on working 38 ordinary hours per week over the reporting period.

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

#### Short-term employee benefits

Salaries and wages, annual leave or sick leave that are usually paid or payable on a regular basis, as well as non-monetary benefits such as allowances and free or subsidised goods or services.

#### Post-employment benefits

Pensions and other retirement benefits paid or payable on a discrete basis when employment has ceased.

#### Other long-term benefits

Long service leave, other long-service benefit or deferred compensation.

#### Termination benefits

Termination of employment payments, such as severance packages.

## DENTAL HEALTH SERVICES VICTORIA

Notes to the Financial Statements for the year ended 30 June 2023

### Note 8.4: Related parties

DHSV is a wholly owned and controlled entity of the State of Victoria. Related parties of DHSV include:

- All key management personnel and their close family members;
- Cabinet Ministers and their close family members; and
- All Health Services and public sector entities that are controlled and consolidated into the whole of state consolidated financial statements.

KMPs are those people with the authority and responsibility for planning, directing and controlling the activities of DHSV, directly or indirectly.

The Board of Directors and the Executive Directors of DHSV are deemed to be KMPs.

Entity	Key Management Personnel	Position title
Dental Health Services Victoria	Mr David Stevenson	Chair of the Board
Dental Health Services Victoria	Mr Antony Tobin	Board member
Dental Health Services Victoria	Ms Susan Banks	Board member
Dental Health Services Victoria	Mr John Gavens	Board member
Dental Health Services Victoria	Ms Candice Charles	Board member
Dental Health Services Victoria	Mr Charles Power	Board member
Dental Health Services Victoria	Ms Nicole Bartholomeusz	Board member
Dental Health Services Victoria	Ms Katherine Stevens	Board member
Dental Health Services Victoria	Mr John Donovan	Board member
Dental Health Services Victoria	Ms Susan McKee	Chief Executive Officer
Dental Health Services Victoria	Mr Tim Hogan	Chief Financial Officer
Dental Health Services Victoria	Mr Nuno Goncalves	Chief Information Officer
Dental Health Services Victoria	Mr Mark Sullivan	Chief Operating Officer
Dental Health Services Victoria	Dr Martin Hall	Chief Oral Health Advisor
Dental Health Services Victoria	Dr Werner Bischof	Chief Oral Health Advisor (Acting)
Dental Health Services Victoria	Mr Peter Branov	Chief People and Culture Officer
Dental Health Services Victoria	Ms Stephanie Milione	Chief Strategy and Engagement Officer
Dental Health Services Victoria	Ms Rebecca Patterson	General Manager RDHM
Dental Health Services Victoria	Ms Mikki Swindon	Interim Chief People and Culture Officer

The compensation detailed below is reported in \$'000 and excludes the salaries and benefits the Portfolio Ministers receive. The Minister's remuneration and allowances are set by the Parliamentary Salaries and Superannuation Act 1968, and is reported within the State's Annual Financial Report.

	Total 2023 \$'000	Total 2022 \$'000
<b>Compensation - KMPs</b>		
Short-term employee benefits	2,167	1,794
Post-employment benefits	221	167
Other long-term benefits	47	20
Termination benefits	130	-
<b>Total <sup>(i)</sup></b>	<b>2,565</b>	<b>1,981</b>

(i) KMPs are also reported in Note 8.2 Responsible Persons or Note 8.3 Remuneration of Executives.

## DENTAL HEALTH SERVICES VICTORIA

### Notes to the Financial Statements for the year ended 30 June 2023

#### Note 8.4: Related parties (continued)

##### Significant transactions with government-related entities

DHSV received funding from the DoH of \$205.0 million (2022: \$254.5 million).

Expenses incurred by DHSV in delivering services and outputs are in accordance with Health Purchasing Victoria requirements.

Professional medical indemnity insurance and other insurance products are obtained from a Victorian Managed Insurance Authority.

The Standing Directions of the Assistant Treasurer require DHSV to hold cash (in excess of working capital) in accordance with the State's centralised banking arrangements.

##### Transactions with KMPs and other related parties

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

Outside of normal citizen type transactions with DHSV, there were no related party transactions that involved key management personnel, their close family members and their personal business interests. No provision has been required, nor any expense recognised, for impairment of receivables from related parties. There were no related party transactions with Cabinet Ministers required to be disclosed in 2023.

During the year, DHSV had transaction expenses with the following government-related entities:

	Total 2023 \$'000	Total 2022 \$'000
<b>Agency <sup>(i)</sup></b>		
Monash Health	15,064	13,008
Barwon Health	9,882	7,665
Peninsula Health	7,917	7,151
Ballarat Health Services (Grampians Health)	5,593	5,324
Other Transactions <sup>(ii)</sup>	33,073	31,614
<b>Total</b>	<b>71,529</b>	<b>64,762</b>

<sup>(i)</sup> The above transactions relate to dental grants provided to the government-related entities.

<sup>(ii)</sup> Other transactions relates to dental grants to 23 other agencies, where transactions with each agency is below \$5 million.

The following KMPs are also KMPs of other agencies that are funded by DHSV.

Entity	Key Management Personnel	Position Title
Cohealth Ltd	Ms Nicole Bartholomeusz	Chief Executive Officer
DPV Health	Mr Mark Sullivan	Director

##### Aggregated disclosure note

During the year, related parties of key management personnel were provided dental grants on terms and conditions equivalent for those that prevail in arm's length transactions under the State's procurement process. The transactions involved the provision of grants to treat eligible patients in their catchment areas with an aggregated value of \$16.7 million (including GST).



## DENTAL HEALTH SERVICES VICTORIA

Notes to the Financial Statements for the year ended 30 June 2023

### Note 8.5: Remuneration of auditors

	Total 2023 \$'000	Total 2022 \$'000
<b>Victorian Auditor-General's Office</b>		
Audit of financial statements	38	37
<b>Total remuneration of auditors</b>	<b>38</b>	<b>37</b>

### Note 8.6: Ex-gratia expenses

	Total 2023 \$'000	Total 2022 \$'000
DHSV has made the following ex gratia expenses:		
Compensation for economic loss	204	66
<b>Total ex-gratia expenses</b>	<b>204</b>	<b>66</b>

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

### Note 8.7: Events occurring after the Balance Sheet date

No matters or circumstances have arisen since the end of the financial year which significantly affected or may affect the operations of DHSV, the results of the operations or the state of affairs of DHSV in the future financial years.

### Note 8.8: Economic dependency

DHSV is dependent on the Department of Health for the majority of its revenue used to operate the entity. At the date of this report, the Board of Directors has no reason to believe the Department of Health will not continue to support DHSV.

### Note 8.9: Changes in accounting policy and revision of estimates

There are no material changes to accounting policy to report.

## DENTAL HEALTH SERVICES VICTORIA

### Notes to the Financial Statements for the year ended 30 June 2023

#### Note 8.10: AASBs issued that are not yet effective

Certain new Australian accounting standards have been published that are not mandatory for the 30 June 2023 reporting period. Department of Treasury and Finance assesses the impact of all these new standards and advises DHSV of their applicability and early adoption where applicable.

As at 30 June 2023, the following standards and interpretations had been issued by the AASB but were not yet effective. They become effective for the first financial statements for reporting periods commencing after the stated operative dates as detailed in the table below. DHSV has not and does not intend to adopt these standards early.

Standard/ Interpretation	Summary	Applicable for annual reporting periods beginning on	Impact on DHSV's financial statements
AASB 17 <i>Insurance Contracts</i>	The new Australian standard seeks to eliminate inconsistencies and weaknesses in existing practices by providing a single principle based framework to account for all types of insurance contracts, including reinsurance contract that an insurer holds. It also provides requirements for presentation and disclosure to enhance comparability between entities.  This standard currently does not apply to the not-for-profit public sector entities.	1 Jan 2023	As this standard currently does not apply to not-for-profit public sector entities, no impact on DHSV is expected.
AASB 2020-1 <i>Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current</i>	This Standard amends AASB 101 to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. A liability is classified as non-current if an entity has the right at the end of the reporting period to defer settlement of the liability for at least 12 months after the reporting period. The meaning of settlement of a liability is also clarified.	1 Jan 2023	The standard is not expected to have a significant impact on DHSV.
AASB 2022-5 <i>Amendments to Australian Accounting Standards – Lease Liability in a Sale and Leaseback</i>	This Standard amends AASB 16 to add subsequent measurement requirements for sale and leaseback transactions that satisfy the requirements in AASB 15 <i>Revenue from Contracts with Customers</i> to be accounted for as a sale.	1 Jan 2024	The standard is not expected to have a significant impact on DHSV.
AASB 2022-6 <i>Amendments to Australian Accounting Standards – Non-Current Liabilities with Covenants</i>	This Standard amends AASB 101 to improve the information an entity provides in its financial statements about liabilities arising from loan arrangements for which an entity's right to defer settlement of those liabilities for at least twelve months after the reporting period is subject to the entity complying with conditions specified in the loan arrangement.	1 Jan 2023	The standard is not expected to have a significant impact on DHSV.
AASB 2022-8 <i>Amendments to Australian Accounting Standards – Insurance Contracts: Consequential Amendments</i>	AASB 17 <i>Insurance Contracts</i> was issued in 2017 to supersede AASB 4 <i>Insurance Contracts</i> , AASB 1023 <i>General Insurance Contracts</i> , AASB 1038 <i>Life Insurance Contracts</i> and Interpretation 1047 <i>Professional Indemnity Claims Liabilities in Medical Defence Organisations</i> in respect of private sector entities and for-profit public sector entities.	1 Jan 2023	The standard is not expected to have a significant impact on DHSV.
AASB 2022-9 <i>Amendments to Australian Accounting Standards – Insurance Contracts in the Public Sector</i>	This Standard amends AASB 17 <i>Insurance Contracts</i> (July 2017) and AASB 1050 <i>Administered Items</i> (December 2007) to include modifications related to the application of AASB 17 by public sector entities.	1 Jan 2026	The standard is not expected to have a significant impact on DHSV.
AASB 2022-10 <i>Amendments to Australian Accounting Standards – Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities</i>	This Standard amends AASB 13 <i>Fair Value Measurement</i> (August 2015), including adding authoritative implementation guidance and providing related illustrative examples, for application by not-for-profit public sector entities.	1 Jan 2024	The standard is not expected to have a significant impact on DHSV.

## DENTAL HEALTH SERVICES VICTORIA

### Notes to the Financial Statements for the year ended 30 June 2023

#### Note 8.11: Glossary of terms and style conventions

##### ***Actuarial gains or losses on superannuation defined benefit plans***

Actuarial gains or losses are changes in the present value of the superannuation defined benefit liability resulting from

- (a) experience adjustments (the effects of differences between the previous actuarial assumptions and what has actually occurred); and
- (b) the effects of changes in actuarial assumptions.

##### ***Amortisation***

Amortisation is the expense which results from the consumption, extraction or use over time of a non-produced physical or intangible asset.

##### ***Associates***

Associates are all entities over which an entity has significant influence but not control, generally accompanying a shareholding and voting rights of between 20 per cent and 50 per cent.

##### ***Comprehensive result***

The net result of all items of income and expense recognised for the period. It is the aggregate of operating result and other comprehensive income.

##### ***Commitments***

Commitments include those operating, capital and other outsourcing commitments arising from non-cancellable contractual or statutory sources.

##### ***Current grants***

Amounts payable or receivable for current purposes for which no economic benefits of equal value are receivable or payable in return.

##### ***Depreciation***

Depreciation is an expense that arises from the consumption through wear or time of a produced physical or intangible asset. This expense reduces the 'net result for the year'.

##### ***Effective interest method***

The effective interest method is used to calculate the amortised cost of a financial asset or liability and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument, or, where appropriate, a shorter period.

##### ***Employee benefits expenses***

Employee benefits expenses include all costs related to employment including wages and salaries, fringe benefits tax, leave entitlements, redundancy payments, defined benefits superannuation plans, and defined contribution superannuation plans.

##### ***Ex gratia expenses***

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

## DENTAL HEALTH SERVICES VICTORIA

### Notes to the Financial Statements for the year ended 30 June 2023

#### Note 8.11: Glossary of terms and style conventions (continued)

##### **Financial asset**

A financial asset is any asset that is:

- (a) cash;
- (b) an equity instrument of another entity;
- (c) a contractual or statutory right:
  - to receive cash or another financial asset from another entity; or
  - to exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity; or
- (d) a contract that will or may be settled in the entity's own equity instruments and is:
  - a non-derivative for which the entity is or may be obliged to receive a variable number of the entity's own equity instruments; or
  - a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments.

##### **Financial instrument**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets or liabilities that are not contractual (such as statutory receivables or payables that arise as a result of statutory requirements imposed by governments) are not financial instruments.

##### **Financial liability**

A financial liability is any liability that is:

- (a) A contractual obligation:
  - (i) to deliver cash or another financial asset to another entity; or
  - (ii) to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the entity; or
- (b) A contract that will or may be settled in the entity's own equity instruments and is:
  - (i) a non-derivative for which the entity is or may be obliged to deliver a variable number of the entity's own equity instruments; or
  - (ii) a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments.

##### **Financial statements**

A complete set of financial statements comprises:

- (a) Balance sheet as at the end of the period;
- (b) Comprehensive operating statement for the period;
- (c) A statement of changes in equity for the period;
- (d) Cash flow Statement for the period;
- (e) Notes, comprising a summary of significant accounting policies and other explanatory information;
- (f) Comparative information in respect of the preceding period as specified in paragraph 38 of AASB 101 Presentation of Financial Statements; and
- (g) A statement of financial position at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements in accordance with paragraphs 41 of AASB 101.

## DENTAL HEALTH SERVICES VICTORIA

Notes to the Financial Statements for the year ended 30 June 2023

### Note 8.11: Glossary of terms and style conventions (continued)

#### ***Grants and other transfers***

Transactions in which one unit provides goods, services, assets (or extinguishes a liability) or labour to another unit without receiving approximately equal value in return. Grants can either be operating or capital in nature.

While grants to governments may result in the provision of some goods or services to the transferor, they do not give the transferor a claim to receive directly benefits of approximately equal value. For this reason, grants are by the AASB as involuntary transfers and are termed non-reciprocal transfers. Receipt and sacrifice of approximately equal value may occur, but only by coincidence. For example, governments are not obliged to provide commensurate benefits, in the form of goods or services, to particular taxpayers in return for their taxes. Grants can be paid as general purpose grants which refer to grants that are not subject to condition is regarding their use. Alternatively, they may be paid as specific purpose grants which are paid for a particular purpose and/or have conditions attached regarding their use.

#### ***General government sector***

The general government sector comprises all government departments, offices and other bodies engaged in providing services free of charge or at prices significantly below their cost of production. General government services include those which are mainly non-market in nature, those which are largely for collective consumption by the community and those which involve the transfer or redistribution of income. These services are financed mainly through taxes, or other compulsory levies and user charges.

#### ***Intangible produced assets***

Refer to produced assets in this glossary.

#### ***Intangible non-produced assets***

Refer to non-produced assets in this glossary.

#### ***Interest expense***

Costs incurred in connection with the borrowing of funds includes interest on bank overdrafts and short-term and long-term liabilities, amortisation of discounts or premiums relating to liabilities, interest component of finance leases repayments, and the increase in financial liabilities and non-employee provisions due to the unwinding of discounts to reflect the passage of time.

#### ***Interest income***

Interest income includes unwinding over time of discounts on financial assets and interest received on bank term deposits and other investments.

#### ***Investment properties***

Investment properties represent properties held to earn rentals or for capital appreciation or both. Investment properties exclude properties held to meet service delivery objectives of the State of Victoria.

#### ***Joint Arrangements***

Joint arrangement is an arrangement of which two or more other parties have joint control. A joint arrangement has the following characteristics:

- (a) The parties are bound by a contractual arrangement.
- (b) The contractual arrangement gives two or more of those parties joint control of the arrangement.

A joint arrangement is either a joint operation or a joint venture.

## DENTAL HEALTH SERVICES VICTORIA

### Notes to the Financial Statements for the year ended 30 June 2023

#### Note 8.11: Glossary of terms and style conventions (continued)

##### **Liabilities**

A liability is a present obligation of the entity arising from past events, the settlement of which is expected to result in an outflow from the entity of resources embodying economic benefits.

##### **Net acquisition of non-financial assets (from transactions)**

Purchases (and other acquisitions) of non-financial assets less sales (or disposals) of non-financial assets less depreciation plus changes in inventories and other movements in non-financial assets. It includes only those increases or decreases in non-financial assets resulting from transactions and therefore excludes write-offs, impairment write-downs and revaluations.

##### **Net result**

Net result is a measure of financial performance of the operations for the period. It is the net result of items of income, gains and expenses (including losses) recognised for the period, excluding those that are classified as 'other comprehensive income'. Net result from transactions/net operating balance is a key fiscal aggregate and is income from transactions minus expenses from transactions. It is a summary measure of the ongoing sustainability of operations. It excludes gains and losses resulting from changes in price levels and other changes in the volume of assets.

##### **Net worth**

Assets less liabilities, which is an economic measure of wealth.

##### **Non-financial assets**

Non-financial assets are all assets that are not 'financial assets'. It includes inventories, land, buildings, infrastructure, road networks, land under roads, plant and equipment, investment properties, cultural and heritage assets, intangible and biological assets.

##### **Non-produced assets**

Non-produced assets are assets needed for production that have not themselves been produced. They include land, subsoil assets, and certain intangible assets. Non-produced intangibles are intangible assets needed for production that have not themselves been produced. They include constructs of society such as patents.

##### **Non-profit institution**

A legal or social entity that is created for the purpose of producing or distributing goods and services but is not permitted to be a source of income, profit or other financial gain for the units that establish, control or finance it.

##### **Payables**

Includes short and long term trade debt and accounts payable, grants, taxes and interest payable.

##### **Produced assets**

Produced assets include buildings, plant and equipment, inventories, cultivated assets and certain intangible assets. Intangible produced assets may include computer software, motion picture films, and research and development costs (which does not include the start up costs associated with capital projects).

##### **Public financial corporation sector**

Public financial corporations (PFCs) are bodies primarily engaged in the provision of financial intermediation services or auxiliary financial services. They are able to incur financial liabilities on their own account (e.g. taking deposits, issuing securities or providing insurance services). Estimates are not published for the public financial corporation sector.

## DENTAL HEALTH SERVICES VICTORIA

### Notes to the Financial Statements for the year ended 30 June 2023

#### Note 8.11: Glossary of terms and style conventions (continued)

##### **Public non-financial corporation sector**

The public non-financial corporation (PNFC) sector comprises bodies mainly engaged in the production of goods and services (of a non-financial nature) for sale in the market place at prices that aim to recover most of the costs involved (e.g. water and port authorities). In general, PNFCs are legally distinguishable from the governments which own them.

##### **Receivables**

Includes amounts owing from government through appropriation receivable, short and long term trade credit and accounts receivable, accrued investment income, grants, taxes and interest receivable.

##### **Sales of goods and services**

Refers to income from the direct provision of goods and services and includes fees and charges for services rendered, sales of goods and services, fees from regulatory services and work done as an agent for private enterprises. It also includes rental income under operating leases and on produced assets such as buildings and entertainment, but excludes rent income from the use of non-produced assets such as land. User charges includes sale of goods and services income.

##### **Supplies and services**

Supplies and services generally represent cost of goods sold and the day-to-day running costs, including maintenance costs, incurred in the normal operations of DHSV.

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

##### **Taxation income**

Taxation income represents income received from the State's taxpayers and includes:

- payroll tax; land tax; duties levied principally on conveyances and land transfers;
- gambling taxes levied mainly on private lotteries, electronic gaming machines, casino operations and racing;
- insurance duty relating to compulsory third party, life and non-life policies;
- insurance company contributions to fire brigades;
- motor vehicle taxes, including registration fees and duty on registrations and transfers;
- levies (including the environmental levy) on statutory corporations in other sectors of government; and
- other taxes, including landfill levies, license and concession fees.

##### **Transactions**

Transactions are those economic flows that are considered to arise as a result of policy decisions, usually an interaction between two entities by mutual agreement. They also include flows in an entity such as depreciation where the owner is simultaneously acting as the owner of the depreciating asset and as the consumer of the service provided by the asset.

Taxation is regarded as mutually agreed interactions between the government and taxpayers. Transactions can be in kind (e.g. assets provided/given free of charge or for nominal consideration) or where the final consideration is cash.

##### **Style conventions**

Figures in the tables and in the text have been rounded. Discrepancies in tables between totals and sums of components reflect rounding. Percentage variations in all tables are based on the underlying unrounded amounts.

The notation used in the tables is as follows:

- zero, or rounded to zero

(xxx.x) negative numbers

201x year period

201x-1x year period



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