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## To the Board Chair Women's and Children's Health Network Incorporated

### Qualified opinion

I have audited the financial report of the Women's and Children's Health Network Incorporated 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 Women's and Children's Health Network Incorporated as at 30 June 2024, its financial performance and its 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 and Commercial Officer.

### Basis for qualified opinion

#### *Procurement reporting disclosure*

The Women's and Children's 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 Women's and Children's Health Network Incorporated included that disclosure in note 8.1 to the financial report.

My review of the processes used by the Women's and Children's 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 audit evidence for the amounts disclosed in note 8.1.

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 the Women's and Children's Health Network Incorporated. 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 Governing 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 issued 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 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 Governing 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 Women's and Children's Health Network Incorporated 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 Women's and Children's 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

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 Governing 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.



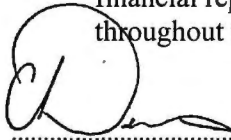
Andrew Blaskett  
**Auditor-General**

23 September 2024

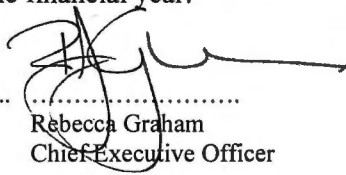
## Certification of the financial statements

We certify that the:

- Financial statements of the Women's and Children's 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 Women's and Children's Health Network Inc. over its financial reporting and its preparation of the financial statements have been effective throughout the financial year.



Christine Dennis  
Board Chair



Rebecca Graham  
Chief Executive Officer



Yvonne Warncken  
Chief Finance and Commercial Officer

Date: 11/09/2024

OFFICIAL

**WOMEN'S AND CHILDREN'S HEALTH NETWORK**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**For the year ended 30 June 2024**

	Note	2024 \$'000	2023 \$'000
<b>Income</b>			
Revenues from SA Government	2	673,314	587,823
Fees and charges	3	38,915	30,915
Grants and contributions	4	15,371	12,821
Interest	11	651	399
Resources received free of charge	5	4,136	4,340
Gain on revaluation of investment property	16,17	-	1,175
Other revenues/income	6	12,265	11,680
<b>Total income</b>		<b>744,652</b>	<b>649,153</b>
<b>Expenses</b>			
Staff related expenses	7	481,920	428,331
Supplies and services	8	182,154	167,519
Depreciation and amortisation	16,17	25,856	23,815
Grants and subsidies		214	64
Borrowing costs	20	145	66
Net loss from disposal of non-current and other assets	9	319	39
Loss on revaluation of investment property		43	-
Impairment loss on receivables	13.1	710	(83)
Other expenses	10	569	47,852
<b>Total expenses</b>		<b>691,930</b>	<b>667,603</b>
<b>Net result</b>		<b>52,722</b>	<b>(18,450)</b>
<b>Other Comprehensive Income</b>			
<b>Items that will be reclassified subsequently to net result when specific conditions are met</b>			
Gains or losses recognised directly in equity		20	84
Changes in property, plant and equipment asset revaluation surplus/(deficit)		(2,259)	-
<b>Total other comprehensive income</b>		<b>(2,239)</b>	<b>84</b>
<b>Total comprehensive result</b>		<b>50,483</b>	<b>(18,366)</b>

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

**WOMEN'S AND CHILDREN'S HEALTH NETWORK**  
**STATEMENT OF FINANCIAL POSITION**  
**As at 30 June 2024**

	Note	2024 \$'000	2023 \$'000
<b>Current assets</b>			
Cash and cash equivalents	11	22,938	24,411
Receivables	13	14,213	11,297
Inventories	15	1,285	1,146
<b>Total current assets</b>		<b>38,436</b>	<b>36,854</b>
<b>Non-current assets</b>			
Receivables	13	2,145	1,794
Other financial assets	14	1,241	1,221
Property, plant and equipment	16,17	463,937	383,730
Investment property	16,17	21,332	21,375
Intangible assets	16.5	1	1
<b>Total non-current assets</b>		<b>488,656</b>	<b>408,121</b>
<b>Total assets</b>		<b>527,092</b>	<b>444,975</b>
<b>Current liabilities</b>			
Payables	19	12,220	11,532
Financial liabilities	20	1,113	516
Staff related liabilities	21	75,199	66,707
Provisions	22	2,388	2,222
Contract liabilities and other liabilities	23	2,734	1,264
<b>Total current liabilities</b>		<b>93,654</b>	<b>82,241</b>
<b>Non-current liabilities</b>			
Financial liabilities	20	5,131	3,129
Staff related liabilities	21	73,692	64,355
Provisions	22	15,077	6,195
<b>Total non-current liabilities</b>		<b>93,900</b>	<b>73,679</b>
<b>Total liabilities</b>		<b>187,554</b>	<b>155,920</b>
<b>Net assets</b>		<b>339,538</b>	<b>289,055</b>
<b>Equity</b>			
Retained earnings		138,330	85,608
Asset revaluation surplus		200,674	202,933
Other reserves		534	514
<b>Total equity</b>		<b>339,538</b>	<b>289,055</b>

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

**WOMEN'S AND CHILDREN'S HEALTH NETWORK**  
**STATEMENT OF CHANGES IN EQUITY**  
**For the year ended 30 June 2024**

	Asset revaluation surplus \$ '000	Other reserves \$ '000	Retained earnings \$ '000	Total equity \$ '000
<b>Balance at 30 June 2022</b>	<b>202,933</b>	<b>430</b>	<b>104,058</b>	<b>307,421</b>
Net result for 2022-23	-	-	(18,450)	(18,450)
Gain/(loss) on revaluation of other financial assets	-	84	-	84
<b>Total comprehensive result for 2022-23</b>	<b>-</b>	<b>84</b>	<b>(18,450)</b>	<b>(18,366)</b>
<b>Balance at 30 June 2023</b>	<b>202,933</b>	<b>514</b>	<b>85,608</b>	<b>289,055</b>
Net result for 2023-24	-	-	52,722	52,722
Gain/(loss) on revaluation of other financial assets	-	20	-	20
Gain/(loss) on revaluation of land and buildings	(2,259)	-	-	(2,259)
<b>Total comprehensive result for 2023-24</b>	<b>(2,259)</b>	<b>20</b>	<b>52,722</b>	<b>50,483</b>
<b>Balance at 30 June 2024</b>	<b>200,674</b>	<b>534</b>	<b>138,330</b>	<b>339,538</b>

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



**WOMEN'S AND CHILDREN'S HEALTH NETWORK**  
**STATEMENT OF CASH FLOWS**  
**For the year ended 30 June 2024**

	Note	2024 \$'000	2023 \$'000
<b>Cash flows from operating activities</b>			
<b>Cash inflows</b>			
Receipts from SA Government		509,350	483,715
Fees and charges		36,262	30,400
Grants and contributions		15,905	13,264
Interest received		651	399
Other receipts		7,546	646
GST recovered from ATO		3,514	6,854
<b>Cash generated from operations</b>		<b>573,228</b>	<b>535,278</b>
<b>Cash outflows</b>			
Staff related payments		(454,252)	(419,514)
Payments for supplies and services		(101,688)	(95,412)
Payments of grants and subsidies		(219)	(70)
Interest paid		(145)	(66)
Other payments		(771)	(741)
<b>Cash used in operations</b>		<b>(557,075)</b>	<b>(515,803)</b>
<b>Net cash provided by/(used in) operating activities</b>		<b>16,153</b>	<b>19,475</b>
<b>Cash flows from investing activities</b>			
<b>Cash inflows</b>			
Proceeds from sale of property, plant and equipment		-	19
<b>Cash generated from investing activities</b>		<b>-</b>	<b>19</b>
<b>Cash outflows</b>			
Purchase of property, plant and equipment		(15,062)	(15,295)
<b>Cash used in investing activities</b>		<b>(15,062)</b>	<b>(15,295)</b>
<b>Net cash provided by/(used in) investing activities</b>		<b>(15,062)</b>	<b>(15,276)</b>
<b>Cash outflows</b>			
Repayment of lease liabilities		(2,564)	(1,844)
<b>Cash used in financing activities</b>		<b>(2,564)</b>	<b>(1,844)</b>
<b>Net cash provided by/(used in) financing activities</b>		<b>(2,564)</b>	<b>(1,844)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(1,473)</b>	<b>2,355</b>
Cash and cash equivalents at the beginning of the period		24,411	22,056
<b>Cash and cash equivalents at the end of the period</b>	11	<b>22,938</b>	<b>24,411</b>
Non-cash transactions	12		

The accompanying notes form part of these financial statements.

**WOMEN'S AND CHILDREN'S HEALTH NETWORK**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**For the year ended 30 June 2024**

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## **1. About Women's and Children's Health Network**

The Women's and Children's Health Network Incorporated (the Hospital) is a not-for-profit incorporated hospital established under section 29 of the *Health Care Act 2008*. The financial statements include all controlled activities of the Hospital. The Hospital does not control any other entity and has no interests in unconsolidated structured entities.

### *Administered items*

The Hospital has administered activities and resources. Transactions and balances relating to administered resources are presented separately and are disclosed in Administered Items (note 30). Except as otherwise disclosed, administered items are accounted for on the same basis and using the same accounting policies as for the Hospital's transactions.

### **1.1 Objectives and activities**

The Hospital is committed to protecting and improving the health of all South Australians by delivering a system that balances the provision of safe, high-quality and accessible services that are sustainable and reflective of local values, needs and priorities with strategic system leadership, regulatory responsibilities and an increased focus on wellbeing, illness prevention, early intervention and quality care.

The Hospital is part of the SA Health portfolio providing health services for women, youth and children across South Australia.

The Hospital is structured to contribute to the outcomes for which the portfolio is responsible by providing hospital, mental and community health services for children, youth and women across the State.

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 for Health and Wellbeing (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.

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 in 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.

**WOMEN'S AND CHILDREN'S HEALTH NETWORK**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**For the year ended 30 June 2024**

**1.4 Continuity of Operations**

As at 30 June 2024, the Hospital had working capital deficiency of \$55,218 million (\$45.387 million deficiency). The SA Government is committed and has consistently demonstrated a commitment to the 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.

Other reserves includes investment revaluation reserve to record unrealised gains or losses on available for sale investments.

**1.6 Change in accounting policy**

The Hospital did not change any of its accounting policies during the year.

**2. Revenues from SA Government**

	2024 \$'000	2023 \$'000
Operational funding	570,685	536,284
Capital projects funding	102,629	51,539
<b>Total revenues from Department for Health and Wellbeing</b>	<b>673,314</b>	<b>587,823</b>

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

**3. Fees and charges**

	2024 \$'000	2023 \$'000
Car parking revenue	2,641	2,095
Commissions revenue	69	59
Interstate patient transfers	-	3
Patient and client fees	20,374	16,045
Private practice fees	1,844	1,650
Fees for health services	2,165	2,023
Sale of goods - medical supplies	1,236	741
Training revenue	306	325
Other user charges and fees	10,280	7,974
<b>Total fees and charges</b>	<b>38,915</b>	<b>30,915</b>

The Hospital measures revenue based on the consideration specified in a major contract with a customer and excludes amounts collected on behalf of third parties. Revenue is recognised either at a point in time or over time, when (or as) the Hospital satisfies performance obligations by transferring the promised goods or services to its customers.

**WOMEN'S AND CHILDREN'S HEALTH NETWORK**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**For the year ended 30 June 2024**

Contracts with Customers disaggregated by pattern of revenue recognition and type of customer	2024 Goods/Services transferred at a point in time	2024 Goods/Services transferred over a period of time	2023 Goods/Services transferred at a point in time	2023 Goods/Services transferred over a period of time
Car parking revenue	2,342	299	2,095	-
Commissions revenue	69	-	59	-
Interstate patient transfers	-	-	3	-
Patient and client fees	18,880	-	14,830	-
Private practice fees	1,844	-	1,650	-
Fees for health services	1,542	-	1,354	-
Sale of goods - medical supplies	1,178	-	711	-
Training revenue	281	-	276	-
Other user charges and fees	10,034	-	6,971	-
<b>Total contracts with external customers</b>	<b>36,170</b>	<b>299</b>	<b>27,949</b>	<b>-</b>
Patient and client fees	1,494	-	1,215	-
Fees for health services	623	-	669	-
Sale of goods - medical supplies	58	-	30	-
Training revenue	25	-	49	-
Other user charges and fees	246	-	1,003	-
<b>Total contracts with SA Government customers</b>	<b>2,446</b>	<b>-</b>	<b>2,966</b>	<b>-</b>
<b>Total contracts with customers</b>	<b>38,616</b>	<b>299</b>	<b>30,915</b>	<b>-</b>

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). Similarly, if the Hospital satisfies a performance obligation before it receives the consideration, the Hospital recognises either a contract asset or a receivable, depending on whether something other than the passage of time is required before the consideration is due (refer to note 13).

The Hospital recognises revenue (contract from customers) 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.

*Private practice fees*

The Hospital allows their employed salaried medical consultants the ability to provide billable medical services relating to the assessment, treatment and care of privately referred outpatients or private inpatients on site. Fees derived from undertaking private practice are income derived in the hands of the specialist. The specialist appoints the Hospital as an agent in the rendering and recovery of accounts of the specialist's private practice. The Hospital disburses amounts collected on behalf of the specialist to the specialist via payroll (fortnightly) or accounts payable (monthly) depending on the rights of private practice scheme. Revenue from these services is recognised as it's collected, as per the Rights of Private Practice Agreement.

*Car Parking Revenue*

The Hospital provides access to car parks directly to employees, patients and visitors. Public car parking is available for the Hospital at the Medical Centre Car Park located in Kermode Street, North Adelaide (adjacent to the pedestrian crossing) and is payable by the hour based on the time consumed. Tickets are purchased via the pay station. A discounted weekly ticket is also available. Revenue is recognised when control of the goods has transferred to the customer, being when the ticket is purchased.

Parking is also available at the Rogerson Car Park which is on-site.

**WOMEN'S AND CHILDREN'S HEALTH NETWORK**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**For the year ended 30 June 2024**

**4. Grants and contributions**

	2024	2023
	\$'000	\$'000
SA Government capital contributions	511	-
Other SA Government grants and contributions	8,067	6,744
Private sector capital contributions	342	212
Private sector grants and contributions	6,451	5,865
<b>Total grants and contributions</b>	<b>15,371</b>	<b>12,821</b>

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

Of the \$15.371 million (\$12.821 million) received during the reporting period for grants and contributions, \$0.924 million (\$0.346 million) were provided for specific purposes, such as research (associated activities) and capital projects (including \$0.511 million provided by the Department for Environment and Water for capital works).

**5. Resources received free of charge**

	2024	2023
	\$'000	\$'000
Land and buildings	-	619
Plant and equipment	-	28
Services	4,136	3,693
<b>Total resources received free of charge</b>	<b>4,136</b>	<b>4,340</b>

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 \$3.128million (\$2.998 million), ICT services valued at \$1.007 million (\$0.695 million) from Department of Premier and Cabinet following Cabinet's approval to cease intra-government charging.

In addition, although not recognised in financial terms, the Hospital received volunteer services. The volunteers provide patient and staff support services using the Hospital's resources. The services include therapeutic activities, fundraising activities and provision of the Friends Rainbows gift shop and Vic's Coffee shop.

**6. Other revenues/income**

	2024	2023
	\$'000	\$'000
Dividend revenue	79	38
Donations	1,423	870
Health recoveries	10,080	10,196
Insurance recoveries	230	87
Other	453	489
<b>Total other revenues/income</b>	<b>12,265</b>	<b>11,680</b>

**7. Staff related expenses**

	2024	2023
	\$'000	\$'000
Salaries and wages	368,121	341,590
Targeted voluntary separation packages	-	71
Long service leave	17,825	7,578
Annual leave	37,885	33,831
Skills and experience retention leave	1,974	1,897
Staff on-costs - superannuation*	44,105	39,008
Staff on-costs - other	-	1
Workers compensation	10,837	3,432
Board and committee fees	350	357
Other staff related expenses	823	566
<b>Total staff related expenses</b>	<b>481,920</b>	<b>428,331</b>

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



**WOMEN'S AND CHILDREN'S HEALTH NETWORK**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**For the year ended 30 June 2024**

**7.1 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 seven (eight) members of the Executive Management Group.

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

- The Minister. 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 is compensated by the Department and there is no requirement for the Hospital to reimburse those expenses.

<b>Compensation</b>	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Salaries and other short term employee benefits	2,758	2,592
Post-employment benefits	862	750
Other long-term employment benefits	29	77
<b>Total</b>	<b>3,649</b>	<b>3,419</b>

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.

**7.2 Remuneration of Board and Committees**

	<b>2024</b>	<b>2023</b>
	<b>No. of</b>	<b>No. of</b>
	<b>Members</b>	<b>Members</b>
\$0	1	1
\$1 - \$20,000	3	6
\$20,001 - \$40,000	6	6
\$40,001 - \$60,000	1	2
\$60,001 - \$80,000	1	-
<b>Total</b>	<b>12</b>	<b>15</b>

The total remuneration, including superannuation, received or receivable by members was \$0.374 million (\$0.357 million). Remuneration of members reflects all costs of performing board/committee member duties including sitting fees, superannuation contributions, salary sacrifice benefits and fringe benefits and any 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 31 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.

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**7.3 Remuneration of Staff**

	2024	2023
The number of staff whose remuneration received or receivable falls within the following bands:	No.	No.
\$160,001 - \$166,000*	-	28
\$166,001 - \$186,000	81	74
\$186,001 - \$206,000	42	34
\$206,001 - \$226,000	32	24
\$226,001 - \$246,000	26	23
\$246,001 - \$266,000	25	17
\$266,001 - \$286,000	18	14
\$286,001 - \$306,000	14	9
\$306,001 - \$326,000	16	13
\$326,001 - \$346,000	10	9
\$346,001 - \$366,000	9	14
\$366,001 - \$386,000	11	7
\$386,001 - \$406,000	9	10
\$406,001 - \$426,000	11	7
\$426,001 - \$446,000	9	6
\$446,001 - \$466,000	9	10
\$466,001 - \$486,000	6	7
\$486,001 - \$506,000	6	7
\$506,001 - \$526,000	9	8
\$526,001 - \$546,000	2	4
\$546,001 - \$566,000	7	4
\$566,001 - \$586,000	4	5
\$586,001 - \$606,000	7	5
\$606,001 - \$626,000	4	3
\$626,001 - \$646,000	3	2
\$646,001 - \$666,000	2	-
\$666,001 - \$686,000	-	1
\$686,001 - \$706,000	-	1
\$706,001 - \$726,000	-	1
\$726,001 - \$746,000	1	-
\$746,001 - \$766,000	2	1
<b>Total number of staff</b>	<b>375</b>	<b>348</b>

\* This band has been included for the purpose of reporting comparative figures based on the executive base-level remuneration rate for 2023.

The table includes all staff who received 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 any related fringe benefits tax.

**7.4 Remuneration of staff by classification**

The total remuneration received by these staff included above:

	2024		2023	
	No.	\$'000	No.	\$'000
Executive	8	1,967	7	1,754
Medical	331	104,289	295	91,646
Nursing	31	5,516	39	6,708
Salaried	5	919	7	1,263
<b>Total</b>	<b>375</b>	<b>112,691</b>	<b>348</b>	<b>101,371</b>

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**7.5 Targeted voluntary separation packages**

	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Amount paid to separated staff:		
Leave paid/payable to separated employees	-	33
Targeted voluntary separation packages	-	71
	<b>-</b>	<b>104</b>

The number of staff who received a TVSP during the reporting period	-	1
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TVSPs include 0 (1).

**8. Supplies and services**

	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Administration	500	865
Advertising	396	1,152
Communication	3,158	2,220
Computing	9,501	7,066
Consultants	226	141
Contract of services	8	27
Contractors	964	608
Contractors - agency staff	14,947	11,131
Drug supplies	12,826	13,136
Electricity, gas and fuel	4,137	4,083
Fee for service	5,555	4,843
Food supplies	2,922	2,536
Housekeeping	14,790	14,036
Insurance	8,007	7,678
Internal SA Health SLA payments	7,951	7,608
Interstate patient transfers	-	1
Legal	420	388
Medical, surgical and laboratory supplies	49,525	47,748
Minor equipment	2,907	1,960
Motor vehicle expenses	988	1,053
Occupancy rent and rates	3,611	3,836
Patient transport	3,162	2,933
Postage	1,105	1,107
Printing and stationery	1,733	1,859
Rental expense on operating lease*	2	3
Repairs and maintenance	12,264	10,304
Security	3,155	3,353
Services from Shared Services SA	3,187	3,046
Training and development	5,459	4,846
Travel expenses	3,892	3,173
Other supplies and services	4,856	4,779
<b>Total supplies and services</b>	<b>182,154</b>	<b>167,519</b>

\*Part of the Hospital's accommodation is provided by the Department of Infrastructure and Transport (DIT) under MoAA issued in accordance with Government-wide accommodation policies. These arrangements did not meet the definition of a lease and accordingly are expensed (disclosed within Occupancy rent and rates).



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**8.1 Expenditure – SA business and non-SA business**

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

Expenditure is inclusive of non-recoverable GST.

	<b>2024</b>	<b>Proportion SA and non-SA businesses</b>
	<b>\$'000</b>	
Total expenditure with South Australian businesses	48,335	51%
Total expenditure with non-South Australian businesses	47,153	49%
<b>Total expenditure in relation to contracts above \$55,000</b>	<b>95,488</b>	<b>100%</b>

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 [Department/Board/Authority], 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.

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

	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Land and buildings:</b>		
Less carrying amount of assets disposed	(288)	-
<b>Total net gain/(loss) from disposal of plant and equipment</b>	<b>(288)</b>	<b>(39)</b>
<b>Plant and equipment:</b>		
Proceeds from disposal	-	19
Less carrying amount of assets disposed	(31)	(58)
<b>Total net gain/(loss) from disposal of plant and equipment</b>	<b>(31)</b>	<b>(39)</b>
<b>Total assets:</b>		
Total proceeds from disposal	-	19
Less total carrying amount of assets disposed	(319)	(58)
<b>Total net gain/(loss) from disposal of non-current and other assets</b>	<b>(319)</b>	<b>(39)</b>

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. When revalued assets are disposed, the revaluation surplus is transferred to retained earnings.

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**10. Other expenses**

	2024 \$'000	2023 \$'000
Debts written off	67	128
Bank fees and charges	60	53
Project de-recognition**	-	46,106
Other*	442	1,565
<b>Total other expenses</b>	<b>569</b>	<b>47,852</b>

\* Includes Audit fees paid/payable to the Audit Office of South Australia relating to work performed under the *Public Finance and Audit Act 1987* of \$0.198 million (\$0.168 million). No other services were provided by the Audit Office of South Australia. Included in 2023 were also \$1.256 million work in progress written off.

\*\* In 2023, there was a project de-recognition expenditure as a result of the SA Government's announcement on 27 September 2022, that the new WCH will be constructed on the current SAPOL Barracks site, scrapping the former SA Government's plans to construct the new WCH on the RAH West Site. Nil de-recognition occurred in 2024.

**11. Cash and cash equivalents**

	2024 \$'000	2023 \$'000
Cash at bank or on hand	1,395	1,247
Deposits with Treasurer: general operating	4,367	7,761
Deposits with Treasurer: special purpose funds	17,176	15,403
<b>Total cash and cash equivalents</b>	<b>22,938</b>	<b>24,411</b>

Cash is measured at nominal amounts. The Government has a policy to align agency cash balances with the appropriation and expenditure authority.

The Hospital receives specific purpose funds from various sources including government, private sector and individuals. The amounts are controlled by the Hospital, and are used to help achieve the Hospital objectives, notwithstanding that specific uses can be determined by the grantor or donor. Accordingly, the amounts are treated as revenue at the time they are earned or at the time control passes to the Hospital.

The Hospital only earns interest on the special deposit account and in 2023-24, received \$0.651 million (\$0.399 million).

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**12. Cash flow reconciliation**

**Reconciliation of cash and cash equivalents at the end of the reporting period**

	2024	2023
	\$'000	\$'000
Cash and cash equivalents disclosed in the Statement of Financial Position	22,938	24,411
<b>Cash as per Statement of Financial Position</b>	<b>22,938</b>	<b>24,411</b>
<b>Balance as per Statement of Cash Flows</b>	<b>22,938</b>	<b>24,411</b>

**Reconciliation of net cash provided by operating activities to net result:**

Net cash provided by (used in) operating activities	16,153	19,475
<b>Add/less non-cash items</b>		
Capital revenues	88,420	36,624
Depreciation and amortisation expense of non-current assets	(25,856)	(23,815)
Gain/(loss) on sale or disposal of non-current assets	(319)	(1,256)
Increments/(decrements) on revaluation of investments	(43)	1,175
Resources received free of charge	-	647
Capitalised interest expense on finance lease	(41)	(51)
Project Derecognition – transferred to expense	-	(46,106)
<b>Movement in assets and liabilities</b>		
Increase/(decrease) in receivables	3,267	1,672
Increase/(decrease) in inventories	139	177
(Increase)/decrease in staff related liabilities	(17,829)	(4,103)
(Increase)/decrease in payables and provisions	(9,699)	(3,716)
(Increase)/decrease in other liabilities	(1,470)	827
<b>Net result</b>	<b>52,722</b>	<b>(18,450)</b>

Total cash outflows for leases is \$2.709 million (\$1.910) million.

**13. Receivables**

	2024	2023
	\$'000	\$'000
<b>Current</b>		
Patient/client fees: compensable	1,509	347
Patient/client fees: other	8,948	8,179
Debtors	3,761	2,560
Less: allowance for impairment loss on receivables	(2,418)	(1,708)
Prepayments	218	91
Dividends	47	23
Workers compensation provision recoverable	507	842
Sundry receivables and accrued revenue	1,387	944
GST input tax recoverable	254	19
<b>Total current receivables</b>	<b>14,213</b>	<b>11,297</b>
<b>Non-current</b>		
Workers compensation provision recoverable	1,821	1,662
Debtors	324	132
<b>Total non-current receivables</b>	<b>2,145</b>	<b>1,794</b>
<b>Total receivables</b>	<b>16,358</b>	<b>13,091</b>

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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 allowance for impairment of 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
	\$'000	\$'000
<b>Carrying amount at the beginning of the period</b>	<b>1,708</b>	<b>1,791</b>
Increase/(Decrease) in allowance recognised in profit or loss	710	(83)
<b>Carrying amount at the end of the period</b>	<b>2,418</b>	<b>1,708</b>

Impairment losses relate to receivables arising from contracts with customers that are external to the SA Government. Refer to note 28 for details regarding credit risk and the methodology for determining impairment.

**14. Other financial assets**

	2024	2023
	\$'000	\$'000
<b>Non-current</b>		
Other investments FVOCI	1,241	1,221
<b>Total non-current investments</b>	<b>1,241</b>	<b>1,221</b>
<b>Total investments</b>	<b>1,241</b>	<b>1,221</b>

The Hospital measures other investments at Fair Value through Other Comprehensive Income (FVOCI) represented by market value. This includes shares in other corporations, floating rate notes, listed securities and managed funds. There is no impairment on other financial assets. Refer to note 28 for information on risk management.

**15. Inventories**

Inventories of \$1.285 million (\$1.146 million) 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 value 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.

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**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 is calculated on a straight line basis. Property, plant and equipment and intangible assets 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	30 – 150
Right-of-use buildings	Lease term
Accommodation and Leasehold improvements	Lease term
Plant and equipment	
• Medical, surgical, dental and biomedical equipment and furniture	2-25
• Computing equipment	3-5
• Vehicles	2-25
• Other plant and equipment	3-50
Right-of-use plant and equipment	Lease term
Intangibles	5 – 30

**16.3 Revaluation**

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

The scope of the valuation of Property, Plant and Equipment included all: land, buildings, site improvements, site infrastructure and plant and equipment with an acquisition greater than \$1.500 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 \$1.500 million materially differs from its fair value, then the asset will be revalued regardless of when the last valuation 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. Upon disposal or derecognition, any asset revaluation surplus relating to that asset is transferred to retained earnings.

**16.4 Impairment**

The Hospital holds its property, plant and equipment and intangible assets 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 for property, plant and equipment, intangibles or investment property or as at 30 June 2024.

**16.5 Intangible assets**

Intangible assets are initially measured at cost and are tested for indications of impairment at each reporting date. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

The amortisation period and the amortisation method for intangible assets with finite useful lives are reviewed on an annual basis.

The acquisition of, or internal development of, software is capitalised only when the expenditure meets the definition criteria and recognition criteria, and when the amount of expenditure is greater than or equal to \$10,000. Capitalised software is amortised over the useful life of the asset.

Intangible assets consist of carrying amount at the beginning of the period \$0.001 million (\$0.004 million), plus nil additions (\$0.001 million), less nil amortisation (\$0.004 million), resulting in a carrying amount at end of period of \$0.001million (\$0.001 million).

**16.6 Land and buildings**

An independent valuation of land and buildings owned by the Hospital was performed from March to June 2024 by Certified Practising Valuers from Marsh Pty Ltd as at 1 June 2024, within the regular valuation cycle.

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.



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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.

**16.7 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 approximate fair value.

**16.8 Investment property**

Subsequent to initial recognition at cost, investment properties are revalued to fair value with changes in the fair value recognised as income or expense in the period that they arise. The properties are not depreciated and are not tested for impairment.

An independent valuation was performed on the investment property at Unit 1, 27 Kermode Street North Adelaide by a Certified Practising Valuer from Marsh Pty Ltd, as at 01 June 2024. Fair value has been determined by the market approach, whereby prices and other relevant information generated by market transactions involving identical or comparable assets are used. The fair value of the investment property reduced in 2023-24 to \$21.332 million compared to \$21.375million in 2022-23. The loss was recognised in the Statement of Comprehensive Income.

Where there is a recent market transaction for similar properties, the valuations are based on the amounts for which the properties could be exchanged between willing parties in an arm's length transaction, based on current prices in the active market for similar properties. The investment property has been categorised as Level 2.

**16.9 Leased property, plant and equipment**

Right-of-use assets are recorded at cost, and there were no indications for impairment. Additions to right-of-use assets during 2023-24 were \$5.122 million (\$0.547 million).

The Hospital has a number of lease agreements. Lease terms vary in length from 2 to 20 years.

Major lease activities include the use of:

- Properties – buildings and health clinics are generally leased from the private sector. 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.
- 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.
- Plant and equipment – these leases for material handling equipment are cancellable and renewable every 2 years.

The Hospital has committed to lease arrangements that commence from 1 July 2024, which are included in the lease liability maturity analysis. The Hospital has not entered into any sub-lease arrangements and has no concessional lease arrangements.

The lease liabilities related to the right-of-use assets (and the maturity analysis) are disclosed at note 20. Expenses related to right-of-use assets including depreciation and interest expense are disclosed at note 17 and 20. Cash outflows related to right-of-use assets are disclosed at note 12.

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17. Reconciliation of property, plant and equipment and investment properties

The following table shows the movement :

2023-24	Land and buildings:				Plant and equipment:						Investment property \$'000	Total \$'000
	Land \$'000	Buildings \$'000	Right-of-use buildings \$'000	Capital works in progress land and buildings \$'000	Accommodation and Leasehold improvements \$'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	45,802	274,045	2,269	50,501	186	7,993	1,214	1,167	553	21,375	405,105	
Additions	-	-	4,189	99,800	-	1,808	-	933	1,874	-	108,604	
Disposals	-	-	-	(222)	(66)	(16)	(15)	-	-	-	(319)	
Transfers between asset classes	-	1,498	-	(1,433)	-	1,717	-	-	(1,782)	-	-	
Other movements	-	-	-	-	-	-	-	-	-	-	-	
Remeasurement	-	-	37	-	-	-	-	-	-	-	37	
<b>Subtotal:</b>	<b>45,802</b>	<b>275,543</b>	<b>6,495</b>	<b>148,646</b>	<b>120</b>	<b>11,502</b>	<b>1,199</b>	<b>2,100</b>	<b>645</b>	<b>21,375</b>	<b>513,427</b>	
<b>Gains/(losses) for the period recognised in net result:</b>												
Depreciation and amortisation	-	(20,100)	(1,703)	-	(20)	(2,981)	(184)	(868)	-	-	(25,856)	
Revaluation increment / (decrement)	-	-	-	-	-	-	-	-	-	(43)	(43)	
<b>Subtotal:</b>	<b>-</b>	<b>(20,100)</b>	<b>(1,703)</b>	<b>-</b>	<b>(20)</b>	<b>(2,981)</b>	<b>(184)</b>	<b>(868)</b>	<b>-</b>	<b>(43)</b>	<b>(25,899)</b>	
<b>Gains/(losses) for the period recognised in other comprehensive income:</b>												
Revaluation increment / (decrement)	14,723	(16,982)	-	-	-	-	-	-	-	-	(2,259)	
<b>Subtotal:</b>	<b>14,723</b>	<b>(37,082)</b>	<b>(1,703)</b>	<b>-</b>	<b>(20)</b>	<b>(2,981)</b>	<b>(184)</b>	<b>(868)</b>	<b>-</b>	<b>(43)</b>	<b>(28,158)</b>	
Carrying amount at the end of the period	60,525	238,461	4,792	148,646	100	8,521	1,015	1,232	645	21,332	485,269	
<b>Gross carrying amount</b>												
Gross carrying amount	60,525	239,758	10,516	148,646	2,357	27,938	3,962	2,777	645	21,332	518,456	
Accumulated depreciation / amortisation	-	(1,297)	(5,724)	-	(2,257)	(19,417)	(2,947)	(1,545)	-	-	(33,187)	
Carrying amount at the end of the period	60,525	238,461	4,792	148,646	100	8,521	1,015	1,232	645	21,332	485,269	

Property, plant and equipment are classified in levels 2 and 3 fair value hierarchy, including investment property (classified as level 2) and 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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17. Reconciliation of property, plant and equipment and investment properties

The following table shows the movement:

2022-23	Land and buildings:			Capital works in progress land and buildings \$'000	Accommodation and Leasehold improvements \$'000	Plant and equipment:			Capital works in progress plant and equipment \$'000	Investment property \$'000	Total \$'000
	Land \$'000	Buildings \$'000	Right-of-use buildings \$'000			Medical/surgical/dental/biomedical \$'000	Other plant and equipment \$'000	Right-of-use plant and equipment \$'000			
Carrying amount at the beginning of the period	45,802	252,615	3,203	88,745	206	7,599	1,304	1,473	1,698	20,200	422,845
Additions	-	-	-	47,540	-	1,738	-	547	1,784	-	51,609
Assets received free of charge	-	-	-	619	-	-	-	-	28	-	647
Disposals	-	-	-	-	-	(52)	(6)	-	-	-	(58)
Transfers between asset classes	-	40,260	-	(40,297)	-	1,628	110	-	(1,701)	-	-
Project de-recognition	-	-	-	(46,106)	-	-	-	-	-	-	(46,106)
Asset Written Off	-	-	-	-	-	-	-	-	(1,256)	-	(1,256)
Remeasurement	-	-	60	-	-	-	-	-	-	-	60
<b>Subtotal:</b>	<b>45,802</b>	<b>292,875</b>	<b>3,263</b>	<b>50,501</b>	<b>206</b>	<b>10,913</b>	<b>1,408</b>	<b>2,020</b>	<b>553</b>	<b>20,200</b>	<b>427,741</b>
Gains/(losses) for the period recognised in net result:											
Depreciation and amortisation	-	(18,830)	(994)	-	(20)	(2,920)	(194)	(853)	-	-	(23,811)
Revaluation increment / (decrement)	-	-	-	-	-	-	-	-	-	1,175	1,175
<b>Subtotal:</b>	<b>-</b>	<b>(18,830)</b>	<b>(994)</b>	<b>-</b>	<b>(20)</b>	<b>(2,920)</b>	<b>(194)</b>	<b>(853)</b>	<b>-</b>	<b>1,175</b>	<b>(22,636)</b>
Carrying amount at the end of the period	45,802	274,045	2,269	50,501	186	7,993	1,214	1,167	553	21,375	405,105
<b>Gross carrying amount</b>											
Accumulated depreciation/amortisation	-	(78,447)	(4,021)	-	(2,328)	(19,856)	(3,040)	(1,470)	-	-	(109,162)
<b>Gross carrying amount</b>	<b>45,802</b>	<b>352,492</b>	<b>6,290</b>	<b>50,501</b>	<b>2,514</b>	<b>27,849</b>	<b>4,254</b>	<b>2,637</b>	<b>553</b>	<b>21,375</b>	<b>514,267</b>
Carrying amount at the end of the period	45,802	274,045	2,269	50,501	186	7,993	1,214	1,167	553	21,375	405,105

All property, plant and equipment are classified in the level 3 fair value hierarchy except for investment property (classified as level 2) and 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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**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**

	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>Recurring fair value measurements (Note 18)</b>			
Land	24,802	35,723	60,525
Buildings and improvements	165	238,296	238,461
Investment property	21,332	-	21,332
<b>Total recurring fair value measurements</b>	<b>46,299</b>	<b>274,019</b>	<b>320,318</b>

**Fair value measurements at 30 June 2023**

	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>Recurring fair value measurements (Note 18)</b>			
Land	-	45,802	45,802
Buildings and improvements	-	274,045	274,045
Investment property	21,375	-	21,375
<b>Total recurring fair value measurements</b>	<b>21,375</b>	<b>319,847</b>	<b>341,222</b>

There are no non-recurring fair value measurements.

The Hospital's policy is to recognise transfers into and out of fair value hierarchy levels as 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 2024 and 2023, the hospital had no valuations categorised into Level 1. However, there were transfers of assets between Level 2 and 3 fair value hierarchy levels in 2023-24.

**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 building 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, and as such they are deemed to have been valued using Level 3 valuation inputs.

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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.

Investment property has been valued using the market approach, based on current prices in the active market for similar properties, and is classified as Level 2.

The Hospital buildings have been valued on the basis of existing/current use with no consideration given to any future alternate use.

**19. Payables**

	2024	2023
	\$'000	\$'000
<b>Current</b>		
Creditors and accrued expenses	11,572	10,933
Paid Parental Leave Scheme	(1)	22
Other payables	649	577
<b>Total current payables</b>	<b>12,220</b>	<b>11,532</b>
<b>Total payables</b>	<b>12,220</b>	<b>11,532</b>

Payables are measured at nominal amounts. Creditors and accruals are raised 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.

**20. Financial liabilities**

	2024	2023
	\$'000	\$'000
<b>Current</b>		
Lease liabilities	1,113	516
<b>Total current financial liabilities</b>	<b>1,113</b>	<b>516</b>
<b>Non-current</b>		
Lease liabilities	5,131	3,129
<b>Total non-current financial liabilities</b>	<b>5,131</b>	<b>3,129</b>
<b>Total financial liabilities</b>	<b>6,244</b>	<b>3,645</b>

Lease liabilities have been measured via discounting lease payments using either the interest rate implicit in the lease (where it is readily determined) or Treasury's incremental borrowing rate. There were no defaults or breaches on any of the above liabilities throughout the year. The borrowing cost associated with leasing activities is \$0.145 million (\$0.066 million).

Refer to note 28 for information on risk management.

Refer to note 17 for details about the right of use assets (including depreciation).

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*20.1 Concessional lease arrangements*

The Hospital has no concessional lease arrangements.

*20.2 Maturity analysis*

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

	2024	2023
	\$'000	\$'000
<b>Lease Liabilities</b>		
1 to 3 years	3,697	2,426
3 to 5 years	1,025	1,013
5 to 10 years	706	292
More than 10 years	-	-
<b>Total lease liabilities (undiscounted)</b>	<b>5,428</b>	<b>3,731</b>

**21. Staff related liabilities**

	2024	2023
	\$'000	\$'000
<b>Current</b>		
Accrued salaries and wages	11,643	9,541
Annual leave	45,121	39,953
Long service leave	6,485	5,576
Skills and experience retention leave	3,689	3,484
Staff on-costs*	8,258	8,139
Other	3	14
<b>Total current staff related liabilities</b>	<b>75,199</b>	<b>66,707</b>
<b>Non-current</b>		
Long service leave	70,529	61,682
Staff on-costs*	3,163	2,673
<b>Total non-current staff related liabilities</b>	<b>73,692</b>	<b>64,355</b>
<b>Total staff related liabilities</b>	<b>148,891</b>	<b>131,062</b>

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. \*Staff on-costs, were disclosed under Note 19 – Payables in the published 2023 financial statements.

**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.

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 benefits liability and employee benefits expenses of \$0.190 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 employees up to the end of the reporting period using the projected unit credit method.

AASB 119 *Employee Benefits* contains the calculation methodology for long service leave liability. The actuarial assessment performed by the 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 employee departures and periods of service. These assumptions are based on employee data over SA Government entities and the health sector across government.

AASB 119 requires the use of the yield on long-term Commonwealth Government bonds as 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 a decrease 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.

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The net financial effect of the changes to actuarial assumptions is an increase in the long service leave liability of \$3.676 million, payables (staff on-costs) of \$0.161 million and staff related expense of \$3.837 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.

**21.1 Staff on-cost**

Staff on-costs include Return to Work SA levies and superannuation contributions and are settled when the respective staff benefits that they relate to is discharged. These on-cost primarily relate to the balance of leave owing to staff. 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 reporting date relates to any contributions due but not yet paid to the South Australian Superannuation Board and externally managed superannuation schemes.

As a result of an actuarial assessment performed by DTF, the portion of long service leave taken as leave is unchanged at 38% and the average factor for the calculation of employer superannuation on-costs has increased from the 2023 rate (11.1%) to 11.5% to reflect the increase in 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 liability and staff related expenses of \$0.671 million. The estimated impact on future periods is impracticable to estimate as the long service leave liability is calculated using a number of assumptions.

**22. Provisions**

**22.1 Workers Compensation**

*Reconciliation of workers compensation (statutory and non-statutory)*

	2024	2023
	\$'000	\$'000
<b>Carrying amount at the beginning of the period</b>	<b>8,417</b>	<b>6,568</b>
Payments	(1,569)	350
Remeasurement	8,028	1,499
Additions	2,589	-
<b>Carrying amount at the end of the period</b>	<b>17,465</b>	<b>8,417</b>

Total workers compensation contains current provision of \$2.388 million (\$2.222 million) and non-current provision of \$15.077 million (\$6.195 million).

*Workers compensation provision (statutory and additional compensation schemes)*

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 additional compensation provision provides continuing benefits to workers who have suffered eligible work-related injuries and whose entitlements have ceased under the statutory workers compensation scheme. Eligible injuries are non-serious 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 estimating 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 the agency claim experience relative to other agencies, average claim sizes and other economic and actuarial assumptions.

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**23. Contract liabilities and other liabilities**

	2024	2023
	\$'000	\$'000
<b>Current</b>		
Unclaimed monies	-	2
Unearned revenue	2,575	1,139
Other	159	123
<b>Total current contract liabilities and other liabilities</b>	<b>2,734</b>	<b>1,264</b>
<b>Total contract liabilities and other liabilities</b>	<b>2,734</b>	<b>1,264</b>

A contract liability is recognised for revenue relating to access assistance and health assistance projects /programs 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.

**24. Unrecognised contractual commitments**

Commitments include operating, capital and outsourcing arrangements arising from contractual or statutory sources and are disclosed at their nominal value.

**24.1.1 Contractual commitments to acquire property, plant and equipment**

	2024	2023
	\$'000	\$'000
Within one year	4,203	479
Later than one year but not longer than five years	6,613	-
<b>Total capital commitments</b>	<b>10,816</b>	<b>479</b>

The Hospital's capital commitments are for building works, plant and equipment that has been ordered or planned works not completed/received. Capital commitments recognized in 2024 are for the new Women's and Children Hospital all other major infrastructure works are recognised in the Department for Infrastructure and Transport's (DIT) financial statements.

**24.2.1 Other contractual commitments**

	2024	2023
	\$'000	\$'000
Within one year	18,096	23,383
Later than one year but not longer than five years	939	-
<b>Total other expenditure commitments</b>	<b>19,035</b>	<b>23,383</b>

The Hospital expenditure commitments are for agreements for goods and services ordered but not received; administrative arrangements with DIT for accommodation; and motor vehicle lease arrangements with SAFA.

**25. Contingent assets and liabilities**

Contingent assets and contingent liabilities are not recognised in the Statement of Financial Position, but are disclosed within this note and, if quantifiable are measured at nominal value.

Following an independent review in 2022, it was identified that since 2006 there had been 208 children that received care through the Hospital's Cochlear Implant Program (CIP), with a proportion of children's cochlear implants under-mapped. Recognising the impact of this issue on these children and their families, the Government announced on Monday 21 August 2023 that it would make available, to impacted families involved in the CIP from 2006, one-off payments. \$2.735 million was paid/payable by the Department to impacted families, up to 30 June 2024. These payments do not mitigate a family's entitlement to compensation claims in the future in relation to the implant under-mapping issues identified. On 20 February 2023, the first pre-action legal claim was received by SA Health's insurer (South Australian Financing Authority) in respect of the CIP. Discussions between the parties continue in respect of these legal claims.

**26. Events after balance date**

The Hospital is not aware of any material events occurring between the end of the reporting period and when the financial statements were authorised.



## **27. Impact of Standards not yet implemented**

Australian Accounting Standards and Interpretations not yet effective have not been adopted by the Hospital for the reporting period ended 30 June 2024, except for AASB 2021-2 which was adopted from 1 July 2021.

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 has engaged a valuer to assist in determining the impact, which is not expected to be material.

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 via the Department. The Department works with DTF 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 Note 19 for further information.

#### 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 11, 13 and 14 for further information.

#### Market risk

The Hospital does not engage in high risk hedging for its financial assets. Exposure to interest rate risk may arise through its interest bearing liabilities, including borrowings. The Hospital's interest bearing liabilities are managed through SAFA and any movement in interest rates are monitored on a daily basis. There is no exposure to foreign currency or other price risks.

There have been no changes in risk exposure since the last reporting period.

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**28.2 Categorisation of financial instruments**

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

The carrying amounts of each of the following categories of financial assets and liabilities: financial assets measured at amortised cost; financial assets measured at fair value through profit or loss; financial assets measured at fair value through other comprehensive income; and financial liabilities measured at amortised cost are detailed below. All of the resulting fair value estimates are included in Level 2 as all significant inputs required are observable.

A financial asset is measured at amortised cost if:

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

Category of financial asset and financial liability	Notes	2024 Carrying amount/ Fair value \$'000	2023 Carrying amount/ Fair value \$'000
<b>Financial assets</b>			
Cash and equivalent			
Cash and cash equivalents	11,12	22,938	24,411
Amortised Cost			
Receivables <sup>(1)(2)</sup>	13	13,426	10,305
Fair value through other comprehensive income			
Other financial assets	14	1,241	1,221
<b>Total financial assets</b>		<b>37,605</b>	<b>35,937</b>
<b>Financial liabilities</b>			
Financial liabilities at amortised cost			
Payables <sup>(1)</sup>	19	12,023	11,342
Other liabilities	23	159	123
<b>Total financial liabilities</b>		<b>12,182</b>	<b>11,465</b>

<sup>(1)</sup> Receivable and payable amounts disclosed here exclude amounts relating to statutory receivables and payables. This includes Commonwealth, State and Local Government taxes and fees and charges. This is in addition to staff related receivables and payables such as payroll tax, fringe benefits tax etc. In government, certain rights to receive or pay cash may not be contractual and therefore in these situations, the disclosure requirements of AASB 7 will not apply. Where rights or obligations have their source in legislation such as levies, tax and equivalents etc. they would be excluded from the disclosure. The standard defines contract as enforceable by law. All amounts recorded are carried at cost.

<sup>(2)</sup> Receivables amount disclosed here excludes prepayments as they are not financial assets.

**28.3 Credit risk exposure and impairment of financial assets**

Loss allowances for receivables are measured at an amount equal to the lifetime expected credit loss using the simplified approach in AASB 9. Loss allowances for contract assets are measured at an amount equal to the expected credit loss method using a 12 month method. No impairment losses were recognised in relation to contract assets during the year.

An allowance matrix 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 the 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 risk characteristics and the days past. When estimated expected credit loss, the Hospital considers reasonable and supportive information that is relevant and available without undue cost or effort. This includes quantitative and qualitative information and analysis based on the Hospital's historical experience and informed credit assessment including forward-looking information.

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The assessment of the correlation between historical observed default rates, forecast economic conditions and expected credit losses is a significant estimate. The Hospital's historical credit loss experience and forecast of economic conditions may also 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:

	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
<b>Days past due</b>						
Current	0.4-2.6%	2,162	18	0.6-3.3%	1,970	20
<30 days	1.0-3.3%	2,035	33	1.4-4.4%	1,519	21
31-60 days	1.6-6.7%	777	16	1.7-8.0%	722	14
61-90 days	3.2-9.9%	968	64	3.4-11.6%	110	5
91-120 days	5.2-13.1%	1,582	91	5.7-13.5%	356	21
121-180 days	9.7-19.0%	396	47	9.7-19.4%	404	42
181-360 days	28.1-43.6%	904	277	28.3-43.7%	941	272
361-540 days	48.8-64.3%	1,918	1222	48.9-62.7%	441	268
>540 days	54.5-80.7%	866	650	54.6-80.9%	1,395	1,045
<b>Total</b>		<b>11,608</b>	<b>2,418</b>		<b>7,858</b>	<b>1,708</b>

## 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 expenditure via the Department for medical, surgical and laboratory supplies, insurance and computing (note 8). The Hospital incurred significant expenditure with the DIT for capital works of \$67.617 million (\$3.836 million) which largely reflects works undertaken for the New Women's and Children's Hospital.

The Hospital provides and receives trainee medical officers and other staff to and from other Local Health Networks within South Australia. Resources are also provided to the Department of Education for the Access Assistants and Health Education Interface Programs.



**WOMEN'S AND CHILDREN'S HEALTH NETWORK**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**For the year ended 30 June 2024**

**30. Administered items**

The Hospital administers:

- *Strata Corp* represents the financial operations of the Car Park located at Unit 1, 27 Kermode Street North Adelaide which services the Hospital and surrounds. Strata Corp administers and manages the Car Park on behalf of the Unit holders (the Hospital, Women's and Children's Hospital Foundation, and the Residential Unit holders).
- *Private Practice* represents funds billed on behalf of salaried medical officers and subsequently distributed to the Hospital and salaried medical officers according to individual Rights of Private Practice Deeds of Agreement.

	Strata Corp		Private Practice		Total	
	2024	2023	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Employee benefit expenses	(60)	(59)	-	-	(60)	(59)
Supplies and services	(319)	(259)	-	-	(319)	(259)
Depreciation and amortisation expense	(3)	(3)	-	-	(3)	(3)
Other expenses	-	-	(4,040)	(3,857)	(4,040)	(3,857)
Revenue from fees and charges	363	227	4,089	3,938	4,452	4,165
<b>Net result</b>	<b>(19)</b>	<b>(94)</b>	<b>49</b>	<b>81</b>	<b>30</b>	<b>(13)</b>
Other provisions/liabilities	-	-	(3)	(1)	(3)	(1)
Cash and cash equivalents	265	17	452	404	717	421
Property, plant and equipment	21	24	-	-	21	24
Receivables	21	64	302	480	323	544
Payables	(229)	(8)	-	-	(229)	(8)
<b>Net assets</b>	<b>78</b>	<b>97</b>	<b>751</b>	<b>883</b>	<b>829</b>	<b>980</b>
Cash at 1 July	-	-	-	-	421	447
Cash inflows	-	-	-	-	4,336	3,831
Cash outflows	-	-	-	-	(4,040)	(3,857)
<b>Cash at 30 June</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>717</b>	<b>421</b>

**WOMEN'S AND CHILDREN'S HEALTH NETWORK**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**For the period ended 30 June 2024**

**31. Board and committee members**

Members of boards/committees that served for all or part of the financial year, where at least one member was entitled to receive income from membership in accordance with the APS 124 B were:

Board/Committee name:	Government employee members*	Other members
Audit and Risk Committee	-	Connor G (Chair) (end date: 30/06/2024), Daw S, Dennis C.
Clinical Governance Group	-	Daw S (Chair), Cadzow M, Griffin L, Healey T, Dennis C, Christley S (end date: 30/06/2024), Morris S (commencement date: 01/07/2023), Everett D (commencement date: 01/07/2023).
Women's and Children's Governing Board	-	Dennis C (Chair), Daw S (Deputy Chair), Christley S, Miller S, Wilson B, Donaghy T (commencement date: 01/07/2023), Healey T, Everett D (commencement date: 01/07/2023), Morris S (commencement date: 01/07/2023).

\*Refer to note 7.2 for remuneration of board and committee members. Note board members only received income from board membership.