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To the Chair, Governing Board Central Adelaide Local Health Network Incorporated

Opinion

I have audited the financial report of the Central Adelaide Local Health Network Incorporated and the consolidated entity comprising the Central Adelaide Local Health Network Incorporated and its controlled entities for the financial year ended 30 June 2022.

In my opinion, the accompanying financial report gives a true and fair view of the financial position of the Central Adelaide Local Health Network Incorporated and its controlled entities as at 30 June 2022, 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 2022
- a Statement of Financial Position as at 30 June 2022
- a Statement of Changes in Equity for the year ended 30 June 2022
- a Statement of Cash Flows for the year ended 30 June 2022
- notes, comprising material accounting policies and other explanatory information
- a Certificate from the Chair, Governing Board, the Chief Executive Officer and the Interim Executive Director, Finance and Business Services

Basis for opinion

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 Central Adelaide 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 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 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 Central Adelaide Local Health Network Incorporated for the financial year ended 30 June 2022.

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 Central Adelaide 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.

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 Richardson
Auditor-General

23 September 2022

Certification of the financial statements

We certify that the:

- financial statements of the Central Adelaide 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 Central Adelaide 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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Raymond Spencer
Chair, Governing Board



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Lesley Dwyer
Chief Executive Officer



.....
Andrew Collins
Interim Executive Director,
Finance and Business Services

Date 14 September 2022

CENTRAL ADELAIDE LOCAL HEALTH NETWORK
STATEMENT OF COMPREHENSIVE INCOME
For the year ended 30 June 2022

	Note	Consolidated		Parent	
		2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Income					
Revenues from SA Government	2	2,142,968	1,970,430	2,142,968	1,970,430
Fees and charges	3	472,850	448,634	453,309	438,317
Grants and contributions	4	256,044	252,513	256,257	252,655
Interest	5	3	76	-	50
Resources received free of charge	6	15,453	14,662	15,453	14,662
Net gain from disposal of non-current and other assets	7	66	-	66	-
Other revenues/income	8	94,811	85,597	94,071	84,691
Total income		2,982,195	2,771,912	2,962,124	2,760,805
Expenses					
Staff benefits expenses	9	1,659,258	1,565,606	1,648,226	1,557,194
Supplies and services	10	1,080,991	951,364	1,075,659	950,494
Depreciation and amortisation	19,20	136,781	137,290	136,192	136,500
Grants and subsidies	11	949	900	700	754
Borrowing costs	23	126,997	118,060	126,983	118,045
Net loss from disposal of non-current and other assets	7	-	240	-	240
Impairment loss on receivables	14.1	650	(5)	650	(14)
Other expenses	12	9,197	10,420	7,945	10,775
Total expenses		3,014,823	2,783,875	2,996,355	2,773,988
Net result		(32,628)	(11,963)	(34,231)	(13,183)
Other Comprehensive Income					
Total other comprehensive income		-	-	-	-
Total comprehensive result		(32,628)	(11,963)	(34,231)	(13,183)

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

CENTRAL ADELAIDE LOCAL HEALTH NETWORK
STATEMENT OF FINANCIAL POSITION
As at 30 June 2022

	Note	Consolidated		Parent	
		2022	2021	2022	2021
		\$'000	\$'000	\$'000	\$'000
Current assets					
Cash and cash equivalents	13	166,413	197,293	159,457	193,375
Receivables	14	106,683	101,389	104,717	99,904
Other financial assets	15	4,937	7,376	-	-
Inventories	16	23,267	22,338	22,811	22,034
Contract assets	17	1,527	789	1,527	789
Total current assets		302,827	329,185	288,512	316,102
Non-current assets					
Receivables	14	7,207	5,733	7,207	5,733
Other financial assets	15	-	-	1,150	1,150
Property, plant and equipment	18,19	3,152,123	3,222,700	3,150,975	3,221,637
Investment property	18,19	5,550	5,550	-	-
Intangible assets	18,20	19,931	29,241	19,931	29,241
Total non-current assets		3,184,811	3,263,224	3,179,263	3,257,761
Total assets		3,487,638	3,592,409	3,467,775	3,573,863
Current liabilities					
Payables	22	121,343	92,846	120,217	91,906
Financial liabilities	23	69,812	69,904	69,565	69,459
Staff benefits	24	221,787	233,256	220,931	232,228
Provisions	25	10,399	9,667	10,399	9,667
Contract liabilities and other liabilities	26	1,583	2,240	1,570	2,182
Total current liabilities		424,924	407,913	422,682	405,442
Non-current liabilities					
Payables	22	10,698	11,762	10,698	11,762
Financial liabilities	23	2,517,639	2,579,586	2,517,637	2,579,529
Staff benefits	24	257,625	296,850	257,588	296,811
Provisions	25	38,762	25,680	38,762	25,680
Total non-current liabilities		2,824,724	2,913,878	2,824,685	2,913,782
Total liabilities		3,249,648	3,321,791	3,247,367	3,319,224
Net assets		237,990	270,618	220,408	254,639
Equity					
Retained earnings		195,247	227,883	177,665	211,904
Asset revaluation surplus		42,743	42,735	42,743	42,735
Total equity		237,990	270,618	220,408	254,639

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

**CENTRAL ADELAIDE LOCAL HEALTH NETWORK
STATEMENT OF CHANGES IN EQUITY
For the year ended 30 June 2022**

CONSOLIDATED

	Asset revaluation surplus \$ '000	Retained earnings \$ '000	Total equity \$ '000
Balance at 30 June 2020	42,862	239,719	282,581
Net result for 2020-21	-	(11,963)	(11,963)
Total comprehensive result for 2020-21	-	(11,963)	(11,963)
Transfer between equity components	(127)	127	-
Balance at 30 June 2021	42,735	227,883	270,618
Net result for 2021-22	-	(32,628)	(32,628)
Total comprehensive result for 2021-22	-	(32,628)	(32,628)
Transfer between equity components	8	(8)	-
Balance at 30 June 2022	42,743	195,247	237,990

PARENT

	Asset revaluation surplus \$ '000	Retained earnings \$ '000	Total equity \$ '000
Balance at 30 June 2020	42,862	224,960	267,822
Net result for 2020-21	-	(13,183)	(13,183)
Total comprehensive result for 2020-21	-	(13,183)	(13,183)
Transfer between equity components	(127)	127	-
Balance at 30 June 2021	42,735	211,904	254,639
Net result for 2021-22	-	(34,231)	(34,231)
Total comprehensive result for 2021-22	-	(34,231)	(34,231)
Transfer between equity components	8	(8)	-
Balance at 30 June 2022	42,743	177,665	220,408

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

CENTRAL ADELAIDE LOCAL HEALTH NETWORK
STATEMENT OF CASH FLOWS
For the year ended 30 June 2022

	Note	Consolidated		Parent	
		2022	2021	2022	2021
		\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities					
Cash inflows					
Receipts from SA Government		2,217,323	2,064,328	2,217,323	2,064,328
Fees and charges		312,027	294,701	292,931	285,329
Grants and contributions		266,611	260,665	266,824	260,807
Interest received		3	79	-	50
GST recovered from ATO		70,162	64,098	70,162	64,098
Other receipts		15,217	12,687	14,477	12,067
Cash generated from operations		2,881,343	2,696,558	2,861,717	2,686,679
Cash outflows					
Staff benefits payments		(1,693,376)	(1,556,091)	(1,682,170)	(1,547,784)
Payments for supplies and services		(992,876)	(898,416)	(987,497)	(897,981)
Payments of grants and subsidies		(1,009)	(997)	(760)	(851)
Interest paid		(117,944)	(107,368)	(117,930)	(107,353)
Other payments		(9,773)	(17,529)	(9,309)	(17,354)
Cash used in operations		(2,814,978)	(2,580,401)	(2,797,666)	(2,571,323)
Net cash provided by operating activities		66,365	116,157	64,051	115,356
Cash flows from investing activities					
Cash inflows					
Proceeds from sale of property, plant and equipment		108	183	108	183
Proceeds from sale/maturities of investments		5,153	10,161	-	6,560
Cash generated from investing activities		5,261	10,344	108	6,743
Cash outflows					
Purchase of property, plant and equipment		(26,059)	(25,516)	(25,385)	(25,255)
Purchase of intangible assets		(637)	(590)	(637)	(590)
Purchase of investments		(3,502)	(4,259)	-	(1)
Cash used in investing activities		(30,198)	(30,365)	(26,022)	(25,846)
Net cash used in investing activities		(24,937)	(20,021)	(25,914)	(19,103)
Cash flows from financing activities					
Cash outflows					
Repayment of lease liabilities		(72,308)	(69,537)	(72,055)	(69,317)
Cash used in financing activities		(72,308)	(69,537)	(72,055)	(69,317)
Net cash used in financing activities		(72,308)	(69,537)	(72,055)	(69,317)
Net increase/(decrease) in cash and cash equivalents		(30,880)	26,599	(33,918)	26,936
Cash and cash equivalents at the beginning of the period		197,293	170,694	193,375	166,439
Cash and cash equivalents at the end of the period	13	166,413	197,293	159,457	193,375
Non-cash transactions	27				

The accompanying notes form part of these financial statements.

CENTRAL ADELAIDE LOCAL HEALTH NETWORK
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30 June 2022

1. About Central Adelaide Local Health Network

The Central Adelaide Local Health Network Incorporated (the Hospital) is a not-for-profit incorporated hospital under the *Health Care Act 2008*. The financial statements and accompanying notes include all controlled activities of the Hospital, this includes the Hospital and AusHealth Corporate Pty Ltd (AusHealth).

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 35.

Administered Items

The Hospital has administered activities and resources. Transactions and balances relating to administered resources are presented separately and are disclosed in the Schedules of Administered Items – refer note 37. 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 Central Adelaide, including those managed on a State-wide basis.

The Hospital is structured to contribute to the outcomes for which the portfolio is responsible by providing hospital-based tertiary and quaternary care including medical, surgical and other acute services, rehabilitation, mental health and palliative care, dental, breast screening and other community health services to veterans and other persons living within the central Adelaide metropolitan area and Statewide as appropriate.

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.

The Hospital is comprised of:

- Royal Adelaide Hospital (RAH)
- Hampstead Rehabilitation Centre
- The Queen Elizabeth Hospital
- St Margaret's Hospital
- Pregnancy Advisory Centre
- Statewide Clinical Support Services including SA Pathology, SA Medical Imaging, SA Pharmacy and Breast Screen SA
- Donate Life
- SA Dental Service
- Glenside and community health
- Primary Health Care Services
- Prison Health SA

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.

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

CENTRAL ADELAIDE LOCAL HEALTH NETWORK
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30 June 2022

1.3 New and amended standards adopted by the Hospital

The Hospital has early adopted *AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates* which clarifies the requirements for disclosure of material accounting policy information and clarifies the distinction between accounting policies and accounting estimates. There has been no impact on the Hospital's financial statements.

1.4 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.

1.5 Continuity of Operations

As at 30 June 2022, the Hospital had a working capital deficiency of \$122.097 million (\$78.728 million deficiency). 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.

1.6 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.

1.7 Changes to the Hospital

2021-22

There were no functions transferred in or out in 2021-22.

2020-21

There were no functions transferred in or out in 2020-21.

1.8 Impact of COVID-19 pandemic on Central Adelaide Local Health Network

The COVID-19 pandemic continues to have an impact on the Hospital's operations. This includes an increase in costs associated with COVID capacity and preparation, the readiness of COVID-19 testing clinics, establishment of vaccine clinics, increased demand for personal protective equipment, increased staff costs (including agency) to ensure necessary compliance measures are followed. Net COVID-19 specific costs for the Hospital were \$215.099 million (\$74.449 million).

1.9 Change in accounting policy

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

2. Revenues from SA Government

	Consolidated		Parent	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Capital projects funding	46,193	27,043	46,193	27,043
Operational funding	2,096,775	1,943,387	2,096,775	1,943,387
Total revenues from SA Government	2,142,968	1,970,430	2,142,968	1,970,430

CENTRAL ADELAIDE LOCAL HEALTH NETWORK
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30 June 2022

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 when the Hospital obtains control over the funding. Control over the funding is normally obtained upon receipt.

3. Fees and charges

	Consolidated		Parent	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Ambulance transport	60	79	60	79
Car parking revenue	4,279	4,544	4,279	4,544
Commissions revenue	37	43	37	43
Fines, fees and penalties	89	99	89	99
Patient and client fees	403,605	382,223	384,064	371,906
Private practice fees	34,778	33,684	34,778	33,684
Fees for health services	11,741	9,600	11,741	9,600
Royalty income	679	1,219	679	1,219
Sale of goods - medical supplies	989	1,124	989	1,124
Training revenue	83	41	83	41
Other user charges and fees	16,510	15,978	16,510	15,978
Total fees and charges	472,850	448,634	453,309	438,317

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.

All revenue from fees and charges is revenue recognised from contracts with customers except for fines, fees and penalties.

Consolidated Contracts with Customers disaggregated by pattern of revenue recognition and type of customer	2022	2022	2021	2021
	Goods/Services transferred at a point in time	Goods/Services transferred over a period of time	Goods/Services transferred at a point in time	Goods/Services transferred over a period of time
Ambulance transport	20	-	40	-
Car parking revenue	4,277	2	4,541	3
Commissions revenue	37	-	43	-
Patient and client fees	218,681	-	207,400	-
Private practice fees	34,778	-	33,684	-
Fees for health services	9,289	-	8,549	-
Royalty income	679	-	1,219	-
Sale of goods - medical supplies	51	-	53	-
Training revenue	74	-	41	-
Other user charges and fees	14,035	-	10,926	-
Total contracts with external customers	281,921	2	266,496	3
Ambulance transport	40	-	39	-
Patient and client fees	184,924	-	174,823	-
Fees for health services	2,452	-	1,051	-
Sale of goods - medical supplies	938	-	1,071	-
Training revenue	9	-	-	-
Other user charges and fees	2,475	-	5,052	-
Total contracts with SA Government customers	190,838	-	182,036	-
Total contracts with customers	472,759	2	448,532	3

The Hospital recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities (refer to note 26). 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 14 and 17).

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 with the exception of co-payments for Pharmaceutical Benefits Scheme drugs. Non-medicare eligible customers pay in arrears to stay overnight in a public hospital and to receive medical assessment,

CENTRAL ADELAIDE LOCAL HEALTH NETWORK
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30 June 2022

advice, treatment and care from a health professional. These charges may include medical, surgical, anaesthetic, theatre, 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

SA Health grants SA Health 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 in SA Health sites. Fees derived from undertaking private practice is 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 specialists private practice. SA Health disburses amounts it collects 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 is collected as per the Rights of Private Practice Agreement.

4. Grants and contributions

	Consolidated		Parent	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Commonwealth grants and donations	1,859	1,884	1,859	1,884
Pharmaceutical Benefits Scheme Commonwealth subsidy	229,012	226,927	229,012	226,927
SA Government capital contributions	-	143	-	143
Other SA Government grants and contributions	891	1,250	891	1,392
Private sector grants and contributions	24,282	22,309	24,495	22,309
Total grants and contributions	256,044	252,513	256,257	252,655

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

Of the \$256.157 million (\$252.513 million) received in 2021-22, \$16.612 million (\$14.542 million) was provided for specific purposes, including State and Commonwealth Health initiatives - Health reforms, research and other associated activities.

5. Interest

	Consolidated		Parent	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Interest on operating accounts	3	26	-	-
Interest on Special Purpose Funds	-	50	-	50
Total interest	3	76	-	50

6. Resources received free of charge

	Consolidated		Parent	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Land and Buildings	1,179	-	1,179	-
Buildings and improvements	-	690	-	690
Plant and equipment	92	57	92	57
Services	14,182	13,902	14,182	13,902
Other	-	13	-	13
Total resources received free of charge	15,453	14,662	15,453	14,662

Resources received free of charge include plant and equipment and are recorded at their fair value.

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 \$10.920 million (\$10.720 million), ICT services valued at \$3.262 million (\$3.182 million) from the Department of Premier and Cabinet following Cabinet's approval to cease intra-government charging.

In addition, although not recognised the Hospital received volunteer services from the Royal Adelaide Hospital Lavender Lads and Ladies, Royal Adelaide Hospital Auxiliary, Friends of the Queen Elizabeth Hospital, Hampstead Rehabilitation Centre Volunteers and country based SA Pathology couriers. There are 356 volunteers whom provide patient and staff support services to individuals using the Hospital's services. The services include but not limited to: Emergency Department support, guide service, laundry service, RAH gift shop and a volunteer support team.

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

	Consolidated		Parent	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Plant and equipment:				
Proceeds from disposal	109	184	109	184
Less carrying amount of assets disposed	(42)	(423)	(42)	(423)
Less other costs of disposal	(1)	(1)	(1)	(1)
Net gain/(loss) from disposal of plant and equipment	66	(240)	66	(240)

Total assets:

Total proceeds from disposal	109	184	109	184
Less total carrying amount of assets disposed	(42)	(423)	(42)	(423)
Less other costs of disposal	(1)	(1)	(1)	(1)
Total net gain/(loss) from disposal of assets	66	(240)	66	(240)

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.

8. Other revenues/income

	Consolidated		Parent	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Dividend revenue	291	197	-	-
Donations	6,419	6,216	6,419	6,216
Health recoveries	78,413	71,956	78,413	71,956
Insurance recoveries	1,237	350	1,237	350
Other	8,451	6,878	8,002	6,169
Total other revenues/income	94,811	85,597	94,071	84,691

9. Staff benefits expenses

	Consolidated		Parent	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Salaries and wages	1,357,153	1,271,303	1,348,052	1,264,425
Targeted voluntary separation packages	4,386	2,283	4,386	2,283
Long service leave	(15,827)	10,936	(15,894)	10,857
Annual leave	130,931	118,946	130,547	118,632
Skills and experience retention leave	6,416	5,968	6,416	5,968
Staff on-costs - superannuation*	142,615	128,565	141,753	127,919
Staff on-costs - other	459	345	3	4
Workers compensation	29,731	24,264	29,668	24,217
Board and committee fees	415	459	353	378
Other staff related expenses	2,979	2,537	2,942	2,511
Total staff benefits expenses	1,659,258	1,565,606	1,648,226	1,557,194

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

Refer note 24 for further discussion on long service leave movement.

9.1 Key Management Personnel

Key management personnel (KMP) of the Hospital includes the Minister, the seven members of the governing board, the Chief Executive of the Department, Chief Executive Officer of the Hospital and the 16 (16) 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.

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Compensation	Consolidated		Parent	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Salaries and other short term employee benefits	4,733	4,809	4,733	4,809
Post-employment benefits	793	720	793	720
Other long-term employment benefits	140	45	140	45
Total	5,666	5,574	5,666	5,574

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.

9.2 Remuneration of boards and committee members

	2022	2021
	No. of Members	No. of Members
\$0	379	365
\$1 - \$20,000	75	75
\$20,001 - \$40,000	6	7
\$40,001 - \$60,000	1	2
\$60,001 - \$80,000	1	1
Total	462	450

The total remuneration received or receivable by members was \$0.381 million (\$0.404 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 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 36 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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9.3 Remuneration of staff

Remuneration of employees	Consolidated		Parent	
	2022	2021	2022	2021
The number of staff whose remuneration received or receivable falls within the following bands:	Total	Total	Total	Total
	Number	Number	Number	Number
\$154,001 - \$157,000*	n/a	44	n/a	44
\$157,001 - \$177,000	317	274	315	273
\$177,001 - \$197,000	199	194	198	194
\$197,001 - \$217,000	151	102	150	102
\$217,001 - \$237,000	80	72	80	71
\$237,001 - \$257,000	69	59	69	59
\$257,001 - \$277,000	58	56	58	56
\$277,001 - \$297,000	58	48	58	48
\$297,001 - \$317,000	43	46	43	46
\$317,001 - \$337,000	31	31	31	31
\$337,001 - \$357,000	31	36	31	36
\$357,001 - \$377,000	42	42	41	41
\$377,001 - \$397,000	37	31	37	31
\$397,001 - \$417,000	29	26	29	26
\$417,001 - \$437,000	17	38	17	38
\$437,001 - \$457,000	28	24	28	24
\$457,001 - \$477,000	31	29	31	29
\$477,001 - \$497,000	30	21	30	21
\$497,001 - \$517,000	22	16	22	16
\$517,001 - \$537,000	21	20	21	20
\$537,001 - \$557,000	13	14	13	14
\$557,001 - \$577,000	23	18	23	18
\$577,001 - \$597,000	14	17	14	17
\$597,001 - \$617,000	19	17	19	17
\$617,001 - \$637,000	16	6	16	6
\$637,001 - \$657,000	9	19	9	19
\$657,001 - \$677,000	13	9	13	9
\$677,001 - \$697,000	13	5	13	5
\$697,001 - \$717,000	7	7	7	7
\$717,001 - \$737,000	7	2	7	2
\$737,001 - \$757,000	4	2	4	2
\$757,001 - \$777,000	9	-	9	-
\$777,001 - \$797,000	1	4	1	4
\$797,001 - \$817,000	-	2	-	2
\$817,001 - \$837,000	-	1	-	1
\$857,001 - \$877,000	4	1	4	1
\$917,001 - \$937,000	1	-	1	-
\$957,001 - \$977,000	1	-	1	-
\$1,137,001 - \$1,157,000	-	1	-	1
\$1,277,001 - \$1,297,000	1	-	1	-
\$1,397,001 - \$1,417,000	-	1	-	1
\$1,477,001 - \$1,497,000	1	-	1	-
Total number of staff	1,450	1,335	1,445	1,332

* This band has been included for the purposes of reporting comparative figures based on the executive base level remuneration rate for 2021.

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.

9.4 Remuneration of staff by classification

The total remuneration received by staff, included in note 9.3:

	Consolidated				Parent			
	2022		2021		2022		2021	
	No.	\$'000	No.	\$'000	No.	\$'000	No.	\$'000
Executive	36	8,738	36	8,670	31	7,646	33	7,935
Medical (excluding Nursing)	1,212	392,645	1,138	356,828	1,212	392,645	1,138	356,828
Non-medical (i.e. administration)	84	15,419	59	10,885	84	15,419	59	10,885
Nursing	118	20,431	102	17,400	118	20,431	102	17,400
Total	1,450	437,233	1,335	393,783	1,445	436,141	1,332	393,048

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9.5 Targeted voluntary separation packages (TVSP)

	Consolidated		Parent	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Amount paid/payable to separated staff:				
Targeted voluntary separation packages	4,386	2,283	4,386	2,283
Leave paid/payable to separated employees	2,529	1,049	2,529	1,049
Net cost to the Hospital	6,915	3,332	6,915	3,332

The number of staff who accepted a TVSP during the reporting period	80	24	80	24
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TVSPs include 55 (0) separations resulting from the Workforce Rejuvenation Program.

10. Supplies and services

	Consolidated		Parent	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Administration	2,156	6,179	5,189	9,292
Advertising	730	762	515	666
Communication	7,166	5,333	6,983	5,160
Computing	29,242	23,673	28,469	22,972
Consultants	1,768	747	1,755	727
Contract of services	13,015	6,798	13,015	6,798
Contractors	20,110	12,498	19,865	12,444
Contractors - agency staff	58,357	40,598	58,125	40,576
Cost of goods sold	4,893	1,734	3	-
Drug supplies	283,305	277,591	283,305	277,591
Electricity, gas and fuel	14,318	14,328	14,273	14,285
Fee for service	76,029	47,175	76,029	47,175
Food supplies	5,457	4,703	5,457	4,703
Housekeeping	32,066	25,933	31,948	25,827
Insurance	12,722	12,681	12,645	12,614
Internal SA Health SLA payments	23,601	23,025	23,601	23,025
Interstate patient transfers	26	37	26	37
Legal	1,362	1,458	1,169	1,402
Medical, surgical and laboratory supplies	217,759	196,648	217,759	196,648
Minor equipment	10,764	7,839	10,746	7,816
Motor vehicle expenses	2,417	1,664	2,417	1,664
Occupancy rent and rates	17,232	11,570	17,193	11,506
Patient transport	8,367	8,815	8,367	8,815
Postage	11,370	9,255	11,342	9,231
Printing and stationery	5,147	4,557	5,116	4,538
Public Private Partnership operating expenses	81,236	98,108	81,236	98,108
Repairs and maintenance	41,523	35,233	41,490	35,201
Security	35,328	21,412	35,328	21,412
Services from Shared Services SA	10,536	10,878	10,536	10,878
Short term lease expense	47	1,083	47	1,083
Training and development	16,720	11,927	16,588	11,837
Travel expenses	4,881	2,105	4,570	1,932
Other supplies and services	31,341	25,017	30,552	24,531
Total supplies and services	1,080,991	951,364	1,075,659	950,494

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

The Hospital recognises lease payments associated with short term leases (12 months or less) and leases for which the underlying asset is low value (less than \$15,000) 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.

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Consultants

The number of consultancies and dollar amount paid/payable (included in supplies and services expense) to consultants that fell within the following bands:

	Consolidated				Parent			
	2022		2021		2022		2021	
	No.	\$'000	No.	\$'000	No.	\$'000	No.	\$'000
Below \$10,000	8	36	8	52	4	23	4	32
Above \$10,000	18	1,732	8	695	19	1,732	8	695
Total	26	1,768	16	747	23	1,755	12	727

11. Grants and subsidies

	Consolidated		Parent	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Subsidies	249	146	-	-
Funding to non-government organisations	678	754	678	754
Other	22	-	22	-
Total grants and subsidies	949	900	700	754

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

12. Other expenses

	Consolidated		Parent	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Debts written off	1,169	2,331	1,170	2,316
Bank fees and charges	151	103	83	62
Donated assets expense	600	-	600	-
Net loss on revaluation of investments	891	-	-	530
Net loss on sale of investments	98	-	-	-
Royalty payments	-	3,046	-	3,046
Other*	6,288	4,940	6,092	4,821
Total other expenses	9,197	10,420	7,945	10,775

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

* Includes audit fees paid/payable to the Auditor-General's Department relating to work performed under the Public Finance and Audit Act 1987 of \$0.382 million (\$0.382 million). No other services were provided by the Auditor-General's Department. Also includes fees paid or payable to BDO for audit services for AusHealth of \$ 0.036 million (\$0.030 million).

13. Cash and cash equivalents

	Consolidated		Parent	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Cash at bank or on hand	10,642	6,616	3,686	2,698
Deposits with Treasurer: general operating	21,722	60,298	21,722	60,298
Deposits with Treasurer: special purpose funds.	134,049	130,379	134,049	130,379
Total cash and cash equivalents	166,413	197,293	159,457	193,375

Cash is measured at nominal amounts. The Hospital earns interest on the special purpose deposit account and the operating accounts held by AusHealth.

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's 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.

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14. Receivables

	Consolidated		Parent	
	2022	2021	2022	2021
Current	\$'000	\$'000	\$'000	\$'000
Patient/client fees: compensable	8,067	9,736	8,067	9,736
Patient/client fees: other	32,726	29,246	32,726	29,246
Debtors	20,551	14,829	18,638	13,355
Less: allowance for impairment loss on receivables	(5,803)	(5,153)	(5,659)	(5,009)
Prepayments	5,038	2,142	4,794	1,932
Grants	-	40	-	40
Workers compensation provision recoverable	3,470	2,895	3,470	2,895
Sundry receivables and accrued revenue	41,774	46,716	41,769	46,672
GST input tax recoverable	860	938	912	1,037
Total current receivables	106,683	101,389	104,717	99,904
Non-current				
Debtors	1,034	654	1,034	654
Workers compensation provision recoverable	6,173	5,079	6,173	5,079
Total non-current receivables	7,207	5,733	7,207	5,733
Total receivables	113,890	107,122	111,924	105,637

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 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.

14.1 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:

	Consolidated		Parent	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Carrying amount at the beginning of the period	5,153	5,158	5,009	5,023
Increase/(Decrease) in allowance recognised in profit or loss	650	(5)	650	(14)
Carrying amount at the end of the period	5,803	5,153	5,659	5,009

Impairment losses relate to receivables arising from contracts with customers that are external to SA Government. Refer to note 33 for details relating to credit risk and the methodology for determining impairment.

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15. Other financial assets

	Consolidated		Parent	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Current				
Term deposits	1	81	-	-
Other investments FVPL	4,936	7,295	-	-
Total current investments	4,937	7,376	-	-
Non-current				
Interest in wholly owned subsidiary	-	-	1,150	1,150
Total non-current investments	-	-	1,150	1,150
Total investments	4,937	7,376	1,150	1,150

The Hospital measures term deposits at amortised cost, listed equities and other investments are measured as fair value represented by market value. Other investments include shares in other corporations, floating rate notes, listed securities and managed funds.

There is no impairment on other financial assets. Refer to note 33 for further information on risk management.

16. Inventories

	Consolidated		Parent	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Drug supplies	14,846	14,016	14,846	14,016
Inventory imprest stock	7,850	7,881	7,850	7,881
Other	571	441	115	137
Total current inventories - held for distribution	23,267	22,338	22,811	22,034

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.

17. Contract assets

	Consolidated		Parent	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Contract assets	1,527	789	1,527	789
Total contract assets	1,527	789	1,527	789

Contract assets primarily relate to the Hospital's rights to consideration for work completed but not yet billable at the reporting date. The Hospital has recognised revenue for pathology services provided but not yet processed through the billing system. Payments for pathology services are not due from the customer until the pathology services are correctly coded and therefore a contract asset is recognised over the period in which pathology services are performed to represent the Hospital's right to consideration for the services transferred to date. Any amounts previously recognised as a contract asset are transferred to receivables when the rights become unconditional (i.e. at the point at which it is invoiced to the customer).

Contract assets have increased due to an accrual raised to reflect refunds receivable from Medicare for private patients.

There were no impairment losses recognised on contract assets in the reporting period.

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

18.1 Acquisition and recognition

Property, plant and equipment owned by the Hospital are initially recorded on a cost basis, and are 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.

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The Hospital capitalises all owned property, plant and equipment valued at or greater than \$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.

18.2 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 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 - 200
Right-of-use buildings	Lease term
Accommodation and Leasehold improvements	Lease term
Plant and equipment:	
• Medical, surgical, dental and biomedical equipment and furniture	5 - 15
• Computing equipment	3 - 5
• Vehicles	2 - 25
• Other plant and equipment	3 - 25
Right-of-use plant and equipment	Lease term
Intangible assets	5 - 10

18.3 Revaluation

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

Revaluation of non-current assets or a group of assets owned by the Hospital is only performed when the asset's fair value at the time of acquisition is greater than \$1.500 million and the estimated useful life exceeds three 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 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. Upon disposal or derecognition, any asset revaluation surplus relating to that asset is transferred to retained earnings.

18.4 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 properties as at 30 June 2022.

18.5 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 Hospital has intangibles with indefinite useful lives, amortisation is not recognised against these intangible assets.

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.

18.6 Land and building

An independent valuation of owned land and buildings owned by the Hospital was performed in March 2018, within the regular valuation cycle, by a certified practising valuer from Jones Lang Lasalle (SA) Pty Ltd as at June 2018. Consistent with Treasurer's Instructions, a public authority must at least every 6 years obtain a valuation appraisal from a qualified valuer, the timing and process of which will be considered in the 2022-23 financial year.

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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 and other land 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 the acquisition/transfer costs.

18.7 Plant and equipment

The Hospital's plant and equipment assets with a fair value greater than \$1.500 million or had an estimated useful life of greater than three years were revalued using the fair value methodology, as at 1 June 2018, based on independent valuations performed by a Certified Practising Valuer from Jones Lang Lasalle (SA) Pty Ltd. The value of all other plant and equipment has not been revalued, this is in accordance with APS 116D, the carrying value of these items is deemed to approximate fair value. These assets are classified in Level 3 as there have been no subsequent adjustments to their value, except for management assumptions about the asset condition and remaining useful life.

18.8 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.

The valuation of the investment property located at Dagleish Street, Thebarton was performed by a Certified Practising Valuer as at March 2020. The Valuer arrived at a fair value based on recent market transactions for similar properties in the area taking into account zoning and restricted use.

Where there are recent market transactions 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. These investment properties have been categorised as Level 2.

Amounts recognised in profit or loss

The Hospital recognised rental income from investment property during the period of \$0.448 million (\$0.442 million).

18.9 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. Additions to right of use assets during 2021-22 were \$1.050 million (\$2.922 million). Short-term leases of 12 months or less and low value leases, where the underlying asset value is less than \$15,000 are not recognised as right-of-use assets. The associated lease payments are recognised as an expense and disclosed in note 10.

The Hospital has a number of lease agreements. Lease terms vary in length from 2 to 26 years. Major lease activities include the use of:

- Properties – SA Pathology collection centres, primary health, dental clinics and non-DIT provided office accommodation 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.
- Health Facilities – lease include the Royal Adelaide Hospital. The Royal Adelaide Hospital (RAH) lease commenced in June 2011, achieved commercial acceptance in June 2017, and is for 35 years. The SA Health Partnership Consortium trading as Celsus entered into an arrangement to finance, design, build, operate and maintain the new RAH. Under the arrangement, Celsus will maintain and provide non-medical support services including facilities management by Spotless and information and communication technology (ICT) support and maintenance by DXC Technology for the duration of the contract. The arrangement is referred to as a Public Private Partnership (PPP). At the conclusion of the contract in 2046, the Hospital will take full ownership of the RAH. Celsus have an obligation to deliver the RAH in a condition fit for its intended purpose and fully maintained in accordance with the agreed asset management plan.
- 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 specific time period (usually 3 years) or a specific number of kilometres, whichever occurs first.

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 23. Expenses related to right-of-use assets including depreciation and interest expense are disclosed at note 19 and 23. Cash outflows related to right-of-use assets are disclosed at note 27.

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19. Reconciliation of property, plant and equipment and investment property

The following table shows the movement:

Consolidated

2021-22

	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	Accommo- dation 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	113,935	252,435	2,479,278	18,937	20,794	102,490	3,736	225,333	5,762	5,550	3,228,250	
Additions	-	-	-	34,493	-	7,975	981	1,069	10,963	-	55,481	
Assets received free of charge	-	1,179	-	-	-	92	-	-	-	-	1,271	
Disposals	-	-	-	-	-	(39)	(2)	(24)	-	-	(65)	
Donated assets disposal	-	-	-	(600)	-	-	-	-	-	-	(600)	
Transfers between asset classes	-	6,194	-	(6,242)	31	6,338	174	-	(6,671)	-	(176)	
Remeasurement	-	-	170	-	-	-	-	-	-	-	170	
Subtotal:	113,935	259,808	2,479,448	46,588	20,825	116,856	4,889	226,378	10,054	5,550	3,284,331	
Gains/(losses) for the period recognised in net result:												
Depreciation and amortisation	-	(22,176)	(53,780)	-	(1,620)	(37,517)	(1,631)	(9,935)	-	-	(126,659)	
Subtotal:	-	(22,176)	(53,780)	-	(1,620)	(37,517)	(1,631)	(9,935)	-	-	(126,659)	
Carrying amount at the end of the period*	113,935	237,632	2,425,668	46,588	19,205	79,339	3,258	216,443	10,054	5,550	3,157,672	
Gross carrying amount												
Gross carrying amount	113,935	328,097	2,670,087	46,588	33,599	307,911	30,512	260,667	10,054	5,550	3,807,000	
Accumulated depreciation / amortisation	-	(90,465)	(244,419)	-	(14,394)	(228,572)	(27,254)	(44,224)	-	-	(649,328)	
Carrying amount at the end of the period	113,935	237,632	2,425,668	46,588	19,205	79,339	3,258	216,443	10,054	5,550	3,157,672	

*All property, plant and equipment are classified in the level 3 fair value hierarchy except for investment properties valued at \$5.550 million (\$5.550 million) (classified as level 2) and capital works in progress (not classified). Refer to note 23 for details about the lease liability for right of use assets.

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Consolidated
2020-21

	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	Accommo- dation 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	Investment property \$'000	
Carrying amount at the beginning of the period	113,935	274,504	2,530,370	10,763	15,622	119,925	4,507	234,133	5,517	5,550	3,314,826
Additions	-	-	1,758	15,429	-	15,844	-	1,164	6,098	-	40,293
Assets received free of charge	-	-	-	690	-	57	-	-	-	-	747
Disposals	-	-	-	-	-	(370)	(53)	(41)	-	-	(464)
Transfers between asset classes	-	542	-	(7,945)	6,579	4,256	2,000	-	(5,853)	-	(421)
Remeasurement	-	-	974	-	-	-	-	-	-	-	974
Subtotal:	113,935	275,046	2,533,102	18,937	22,201	139,712	6,454	235,256	5,762	5,550	3,355,955
Gains/(losses) for the period recognised in net result:											
Depreciation and amortisation	-	(22,611)	(53,824)	-	(1,407)	(37,222)	(2,718)	(9,923)	-	-	(127,705)
Subtotal:	-	(22,611)	(53,824)	-	(1,407)	(37,222)	(2,718)	(9,923)	-	-	(127,705)
Carrying amount at the end of the period*	113,935	252,435	2,479,278	18,937	20,794	102,490	3,736	225,333	5,762	5,550	3,228,250
Gross carrying amount											
Gross carrying amount	113,935	320,724	2,670,295	18,937	33,568	299,549	29,479	260,597	5,762	5,550	3,758,396
Accumulated depreciation / amortisation	-	(68,289)	(191,017)	-	(12,774)	(197,059)	(25,743)	(35,264)	-	-	(530,146)
Carrying amount at the end of the period	113,935	252,435	2,479,278	18,937	20,794	102,490	3,736	225,333	5,762	5,550	3,228,250

*All property, plant and equipment are classified in the level 3 fair value hierarchy except for investment properties valued at \$5.550 million (\$5.550 million) (classified as level 2) and capital works in progress (not classified). Refer to note 23 for details about the lease liability for right of use assets.

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Parent 2021-22	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	Accommo- dation 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	Investment property \$'000		
Carrying amount at the beginning of the period	113,935	252,434	2,478,788	18,937	20,794	102,490	3,165	225,333	5,761	-	3,221,637	
Additions	-	-	-	34,493	-	7,975	404	1,069	10,866	-	54,807	
Assets received free of charge	-	1,179	-	-	-	92	-	-	-	-	1,271	
Disposals	-	-	-	-	-	(39)	(2)	(24)	-	-	(65)	
Donated assets disposal	-	-	-	(600)	-	-	-	-	-	-	(600)	
Transfers between asset classes	-	6,194	-	(6,242)	31	6,338	174	-	(6,671)	-	(176)	
Remeasurement	-	-	170	-	-	-	-	-	-	-	170	
Subtotal:	113,935	259,807	2,478,958	46,588	20,825	116,856	3,741	226,378	9,956	-	3,277,011	
Gains/(losses) for the period recognised in net result:												
Depreciation and amortisation	-	(22,176)	(53,524)	-	(1,620)	(37,517)	(1,298)	(9,935)	-	-	(126,070)	
Subtotal:	-	(22,176)	(53,524)	-	(1,620)	(37,517)	(1,298)	(9,935)	-	-	(126,070)	
Carrying amount at the end of the period*	113,935	237,631	2,425,434	46,588	19,205	79,339	2,443	216,443	9,956	-	3,150,974	
Gross carrying amount												
Gross carrying amount	113,935	328,096	2,669,598	46,588	33,599	307,911	27,704	260,667	9,956	-	3,798,054	
Accumulated depreciation / amortisation	-	(90,465)	(244,164)	-	(14,394)	(228,572)	(25,261)	(44,224)	-	-	(647,080)	
Carrying amount at the end of the period	113,935	237,631	2,425,434	46,588	19,205	79,339	2,443	216,443	9,956	-	3,150,974	

*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 23 for details about the lease liability for right of use assets.

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Parent 2020-21	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	Accommo- dation 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	Investment property \$'000		
Carrying amount at the beginning of the period	113,935	274,503	2,530,152	10,763	15,622	119,925	3,995	234,133	5,157	-	3,308,185	
Additions	-	-	1,257	15,429	-	15,844	-	1,164	5,837	-	39,531	
Assets received free of charge	-	-	-	690	-	57	-	-	-	-	747	
Disposals	-	-	-	-	-	(370)	(53)	(41)	-	-	(464)	
Transfers between asset classes	-	542	-	(7,945)	6,579	4,256	1,380	-	(5,233)	-	(421)	
Remeasurement	-	-	974	-	-	-	-	-	-	-	974	
Subtotal:	113,935	275,045	2,532,383	18,937	22,201	139,712	5,322	235,256	5,761	-	3,348,552	
Gains/(losses) for the period recognised in net result:												
Depreciation and amortisation	-	(22,611)	(53,595)	-	(1,407)	(37,222)	(2,157)	(9,923)	-	-	(126,915)	
Subtotal:	-	(22,611)	(53,595)	-	(1,407)	(37,222)	(2,157)	(9,923)	-	-	(126,915)	
Carrying amount at the end of the period*	113,935	252,434	2,478,788	18,937	20,794	102,490	3,165	225,333	5,761	-	3,221,637	
Gross carrying amount												
Gross carrying amount	113,935	320,723	2,669,428	18,937	33,568	299,549	27,248	260,597	5,761	-	3,749,746	
Accumulated depreciation / amortisation	-	(68,289)	(190,640)	-	(12,774)	(197,059)	(24,083)	(35,264)	-	-	(528,109)	
Carrying amount at the end of the period	113,935	252,434	2,478,788	18,937	20,794	102,490	3,165	225,333	5,761	-	3,221,637	

*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 23 for details about the lease liability for right of use assets.

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20. Reconciliation of intangible assets

The following table shows the movement:

Consolidated

	2021-22			2020-21		
	Computer software S'000	Capital works in progress intangibles S'000	Total S'000	Computer software S'000	Capital works in progress intangibles S'000	Total S'000
Carrying amount at the beginning of the period	27,072	2,169	29,241	36,112	1,690	37,802
Additions	-	637	637	-	590	590
Assets received free of charge	-	-	-	13	-	13
Amortisation	(10,122)	-	(10,122)	(9,585)	-	(9,585)
Transfers between asset classes	2,678	(2,503)	175	532	(111)	421
Carrying amount at the end of the period	19,628	303	19,931	27,072	2,169	29,241
Gross carrying amount						
Gross carrying amount	77,553	303	77,856	74,875	2,169	77,044
Accumulated amortisation	(57,925)	-	(57,925)	(47,803)	-	(47,803)
Carrying amount at the end of the period	19,628	303	19,931	27,072	2,169	29,241
Parent						
Carrying amount at the beginning of the period	27,072	2,169	29,241	36,112	1,690	37,802
Additions	-	637	637	-	590	590
Assets received free of charge	-	-	-	13	-	13
Amortisation	(10,122)	-	(10,122)	(9,585)	-	(9,585)
Transfers between asset classes	2,678	(2,503)	175	532	(111)	421
Carrying amount at the end of the period	19,628	303	19,931	27,072	2,169	29,241
Gross carrying amount						
Gross carrying amount	77,553	303	77,856	74,875	2,169	77,044
Accumulated amortisation	(57,925)	-	(57,925)	(47,803)	-	(47,803)
Carrying amount at the end of the period	19,628	303	19,931	27,072	2,169	29,241

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21. 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 carrying amount of non-financial assets owned by the Hospital with a fair value at the time of acquisition that was less than \$1 million or an estimated useful life that was less than three years are deemed to approximate fair value.

Refer to notes 19 and 21.2 for disclosure regarding fair value measurement techniques and inputs used to develop fair value measurements for non-financial assets.

21.1 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 2022

	Consolidated			Parent		
	Level 2	Level 3	Total	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Recurring fair value measurements						
Land	-	113,935	113,935	-	113,935	113,935
Buildings and improvements	-	237,633	237,633	-	237,632	237,632
Leasehold improvements	-	19,205	19,205	-	19,205	19,205
Plant and equipment	-	82,597	82,597	-	81,782	81,782
Investment property	5,550	-	5,550	-	-	-
Total recurring fair value measurements	5,550	453,370	458,920	-	452,554	452,554

Fair value measurements at 30 June 2021

	Consolidated			Parent		
	Level 2	Level 3	Total	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Recurring fair value measurements						
Land	-	113,935	113,935	-	113,935	113,935
Buildings and improvements	-	252,435	252,435	-	252,434	252,434
Leasehold improvements	-	20,794	20,794	-	20,794	20,794
Plant and equipment	-	106,226	106,226	-	105,655	105,655
Investment property	5,550	-	5,550	-	-	-
Total recurring fair value measurements	5,550	493,390	498,940	-	492,818	492,818

The Hospital's policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting period.

During 2022 and 2021, the Hospital had no valuations categorised into Level 1; there were no transfers of assets between Level 1 and 2 fair value hierarchy levels in 2021-22.

21.2 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. For this reason, they are deemed to have been valued using Level 3 valuation inputs.

Due to the predominantly specialised nature of health service assets, the majority of building and plant and equipment 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, historical construction costs, functional utility users, 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.

Although there was some land valued using Level 2 inputs, the fair value of these were immaterial in comparison to the whole class, therefore all land has been classified as Level 3. Investment property has been valued using the income approach, based on capitalised net income at an appropriate yield, and is classified as Level 2.

22. Payables

	Consolidated		Parent	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Current				
Creditors and accrued expenses	93,619	66,479	92,555	65,601
Paid Parental Leave Scheme	338	351	338	351
Staff on-costs*	22,458	21,580	22,396	21,518
Other payables	4,928	4,436	4,928	4,436
Total current payables	121,343	92,846	120,217	91,906
Non-current				
Staff on-costs*	10,698	11,762	10,698	11,762
Total non-current payables	10,698	11,762	10,698	11,762
Total payables	132,041	104,608	130,915	103,668

Payables are measured at nominal amounts. Creditors and accruals are raised for all amounts owed and unpaid. Sundry creditors are normally settled within 30 days from the date the invoice is first received. Staff on-costs are settled when the respective staff benefits that they relate to are discharged. All payables are non-interest bearing. The carrying amount of payables approximates net fair value due to their short term nature.

*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. 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 2021 rate (10.1%) to 10.6% 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 and staff benefits expense of \$0.873 million. The estimated impact on future periods is impracticable to estimate as the long service leave liability is calculated using a number of assumptions.

The Paid Parental Leave Scheme payable represents amounts which the Hospital has received from the Commonwealth Government to forward onto eligible staff via the Hospital's standard payroll processes. That is, the Hospital is acting as a conduit through which the payment to eligible staff is made on behalf of the Family Assistance Office.

Refer to note 33 for information on risk management.

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23. Financial liabilities

	Consolidated		Parent	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Current				
Lease liabilities	69,812	69,904	69,565	69,459
Total current financial liabilities	69,812	69,904	69,565	69,459
Non-current				
Lease liabilities	2,517,639	2,579,586	2,517,637	2,579,529
Total non-current financial liabilities	2,517,639	2,579,586	2,517,637	2,579,529
Total financial liabilities	2,587,451	2,649,490	2,587,202	2,648,988

The Hospital measures financial liabilities at amortised cost. 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. Borrowing costs of \$126.983 million (\$118.045 million) relate to interest on lease liabilities. Included in these borrowing costs is a reduction in contingent rental amounts of \$105.537 million (\$135.240 million). There were no defaults or breaches on any of the above liabilities throughout the year.

Refer to note 33 for information on risk management.

Refer notes 18 and 19 for details about the right-of-use assets (including depreciation).

23.1 Concessional lease arrangements for right-of-use assets

The Hospital has concessional lease arrangements for right-of-use assets, as lessee, within the SA Health economic entity, with SA government entities, with other government entities (e.g. local councils, universities and the Commonwealth government), and with not-for-profit entities.

Right of use asset	Nature of arrangements	Details
Buildings and improvements	Terms are up to 36 years Payments range from \$1 to \$1,312 pa	Concessional building arrangements include the use of premises for dental services, pathology collection, Breastscreen services, community health services and vacant land.

23.2 Maturity analysis

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

	Consolidated		Parent	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Lease Liabilities				
1 to 3 years	902,890	916,790	902,844	916,395
3 to 5 years	592,539	594,009	592,539	594,009
5 to 10 years	1,402,539	1,423,958	1,402,539	1,423,958
More than 10 years	3,352,217	3,609,848	3,352,217	3,609,848
Total lease liabilities (undiscounted)	6,250,185	6,544,605	6,250,139	6,544,210

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24. Staff benefits

	Consolidated		Parent	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Current				
Accrued salaries and wages	30,980	53,401	30,748	52,921
Annual leave	156,454	142,987	156,117	142,722
Long service leave	23,082	26,374	22,795	26,091
Skills and experience retention leave	11,241	10,441	11,241	10,441
Other	30	53	30	53
Total current staff benefits	221,787	233,256	220,931	232,228
Non-current				
Long service leave	257,625	296,850	257,588	296,811
Total non-current staff benefits	257,625	296,850	257,588	296,811
Total staff benefits	479,412	530,106	478,519	529,039

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

24.1 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. In the unusual event where salary and wages, annual leave and skills and experience retention leave liability are payable later than 12 months, the liability will be measured at present value. The actuarial assessment performed by DTF left the salary inflation rate has decreased from the 2021 rate at (2.0%) to 1.5% for annual leave and skills, experience and retention leave liability. As a result, there is a decrease in the employee staff benefits liability and employee benefits expenses of \$0.873 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.

24.2 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.

AASB 119 *Employee Benefits* contains the calculation methodology for long service leave liability. The actuarial assessment performed by the Department of Treasury and Finance 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 2021 (1.50%) to 3.75%. 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 left the salary inflation rate at 2.5% for long service leave liability. As a result, there is no net financial effect resulting from changes in the salary inflation rate.

The net financial effect of the changes to actuarial assumptions is a decrease in the long service leave liability of \$52.936 million, payables (staff on-costs) of \$2.135 million and staff benefits expense of \$55.071 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.

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25. Provisions

Provisions represent workers compensation

Reconciliation of workers compensation (statutory and non-statutory)

	Consolidated		Parent	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Carrying amount at the beginning of the period	35,347	20,538	35,347	20,538
Increase in provisions recognised	15,804	16,391	15,804	16,391
Reductions arising from payments/other sacrifices of future economic benefits	(1,990)	(1,582)	(1,990)	(1,582)
Carrying amount at the end of the period	49,161	35,347	49,161	35,347

The amount of the provision considered to be current is \$10.399 million (\$9.667 million). The amount of the provision considered to be non-current is \$38.762 million (\$25.680 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 estimate of the outstanding liability as at 30 June 2022 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 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 of, and evidence required to meeting, eligibility criteria. Given these uncertainties, the actual cost of additional compensations claims may differ materially from the estimate.

Measurement of the workers compensation provision as at 30 June 2022 includes the impacts of the decision of the Full Court of the Supreme Court of South Australia in Return to Work Corporation of South Australia vs Summerfield (Summerfield decision). The Summerfield decision increased the liabilities of the Return to Work Scheme (the Scheme) and the workers compensation provision across government.

Legislation to reform the Return to Work Act 2014 was proclaimed in July 2022, with the reforms expected to reduce the overall liability of the Scheme. The impacts of these reforms on the workers compensation provision will be considered when measuring the provision as at 30 June 2023.

26. Contract liabilities and other liabilities

	Consolidated		Parent	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Current				
Unclaimed monies	119	52	119	52
Unearned revenue	88	58	75	-
Contract liabilities	518	552	518	552
Other	858	1,578	858	1,578
Total current contract liabilities and other liabilities	1,583	2,240	1,570	2,182
Total contract liabilities and other liabilities	1,583	2,240	1,570	2,182

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A contract liability is recognised for revenue relating to SA Dental Service co-payments and grant funded projects /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

27. Cash flow reconciliation

Reconciliation of cash and cash equivalents at the end of the reporting period	Consolidated		Parent	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Cash and cash equivalents disclosed in the Statement of Financial Position	166,413	197,293	159,457	193,375
Cash as per Statement of Financial Position	166,413	197,293	159,457	193,375
Balance as per Statement of Cash Flows	166,413	197,293	159,457	193,375
Reconciliation of net cash provided by operating activities to net result:				
Net cash provided by (used in) operating activities	66,365	116,157	64,051	115,356
Add/less non-cash items				
Asset donated free of charge	(600)	-	(600)	-
Capital revenues	28,332	12,238	28,332	12,238
Capitalised interest expense on finance lease	(9,053)	(10,692)	(9,053)	(10,692)
Depreciation and amortisation expense of non-current assets	(136,781)	(137,290)	(136,192)	(136,500)
Gain/(loss) on sale or disposal of non-current assets	66	(240)	66	(240)
Impairment of non-current assets	-	-	-	-
Resources received free of charge	1,271	760	1,271	760
Revaluation of investments	(788)	203	-	(530)
Movement in assets/liabilities				
Increase/(decrease) in contract assets	738	(5,775)	738	(5,775)
Increase/(decrease) in inventories	929	(2,289)	777	(2,060)
Increase/(decrease) in receivables	6,768	10,105	6,287	9,212
(Increase)/decrease in other liabilities	657	2,844	612	2,761
(Increase)/decrease in payables and provisions	(41,226)	(7,682)	(41,040)	(7,523)
(Increase)/decrease in staff benefits	50,694	9,698	50,520	9,810
Net result	(32,628)	(11,963)	(34,231)	(13,183)

Total cash outflows for leases is \$190.252 million (\$176.903 million) for the consolidated entity, and \$189.985 million (\$176.670 million) for the parent entity.

28. Unrecognised contractual commitments

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

28.1 Capital and Expenditure commitments

28.1.1 Capital commitments

	Consolidated		Parent	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Within one year	1,943	236	1,727	10
Total capital commitments	1,943	236	1,727	10

The Hospital's capital commitments are for plant and equipment ordered but not received and capital works. Capital commitments for major infrastructure works are recognised in the Department for Infrastructure and Transport financial statements.

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28.1.2 Expenditure commitments

	Consolidated		Parent	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Within one year	128,715	131,539	128,715	131,539
Later than one year but not longer than five years	359,797	364,876	359,797	364,876
Later than five years	2,175,659	2,268,950	2,175,659	2,268,950
Total other expenditure commitments	2,664,171	2,765,365	2,664,171	2,765,365
Less contingent rentals	(1,131,528)	(1,149,239)	(1,131,528)	(1,149,239)
Total finance lease commitments	1,532,643	1,616,126	1,532,643	1,616,126

The Hospital's expenditure commitments are for agreements for goods and services ordered but not received; and administrative arrangements with DIT for accommodation.

Included in other expenditure commitments above is \$2,605.205 million (\$2,685.075 million), including contingent rentals, which relates directly to the PPP operations and maintenance commitments.

The Hospital also has commitments to provide funding to various non-government organisations in accordance with negotiated service agreements. The value of these commitments as at 30 June 2022 have not been quantified.

28.2 Expected rental income from lessor arrangements

	Consolidated		Parent	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Within one year	82	82	-	-
Total operating lease revenue commitments	82	82	-	-

The operating lease revenue commitments relates to property owned by the Hospital and leased to external parties. The table above sets out a maturity analysis of operating lease payments receivable, showing undiscounted lease payments to be received after the reporting date. These amounts are not recognised as assets.

29. Trust funds

The Hospital holds money in trust on behalf of consumers that reside in CALHN facilities whilst the consumer is receiving residential mental health 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.

	Consolidated		Parent	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Carrying amount at the beginning of period	18	31	18	31
Client trust receipts	44	33	44	33
Client trust payments	(27)	(46)	(27)	(46)
Carrying amount at the end of the period	35	18	35	18

30. 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.

30.1 Contingent Assets

The new RAH project is being delivered under a public-private partnership agreement with Celsus. The new RAH PPP agreement contains a number of indexation elements which relate to adjustments to certain service payments i.e. interest rate and refinancing service payment adjustments. Where the indexation element is closely related to a lease contract, such as the interest rate payment adjustment, it is not required to be separately accounted for as a derivative. The change in interest rate is accounted for as a contingent rental and expensed in the period incurred.

Like the interest rate service payment adjustment, the refinancing element is an embedded derivative. However, the economic characteristics and risks of this embedded derivative are not closely related to the lease contract and are required to be accounted for separately in the financial statements. The refinancing element could be considered akin to a purchase option in that the Hospital benefits from a portion of gains without exposure to any of the losses. The valuation of this derivative would be derived via the

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present value of the estimated future cash flows over the life of the project based on observable interest yield curves, basis spread, credit spreads and option pricing models, as appropriate, adjusted for Celsus's credit risk, (i.e. forward curve of credit risk margin).

The estimated value of the contingent asset is unable to be fully determined because of the following uncertain future events that will have an impact on Celsus's credit margin:

- Celsus's credit risk profiling and the number of times Celsus will refinance during the term of the PPP arrangement.
- The type of finance Celsus sources e.g. short term debt from the banking market vs longer term debt potentially sourced via a private placement.
- Uncertainty around the margin negotiated and whether it will be higher or lower than those assumed margins in the financial modelling.
- Whether the State Government will make a Capital Contribution during the first or any refinancing points.
- The lodgment and resolution of any claims under the PPP Agreement.

30.2 Contingent Liabilities

On 1 August 2017, Hansen Yuncken Pty Ltd and CBP Contractors Pty Ltd (formerly known as Leighton Contractors Pty Ltd) filed legal proceedings in the Federal Court of Australia against Celsus Pty Ltd (formerly known as SA Health Partnership Nominees Pty Ltd), independent certifier Donald Cant Watts Corke Pty Ltd and the Crown in right of the State of South Australia for alleged breaches of contract in relation to the construction of the new Royal Adelaide Hospital. In December 2017 the respondents to the builder's Federal Court proceedings successfully obtained a stay of the proceedings pending the outcome of an arbitration process. At the time of this Report, the arbitration process was still in progress. It is not possible to estimate the dollar effect of this claim or whether it will be successful.

30.3 Guarantees

The Hospital has made no guarantees.

31. 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.

32. Impact of Standards not yet implemented

The Hospital has assessed the impact of the new and amended Australian Accounting Standards and Interpretations not yet implemented and changes to the Accounting Policy Statements issued by the Treasurer. There are no Accounting Policy Statements that are not yet in effect.

- Amending Standard AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current will apply from 1 July 2023. The Hospital continues to assess liabilities e.g. LSL and whether or not the Hospital has a substantive right to defer settlement. Where applicable these liabilities will be classified as current.

33. Financial instruments/financial risk management

33.1 Financial risk management

Risk management is managed by the Hospital's Risk and Assurance Services section. Risk management policies are in accordance with the *SA Government Risk Management Guide* and the principles established in *the Australian Standard Risk Management Principles and Guidelines*.

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 South Australian 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 notes 1.4, 22 and 23 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 13, 14 and 15 for further information.

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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.

33.2 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 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	Consolidated		Parent	
		2022 Carrying amount/ Fair value S'000	2021 Carrying amount/ Fair value S'000	2022 Carrying amount/ Fair value S'000	2021 Carrying amount/ Fair value S'000
Financial assets					
Cash and equivalent					
Cash and cash equivalents	13, 27	166,413	197,293	159,457	193,375
Amortised Cost					
Receivables ⁽¹⁾⁽²⁾	14	97,182	95,334	95,408	93,960
Fair value through profit and loss					
Other financial assets	15	4,937	7,376	1,150	1,150
Total financial assets		268,532	300,003	256,015	288,485
Financial liabilities					
Financial liabilities at amortised cost					
Payables ⁽¹⁾	22	98,165	70,533	97,101	69,655
Lease liabilities	23, 28	2,587,451	2,649,490	2,587,202	2,648,988
Other financial liabilities	26	1,065	2,182	1,052	2,182
Total financial liabilities		2,686,681	2,722,205	2,685,355	2,720,825

⁽¹⁾ Receivable and payable amounts disclosed 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 employee 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.

⁽²⁾ Receivable amount disclosed excludes prepayments as they are not financial assets.

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

The Hospital uses an allowance matrix 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.

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To measure the expected credit loss, receivables are grouped based on shared risk characteristics and the days past due. When calculating estimated 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 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 2022			30 June 2021		
	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	0.3-2.0%	16,165	162	0.3 – 2.2%	20,230	186
<30 days	1.1-2.3%	6,804	131	1.2 – 2.6%	7,270	164
31-60 days	2.5-3.9%	5,359	164	2.9 – 4.2%	2,999	119
61-90 days	4.6-6.5%	2,888	133	4.3 – 6.5%	2,062	166
91-120 days	5.7-9.1%	2,542	158	6.0 – 9.7%	1,340	126
121-180 days	8.4-14.8%	3,356	342	8.4 – 16.3%	1,931	206
181-360 days	12.7-34.5%	3,854	961	11.8 – 31.8%	3,629	1,511
361-540 days	33.6-54.8%	1,427	815	32.7 – 58.0%	1,767	935
>540 days	39.6-100.0%	3,893	2,937	38.7 – 66.1%	2,867	1,740
Total		46,288	5,803		44,095	5,153

34. 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, inter-health staff recharging, insurance and computing (note 10). The Department transferred capital works in progress of \$28.332 million (\$12.238 million) to the Hospital. The Hospital incurred expenditure with the Department for Infrastructure and Transport (DIT) of \$2.617 million (\$2.505 million) which largely reflects occupancy rent and rates (note 10). As at 30 June 2022 the value of unrecognised contractual expenditure commitments with DIT for accommodation was \$14.410 million (\$16.962 million).

In addition, the Hospital has lease arrangements as lessee with other SA Government controlled entities. The premises are received at nil or nominal rental with outgoings such as utilities being paid by the lessee.

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35. Interests in other entities

Controlled Entities

Central Adelaide Local Health Network Incorporated has a 100% interest (1,150,000 shares) in AusHealth. AusHealth is a national provider of on-site health and safety services delivered by qualified and experienced professional staff to businesses throughout Australia. AusHealth also manages patient payment solutions for Australian hospitals and commercialises hospital research into leading edge medical technologies and treatments.

Joint arrangements

The Hospital participates in the following joint operations:

Name of arrangement	Nature of the arrangement	Principal activity	Location	Interest
Adelaide Health Innovation Partnership	Incorporated entity formed from the founders – South Australian Health and Medical Research Institute, Central Adelaide Local Health Network and university of Adelaide.	Advocates for change, innovation and improvements in health service delivery, medical research, education and patient care.	Adelaide SA	33.3%
Centre for Cancer Biology Alliance	Agreement between the University of South Australia and Central Adelaide Local Health Network Incorporated	Undertake health and medical research in South Australia as an integrated clinical, educational and research activity, with a focus on cancer research.	Adelaide SA	50%
South Australian Immunogenomics Cancer Institute	Agreement between The University of Adelaide and Central Adelaide Local Health Network.	Established as an independently – governed Institute that operates as a discrete academic unit within the University of Adelaide’s Faculty of Health and Medical Sciences, supported by an alliance with CALHN	Adelaide SA	50%

Interest in Co-operative Research Centres

The Hospital participates with CTM@CRC Ltd - the CRC for Cell Therapy Manufacturing (CTM). CTM is a cooperative research centre designed to implement research to provide new treatments and develop new materials-based manufacturing technologies to increase the accessibility, affordability and efficacy of cell therapies for previously incurable, or difficult to treat diseases.

CTM is funded by cash and in-kind resources from a number of partners in the health and research sectors throughout Australia in addition to a \$20.000 million grant from the Australian Government. CTM's headquarters are at the University of South Australia's Mawson Lakes campus.

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36. 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 APS 124.B were:

Board/Committee name:	Government employee members	Other members
AusHealth Corporate Pty Ltd	2	Bechta-Metti K, Johansen G, Livesey S Dr, Reid M (Appointed 21/03/2022)
Allied Health Directorate Clinical Governance Committee	17	Heydrich S (Appointed 12/04/2022), Verrall A (Resigned 12/10/2021)
BreastScreen SA State Quality Committee	6	Eaton M Dr, Kerrins E and Roder D Prof
Care and Management of Aboriginal Remains Task Force	9	Wanganeen F
Central Adelaide Local Health Network Clinical Ethics Committee	16	Carter D Dr, Digance A, Lambert A, Stevens K (Appointed 20/07/2021, Resigned 02/11/2021) and Merlin T Prof
Central Adelaide Local Health Network Consumer Carer Advisory Group	2	Bickley B, Burns T, Earl-Bandaralage L, Horgan J , Law D, Lucas G, Lukeman S, Meegan J, Smith J, Vega L
Central Adelaide Local Health Network Critical Care & Perioperative Program Intensive Care Services Quality and Governance Committee	-	Bruce K, How C and Yeend K
Central Adelaide Local Health Network Executive Quality Governance Committee	30	Fyfe D, Bruce K
Central Adelaide Local Health Network Geriatric Safety and Quality Committee	37	Curry M
Central Adelaide Local Health Network Governing Board	-	Beilby J Prof, Cockram A Dr, Dwyer J Prof, Morey K (Resigned 30/09/2021) , Reid M, Spencer R (Chair) and Yuile J, Wanganeen G (Appointed 14/02/2022)
Central Adelaide Local Health Network Governing Board Clinical Governance Committee	-	Fyfe D (Appointed 23/02/2022)
Central Adelaide Local Health Network Governing Board Consumer and Community Engagement Committee	-	Fyfe D (Appointed 21/07/2021) and McWhinnie S (Appointed 21/07/2021)
Central Adelaide Local Health Network Governing Board Finance and Investment Committee	-	Cantley K (Appointed 07/05/2021)

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Board/Committee name:	Government employee members	Other members
Central Adelaide Local Health Network Human Research Ethics Committee	12	Air T, Bonython J, Crabb A, Crockett J, Cullen J, Dale L, Digance A, Fisher A, , Greenberg Z, Hackett J, L Lu, Need A A/Prof, Newsham P, Parry C, Partridge G, Phillips C, Raschella F, Ruediger C and Slater H
Central Adelaide Local Health Network Integrated Care Clinical Governance Committee	-	Beaumont J and Wing M (Appointed 16/08/2021)
Central Adelaide Local Health Network Pelvic Mesh Specialists Group	10	Blieschke, K and Short K
Central and Northern Renal and Transplantation Service – Quality Safety and Governance Committee	11	Baxter A and Christy L (Appointed 11/11/2021)
Critical Care and Periop Safety and Quality Leadership Consumer Representative	-	Yeend K
General Medicine Safety and Quality Committee	28	Cardinali R
Heart and Lung Safety and Quality Committee	19	McWhinnie S
Learning from Dying Committee	21	Anderson R
Priority Care Committee: Communicating for Safety	48	Curry M and Raschella F
Priority Care Committee: Comprehensive Care	57	Anderson R, Bickley B, Coates P (Appointed), Curry M, Klemm G (Resigned), and Messing L
Priority Care Committee: Managing Deterioration	26	Bampton J (Appointed 12/01/2022), Bickley B (Appointed 12/01/2022), Price J (Resigned 10/11/2021) and Raschella F
Priority Care Committee: Patient Blood Management	-	Venhoek J
Priority Care Committee: Standard 2 Consumer Partnering	-	Anderson R (Appointed 21/02/2022), Curry M (Appointed 31/01/2022), Klemm G (21/02/2022) and McMahon J (Appointed 21/02/2022)
Renal Community of Practice Steering Committee	22	Lester R, Regan N (Resigned 17/04/2021) and Weber D
SA Brain Injury Rehabilitation Service Consumer Advisory Group	3	Dunn K (Resigned 09/12/2021), Miller L (Resigned 09/12/2021), Francese L, Morgan T (Chair), Bollella D (Resigned 14/04/2022) and Crawford S (Resigned 14/04/2022)

CENTRAL ADELAIDE LOCAL HEALTH NETWORK
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30 June 2022

Board/Committee name:	Government employee members	Other members
SA Dental Services Consumer Advisory Panel	4	Ali H (Resigned 08/04/2022), Brown M (Resigned 11/08/2021), Costa D Dr, Ireland K, Kerekes E, Matiasz S Dr, McMahon J (Resigned 08/12/2021), Millier P, Sutherland R, Whiteway L, Zerna J and Saunders C (Appointed 16/03/2022)
Statewide Clinical Support Services Committee	6	Beilby J Prof, Cockram A Dr, Haslam R, Smith M and Spencer R (Chair)
Statewide Clinical Support Services Risk Management & Audit Committee	7	Christley S Dr and Davies T (Chair)
Stroke Community of Practice Strategic Executive Committee	31	Chamberlain S and McGrath A
Youth Cancer Advisory Group	1	Armstrong N (Resigned), Binns T, Edwards S, Fowler N (Resigned), Hammerling S (Resigned), Ieremia T (Resigned), Merton T (Resigned), Mitra D, Smith O (Resigned), Spangenberg C (Resigned), Tyson H and Zappia D (Resigned)

Refer to note 9.2 for remuneration of board and committee member

CENTRAL ADELAIDE LOCAL HEALTH NETWORK
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30 June 2022

37. Administered items

The Hospital administers the following:

- Private practice arrangements, representing funds billed on behalf of salaried medical officers and subsequently distributed to the Hospital and salaried medical officers according to Rights of Private Practice Deeds of Agreement; and
- Other, which largely represents Research funds

The Hospital cannot use these administered funds for the achievement of its objectives.

	Private Practice		Other		Total	
	2022	2021	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue from fees and charges	57,195	54,731	67	122	57,262	54,853
Interest revenue	-	-	-	2	-	2
Staff benefit expenses	-	-	(62)	(103)	(62)	(103)
Supplies and services	-	(351)	-	-	-	(351)
Other expenses	(57,310)	(52,681)	-	-	(57,310)	(52,681)
Net result	(115)	1,699	5	21	(110)	1,720
Cash and cash equivalents	7,529	6,954	7	39	7,536	6,993
Receivables	4,794	4,261	70	46	4,864	4,307
Payables	(7,073)	(5,850)	(1)	(16)	(7,074)	(5,866)
Staff benefits	-	-	(27)	(25)	(27)	(25)
Other provisions/liabilities	(1)	(1)	-	-	(1)	(1)
Net assets	5,249	5,364	49	44	5,298	5,408
Cash at 1 July	6,954	5,326	39	113	6,993	5,439
Cash inflows	56,662	53,569	43	142	56,705	53,711
Cash outflows	(56,087)	(51,941)	(75)	(215)	(56,162)	(52,156)
Cash at 30 June	7,529	6,954	7	40	7,536	6,994