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To the Board Chair Flinders and Upper North Local Health Network Incorporated

Qualified opinion

I have audited the financial report of the Flinders and Upper North Local Health Network Incorporated and the consolidated entity comprising the Flinders and Upper North Local Health Network Incorporated and its controlled entities for the financial year ended 30 June 2024.

In my opinion, except for the possible effects of the matter described in the 'Basis for qualified opinion' section of my report, the accompanying financial report gives a true and fair view of the financial position of the Flinders and Upper North Local Health Network Incorporated and its controlled entities as at 30 June 2024, their financial performance and their cash flows for the year then ended in accordance with relevant Treasurer's Instructions issued under the provisions of the Public Finance and Audit Act 1987 and Australian Accounting Standards.

The financial report comprises:

- a Statement of Comprehensive Income for the year ended 30 June 2024
- a Statement of Financial Position as at 30 June 2024
- a Statement of Changes in Equity for the year ended 30 June 2024
- a Statement of Cash Flows for the year ended 30 June 2024
- notes, comprising material accounting policy information and other explanatory information
- a Certificate from the Board Chair, the Chief Executive Officer and the Chief Finance Officer.

Basis for qualified opinion

Procurement reporting disclosure

The Flinders and Upper North Local Health Network Incorporated was required by the Treasurer's Instructions (Accounting Policy Statements) to include a disclosure reporting the value of procurement with South Australian and non-South Australian businesses for 2023-24. This requirement uses a framework established by the Treasurer's Instructions (Accounting Policy Statements) and definitions within Treasurer's Instruction 18 *Procurement*.

The Flinders and Upper North Local Health Network Incorporated included that disclosure in note 9.1 to the financial report.

My review of the processes used by the Flinders and Upper North Local Health Network Incorporated identified that it did not have an effective process to meet the requirements of the framework which has been established for procurement reporting under the Treasurer's Instructions.

As such, I am not able to obtain sufficient appropriate audit evidence for the amounts disclosed in note 9.1.

I conducted the audit in accordance with the *Public Finance and Audit Act 1987* and Australian Auditing Standards. My responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial report' section of my report. I am independent of Flinders and Upper North Local Health Network Incorporated and its controlled entities. The *Public Finance and Audit Act 1987* establishes the independence of the Auditor-General. In conducting the audit, the relevant ethical requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* have been met.

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

Responsibilities of the Chief Executive Officer and the Board for the financial report

The Chief Executive Officer is responsible for the preparation of the financial report that gives a true and fair view in accordance with relevant Treasurer's Instructions issues under the provisions of the *Public Finance and Audit Act 1987* and the Australian Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Chief Executive Officer is responsible for assessing the entity's and consolidated entity's ability to continue as a going concern, taking into account any policy or funding decisions the government has made which affect the continued existence of the entity. The Chief Executive Officer is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the assessment indicates that it is not appropriate.

The Board is responsible for overseeing the entity's financial reporting process.

Auditor's responsibilities for the audit of the financial report

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987* and section 36(2) of the *Health Care Act 2008*, I have audited the financial report of the Flinders and Upper North Local Health Network Incorporated and its controlled entities for the financial year ended 30 June 2024.

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

As part of an audit in accordance with 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 Flinders and Upper North Local Health Network Incorporated's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Chief Executive Officer
- conclude on the appropriateness of the Chief Executive Officer'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 entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify the opinion. My conclusion is based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation

- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the group financial report. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

My report refers only to the financial report described above and does not provide assurance over the integrity of electronic publication by the entity on any website nor does it provide an opinion on other information which may have been hyperlinked to/from the report.

I communicate with the Chief Executive Officer and the Board about, 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 the audit.



Andrew Blaskett
Auditor-General

23 September 2024

FLINDERS AND UPPER NORTH LOCAL HEALTH NETWORK
STATEMENT OF COMPREHENSIVE INCOME
For the year ended 30 June 2024

	Note	Consolidated		Parent	
		2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Income					
Revenues from SA Government	2	168,191	150,045	168,191	150,045
Fees and charges	3	5,558	6,635	5,558	6,635
Grants and contributions	4	8,664	9,628	8,677	9,628
Interest		89	48	89	47
Resources received free of charge	5	1,535	1,365	1,535	1,365
Other revenues/income	7	1,784	2,741	1,781	2,741
Total income		185,821	170,462	185,831	170,461
Expenses					
Staff related expenses	8	85,033	82,258	85,033	82,258
Supplies and services	9	93,076	78,440	93,075	78,442
Depreciation and amortisation	17	9,537	9,302	8,944	8,832
Grants and subsidies	10	51	47	51	47
Borrowing costs	20	563	585	563	585
Net loss from disposal of non-current and other assets	6	11	163	11	163
Impairment loss on receivables	13.1	(65)	(65)	(65)	(65)
Other expenses	11	291	217	859	217
Total expenses		188,497	170,947	188,471	170,479
Net result		(2,676)	(485)	(2,640)	(18)
Other Comprehensive Income					
Items that will not be reclassified to net result					
Changes in property, plant and equipment asset revaluation surplus		36,487	-	33,210	-
Total other comprehensive income		36,487	-	33,210	-
Total comprehensive result		33,811	(485)	30,570	(18)

The accompanying notes form part of these financial statements. The net result and total comprehensive result are attributable to the SA Government as owner.

FLINDERS AND UPPER NORTH LOCAL HEALTH NETWORK
STATEMENT OF FINANCIAL POSITION
For the year ended 30 June 2024

	Note	Consolidated		Parent	
		2024	2023	2024	2023
		\$'000	\$'000	\$'000	\$'000
Current assets					
Cash and cash equivalents	12	11,156	9,746	10,843	9,422
Receivables	13	2,008	2,256	1,970	2,221
Other financial assets	14	1,125	1,098	1,125	1,098
Inventories	15	1,092	1,058	1,092	1,058
Total current assets		15,381	14,158	15,030	13,799
Non-current assets					
Receivables	13	267	352	267	352
Property, plant and equipment	16,17	150,808	118,174	139,935	110,554
Total non-current assets		151,075	118,526	140,202	110,906
Total assets		166,456	132,684	155,232	124,705
Current liabilities					
Payables	19	6,477	6,538	6,475	6,540
Financial liabilities	20	3,301	3,088	3,301	3,088
Staff related liabilities	21	13,160	12,372	13,160	12,372
Provisions	22	265	458	265	458
Contract liabilities and other liabilities	23	2,861	2,678	2,861	2,678
Total current liabilities		26,064	25,134	26,062	25,136
Non-current liabilities					
Financial liabilities	20	24,962	26,866	24,962	26,866
Staff related liabilities	21	12,759	11,793	12,759	11,793
Provisions	22	1,064	1,095	1,064	1,095
Total non-current liabilities		38,785	39,754	38,785	39,754
Total liabilities		64,849	64,888	64,847	64,890
Net assets		101,607	67,796	90,385	59,815
Equity					
Retained earnings		65,120	67,796	57,175	59,815
Asset revaluation surplus		36,487	-	33,210	-
Total equity		101,607	67,796	90,385	59,815

The accompanying notes form part of these financial statements. The total equity is attributed to the SA Government as owner.

FLINDERS AND UPPER NORTH LOCAL HEALTH NETWORK
STATEMENT OF CHANGES IN EQUITY
For the year ended 30 June 2024

CONSOLIDATED

	Asset revaluation surplus \$ '000	Retained earnings \$ '000	Total equity \$ '000
Balance at 30 June 2022	-	68,215	68,215
Net assets received from an administrative restructure	-	66	66
Net result for 2022-23	-	(485)	(485)
Total comprehensive result for 2022-23	-	(485)	(485)
Balance at 30 June 2023	-	67,796	67,796
Net result for 2023-24	-	(2,676)	(2,676)
Gain/(loss) on revaluation of land and buildings	36,487	-	36,487
Total comprehensive result for 2023-24	36,487	(2,676)	33,811
Balance at 30 June 2024	36,487	65,120	101,607

PARENT

	Asset revaluation surplus \$ '000	Retained earnings \$ '000	Total equity \$ '000
Balance at 30 June 2022	-	59,833	59,833
Net result for 2022-23	-	(18)	(18)
Total comprehensive result for 2022-23	-	(18)	(18)
Balance at 30 June 2023	-	59,815	59,815
Net result for 2023-24	-	(2,640)	(2,640)
Gain/(loss) on revaluation of land and buildings	33,210	-	33,210
Total comprehensive result for 2023-24	33,210	(2,640)	30,570
Balance at 30 June 2024	33,210	57,175	90,385

The accompanying notes form part of these financial statements. All changes in equity are attributable to the SA Government as owner.

FLINDERS AND UPPER NORTH LOCAL HEALTH NETWORK
STATEMENT OF CASH FLOWS
For the year ended 30 June 2024

	Note	Consolidated		Parent	
		2024	2023	2024	2023
		\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities					
Cash inflows					
Receipts from SA Government		145,698	131,452	145,698	131,452
Fees and charges		5,621	5,694	5,624	5,451
Grants and contributions		8,800	9,656	8,813	9,656
Interest received		86	25	86	24
Residential aged care bonds received		350	1,010	350	1,010
GST recovered from ATO		6,632	5,428	6,632	5,428
Other receipts		191	280	188	280
Cash generated from operations		167,378	153,545	167,391	153,301
Cash outflows					
Staff benefits payments		(83,498)	(82,866)	(83,498)	(82,866)
Payments for supplies and services		(76,380)	(62,497)	(76,382)	(62,496)
Payments of grants and subsidies		(56)	(52)	(56)	(52)
Interest paid		(563)	(585)	(563)	(585)
Residential aged care bonds refunded		(184)	(1,380)	(184)	(1,380)
Other payments		(358)	(296)	(358)	(296)
Cash used in operations		(161,039)	(147,676)	(161,041)	(147,675)
Net cash provided by operating activities	24	6,339	5,869	6,350	5,626
Cash flows from investing activities					
Cash inflows					
Proceeds from sale/maturities of investments		-	1,058	-	1,058
Cash generated from investing activities		-	1,058	-	1,058
Cash outflows					
Purchase of property, plant and equipment		(1,680)	(1,488)	(1,680)	(1,488)
Purchase of investments		(21)	-	(21)	-
Cash used in investing activities		(1,701)	(1,488)	(1,701)	(1,488)
Net cash provided by/(used in) investing activities		(1,701)	(430)	(1,701)	(430)
Cash flows from financing activities					
Cash inflows					
Cash received from restructuring activities		-	66	-	-
Cash generated from financing activities		-	66	-	-
Cash outflows					
Repayment of lease liabilities		(3,228)	(3,047)	(3,228)	(3,047)
Cash used in financing activities		(3,228)	(3,047)	(3,228)	(3,047)
Net cash provided by/(used in) financing activities		(3,228)	(2,981)	(3,228)	(3,047)
Net increase/(decrease) in cash and cash equivalents		1,410	2,458	1,421	2,149
Cash and cash equivalents at the beginning of the period		9,746	7,288	9,422	7,273
Cash and cash equivalents at the end of the period	12	11,156	9,746	10,843	9,422

The accompanying notes form part of these financial statements.

FLINDERS AND UPPER NORTH LOCAL HEALTH NETWORK
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30 June 2024

1. About Flinders and Upper Local Health Network

The Flinders and Upper North Local Health Network Incorporated (the Hospital) is a not-for-profit incorporated Hospital established under the *Health Care Act 2008* (the Act). The Hospital commenced service delivery on 1 July 2019 following the dissolution of Country Health SA Local Health Network (CHSALHN). Relevant assets, rights and liabilities were transferred from CHSALHN to the Hospital. The financial statements include all controlled activities of this Hospital.

The Hospital consists of the following –

- Community Health Services located at Hawker, Port Augusta, Quorn, Roxby Downs and Whyalla
- Hawker Memorial Hospital
- Leigh Creek Health Service
- Port Augusta Hospital and Regional Health Service
- Quorn Health Service
- Roxby Downs Hospital
- Whyalla Hospital and Health Service

Consolidated Entity

The consolidated entity includes the parent entity, the Incorporated Health Advisory Councils (HACs) and the Incorporated HAC Gift Fund Trusts (GFTs) as listed in note 30.

The HACs were established under the Act to provide a more coordinated, strategic and integrated health care system to meet the health needs of South Australians. HACs are consultative bodies that advise and make recommendations to the Chief Executive of the Department for Health and Wellbeing (the Department) and the Chief Executive Officer of the Hospital on issues related to specific groups or regions. HACs hold assets, manage bequests and provide advice on local health service needs and priorities.

The consolidated financial statements have been prepared in accordance with AASB 10 Consolidated Financial Statements. Consistent accounting policies have been applied and all inter-entity balances and transactions arising within the consolidated entity have been eliminated in full. Information on the consolidated entity's interest in other entities is at note 30.

Administered items

The Hospital has administered activities and resources. Transactions and balances relating to administered resources are presented separately and disclosed in note 32. Except as otherwise disclosed, administered items are accounted for on the same basis and using the same accounting principles as for the Hospital's transactions.

1.1 Objectives and activities

The Hospital is committed to a health system that produces positive health outcomes by focusing on health promotion, illness prevention, early intervention and achieving equitable health outcomes for the Flinders and Upper North region.

The Hospital is part of the SA Health portfolio providing health services for the Flinders and Upper North region. The Hospital is structured to contribute to the outcomes for which the portfolio is responsible by providing health and related services across the Flinders and Upper North region.

The Hospital is governed by a Board which is responsible for providing strategic oversight and monitoring the Hospital's financial and operational performance. The Board must comply with any direction of the Minister for Health and Wellbeing (Minister) or Chief Executive of the Department.

The Chief Executive Officer is responsible for managing the operations and affairs of the Hospital and is accountable to, and subject to the direction of, the Board in undertaking that function.

1.2 Basis of preparation

These financial statements are general purpose financial statements prepared in accordance with:

- section 23 of the *Public Finance and Audit Act 1987*;
- *Treasurer's Instructions* and Accounting Policy Statements issued by the Treasurer under the *Public Finance and Audit Act 1987*; and
- relevant Australian Accounting Standards.

The financial statements have been prepared based on a 12 month period and presented in Australian currency. All amounts in the financial statements and accompanying notes have been rounded to the nearest thousand dollars (\$'000). Any transactions in foreign currency are translated into Australian dollars at the exchange rates at the date the transaction occurs. The historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured.

FLINDERS AND UPPER NORTH LOCAL HEALTH NETWORK
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30 June 2024

Assets and liabilities that are to be sold, consumed or realised as part of the normal operating cycle have been classified as current assets or current liabilities. All other assets and liabilities are classified as non-current.

Material accounting policies are set out below or throughout the notes.

1.3 Taxation

The Hospital is not subject to income tax. The Hospital is liable for fringe benefits tax (FBT) and goods and services tax (GST).

Income, expenses and assets are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods or services is not recoverable from the Australian Taxation Office (ATO), in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item applicable; and
- receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the Statement of Financial Position.

Cash flows are included in the Statement of Cash Flows on a gross basis, and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the ATO is classified as part of operating cash flows.

1.4 Continuity of operations

As at 30 June 2024, the Hospital had working capital deficiency of \$10.683 million (\$10.976 million). The SA Government is committed and has consistently demonstrated a commitment to ongoing funding of the Hospital to enable it to perform its functions. This ongoing commitment is ultimately outlined in the annually produced and published State Budget Papers which presents the SA Government's current and estimated future economic performance, including forward estimates of revenue, expenses and performance by Agency.

1.5 Equity

The asset revaluation surplus is used to record increments and decrements in the fair value of land, buildings and plant and equipment to the extent that they offset one another. Relevant amounts are transferred to retained earnings when an asset is derecognised.

1.6 Changes to the Hospital

2023-24

The transfer of cash from the Country Health Gift Fund Health Advisory Council Inc GFT to Hawker District Memorial Health Advisory Council Inc GFT (\$0.035 million) is expected to occur in 2024-25.

2022-23

The transfer of net assets consisting of cash (\$0.066 million) from Country Health Gift Fund Health Advisory Council Inc GFT to The Whyalla Hospital and Health Services Health Advisory Council Inc occurred in April 2023.

2. Revenues from SA Government

	Consolidated		Parent	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Capital projects funding	4,273	2,674	4,273	2,674
Operational funding	163,918	147,371	163,918	147,371
Total revenues from SA Government	168,191	150,045	168,191	150,045

The Department provides recurrent and capital funding under a service agreement to the Hospital for the provision of general health services. Contributions from the Department are recognised as revenue when the Hospital obtains control over the funding. Control over the funding is obtained upon receipt.

3. Fees and charges

	Consolidated		Parent	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Commissions revenue	3	4	3	4
Patient and client fees	2,948	3,707	2,948	3,707
Private practice fees	174	121	174	121
Fees for health services	940	1,422	940	1,422

FLINDERS AND UPPER NORTH LOCAL HEALTH NETWORK
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30 June 2024

	Consolidated		Parent	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Residential and other aged care charges	798	742	798	742
Sale of goods - medical supplies	320	244	320	244
Other user charges and fees	375	395	375	395
Total fees and charges	5,558	6,635	5,558	6,635

The Hospital measures revenue based on the consideration specified in major contracts with customers and excludes amounts collected on behalf of third parties. All contracts with customers recognised goods and services transferred at a point in time, when the Hospital satisfies performance obligations by transferring the promised goods or services to its customers.

The Hospital recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities (refer to note 23).

The Hospital recognises revenue (contracts with customers) at a point in time from customers including from the following major sources:

Patient and Client Fees

Public health care is free for medicare eligible customers. Non-medicare eligible customers pay in arrears to stay overnight in a public hospital and to receive medical assessment, advice, treatment and care from a health professional. These charges may include doctors, surgeons, anaesthetists, pathology, radiology services etc. Revenue from these services is recognised on a time-and-material basis as services are provided. Any amounts remaining unpaid at the end of the reporting period are treated as an accounts receivable.

Residential and other aged care charges

Long stay nursing home fees include daily care fee and daily accommodation fees. Residents pay fortnightly in arrears for services rendered and accommodation supplied. Residents are invoiced fortnightly in arrears as services and accommodation are provided. Any amounts remaining unpaid or unbilled at the end of the reporting period are treated as an accounts receivable.

Fees for the health services

Where the Hospital has incurred an expense on behalf of another entity, payment is recovered from the other entity by way of a recharge of the cost incurred. These fees can relate to the recharge of salaries and wages, occupancy rent and rates or various goods and services. Revenue is recognised on a time-and-material basis as provided. Any amounts remaining unpaid at the end of the reporting period are treated as an accounts receivable.

4. Grants and contributions

	Consolidated		Parent	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Private sector grants and contributions	171	252	171	252
Other SA Government grants and contributions	-	476	13	476
SA Government capital contributions	-	6	-	6
Commonwealth aged care subsidies	-	29	-	29
Commonwealth grants and donations	8,493	8,865	8,493	8,865
Total grants and contributions	8,664	9,628	8,677	9,628

The grants provided are usually subject to terms and conditions set out in the contract, correspondence, or by legislation.

All grants and contributions were provided for specific purposes such as aged care, community health services and other related health services and were recognised in accordance with AASB 1058 *Income of Not-for-Profit Entities*.

5. Resources received free of charge

	Consolidated		Parent	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Services	1,535	1,365	1,535	1,365
Total resources received free of charge	1,535	1,365	1,535	1,365

Contributions of services are recognised only when a fair value can be determined reliably and the services would be purchased if they had not been donated. The Hospital receives Financial Accounting, Taxation, Payroll, Accounts Payable and Accounts Receivable services from Shared Services SA free of charge valued at \$1.006 million (\$1.000 million), and ICT services from the Department of Premier and Cabinet (DPC) valued at \$0.529 million (\$0.365 million).

FLINDERS AND UPPER NORTH LOCAL HEALTH NETWORK
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30 June 2024

Although not recognised, the Hospital receives services from approximately 100 volunteers who provide patient and staff support services to individuals using the Hospital and Community services. The services include but are not limited to: patient liaison and support, promotional activities, transport, kiosk and craft.

6. Net gain/(loss) from disposal of non-current and other assets

	Consolidated		Parent	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Land and buildings:				
Less carrying amount of assets disposed	-	(63)	-	(63)
Net gain/(loss) from disposal of land and buildings	-	(63)	-	(63)
Plant and equipment:				
Less carrying amount of assets disposed	(11)	(100)	(11)	(100)
Net gain/(loss) from disposal of plant and equipment	(11)	(100)	(11)	(100)
Total assets:				
Less total carrying amount of assets disposed	(11)	(163)	(11)	(163)
Total net gain/(loss) from disposal of assets	(11)	(163)	(11)	(163)

Gains or losses on disposal are recognised at the date control of the asset is passed from the Hospital and are determined after deducting the carrying amount of the asset from the proceeds at that time.

7. Other revenues/income

	Consolidated		Parent	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Donations	3	-	-	-
Health recoveries	1,546	2,490	1,546	2,490
Other	235	251	235	251
Total other revenues/income	1,784	2,741	1,781	2,741

8. Staff related expenses

	Consolidated		Parent	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Salaries and wages	66,823	66,119	66,823	66,119
Long service leave	2,559	1,134	2,559	1,134
Annual leave	6,916	6,503	6,916	6,503
Skills and experience retention leave	353	344	353	344
Staff on-costs - superannuation*	8,214	7,685	8,214	7,685
Workers compensation	(126)	217	(126)	217
Board and committee fees	294	244	294	244
Other staff related expenses	-	12	-	12
Total staff related expenses	85,033	82,258	85,033	82,258

* The superannuation employment on-cost charge represents the Hospital's contribution to superannuation plans in respect of current services of staff. The Department of Treasury and Finance (DTF) centrally recognises the superannuation liability in the whole-of-government financial statements.

8.1 Key Management Personnel

Key management personnel (KMP) of the Hospital includes the Minister, the eight (eight) members of the Governing Board, the Chief Executive of the Department, the Chief Executive Officer of the Hospital and the ten (nine) members of the Executive Management Group who have responsibility for the strategic direction and management of the Hospital.

FLINDERS AND UPPER NORTH LOCAL HEALTH NETWORK
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30 June 2024

The compensation detailed below excludes salaries and other benefits received by:

- The Minister for Health and Wellbeing. The Minister's remuneration and allowances are set by the *Parliamentary Remuneration Act 1990* and the Remuneration Tribunal of SA respectively and are payable from the Consolidated Account (via DTF) under section 6 of the *Parliamentary Remuneration Act 1990*; and
- The Chief Executive of the Department. The Chief Executive of the Department is compensated by the Department and there is no requirement for the Hospital to reimburse those expenses.

Compensation	2024	2023
	\$'000	\$'000
Salaries and other short term employee benefits	2,768	2,156
Post-employment benefits	268	399
Other long-term employment benefits	2	29
Total	3,038	2,584

The Hospital did not enter into any transactions with key management personnel or their close family during the reporting period that were not consistent with normal procurement arrangements.

8.2 Remuneration of Boards and Committees

The number of board or committee members whose remuneration received or receivable falls within the following bands is:

	2024	2023
	No. of	No. of
	Members	Members
\$1 - \$20,000	8	9
\$20,001 - \$40,000	7	5
\$40,001 - \$60,000	1	1
Total	16	15

The total remuneration received or receivable by members was \$0.322 million (\$0.263 million). Remuneration of members reflects all costs of performing board/committee member duties including sitting fees, superannuation contributions, salary sacrifice benefits, fringe benefits and related fringe benefits tax. In accordance with the Premier and Cabinet Circular No. 016, government employees did not receive any remuneration for board/committee duties during the financial year.

Unless otherwise disclosed, transactions between members are on conditions no more favourable than those that it is reasonable to expect the entity would have adopted if dealing with the related party at arm's length in the same circumstances.

Refer to note 33 for members of boards/committees that served for all or part of the financial year and were entitled to receive income from membership in accordance with APS 124.B.

8.3 Staff Remuneration

	Consolidated		Parent	
	2024	2023	2024	2023
The number of staff whose remuneration received or receivable falls within the following bands:	Number	Number	Number	Number
\$160,001 - \$166,000*	n/a	5	n/a	5
\$166,001 - \$186,000	11	10	11	10
\$186,001 - \$206,000	5	4	5	4
\$206,001 - \$226,000	2	1	2	1
\$226,001 - \$246,000	1	-	1	-
\$286,001 - \$306,000	1	1	1	1
\$466,001 - \$486,000	-	1	-	1
\$486,001 - \$506,000	2	2	2	2
\$506,001 - \$526,000	1	1	1	1
\$526,001 - \$546,000	3	1	3	1
\$566,001 - \$586,000	-	1	-	1
Total number of staff	26	27	26	27

The table includes all staff whose normal remuneration equal to or greater than the base executive remuneration level during the year. Remuneration of staff reflects all costs of employment including salaries and wages, payments in lieu of leave, superannuation contributions, salary sacrifice benefits and fringe benefits and related fringe benefits tax.

*The \$160,001 to \$166,000 band has been included for the purpose of reporting comparative figures based on the executive base level remuneration rate for 2022-23.

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8.4 Staff remuneration by classification

The total remuneration received by staff included above:

	Consolidated				Parent			
	2024		2023		2024		2023	
	No.	\$'000	No.	\$'000	No.	\$'000	No.	\$'000
Medical (excluding Nursing)	10	4,011	9	3,775	10	4,011	9	3,775
Executive	1	244	1	208	1	244	1	208
Nursing	14	2,575	17	2,981	14	2,575	17	2,981
Non-medical (i.e. administration)	1	168	-	-	1	168	-	-
Total	26	6,998	27	6,964	26	6,998	27	6,964

9. Supplies and services

	Consolidated		Parent	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Administration	413	169	413	169
Advertising	83	62	83	62
Communication	884	587	884	587
Computing	2,327	2,281	2,327	2,281
Consultants	62	191	62	191
Contract of services	8,452	7,101	8,452	7,101
Contractors	181	84	181	84
Contractors - agency staff	11,370	6,073	11,370	6,073
Drug supplies	2,535	2,715	2,535	2,715
Electricity, gas and fuel	1,875	1,836	1,875	1,836
Fee for service*	26,669	19,754	26,669	19,754
Food supplies	1,173	1,106	1,173	1,106
Housekeeping	1,007	994	1,007	994
Insurance	1,014	999	1,014	999
Internal SA Health SLA payments	6,734	7,194	6,734	7,194
Legal	23	12	23	12
Medical, surgical and laboratory supplies	11,795	11,260	11,795	11,260
Minor equipment	761	872	761	872
Motor vehicle expenses	460	267	460	267
Occupancy rent and rates	379	520	379	520
Patient transport	1,162	788	1,162	788
Postage	235	179	235	179
Printing and stationery	427	410	427	410
Repairs and maintenance	5,068	6,175	5,068	6,175
Security	2,372	2,374	2,372	2,374
Services from Shared Services SA	1,014	1,010	1,014	1,010
Short term lease expense	1,334	1,173	1,334	1,173
Training and development	460	357	460	357
Travel expenses	624	369	624	369
Other supplies and services	2,183	1,528	2,182	1,530
Total supplies and services	93,076	78,440	93,075	78,442

The Hospital recognises lease payments associated with short term leases (12 months or less) as an expense on a straight line basis over the lease term. Lease commitments for short term leases is similar to short term lease expenses disclosed.

* Fee for Service primarily relates to medical services provided by doctors not employed by the Hospital.

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9.1 Expenditure – SA business and non-SA business

The following table includes all expenditure in relation to arrangements above \$55,000 (GST inclusive) resulting from a procurement as defined in *Treasurer's Instructions 18 – Procurement* (TI18). Arrangements between public authorities and other governments are not included:

	Consolidated		Parent	
	2024 \$'000	Proportion SA and non-SA businesses	2024 \$'000	Proportion SA and non-SA businesses
Total expenditure with South Australian businesses	42,798	56%	42,798	56%
Total expenditure with non-South Australian businesses	33,395	44%	33,395	44%
Total expenditure in relation to contracts above \$55,000	76,193	100%	76,193	100%

Classification as SA business or non-SA business is generally based on circumstances as at the time of entering into a contract. For contracts entered into before 20 February 2023, where sufficient evidence of an assessment made under previous procurement requirements is known to the Hospital, this was used to determine classification. For contracts where such evidence of prior assessment is not available and for all other contracts, classification is based on the definition of an SA business provided in TI 18.

TI 18 defines a business as being South Australian where it operates in South Australia and more than 50% of the workforce delivering the contract resulting from the procurement on behalf of the business are South Australian residents.

The disclosure for expenditure with SA businesses reflects the total spent on contracts within the TI 18 definition and in some instances includes the cost of goods sourced from outside South Australia.

In many cases, the determination has been made on the basis of representations made by suppliers at a point in time which has not been subject to independent verification.

10. Grants and subsidies

The Hospital provided \$0.051 million (\$0.047 million) of funding to non-government organisations for community programs within the Flinders and Upper North region.

11. Other expenses

	Consolidated		Parent	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Debts written off	171	89	171	89
Bank fees and charges	4	4	4	4
Donated assets expense	-	-	568	-
Other*	116	124	116	124
Total other expenses	291	217	859	217

Donated assets expense includes transfer of buildings and is recorded as expenditure at their fair value.

* Includes Audit fees paid or payable to the Audit Office of South Australia relating to work performed under the *Public Finance and Audit Act 1987* of \$0.089 million (\$0.092 million). No other services were provided by the Audit Office of South Australia.. Also includes fees paid or payable to Galpins Accountants Auditors and Business Consultants of \$0.017 million (\$0.017 million) for other audit services.

12. Cash and cash equivalents

	Consolidated		Parent	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Cash at bank or on hand	1,377	1,244	1,064	920
Deposits with Treasurer: general operating	9,424	8,328	9,424	8,328
Deposits with Treasurer: special purpose funds	355	174	355	174
Total cash and cash equivalents in the Statement of Financial Position	11,156	9,746	10,843	9,422

Total cash and cash equivalents in the Statement of Cash Flows	11,156	9,746	10,843	9,422
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Cash is measured at nominal amounts. The Hospital operates through the Department's general operating account held with the Treasurer and does not earn interest on this account. Interest is earned on accounts holding aged care funds, including refundable deposits. Of the \$ 11.156 million (\$9.746 million) held, \$ 1.003 million (\$0.852 million) relates to aged care refundable deposits.

13. Receivables

	Note	Consolidated		Parent	
		2024	2023	2024	2023
Current		\$'000	\$'000	\$'000	\$'000
Patient/client fees: compensable		331	340	331	340
Patient/client fees: aged care		62	71	62	71
Patient/client fees: other		434	320	434	320
Debtors		508	684	470	649
Less: allowance for impairment loss on receivables	13.1	(392)	(457)	(392)	(457)
Prepayments		167	178	167	178
Interest		25	28	25	28
Workers compensation provision recoverable		66	157	66	157
Sundry receivables and accrued revenue		685	799	685	799
GST input tax recoverable		122	136	122	136
Total current receivables		2,008	2,256	1,970	2,221
Non-current					
Debtors		30	19	30	19
Workers compensation provision recoverable		237	333	237	333
Total non-current receivables		267	352	267	352
Total receivables		2,275	2,608	2,237	2,573

Receivables arise in the normal course of selling goods and services to other agencies and to the public. The Hospital's trading terms for receivables are generally 30 days after the issue of an invoice or the goods/services have been provided under a contractual arrangement. Receivables, prepayments and accrued revenues are non-interest bearing. Receivables are held with the objective of collecting the contractual cash flows and they are measured at amortised cost.

Other than as recognised in the impairment loss on receivables, it is not anticipated that counterparties will fail to discharge their obligations. The carrying amount of receivables approximates net fair value due to being receivable on demand. There is no concentration of credit risk.

13.1 Impairment of receivables

The Hospital has adopted the simplified impairment approach under AASB 9 and measured lifetime expected credit losses on all trade receivables using an allowance matrix as a practical expedient to measure the impairment provision.

Movement in the allowance for impairment loss on receivables:

	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Carrying amount at the beginning of the period	457	522	457	522
Increase/(Decrease) in allowance recognised in profit or loss	(65)	(65)	(65)	(65)
Carrying amount at the end of the period	392	457	392	457

Impairment losses relate to receivables arising from contracts with customers that are external to SA Government. Refer to note 30 for details regarding credit risk and the methodology for determining impairment.

Decrease in allowance for 2023-24 was moved to Other income in profit or loss.

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14. Other financial assets

The consolidated and parent entities hold term deposits of \$1.125 million (\$1.098 million). Of these deposits, \$0.652 million (\$0.643 million) relates to aged care refundable deposits, with the remaining funds primarily relating to aged care. These deposits are measured at amortised costs. There is no impairment on term deposits.

15. Inventories

	Consolidated		Parent	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Drug supplies	197	193	197	193
Medical, surgical and laboratory supplies	784	768	784	768
Food and hotel supplies	81	78	81	78
Engineering supplies	2	2	2	2
Other	28	17	28	17
Total current inventories - held for distribution	1,092	1,058	1,092	1,058

All inventories are held for distribution at no or nominal consideration and are measured at the lower of average weighted cost and replacement cost. The amount of any inventory write-down to net realisable value/replacement cost or inventory losses are recognised as an expense in the period the write-down or loss occurred. Any write-down reversals are also recognised as an expense reduction.

16. Property, plant and equipment, investment property and intangible assets

16.1 Acquisition and recognition

Property, plant and equipment owned by the Hospital are initially recorded on a cost basis, and subsequently measured at fair value. Where assets are acquired at no value, or minimal value, they are recorded at their fair value in the Statement of Financial Position. Where assets are acquired at no or nominal values as part of a restructure of administrative arrangements, the assets are recorded at the value held by the transferor public authority prior to the restructure.

The Hospital capitalises owned property, plant and equipment with a value equal to or in excess of \$10,000. Assets recorded as works in progress represent projects physically incomplete as at the reporting date. Componentisation of complex assets is generally performed when the complex asset's fair value at the time of acquisition is equal to or greater than \$5 million for infrastructure assets and \$1 million for other assets.

16.2 Depreciation and amortisation

The residual values, useful lives, depreciation and amortisation methods of all major assets held by the Hospital are reviewed and adjusted if appropriate on an annual basis. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for prospectively by changing the time period or method, as appropriate.

Depreciation and amortisation are calculated on a straight line basis.

Property, plant and equipment depreciation and amortisation are calculated over the estimated useful life as follows:

<u>Class of asset</u>	<u>Useful life (years)</u>
Buildings and improvements	40-60
Right-of-use buildings	2 - 25
Leasehold improvement	Lease term
Plant and equipment:	
• Medical, surgical, dental and biomedical equipment and furniture	2 - 20
• Computing equipment	3 - 5
• Vehicles	2 - 20
• Other plant and equipment	3 - 30
Right-of-use plant and equipment	1 - 3

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16.3 Revaluation

All non-current tangible assets are subsequently measured at fair value after allowing for accumulated depreciation (written down current cost).

The scope of the valuation of PPE included all: land, buildings, site improvements, site infrastructure and Plant and Equipment with an acquisition greater than \$1.5 million and useful life greater than three (3) years. Revaluations are undertaken on a regular cycle. Non-current tangible assets that are acquired between revaluations are held at cost until the next valuation, where they are revalued to fair value. If at any time management considers that the carrying amount of an asset greater than \$1.5 million materially differs from its fair value, then the asset will be revalued regardless of when the last revaluation took place.

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

16.4 Impairment

The Hospital holds its property, plant and equipment for their service potential (value in use). Specialised assets would rarely be sold and typically any costs of disposal would be negligible, accordingly the recoverable amount will be closer to or greater than fair value. Where there is an indication of impairment, the recoverable amount is estimated. For revalued assets, fair value is assessed each year.

There were no indications of impairment of property, plant and equipment as at 30 June 2024.

16.5 Land and buildings

Consistent with Treasurer's Instructions, a public authority must at least every 6 years obtain a valuation appraisal from a qualified valuer. An independent valuation of land and buildings owned by the Hospital was performed between March and June 2024, by a certified practising valuer from Marsh Advisory Pacific, as at 1 June 2024.

Fair value of unrestricted land was determined using the market approach. The valuation was based on recent market transactions for similar land and buildings (non-specialised) in the area and includes adjustment for factors specific to the land and buildings being valued such as size, location and current use. For land classified as restricted in use, fair value was determined by applying an adjustment to reflect the restriction.

Fair value of buildings was determined using depreciated replacement cost, due to there not being an active market. The depreciated replacement cost considered the need for ongoing provision of government services; specialised nature and restricted use of the assets; their size, condition and location. The valuation was based on a combination of internal records, specialised knowledge and acquisitions/transfer costs.

16.6 Plant and equipment

The value of plant and equipment has not been revalued and in accordance with APS 116D, as the carrying value is deemed to be approximate fair value.

16.7 Leased property, plant and equipment

Right-of-use assets (including concessional arrangements) leased by the Hospital as lessee are measured at cost, and there were no indications for impairment.

The Hospital has a number of lease agreements, including concessional. Major lease activities include the use of:

- Properties – accommodation for some community health offices and staff accommodation are leased from the private sector, Housing SA and Department for Infrastructure and Transport. Generally, property leases are non-cancellable with many having the right of renewal. Rent is payable in arrears, with increases generally linked to CPI increases. Prior to renewal, most lease arrangements undergo a formal rent review linked to market appraisals or independent valuers.
- Health Facilities – Port Augusta Hospital lease commenced in June 1997 and is for 25 years with an option to renew for 10 years. The base rental for the 25-year term increases according to CPI each quarter. For the 10-year renewal the rental is determined according to a different method related to a valuation of the property and its replacement cost.
- Motor vehicles – leased from the South Australian government Financing Authority (SAFA) through their agent LeasePlan Australia. The leases are non-cancellable and the vehicles are leased for a specified time period, (usually 3 years) or a specified number of kilometres, whichever occurs first.

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The Hospital has not committed to any lease arrangements that have not commenced. The Hospital has not entered into any sub-lease arrangements outside of SA Health.

The lease liabilities related to the right-of-use assets (and the maturity analysis) are disclosed at note 20. Expenses related to leases, including depreciation and interest expense, are disclosed at note 17 and 20. Cash outflows related to leases are disclosed at note 24.

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17. Reconciliation of property, plant and equipment

The following table shows the movement:

Consolidated

2023-24

	Land and buildings:				Plant and equipment:					
	Land \$'000	Buildings \$'000	Right-of- use buildings \$'000	Capital works in progress land and buildings \$'000	Accom- modation and Leasehold improve- ments \$'000	Medical/ surgical/ dental/ biomedical \$'000	Other plant and equipment \$'000	Right-of-use plant and equipment \$'000	Capital works in progress plant and equipment \$'000	Total \$'000
Carrying amount at the beginning of the period	4,260	77,527	28,829	2,629	2,295	1,265	154	301	914	118,174
Additions	-	-	-	3,726	-	250	-	510	180	4,666
Disposals	-	-	-	-	-	(1)	(8)	1	-	(8)
Transfers between asset classes	-	1,603	-	(1,604)	-	329	68	-	(397)	(1)
Remeasurement	-	-	1,027	-	-	-	-	-	-	1,027
Subtotal:	4,260	79,130	29,856	4,751	2,295	1,843	214	812	697	123,858
Gains/(losses) for the period recognised in net result:										
Depreciation and amortisation	-	(5,379)	(3,073)	-	(241)	(543)	(39)	(262)	-	(9,537)
Subtotal:	-	(5,379)	(3,073)	-	(241)	(543)	(39)	(262)	-	(9,537)
Gains/(losses) for the period recognised in other comprehensive income:										
Revaluation increment / (decrement)	1,997	34,490	-	-	-	-	-	-	-	36,487
Subtotal:	1,997	34,490	-	-	-	-	-	-	-	36,487
Carrying amount at the end of the period*	6,257	108,241	26,783	4,751	2,054	1,300	175	550	697	150,808
Gross carrying amount										
Gross carrying amount	6,257	109,330	40,798	4,751	3,260	3,941	428	889	697	170,351
Accumulated depreciation / amortisation	-	(1,089)	(14,015)	-	(1,206)	(2,641)	(253)	(339)	-	(19,543)
Carrying amount at the end of the period	6,257	108,241	26,783	4,751	2,054	1,300	175	550	697	150,808

*All property, plant and equipment are classified in the level 2 and level 3 fair value hierarchy except for capital works in progress (not classified). Refer to note 20 for details about the lease liability for right-of-use assets.

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Consolidated

2022-23

	Land and buildings:				Plant and equipment:						Total \$'000
	Land \$'000	Buildings \$'000	Right-of- use buildings \$'000	Capital works in progress land and buildings \$'000	Accom- modation and Leasehold improve- ments \$'000	Medical/ surgical/ dental/ biomedical \$'000	Other plant and equipment \$'000	Right-of-use plant and equipment \$'000	Capital works in progress plant and equipment \$'000		
Carrying amount at the beginning of the period	4,260	82,940	29,647	750	2,536	1,326	244	346	1,034	123,083	
Additions	-	-	-	1,879	-	12	-	223	498	2,612	
Disposals	-	(63)	-	-	-	(54)	(46)	-	-	(163)	
Transfers between asset classes	-	-	-	-	-	513	-	-	(513)	-	
Remeasurement	-	-	2,049	-	-	-	-	-	-	2,049	
Transfer to expenses	-	-	-	-	-	-	-	-	(105)	(105)	
Subtotal:	4,260	82,877	31,696	2,629	2,536	1,797	198	569	914	127,476	
Gains/(losses) for the period recognised in net result:											
Depreciation and amortisation	-	(5,350)	(2,867)	-	(241)	(532)	(44)	(268)	-	(9,302)	
Subtotal:	-	(5,350)	(2,867)	-	(241)	(532)	(44)	(268)	-	(9,302)	
Carrying amount at the end of the period*	4,260	77,527	28,829	2,629	2,295	1,265	154	301	914	118,174	
Gross carrying amount											
Gross carrying amount	4,260	98,127	39,771	2,629	3,260	3,483	385	726	914	153,555	
Accumulated depreciation / amortisation	-	(20,600)	(10,942)	-	(965)	(2,218)	(231)	(425)	-	(35,381)	
Carrying amount at the end of the period	4,260	77,527	28,829	2,629	2,295	1,265	154	301	914	118,174	

All property, plant and equipment are classified in the level 3 fair value hierarchy except for capital works in progress (not classified). Refer to note 20 for details about the lease liability for right-of-use assets.

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The following table shows the movement:

Parent

2023-24

	Land and buildings:				Plant and equipment:						Total \$'000
	Land \$'000	Buildings \$'000	Right-of- use buildings \$'000	Capital works in progress land and buildings \$'000	Accom- modation and Leasehold improve- ments \$'000	Medical/ surgical/ dental/ biomedical \$'000	Other plant and equipment \$'000	Right-of-use plant and equipment \$'000	Capital works in progress plant and equipment \$'000		
Carrying amount at the beginning of the period	3,975	70,192	28,829	2,629	2,295	1,265	154	301	914	110,554	
Additions	-	-	-	3,726	-	250	-	510	180	4,666	
Disposals	-	-	-	-	-	(1)	(8)	1	-	(8)	
Donated assets disposal	-	-	-	(568)	-	-	-	-	-	(568)	
Transfers between asset classes	-	1,036	-	(1,036)	-	329	68	-	(397)	-	
Remeasurement	-	-	1,027	-	-	-	-	-	-	1,027	
Subtotal:	3,975	71,228	29,856	4,751	2,295	1,843	214	812	697	115,671	
Gains/(losses) for the period recognised in net result:											
Depreciation and amortisation	-	(4,786)	(3,073)	-	(241)	(543)	(39)	(262)	-	(8,944)	
Subtotal:	-	(4,786)	(3,073)	-	(241)	(543)	(39)	(262)	-	(8,944)	
Gains/(losses) for the period recognised in other comprehensive income:											
Revaluation increment / (decrement)	1,467	31,741	-	-	-	-	-	-	-	33,208	
Subtotal:	1,467	31,741	-	-	-	-	-	-	-	33,208	
Carrying amount at the end of the period*	5,442	98,183	26,783	4,751	2,054	1,300	175	550	697	139,935	
Gross carrying amount											
Gross carrying amount	5,442	99,262	40,798	4,751	3,260	3,941	428	889	697	159,468	
Accumulated depreciation / amortisation	-	(1,079)	(14,015)	-	(1,206)	(2,641)	(253)	(339)	-	(19,533)	
Carrying amount at the end of the period	5,442	98,183	26,783	4,751	2,054	1,300	175	550	697	139,935	

*All property, plant and equipment are classified in the level 2 and level 3 fair value hierarchy except for capital works in progress (not classified). Refer to note 20 for details about the lease liability for right-of-use assets.

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Parent 2022-23	Land and buildings:				Plant and equipment:					
	Land \$'000	Buildings \$'000	Right-of- use buildings \$'000	Capital works in progress land and buildings \$'000	Accom- modation and Leasehold improve- ments \$'000	Medical/ surgical/ dental/ biomedical \$'000	Other plant and equipment \$'000	Right-of-use plant and equipment \$'000	Capital works in progress plant and equipment \$'000	Total \$'000
Carrying amount at the beginning of the period	3,975	75,135	29,647	750	2,536	1,326	244	346	1,034	114,993
Additions	-	-	-	1,879	-	12	-	223	498	2,612
Disposals	-	(63)	-	-	-	(54)	(46)	-	-	(163)
Transfers between asset classes	-	-	-	-	-	513	-	-	(513)	-
Remeasurement	-	-	2,049	-	-	-	-	-	-	2,049
Transfer to expenses	-	-	-	-	-	-	-	-	(105)	(105)
Subtotal:	3,975	75,072	31,696	2,629	2,536	1,797	198	569	914	119,386
Gains/(losses) for the period recognised in net result:										
Depreciation and amortisation	-	(4,880)	(2,867)	-	(241)	(532)	(44)	(268)	-	(8,832)
Subtotal:	-	(4,880)	(2,867)	-	(241)	(532)	(44)	(268)	-	(8,832)
Carrying amount at the end of the period*	3,975	70,192	28,829	2,629	2,295	1,265	154	301	914	110,554
Gross carrying amount										
Gross carrying amount	3,975	90,240	39,771	2,629	3,260	3,483	385	726	914	145,383
Accumulated depreciation / amortisation	-	(20,048)	(10,942)	-	(965)	(2,218)	(231)	(425)	-	(34,829)
Carrying amount at the end of the period	3,975	70,192	28,829	2,629	2,295	1,265	154	301	914	110,554

*All property, plant and equipment are classified in the level 3 fair value hierarchy except for capital works in progress (not classified). Refer to note 20 for details about the lease liability for right-of-use assets.

FLINDERS AND UPPER NORTH LOCAL HEALTH NETWORK
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18. Fair value measurement

The Hospital classifies fair value measurement using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements, based on the data and assumptions used in the most recent revaluation:

- Level 1 – traded in active markets, and is based on unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at measurement date.
- Level 2 – not traded in an active market, and are derived from inputs (inputs other than quoted prices included within Level 1) that are observable for the asset, either directly or indirectly.
- Level 3 – not traded in an active market, and are derived from unobservable inputs.

The Hospital's current use is the highest and best use of the asset unless other factors suggest an alternative use. As the Hospital did not identify any factors to suggest an alternative use, fair value measurement was based on current use. The scope of the valuation of PPE included all: land, buildings, site improvements, site infrastructure and Plant and Equipment with an acquisition greater than \$1.5 million and useful life greater than three (3) years.

Refer to notes 16 and 18.2 for disclosure regarding fair value measurement techniques and inputs used to develop fair value measurements for non-financial assets.

18.1 Fair value hierarchy

The fair value of non-financial assets must be estimated for recognition and measurement or for disclosure purposes. The Hospital categorises non-financial assets measured at fair value into hierarchy based on the level of inputs used in measurement as follows:

Fair value measurements at 30 June 2024

	Consolidated			Parent		
	Level 2	Level 3	Total	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Recurring fair value measurements (Note 17)						
Land	6,257	-	6,257	5,442	-	5,442
Buildings and improvements	1,741	106,500	108,241	1,508	96,675	98,183
Total recurring fair value measurements	7,998	106,500	114,498	6,950	96,675	103,625

Fair value measurements at 30 June 2023

	Consolidated			Parent		
	Level 2	Level 3	Total	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Recurring fair value measurements (Note 17)						
Land	-	4,260	4,260	-	3,975	3,975
Buildings and improvements	-	77,527	77,527	-	70,192	70,192
Total recurring fair value measurements	-	81,787	81,787	-	74,167	74,167

There are no non-recurring fair value measurements.

The Hospital's policy is to recognise transfers into and out of fair value hierarchy levels at the end of the reporting period. Valuation techniques and inputs used to derive Level 2 and 3 fair values are at note 16 and 18.2.

During 2023 and 2024, the Hospital had no valuations categorised into Level 1.

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18.2 Valuation techniques and inputs

Land fair values were derived by using the market approach, being recent sales transactions of other similar land holdings within the region, adjusted for differences in key attributes such as property size, zoning and any restrictions on use, and then adjusted with a discount factor.

Due to the predominantly specialised nature of health service assets, the majority of buildings valuations have been undertaken using a cost approach (depreciated replacement cost), an accepted valuation methodology under AASB 13. The extent of unobservable inputs and professional judgement required in valuing these assets is significant.

Unobservable inputs used to arrive at final valuation figures included:

- Estimated remaining useful life, which is an economic estimate and by definition, is subject to economic influences;
- Cost rate, which is the estimated cost to replace an asset with the same service potential as the asset undergoing valuation (allowing for over-capacity), and based on a combination of internal records including: refurbishment and upgrade costs, recent construction costs, industry construction guides, specialised knowledge and estimated acquisition/transfer costs;
- Characteristics of the asset, including condition, location, any restrictions on sale or use and the need for ongoing provision of Government services;
- Effective life, being the expected life of the asset assuming general maintenance is undertaken to enable functionality but no upgrades are incorporated which extend the technical life or functional capacity of the asset; and
- Depreciation methodology, noting that AASB 13 dictates that regardless of the depreciation methodology adopted, the exit price should remain unchanged.

19. Payables

	Consolidated		Parent	
	2024	2023	2024	2023
Current	\$'000	\$'000	\$'000	\$'000
Creditors and accrued expenses	6,423	6,448	6,421	6,450
Paid Parental Leave Scheme	4	25	4	25
Other payables	50	65	50	65
Total current payables	6,477	6,538	6,475	6,540

Payables are measured at nominal amounts. Creditors and accruals are recognised for all amounts owed and unpaid. Contractual payables are normally settled within 30 days from the date the invoice is first received. All payables are non-interest bearing. The carrying amount of payables approximates net fair value due to their short term nature.

Refer to note 30 for information on risk management.

20. Financial liabilities

	Consolidated		Parent	
	2024	2023	2024	2023
Current	\$'000	\$'000	\$'000	\$'000
Lease liabilities	3,301	3,088	3,301	3,088
Total current financial liabilities	3,301	3,088	3,301	3,088
Non-current	\$'000	\$'000	\$'000	\$'000
Lease liabilities	24,962	26,866	24,962	26,866
Total non-current financial liabilities	24,962	26,866	24,962	26,866
Total financial liabilities	28,263	29,954	28,263	29,954

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The Hospital has lease liabilities of \$28.263 million (\$29.954 million), which have been measured via discounting lease payments using either the interest rate implicit in the lease (where it is readily determined) or DTF's incremental borrowing rate. There were no defaults or breaches on any of the above liabilities throughout the year.

The borrowing costs associated with these lease liabilities was \$0.563 million (\$0.585 million)

Refer to note 28 for information on risk management.

Refer note 16 and 17 for details about the right-of-use assets (including depreciation)

20.1 Concessional lease arrangements for right-of-use assets

The Hospital has two concessional lease arrangements for right-of-use assets, as lessee, with the Department and Flinders Power.

Right-of-use asset	Nature of arrangements	Details
Buildings and improvements	Terms is for 94 years Payments is \$1.10 per annum	Leigh Creek - Concessional building arrangement for the Health clinic and staff accommodation
Buildings and improvements	Terms is for 25 years Payments is \$1 per annum	Whyalla - Concessional building arrangement for the Hospital

20.2 Maturity analysis

A maturity analysis of lease liabilities based on undiscounted gross cash flows is reported in the table below:

	Consolidated		Parent	
	2024	2023	2024	2023
Lease Liabilities	\$'000	\$'000	\$'000	\$'000
Within one year	3,808	3,618	3,808	3,618
Later than one year but not longer than five years	14,422	13,755	14,422	13,755
Later than five years	12,350	15,324	12,350	15,324
Total lease liabilities	30,580	32,697	30,580	32,697

21. Staff related liabilities

	Consolidated		Parent	
	2024	2023	2024	2023
Current	\$'000	\$'000	\$'000	\$'000
Accrued salaries and wages	3,007	2,607	3,007	2,607
Annual leave	6,956	6,821	6,956	6,821
Long service leave	1,123	1,022	1,123	1,022
Skills and experience retention leave	740	741	740	741
Staff on-costs	1,334	1,181	1,334	1,181
Total current staff related liabilities	13,160	12,372	13,160	12,372
Non-current				
Long service leave	12,211	11,303	12,211	11,303
Staff on-costs	548	490	548	490
Total non-current staff related liabilities	12,759	11,793	12,759	11,793
Total staff related liabilities	25,919	24,165	25,919	24,165

Staff related liabilities accrue as a result of services provided up to the reporting date that remain unpaid. Long-term staff related liabilities are measured at present value and short-term staff related liabilities are measured at nominal amounts.

21.1 Salaries and wages, annual leave, skills and experience retention leave and sick leave

The liability for salary and wages is measured as the amount unpaid at the reporting date at remuneration rates current at the reporting date.

The annual leave liability and the skills and experience retention leave liability is expected to be payable within 12 months and is measured at the undiscounted amount expected to be paid.

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As a result of the actuarial assessment performed by DTF, the salary inflation rate has increased from the 2023 rate (2.0%) to 2.4% for annual leave and skills and experience retention leave liability. As a result, there is an increase in the employee staff related liability and employee related expenses of \$ 0.030 million.

No provision has been made for sick leave, as all sick leave is non-vesting, and the average sick leave taken in future years by staff is estimated to be less than the annual entitlement for sick leave.

21.2 Long service leave

The liability for long service leave is measured as the present value of expected future payments to be made in respect of services provided by staff up to the end of the reporting period using the projected unit credit method.

The actuarial assessment performed by DTF has provided a basis for the measurement of long service leave and is based on actuarial assumptions on expected future salary and wage levels, experience of staff departures and periods of service. These assumptions are based on staff data over SA Government entities and the health sector across government.

The long-term Commonwealth Government bonds is the discount rate in the measurement of the long service leave liability. The yield on long-term Commonwealth Government bonds has increased from 2023 (4.0%) to 4.25%. This increase in the bond yield, which is used as the rate to discount future long service leave cash flows, results in an increase in the reported long service leave liability. The actuarial assessment performed by DTF increased the salary inflation rate from 2.50% to 3.50% for long service leave liability resulting in an increase in the reported long service leave liability.

The net financial effect of the changes to actuarial assumptions is a decrease in the long service leave liability of \$0.598 million, payables (staff on-costs) of \$0.026 million and staff related expense of \$0.624 million. The impact on future periods is impracticable to estimate as the long service leave liability is calculated using a number of assumptions – a key assumption being the long-term discount rate.

The split for long service leave between current and non-current is based on the best estimate of the amount to be paid within 12 months based on leave taken in prior years.

21.3 Staff on-costs

Staff on-costs include payroll tax, Return to Work SA levies and superannuation contributions and are settled when the respective staff benefits that they relate to are discharged. These on-costs primarily relate to the balance of leave owing to staff. Estimates as to the proportion of long service leave estimated to be taken as a leave, rather than paid on termination, affects whether certain on-costs are recognized as a consequence of long service leave liabilities.

The Hospital makes contributions to several State Government and externally managed superannuation schemes. These contributions are treated as an expense when they occur. There is no liability for payments to beneficiaries as they have been assumed by the respective superannuation schemes. The only liability outstanding at the reporting date relates to any contributions due but not yet paid to the South Australian Superannuation Board.

As a result of an actuarial assessment performed by Department of Treasury and Finance, the proportion of long service leave taken as leave is unchanged at 38% and the average factor for the calculation of employer superannuation on-costs has changed from the 2023 rate (11.1%) to 11.5% to reflect the increase of super guarantee. These rates are used in the staff on-cost calculation. The net financial effect of the changes in the current financial year is an increase in the staff on-cost of \$0.048 million and staff related expense of \$0.676 million. The impact on future periods is impracticable to estimate.

22. Provisions

Provisions represent workers compensation.

Reconciliation of workers compensation (statutory and non-statutory)

	Consolidated		Parent	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Carrying amount at the beginning of the period	1,553	1,435	1,553	1,435
Payments	(79)	(72)	(79)	(72)
Remeasurement	(487)	(278)	(487)	(278)
Additions	342	468	342	468
Carrying amount at the end of the period	1,329	1,553	1,329	1,553

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Workers compensation

The Hospital is an exempt employer under the *Return to Work Act 2014*. Under a scheme arrangement, the Hospital is responsible for the management of workers rehabilitation and compensation and is directly responsible for meeting the cost of workers' compensation claims and the implementation and funding of preventive programs.

Accordingly, a liability has been reported to reflect unsettled workers compensation claims (statutory and additional compensation schemes). The workers compensation provision is based on an actuarial assessment of the outstanding liability as at 30 June 2024 provided by a consulting actuary engaged through the Office of the Commissioner for Public Sector Employment.

The workers compensation provision includes the additional compensation scheme. Eligible injuries are nonserious injuries sustained in circumstances which involved, or appeared to involve, the commission of a criminal offence, or which arose from a dangerous situation.

There is a significant degree of uncertainty associated with estimated future claim and expense payments and also around the timing of future payments due to the variety of factors involved. The liability is impacted by agency claim experience relative to other agencies, average claim sizes and other economic and actuarial assumptions. In addition to these uncertainties, the additional compensation scheme is impacted by the limited claims history and the evolving nature of the interpretation, and evidence required to meeting, eligibility criteria. Given these uncertainties, the actual cost of additional compensation claims may differ materially from the estimate.

23. Contract liabilities and other liabilities

	Consolidated		Parent	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Current				
Contract liabilities	1,207	1,143	1,207	1,143
Residential aged care bonds	1,654	1,495	1,654	1,495
Other	-	40	-	40
Total contract liabilities and other liabilities	2,861	2,678	2,861	2,678

A contract liability is recognised for revenue relating to home care packages, training programs and other health programs received in advance and is realised as agreed milestones have been achieved. All performance obligations from these existing contracts (deferred service income) will be satisfied during the next reporting period and accordingly all amounts will be recognised as revenue.

Residential aged care bonds are accommodation bonds, refundable accommodation contributions and refundable accommodation deposits. These are non-interest bearing deposits made by aged care facility residents to the Hospital upon their admission to residential accommodation. The liability for accommodation is carried at the amount that would be payable on exit of the resident. This is the amount received on entry of the resident less applicable deductions for fees and retentions pursuant to the *Aged Care Act 1997*. Residential aged care bonds are classified as current liabilities as the Hospital does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. The obligation to settle could occur at any time. Once a refunding event occurs the other liability becomes interest bearing. The interest rate applied is the prevailing interest rate at the time as prescribed by the Commonwealth Department of Health.

24. Cash flow reconciliation

Reconciliation of net cash provided by operating activities to net result:	Consolidated		Parent	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Net cash provided by (used in) operating activities	6,339	5,869	6,350	5,626
Add/less non-cash items				
Asset donated free of charge	-	-	(568)	-
Capital revenues	2,476	901	2,476	901
Depreciation and amortisation expense of non-current assets	(9,537)	(9,302)	(8,944)	(8,832)
Gain/(loss) on sale or disposal of non-current assets	(11)	(163)	(11)	(163)
Interest credited directly to investments	6	-	6	-
Movement in assets/liabilities				
Increase/(decrease) in inventories	34	(3)	34	(3)
Increase/(decrease) in receivables	(333)	181	(336)	424

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(Increase)/decrease in other liabilities	(183)	1,261	(183)	1,261
(Increase)/decrease in payables and provisions	287	1	290	(2)
(Increase)/decrease in staff benefits	(1,754)	770	(1,754)	770
Net result	(2,676)	(485)	(2,640)	(18)

Total cash outflows for right-of-use assets is \$3.574 million, (\$3.632 million).

25. Unrecognised contractual commitments

Expenditure Commitments	Consolidated		Parent	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Within one year	9,109	9,478	9,109	9,478
Later than one year but not longer than five years	120	58	120	58
Total expenditure commitments	9,229	9,536	9,229	9,536

The Hospital expenditure commitments are for agreements for goods and services ordered but not received.

The Hospital also has commitments to provide funding to various non-government organisations in accordance with negotiated service agreements in regards to the maintenance of the Port Augusta Hospital. The value of these commitments as at 30 June 2024 has not been quantified.

26. Trust funds

The Hospital holds money in trust on behalf of consumers that reside in the Hospital facilities whilst the consumer is receiving residential aged care services. As the Hospital only performs a custodial role in respect of trust monies, they are excluded from the financial statements as the Hospital cannot use these funds to achieve its objectives. At the end of the reporting period, the Hospital held \$0.002 million (\$0.004 million) on behalf of consumers.

27. Impact of Standards not yet implemented

The Hospital has assessed the impact of the new and changed Australian Accounting Standards and Interpretations not yet effective.

AASB 2022-10 *Amendments to Australian Accounting Standards – Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities* will apply from 1 July 2024. There is complexity and significant level of judgement required in applying AASB 13 and the new amending standard. The Department on behalf of the Hospital engaged a valuer to assist in determining the impact, which was not material.

No Australian Accounting Standards have been early adopted by the Hospital for the reporting period ended 30 June 2024.

The Hospital does not expect any other standards issued but not yet effective to have a material impact on the financial statements.

28. Financial instruments/financial risk management

28.1 Financial risk management

The Hospital's exposure to financial risk (liquidity risk, credit risk and market risk) is low due to the nature of the financial instruments held.

Liquidity Risk

The Hospital is funded principally by the SA Government. The Hospital works with SA Government to determine the cash flows associated with the SA Government approved program of work and to ensure funding is provided through SA Government budgetary processes to meet the expected cash flows.

Refer to notes 1.4, 19 and 20 for further information.

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Credit risk

The Hospital has policies and procedures in place to ensure that transactions occur with customers with appropriate credit history. The Hospital has minimal concentration of credit risk. No collateral is held as security and no credit enhancements relate to financial assets held by the Hospital.

Refer to notes 12, 13 and 14 for further information.

Market risk

The Hospital does not engage in hedging for its financial assets. Exposure to interest rate risk may arise through interest bearing liabilities, including borrowings. The Hospital's residential aged care refundable deposits become interest bearing once a refunding event occurs as per Note 23. There is no exposure to foreign currency or other price risks.

28.2 Categorisation of financial instruments

Details of the significant accounting policies and methods adopted including the criteria for recognition, the basis of measurement, maturity analysis and the basis on which income and expenses are recognised with respect to each class of financial asset, financial liability and equity instrument are disclosed in the respective financial asset / financial liability note.

Financial assets and financial liabilities are measured at amortised costs except for amounts relating to statutory receivables and payables (eg. Commonwealth taxes; Audit Office of South Australia audit fees etc) and prepayments are excluded as they are not financial assets or liabilities. Receivables and Payables at amortised cost are \$ 1.647 million (\$1.781 million) and \$6.367 million (\$6.407 million) respectively.

28.3 Credit risk exposure and impairment of financial assets

Loss allowances for receivables are measured at an amount equal to lifetime expected credit loss using the simplified approach in AASB 9.

The Hospital uses an allowance matrix which is used to measure the expected credit loss of receivables from non-government debtors. The expected credit loss of government debtors is considered to be nil based on the external credit ratings and nature of the counterparties. Impairment losses are presented as net impairment losses within net result, subsequent recoveries of amounts previously written off are credited against the same line item.

The carrying amount of receivables approximates net fair value due to being receivable on demand. Receivables are written off when there is no reasonable expectation of recovery and not subject to enforcement activity. Indicators that there is no reasonable expectation of recovery include the failure of a debtor to enter into a payment plan with the Hospital.

To measure the expected credit loss receivables are grouped based on shared risks characteristics and the days past. When estimating expected credit loss, the Hospital considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Hospital's historical experience and informed credit assessment including forward-looking information.

The assessment of the correlation between historical observed default rates, forecast economic conditions and expected credit loss is a complex estimate. The Hospital's historical credit loss experience and forecast of economic conditions may not be representative of customers' actual default in the future.

Loss rates are calculated based on the probability of a receivable progressing through stages to write off based on the common risk characteristics of the transaction and debtor. The following table provides information about the credit risk exposure and expected credit loss for non-government debtors:

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	30 June 2024			30 June 2023		
	Expected credit loss rate(s) %	Gross carrying amount \$'000	Expected credit losses \$'000	Expected credit loss rate(s) %	Gross carrying amount \$'000	Expected credit losses \$'000
Days past due						
Current	0.8 – 6.5%	383	8	1.1 - 6.6 %	365	10
<30 days	2.0 – 33.2%	176	6	2.6 - 33.3%	192	7
31-60 days	4.5 – 45.9%	69	4	5.8 - 46.1 %	28	3
61-90 days	6.7 – 49.3%	105	12	9.3 - 49.5 %	35	5
91-120 days	9.1 – 53.0%	39	6	11.9 - 53.2%	35	6
121-180 days	12.6 - 58.9%	98	20	14.2 – 59.1%	72	16
181-360 days	24.9 - 71.9%	169	77	25.1 - 72.2%	160	66
361-540 days	48.7 - 100%	74	57	48.8 - 100%	80	63
>540 days	55.0 - 100%	261	202	55.2 - 100%	337	281
Total		1,374	392		1,304	457

29. Significant transactions with government related entities

The Hospital is controlled by the SA Government.

Related parties of the Hospital include all key management personnel, and their close family members; all Cabinet Ministers and their close family members; and all public authorities that are controlled and consolidated into the whole of government financial statements and other interests of the Government.

Significant transactions with the SA Government are identifiable throughout this financial report.

The Hospital received funding from the SA Government via the Department (note 2), and incurred significant expenditure via the Department for medical, surgical and laboratory supplies, computing and insurance (note 9). The Department transferred capital works in progress of \$2.419 million (\$0.618 million) to the Hospital.

30. Interest in other entities

The Hospital has interests in a number of other entities as detailed below.

Controlled Entities

The Hospital has effective control over, and a 100% interest in, the net assets of the associated HACs. The HACs were established as a consequence of the Act being enacted and certain assets, rights and liabilities of the former Hospitals and Incorporated Health Centres were vested in them with the remainder being vested in the Hospital.

By proclamation dated 26 June 2008, the following assets, rights and liabilities were vested in the Incorporated HACs:

- all real property, including any estate, interest or right in, over or in respect of such property except for all assets, rights and liabilities associated with any land
- all real property, including any estate, interest or right in, over or in respect of such property except for all assets, rights and liabilities associated with any land dedicated under any legislation dealing with Crown land; and
- all funds and personal property held on trust and bank accounts and investments that are solely constituted by the proceeds of fundraising except for all gift funds, and other funds or personal property constituting gifts or deductible contributions under the Income Tax Assessment Act 1997 (Commonwealth).

The HACs have no powers to direct or make decisions with respect to the management and administration of the Hospital.

The Hospital also has effective control over, and a 100% interest in, the net assets of the associated GFTs. The GFTs were established by virtue of a deed executed between the Department and the individual HAC.

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Health Advisory Council and associated Gift Fund Trusts		
Incorporated HACs		
Hawker District Memorial Health Advisory Council Inc	Port Augusta, Roxby Downs, Woomera Health Advisory Council Inc	Quorn Health Services Health Advisory Council Inc
The Whyalla Hospital and Health Service Health Advisory Council Inc	Hawker District Memorial Health Advisory Council Inc Gift Fund Trust	Port Augusta, Roxby Downs, Woomera Health Advisory Council Inc Gift Fund Trust
Quorn Health Services Health Advisory Council Inc Gift Fund Trust		The Whyalla Hospital and Health Service Health Advisory Council Gift Fund Trust

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31. Board and committee members

Members of boards/committees that served for all or part of the financial year and were entitled to receive income from membership in accordance with APS124.B were:

Board/Committee name:	Government employee members	Other members
Flinders and Upper North Local Health Network Governing Board	-	Whitfield M (Chair, resigned 30/06/2024), Cogan S, Fullerton C (appointed 01/07/2023), Graham S, Malone G, McRae R (appointed 01/07/2023), Ward R, Warren C
Flinders and Upper North Local Health Network Risk Management and Audit Committee*	-	Graham S, Prestwich P, Ward R, Whitfield M, S Cogan
Flinders and Upper North Local Health Network Consumer and Community Engagement Committee*	-	Reid K (Chair, appointed 01/07/2023), Fullerton C (appointed 01/07/2023), Misan G (resigned 30/11/2023), Plew S, Reynolds P (appointed 01/07/2023), Screen A, Shute J, Warren C (appointed 01/07/2023)
Flinders and Upper North Local Health Network Clinical Governance Committee*	-	Malone G (Chair), Plew S, Screen A, Ward R (appointed 01/07/2023), Warren C (appointed 01/07/2023)
Flinders and Upper North Local Health Network Finance and Performance Committee*	-	Cogan S, Malone G, McRae R.

*only independent members are entitled to receive remuneration for being a member on this committee.

Refer to note 8.2 for remuneration of board and committee members

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32. Schedules of administered items

The Hospital administers arrangements at the Hawker Medical Centre. Fees and charges are collected on behalf of doctors that work in the Hospital-owned Medical Centre. The Hospital cannot use these administered funds for the achievement of its objectives.

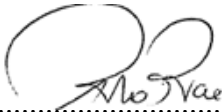
	2024	2023
	\$'000	\$'000
Revenue from fees and charges	289	313
Other expense	(268)	(311)
Net result	21	2
Administered current assets	29	8
Administered current liabilities	-29	(8)
Net assets	-	-
Opening Cash	7	5
Cash inflows	289	313
Cash outflows	(268)	(311)
Cash at 30 June 2024	28	7

**Certification of the financial statements
Flinders and Upper North Local Health Network**

We certify that the:

- financial statements of the Flinders and Upper North Local Health Network Inc.:
 - are in accordance with the accounts and records of the authority; and
 - comply with relevant Treasurer’s Instructions; and
 - comply with relevant accounting standards; and
 - present a true and fair view of the financial position of the authority at the end of the financial year and the result of its operations and cash flows for the financial year.

- Internal controls employed by the Flinders and Upper North Local Health Network Inc. over its financial reporting and its preparation of the financial statements have been effective throughout the financial year.



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Ros McRae
Board Chair



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Craig Packard
Chief Executive Officer



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Bridgette Rau
Chief Finance Officer

Date 11 September 2024
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