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To the Acting 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 2023.

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 2023, 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 2023
- a Statement of Financial Position as at 30 June 2023
- a Statement of Changes in Equity for the year ended 30 June 2023
- a Statement of Cash Flows for the year ended 30 June 2023
- notes, comprising material accounting policy information and other explanatory information
- a Certificate from the Acting Chair, Governing Board, the Interim Chief Executive Officer and the 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 Interim Chief Executive Officer and the Governing Board for the financial report

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

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

Auditor's responsibilities for the audit of the financial report

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987* and section 36(2) of the *Health Care Act 2008*, I have audited the financial report of the Central Adelaide Local Health Network Incorporated and its controlled entities for the financial year ended 30 June 2023.

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 Interim Chief Executive Officer
- conclude on the appropriateness of the Interim 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 Interim Chief Executive Officer and the Governing Board about, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during the audit.



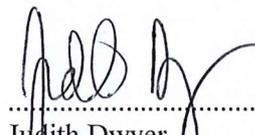
Andrew Richardson
Auditor-General

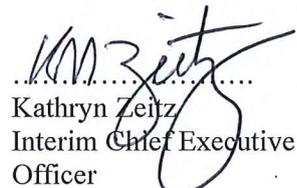
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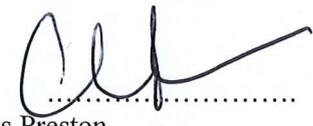
Certification of the financial statements

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.


.....
Judith Dwyer
A/Chair, Governing Board


.....
Kathryn Zeitz
Interim Chief Executive
Officer


.....
Chris Preston
Executive Director,
Finance and Business Services

Date 13 Sept 2023

CENTRAL ADELAIDE LOCAL HEALTH NETWORK
STATEMENT OF COMPREHENSIVE INCOME
For the year ended 30 June 2023

	Note	Consolidated		Parent	
		2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Income					
Revenues from SA Government	2	2,367,770	2,142,968	2,367,770	2,142,968
Fees and charges	3	480,794	472,850	466,347	453,309
Grants and contributions	4	281,769	256,044	282,255	256,257
Interest	5	3,675	3	3,625	-
Resources received free of charge	6	14,335	15,453	14,335	15,453
Net gain from disposal of non-current and other assets	7	-	66	-	66
Other revenues/income	8	100,826	94,811	96,283	94,071
Total income		3,249,169	2,982,195	3,230,615	2,962,124
Expenses					
Staff benefits expenses	9	1,735,220	1,659,258	1,724,064	1,648,226
Supplies and services	10	1,135,255	1,080,991	1,131,034	1,075,659
Depreciation and amortisation	19,20	116,760	136,781	116,117	136,192
Grants and subsidies	11	1,417	949	615	700
Borrowing costs	23	187,370	126,997	187,327	126,983
Net loss from disposal of non-current and other assets	7	318	-	304	-
Impairment loss on receivables	14.1	(560)	650	(560)	650
Other expenses	12	17,124	9,197	16,760	7,945
Total expenses		3,192,904	3,014,823	3,175,661	2,996,355
Net result		56,265	(32,628)	54,954	(34,231)
Other Comprehensive Income					
Total other comprehensive income		-	-	-	-
Total comprehensive result		56,265	(32,628)	54,954	(34,231)

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 2023

	Note	Consolidated		Parent	
		2023	2022	2023	2022
		\$'000	\$'000	\$'000	\$'000
Current assets					
Cash and cash equivalents	13	180,068	166,413	175,121	159,457
Receivables	14	85,488	106,683	82,656	104,717
Other financial assets	15	5,534	4,937	-	-
Inventories	16	24,348	23,267	24,120	22,811
Contract assets	17	417	1,527	417	1,527
Total current assets		295,855	302,827	282,314	288,512
Non-current assets					
Receivables	14	8,773	7,207	8,773	7,207
Other financial assets	15	-	-	1,150	1,150
Property, plant and equipment	18,19	3,179,991	3,152,123	3,177,092	3,150,975
Investment property	18,19	8,600	5,550	-	-
Intangible assets	18,20	14,182	19,931	14,182	19,931
Total non-current assets		3,211,546	3,184,811	3,201,197	3,179,263
Total assets		3,507,401	3,487,638	3,483,511	3,467,775
Current liabilities					
Payables	22	117,003	121,343	114,573	120,217
Financial liabilities	23	71,254	69,812	70,785	69,565
Staff benefits	24	239,581	221,787	238,315	220,931
Provisions	25	11,523	10,399	11,523	10,399
Contract liabilities and other liabilities	26	1,117	1,583	1,104	1,570
Total current liabilities		440,478	424,924	436,300	422,682
Non-current liabilities					
Payables	22	11,117	10,698	11,117	10,698
Financial liabilities	23	2,467,841	2,517,639	2,467,051	2,517,637
Staff benefits	24	256,623	257,625	256,594	257,588
Provisions	25	37,087	38,762	37,087	38,762
Total non-current liabilities		2,772,668	2,824,724	2,771,849	2,824,685
Total liabilities		3,213,146	3,249,648	3,208,149	3,247,367
Net assets		294,255	237,990	275,362	220,408
Equity					
Retained earnings		252,800	195,247	233,907	177,665
Asset revaluation surplus		41,455	42,743	41,455	42,743
Total equity		294,255	237,990	275,362	220,408

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 2023

CONSOLIDATED

	Asset revaluation surplus \$ '000	Retained earnings \$ '000	Total equity \$ '000
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
Net result for 2022-23	-	56,265	56,265
Total comprehensive result for 2022-23	-	56,265	56,265
Transfer between equity components	(1,288)	1,288	-
Balance at 30 June 2023	41,455	252,800	294,255

PARENT

	Asset revaluation surplus \$ '000	Retained earnings \$ '000	Total equity \$ '000
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
Net result for 2022-23	-	54,954	54,954
Total comprehensive result for 2022-23	-	54,954	54,954
Transfer between equity components	(1,288)	1,288	-
Balance at 30 June 2023	41,455	233,907	275,362

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 2023

	Note	Consolidated		Parent	
		2023	2022	2023	2022
		\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities					
Cash inflows					
Receipts from SA Government		2,419,413	2,217,323	2,419,413	2,217,323
Fees and charges		332,229	312,027	318,650	292,931
Grants and contributions		291,051	266,611	291,537	266,824
Interest received		3,672	3	3,625	-
GST recovered from ATO		81,288	70,162	81,288	70,162
Other receipts		10,327	15,217	9,613	14,477
Cash generated from operations		3,137,980	2,881,343	3,124,126	2,861,717
Cash outflows					
Staff benefits payments		(1,709,316)	(1,693,376)	(1,698,561)	(1,682,170)
Payments for supplies and services		(1,109,638)	(992,876)	(1,106,976)	(987,497)
Payments of grants and subsidies		(1,488)	(1,009)	(686)	(760)
Interest paid		(179,063)	(117,944)	(179,020)	(117,930)
Other payments		(25,404)	(9,773)	(25,040)	(9,309)
Cash used in operations		(3,024,909)	(2,814,978)	(3,010,283)	(2,797,666)
Net cash provided by operating activities		113,071	66,365	113,843	64,051
Cash flows from investing activities					
Cash inflows					
Proceeds from sale of property, plant and equipment		57	108	71	108
Proceeds from sale/maturities of investments		414	5,153	-	-
Cash generated from investing activities		471	5,261	71	108
Cash outflows					
Purchase of property, plant and equipment		(27,995)	(26,059)	(26,796)	(25,385)
Purchase of intangible assets		(160)	(637)	(160)	(637)
Purchase of investments		(232)	(3,502)	-	-
Cash used in investing activities		(28,387)	(30,198)	(26,956)	(26,022)
Net cash provided by/(used in) investing activities		(27,916)	(24,937)	(26,885)	(25,914)
Cash flows from financing activities					
Cash outflows					
Repayment of lease liabilities		(71,500)	(72,308)	(71,294)	(72,055)
Cash used in financing activities		(71,500)	(72,308)	(71,294)	(72,055)
Net cash provided by/(used in) financing activities		(71,500)	(72,308)	(71,294)	(72,055)
Net increase/(decrease) in cash and cash equivalents		13,655	(30,880)	15,664	(33,918)
Cash and cash equivalents at the beginning of the period		166,413	197,293	159,457	193,375
Cash and cash equivalents at the end of the period	13	180,068	166,413	175,121	159,457
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 2023

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 site
- Pregnancy Advisory Centre
- Statewide Clinical Support Services including SA Pathology, SA Medical Imaging, SA Pharmacy, SA Dental Service and Breast Screen SA
- Donate Life
- Glenside and Community Health
- Primary Health Care Services
- Prison Health SA
- Statewide Rehabilitation Services at the Repat Health Precinct

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.

CENTRAL ADELAIDE LOCAL HEALTH NETWORK
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30 June 2023

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

1.3 New and amended standards adopted by the Hospital

No Australian Accounting Standards have been early adopted other than AASB 2021-1 which was adopted from 1 July 2021.

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 2023, the Hospital had a working capital deficiency of \$144.623 million (\$122.097 million deficiency). The SA Government is committed and has consistently demonstrated a commitment to the ongoing funding of the Hospital to enable it to perform its functions. This ongoing commitment is ultimately outlined in the annually produced and published State Budget Papers which presents the SA Government's current and estimated future economic performance, including forward estimates of revenue, expenses and performance by Agency.

1.6 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

2022-23

There were no functions transferred in or out in 2022-23.

2021-22

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

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

The COVID-19 pandemic has impacted the Hospital's operations to ensure that demand can be managed across South Australia and that necessary compliance measures are followed. The declaration of a major emergency COVID-19 was revoked on and effective from 24 May 2022, the National Partnership on COVID-19 Response and related Commonwealth financial assistance expired on 31 December 2022. COVID-19 specific costs have not been quantified for 2022-23, net COVID-19 specific costs for the Hospital in 2021-22 were \$215.099 million.

1.9 Change in accounting policy

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

CENTRAL ADELAIDE LOCAL HEALTH NETWORK
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30 June 2023

2. Revenues from SA Government

	Consolidated		Parent	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Capital projects funding	121,468	46,193	121,468	46,193
Operational funding	2,246,302	2,096,775	2,246,302	2,096,775
Total revenues from SA Government	2,367,770	2,142,968	2,367,770	2,142,968

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	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Ambulance transport	78	60	78	60
Car parking revenue	6,116	4,279	6,116	4,279
Commissions revenue	44	37	44	37
Fines, fees and penalties	78	89	78	89
Patient and client fees	406,945	403,605	392,330	384,064
Private practice fees	38,449	34,778	38,449	34,778
Fees for health services	11,225	11,741	11,225	11,741
Royalty income	855	679	855	679
Sale of goods - medical supplies	1,474	989	1,474	989
Training revenue	81	83	81	83
Other user charges and fees	15,449	16,510	15,617	16,510
Total fees and charges	480,794	472,850	466,347	453,309

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	2023	2023	2022	2022
	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	27	-	20	-
Car parking revenue	5,050	1,066	4,277	2
Commissions revenue	44	-	37	-
Patient and client fees	203,463	-	218,681	-
Private practice fees	38,449	-	34,778	-
Fees for health services	9,096	-	9,289	-
Royalty income	855	-	679	-
Sale of goods - medical supplies	24	-	51	-
Training revenue	81	-	74	-
Other user charges and fees	14,797	-	14,035	-
Total contracts with external customers	271,886	1,066	281,921	2
Ambulance transport	51	-	40	-
Patient and client fees	203,482	-	184,924	-
Fees for health services	2,129	-	2,452	-
Sale of goods - medical supplies	1,450	-	938	-
Training revenue	-	-	9	-
Other user charges and fees	652	-	2,475	-
Total contracts with SA Government customers	207,764	-	190,838	-
Total contracts with customers	479,650	1,066	472,759	2

CENTRAL ADELAIDE LOCAL HEALTH NETWORK
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30 June 2023

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, 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	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Commonwealth grants and donations	1,784	1,859	1,784	1,859
Pharmaceutical Benefits Scheme Commonwealth subsidy	246,394	229,012	246,394	229,012
SA Government capital contributions	162	-	162	-
Other SA Government grants and contributions	78	891	385	891
Private sector capital contributions	499	-	499	-
Private sector grants and contributions	32,852	24,282	33,031	24,495
Total grants and contributions	281,769	256,044	282,255	256,257

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

Of the \$281.769 million (\$256.044 million) received in 2022-23, \$24.304 million (\$16.612 million) was provided for specific purposes, including State and Commonwealth Health initiatives - Health reforms, research and other associated activities.

5. Interest

	Consolidated		Parent	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Interest on operating accounts	50	3	-	-
Interest on Special Purpose Funds	3,625	-	3,625	-
Total interest	3,675	3	3,625	-

6. Resources received free of charge

	Consolidated		Parent	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Land and buildings	1	1,179	1	1,179
Plant and equipment	-	92	-	92
Services	14,334	14,182	14,334	14,182
Total resources received free of charge	14,335	15,453	14,335	15,453

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 \$11.413 million (\$10.920 million), ICT services and media monitoring

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services (from 2022-23) valued at \$2.921 million (\$3.262 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 326 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.

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

	Consolidated		Parent	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Plant and equipment:				
Proceeds from disposal	58	109	72	109
Less carrying amount of assets disposed	(375)	(42)	(375)	(42)
Less other costs of disposal	(1)	(1)	(1)	(1)
Net gain/(loss) from disposal of plant and equipment	(318)	66	(304)	66
Total assets:				
Total proceeds from disposal	58	109	72	109
Less total carrying amount of assets disposed	(375)	(42)	(375)	(42)
Less other costs of disposal	(1)	(1)	(1)	(1)
Total net gain/(loss) from disposal of assets	(318)	66	(304)	66

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	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Dividend revenue	150	291	-	-
Donations	6,491	6,419	6,491	6,419
Health recoveries	85,690	78,413	85,690	78,413
Insurance recoveries	969	1,237	969	1,237
Other	7,526	8,451	3,133	8,002
Total other revenues/income	100,826	94,811	96,283	94,071

9. Staff benefits expenses

	Consolidated		Parent	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Salaries and wages	1,396,877	1,357,153	1,387,887	1,348,052
Targeted voluntary separation packages	261	4,386	261	4,386
Long service leave	25,067	(15,827)	25,002	(15,894)
Annual leave	138,397	130,931	137,908	130,547
Skills and experience retention leave	6,735	6,416	6,735	6,416
Staff on-costs - superannuation*	156,639	142,615	155,766	141,753
Staff on-costs - other	442	459	7	3
Workers compensation	7,477	29,731	7,388	29,668
Board and committee fees	451	415	353	353
Other staff related expenses	2,874	2,979	2,757	2,942
Total staff benefits expenses	1,735,220	1,659,258	1,724,064	1,648,226

* 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.

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9.1 Key Management Personnel

Key management personnel (KMP) of the Hospital includes the Minister, the nine members of the governing board, the Chief Executive of the Department, Chief Executive Officer of the Hospital and the 12 (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.

Compensation	Consolidated		Parent	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Salaries and other short term employee benefits	4,356	4,733	4,356	4,733
Post-employment benefits	718	793	718	793
Other long-term employment benefits	-	140	-	140
Total	5,074	5,666	5,074	5,666

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

	2023	2022
	No. of	No. of
	Members	Members
\$0	384	385
\$1 - \$20,000	82	75
\$20,001 - \$40,000	6	6
\$40,001 - \$60,000	2	1
\$60,001 - \$80,000	1	1
Total	475	468

The total remuneration received or receivable by members was \$0.498 million (\$0.449 million). Remuneration of members reflects all costs of performing board/committee member duties including sitting fees, superannuation contributions, salary sacrifice benefits and any related 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	
	2023 Total Number	2022 Total Number	2023 Total Number	2022 Total Number
The number of staff whose remuneration received or receivable falls within the following bands:				
\$157,001 - \$160,000*	n/a	56	n/a	56
\$160,001 - \$180,000	311	305	310	303
\$180,001 - \$200,000	223	187	223	186
\$200,001 - \$220,000	140	136	139	135
\$220,001 - \$240,000	88	71	86	71
\$240,001 - \$260,000	62	74	62	74
\$260,001 - \$280,000	69	56	69	56
\$280,001 - \$300,000	53	51	53	51
\$300,001 - \$320,000	43	44	43	44
\$320,001 - \$340,000	36	28	36	28
\$340,001 - \$360,000	39	35	39	35
\$360,001 - \$380,000	28	45	28	44
\$380,001 - \$400,000	29	30	29	30
\$400,001 - \$420,000	23	28	22	28
\$420,001 - \$440,000	38	17	38	17
\$440,001 - \$460,000	34	30	34	30
\$460,001 - \$480,000	33	34	33	34
\$480,001 - \$500,000	23	27	23	27
\$500,001 - \$520,000	15	23	15	23
\$520,001 - \$540,000	24	18	24	18
\$540,001 - \$560,000	25	17	25	17
\$560,001 - \$580,000	9	21	9	21
\$580,001 - \$600,000	17	13	17	13
\$600,001 - \$620,000	20	21	20	21
\$620,001 - \$640,000	16	14	16	14
\$640,001 - \$660,000	19	11	19	11
\$660,001 - \$680,000	5	10	5	10
\$680,001 - \$700,000	13	13	13	13
\$700,001 - \$720,000	8	6	8	6
\$720,001 - \$740,000	3	7	3	7
\$740,001 - \$760,000	2	4	2	4
\$760,001 - \$780,000	-	9	-	9
\$780,001 - \$800,000	2	1	2	1
\$800,001 - \$820,000	1	-	1	-
\$840,001 - \$860,000	-	1	-	1
\$860,001 - \$880,000	-	3	-	3
\$900,001 - \$920,000	2	-	2	-
\$920,001 - \$940,000	1	1	1	1
\$960,001 - \$980,000	-	1	-	1
\$1,000,001 - \$1,020,000	1	-	1	-
\$1,040,001 - \$1,060,000	1	-	1	-
\$1,280,001 - \$1,300,000	-	1	-	1
\$1,400,001 - \$1,420,000	1	-	1	-
\$1,480,001 - \$1,500,000	-	1	-	1
Total number of staff	1,457	1,450	1,452	1,445

* This band has been included for the purposes of reporting comparative figures based on the executive base level remuneration rate for 2022.

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.

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9.4 Remuneration of staff by classification

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

	Consolidated				Parent			
	2023		2022		2023		2022	
	No.	\$'000	No.	\$'000	No.	\$'000	No.	\$'000
Executive	31	7,812	36	8,738	26	6,583	31	7,646
Medical (excluding Nursing)	1,204	388,789	1,212	392,645	1,204	388,789	1,212	392,645
Non-medical (i.e. administration)	77	14,521	84	15,419	77	14,521	84	15,419
Nursing	145	25,389	118	20,431	145	25,389	118	20,431
Total	1,457	436,511	1,450	437,233	1,452	435,282	1,445	436,141

9.5 Targeted voluntary separation packages (TVSP)

	Consolidated		Parent	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Amount paid/payable to separated staff:				
Targeted voluntary separation packages	261	4,386	261	4,386
Leave paid/payable to separated employees	120	2,529	120	2,529
Net cost to the Hospital	381	6,915	381	6,915

The number of staff who accepted a TVSP during the reporting period	3	80	3	80
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TVSPs include 0 (55) separations resulting from the Workforce Rejuvenation Program.

10. Supplies and services

	Consolidated		Parent	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Administration	2,361	2,156	4,902	5,189
Advertising	1,123	730	868	515
Communication	5,888	7,166	5,740	6,983
Computing	35,044	29,242	33,942	28,469
Consultants	1,272	1,768	1,264	1,755
Contract of services	24,285	13,015	24,285	13,015
Contractors	10,538	20,110	10,448	19,865
Contractors - agency staff	47,322	58,357	47,156	58,125
Cost of goods sold	2,795	4,893	(1)	3
Drug supplies	310,694	283,305	310,694	283,305
Electricity, gas and fuel	16,166	14,318	16,110	14,273
Fee for service	82,580	76,029	82,740	76,029
Food supplies	6,535	5,457	6,535	5,457
Housekeeping	33,994	32,066	33,843	31,948
Insurance	15,063	12,722	14,945	12,645
Internal SA Health SLA payments	25,075	23,601	25,075	23,601
Interstate patient transfers	69	26	69	26
Legal	2,506	1,362	2,195	1,169
Medical, surgical and laboratory supplies	199,127	217,759	199,127	217,759
Minor equipment	8,338	10,764	8,312	10,746
Motor vehicle expenses	2,023	2,417	2,023	2,417
Occupancy rent and rates	14,554	17,232	14,471	17,193
Patient transport	9,322	8,367	9,322	8,367
Postage	9,137	11,370	9,111	11,342
Printing and stationery	4,937	5,147	4,887	5,116
Public Private Partnership operating expenses	125,960	81,236	125,960	81,236
Repairs and maintenance	43,157	41,523	43,028	41,490
Security	27,026	35,328	27,026	35,328
Services from Shared Services SA	11,550	10,536	11,550	10,536
Short term lease expense	2	47	2	47
Training and development	17,923	16,720	17,813	16,588
Travel expenses	12,078	4,881	11,438	4,570
Other supplies and services	26,811	31,341	26,154	30,552
Total supplies and services	1,135,255	1,080,991	1,131,035	1,075,659

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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.

11. Grants and subsidies

	Consolidated		Parent	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Subsidies	802	249	-	-
Funding to non-government organisations	615	678	615	678
Other	-	22	-	22
Total grants and subsidies	1,417	949	615	700

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

12. Other expenses

	Consolidated		Parent	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Assets transferred to the Department	5,000	-	5,000	-
Debts written off	1,616	1,169	1,616	1,170
Bank fees and charges	142	151	84	83
Donated assets expense	1,560	600	1,560	600
Net loss on revaluation of investments	-	891	-	-
Net loss on sale of investments	115	98	-	-
Right of Private Practice Payover amounts paid to the Department	4,502	4,155	4,502	4,155
Write-down of inventory	2,659	537	2,659	537
Other*	1,530	1,596	1,339	1,400
Total other expenses	17,124	9,197	16,760	7,945

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 \$0.398 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 \$0.039 million (\$0.036 million).

13. Cash and cash equivalents

	Consolidated		Parent	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Cash at bank or on hand	7,366	10,642	2,419	3,686
Deposits with Treasurer: general operating	18,101	21,722	18,101	21,722
Deposits with Treasurer: special purpose funds	154,601	134,049	154,601	134,049
Total cash and cash equivalents	180,068	166,413	175,121	159,457

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	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Current				
Patient/client fees: compensable	5,558	8,067	5,558	8,067
Patient/client fees: other	32,455	32,726	32,455	32,726
Debtors	21,383	20,551	18,641	18,638
Less: allowance for impairment loss on receivables	(5,243)	(5,803)	(5,099)	(5,659)
Prepayments	2,901	5,038	2,659	4,794
Interest	3	-	-	-
Grants	220	-	220	-
Workers compensation provision recoverable	4,115	3,470	4,115	3,470
Sundry receivables and accrued revenue	23,753	41,774	23,709	41,769
GST input tax recoverable	343	860	398	912
Total current receivables	85,488	106,683	82,656	104,717
Non-current				
Debtors	825	1,034	825	1,034
Workers compensation provision recoverable	7,948	6,173	7,948	6,173
Total non-current receivables	8,773	7,207	8,773	7,207
Total receivables	94,261	113,890	91,429	111,924

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	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Carrying amount at the beginning of the period	5,803	5,153	5,659	5,009
Increase/(Decrease) in allowance recognised in profit or loss	(560)	650	(560)	650
Carrying amount at the end of the period	5,243	5,803	5,099	5,659

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	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Current				
Term deposits	1	1	-	-
Other investments FVPL	5,533	4,936	-	-
Total current investments	5,534	4,937	-	-
Non-current				
Interest in wholly owned subsidiary	-	-	1,150	1,150
Total non-current investments	-	-	1,150	1,150
Total investments	5,534	4,937	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	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Drug supplies	16,282	14,846	16,282	14,846
Inventory imprest stock	7,733	7,850	7,733	7,850
Other	333	571	105	115
Total current inventories - held for distribution	24,348	23,267	24,120	22,811

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	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Contract assets	417	1,527	417	1,527
Total contract assets	417	1,527	417	1,527

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).

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 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 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 2023.

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 1 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 2023-24 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 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 Dalglish Street, Thebarton was performed by a Certified Practising Valuer as at May 2023. 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 \$0.471 million (\$0.448 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 2022-23 were \$14.621 million (\$1.050 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

2022-23	Land and buildings:				Plant and equipment:						
	Land \$'000	Buildings \$'000	Right-of- use buildings \$'000	Capital works in progress land and buildings \$'000	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	Total \$'000
Carrying amount at the beginning 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
Additions	-	-	13,627	107,483	-	9,410	996	994	12,948	-	145,458
Assets received free of charge	-	-	-	1	-	-	-	-	-	-	1
Disposals	-	-	-	-	-	(253)	(70)	-	(66)	-	(389)
Donated assets disposal	(5,000)	-	-	(1,246)	-	-	-	-	(314)	-	(6,560)
Transfers between asset classes	-	2,797	-	(2,947)	-	8,321	1,358	-	(9,529)	-	-
Remeasurement	-	-	210	-	-	-	-	-	-	-	210
Subtotal:	108,935	240,429	2,439,505	149,879	19,205	96,817	5,542	217,437	13,093	5,550	3,296,392
Gains/(losses) for the period recognised in net result:											
Depreciation and amortisation	-	(21,511)	(54,770)	-	(1,549)	(22,055)	(1,111)	(9,855)	-	-	(110,851)
Revaluation increment / (decrement)	-	-	-	-	-	-	-	-	-	3,050	3,050
Subtotal:	-	(21,511)	(54,770)	-	(1,549)	(22,055)	(1,111)	(9,855)	-	3,050	(107,801)
Carrying amount at the end of the period*	108,935	218,918	2,384,735	149,879	17,656	74,762	4,431	207,582	13,093	8,600	3,188,591
Gross carrying amount											
Gross carrying amount	108,935	330,894	2,683,925	149,879	33,562	314,134	30,865	260,699	13,093	8,600	3,934,586
Accumulated depreciation / amortisation	-	(111,976)	(299,190)	-	(15,906)	(239,372)	(26,434)	(53,117)	-	-	(745,995)
Carrying amount at the end of the period	108,935	218,918	2,384,735	149,879	17,656	74,762	4,431	207,582	13,093	8,600	3,188,591

*All property, plant and equipment are classified in the level 3 fair value hierarchy except for investment properties valued at \$8.600 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

2021-22	Land and buildings:			Plant and equipment:							
	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	Total \$'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	-	6,195	-	(6,242)	31	6,338	174	-	(6,671)	-	(175)
Remeasurement	-	-	170	-	-	-	-	-	-	-	170
Subtotal:	113,935	259,809	2,479,448	46,588	20,825	116,856	4,889	226,378	10,054	5,550	3,284,332
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	237,633	2,425,668	46,588	19,205	79,339	3,258	216,443	10,054	5,550	3,157,673
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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Parent 2022-23	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	237,632	2,425,434	46,588	19,205	79,339	2,443	216,443	9,956	-	3,150,975	
Additions	-	-	12,417	107,483	-	9,410	996	994	11,749	-	143,049	
Assets received free of charge	-	-	-	1	-	-	-	-	-	-	1	
Disposals	-	-	-	-	-	(253)	(56)	-	(66)	-	(375)	
Donated assets disposal	(5,000)	-	-	(1,246)	-	-	-	-	(314)	-	(6,560)	
Transfers between asset classes	-	2,797	-	(2,947)	-	8,321	172	-	(8,343)	-	-	
Remeasurement	-	-	210	-	-	-	-	-	-	-	210	
Subtotal:	108,935	240,429	2,438,061	149,879	19,205	96,817	3,555	217,437	12,982	-	3,287,300	
Gains/(losses) for the period recognised in net result:												
Depreciation and amortisation	-	(21,511)	(54,501)	-	(1,549)	(22,055)	(737)	(9,855)	-	-	(110,208)	
Subtotal:	-	(21,511)	(54,501)	-	(1,549)	(22,055)	(737)	(9,855)	-	-	(110,208)	
Carrying amount at the end of the period*	108,935	218,918	2,383,560	149,879	17,656	74,762	2,818	207,582	12,982	-	3,177,092	
Gross carrying amount												
Gross carrying amount	108,935	330,894	2,682,225	149,879	33,562	314,134	28,177	260,699	12,982	-	3,921,487	
Accumulated depreciation / amortisation	-	(111,976)	(298,665)	-	(15,906)	(239,372)	(25,359)	(53,117)	-	-	(744,395)	
Carrying amount at the end of the period	108,935	218,918	2,383,560	149,879	17,656	74,762	2,818	207,582	12,982	-	3,177,092	

*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 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	252,434	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	-	6,195	-	(6,242)	31	6,338	174	-	(6,671)	-	(175)	
Remeasurement	-	-	170	-	-	-	-	-	-	-	170	
Subtotal:	113,935	259,808	2,478,958	46,588	20,825	116,856	3,741	226,378	9,956	-	3,277,045	
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	237,632	2,425,434	46,588	19,205	79,339	2,443	216,443	9,956	-	3,150,975	
Gross carrying amount												
Gross carrying amount	113,935	328,097	2,669,598	46,588	33,599	307,911	27,704	260,667	9,956	-	3,798,055	
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	237,632	2,425,434	46,588	19,205	79,339	2,443	216,443	9,956	-	3,150,975	

*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

	2022-23			2021-22		
	Computer software \$'000	Capital works in progress intangibles \$'000	Total \$'000	Computer software \$'000	Capital works in progress intangibles \$'000	Total \$'000
Carrying amount at the beginning of the period	19,628	303	19,931	27,072	2,169	29,241
Additions	-	160	160	-	637	637
Amortisation	(5,909)	-	(5,909)	(10,122)	-	(10,122)
Transfers between asset classes	-	-	-	2,678	(2,503)	175
Carrying amount at the end of the period	13,719	463	14,182	19,628	303	19,931
Gross carrying amount						
Gross carrying amount	77,553	463	78,016	77,553	303	77,856
Accumulated amortisation	(63,834)	-	(63,834)	(57,925)	-	(57,925)
Carrying amount at the end of the period	13,719	463	14,182	19,628	303	19,931
Parent						
Carrying amount at the beginning of the period	19,628	303	19,931	27,072	2,169	29,241
Additions	-	160	160	-	637	637
Amortisation	(5,909)	-	(5,909)	(10,122)	-	(10,122)
Transfers between asset classes	-	-	-	2,678	(2,503)	175
Carrying amount at the end of the period	13,719	463	14,182	19,628	303	19,931
Gross carrying amount						
Gross carrying amount	77,553	463	78,016	77,553	303	77,856
Accumulated amortisation	(63,834)	-	(63,834)	(57,925)	-	(57,925)
Carrying amount at the end of the period	13,719	463	14,182	19,628	303	19,931

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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 2023

	Consolidated			Parent		
	Level 2	Level 3	Total	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Recurring fair value measurements						
Land	-	108,935	108,935	-	108,935	108,935
Buildings and improvements	-	218,919	218,919	-	218,918	218,918
Leasehold improvements	-	17,656	17,656	-	17,656	17,656
Plant and equipment	-	79,193	79,193	-	77,580	77,580
Investment property	8,600	-	8,600	-	-	-
Total recurring fair value measurements	8,600	424,703	433,303	-	423,089	423,089

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

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 2023 and 2022, 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 2022-23.

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 was 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	
	2023	2022	2023	2022
Current	\$'000	\$'000	\$'000	\$'000
Creditors and accrued expenses	84,191	93,619	81,822	92,555
Paid Parental Leave Scheme	330	338	330	338
Staff on-costs*	28,416	22,458	28,355	22,396
Other payables	4,066	4,928	4,066	4,928
Total current payables	117,003	121,343	114,573	120,217
Non-current				
Staff on-costs*	11,117	10,698	11,117	10,698
Total non-current payables	11,117	10,698	11,117	10,698
Total payables	128,120	132,041	125,690	130,915

Payables are measured at nominal amounts. Creditors and accruals are recognised for all amounts owed and unpaid. Contractual payables are normally settled within 30 days from the date the invoice is first received. 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 are discharged. These on-costs primarily relate to the balance of leave owing to staff. The Hospital makes contributions to several State Government and externally managed superannuation schemes. These contributions are treated as an expense when they occur. There is no liability for payments to beneficiaries as they have been assumed by the respective superannuation schemes. The only liability outstanding at reporting date relates to any contributions due but not yet paid to the South Australian Superannuation Board and externally managed superannuation schemes.

As a result of an actuarial assessment performed by DTF, the portion of long service leave taken as leave is unchanged at 38% and the average factor for the calculation of employer superannuation on-costs has increased from the 2022 rate (10.6%) to 11.1% 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 \$1.178 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	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Current				
Lease liabilities	71,254	69,812	70,785	69,565
Total current financial liabilities	71,254	69,812	70,785	69,565
Non-current	\$'000	\$'000	\$'000	\$'000
Lease liabilities	2,467,841	2,517,639	2,467,051	2,517,637
Total non-current financial liabilities	2,467,841	2,517,639	2,467,051	2,517,637
Total financial liabilities	2,539,095	2,587,451	2,537,836	2,587,202

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 \$187.363 million (\$126.983 million) relate to interest on lease liabilities. Included in these borrowing costs is a reduction in contingent rental amounts of \$146.743 million (\$105.537 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	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Lease Liabilities				
1 to 3 years	904,890	902,890	904,615	902,844
3 to 5 years	587,090	592,539	586,359	592,539
5 to 10 years	1,369,790	1,402,539	1,369,790	1,402,539
More than 10 years	3,098,787	3,352,217	3,098,787	3,352,217
Total lease liabilities (undiscounted)	5,960,557	6,250,185	5,959,551	6,250,139

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24. Staff benefits

	Consolidated		Parent	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Current				
Accrued salaries and wages	36,743	30,980	36,228	30,748
Annual leave	167,594	156,454	167,129	156,117
Long service leave	23,480	23,082	23,194	22,795
Skills and experience retention leave	11,734	11,241	11,734	11,241
Other	30	30	30	30
Total current staff benefits	239,581	221,787	238,315	220,931
Non-current				
Long service leave	256,623	257,625	256,594	257,588
Total non-current staff benefits	256,623	257,625	256,594	257,588
Total staff benefits	496,204	479,412	494,909	478,519

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. As a result of the actuarial assessment performed by DTF, the salary inflation rate has increased from the 2022 rate (1.5%) to 2.0% for annual leave and skills, experience and retention leave liability. As a result, there is an increase 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 2022 (3.75%) to 4.0%. This increase in the bond yield, which is used as the rate to discount future long service leave cash flows, results in a decrease in the reported long service leave liability. The actuarial assessment performed by DTF increased the salary inflation rate from 2022 (2.5%) to 3.5% for long service leave liability resulting in an increase in the reported long service leave liability.

The net financial effect of the changes to actuarial assumptions is a decrease in the long service leave liability of \$4.959 million, payables (staff on-costs) of \$0.209 million and staff benefits expense of \$5.168 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	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Carrying amount at the beginning of the period	49,161	35,347	49,161	35,347
Increase in provisions recognised	1,875	15,804	1,875	15,804
Reductions arising from payments/other sacrifices of future economic benefits	(2,426)	(1,990)	(2,426)	(1,990)
Carrying amount at the end of the period	48,610	49,161	48,610	49,161

The amount of the provision considered to be current is \$11.523 million (\$10.399 million). The amount of the provision considered to be non-current is \$37.087 million (\$38.762 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 2023 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.

26. Contract liabilities and other liabilities

	Consolidated		Parent	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Current				
Unclaimed monies	112	119	112	119
Unearned revenue	13	88	-	75
Contract liabilities	471	518	471	518
Other	521	858	521	858
Total current contract liabilities and other liabilities	1,117	1,583	1,104	1,570
Total contract liabilities and other liabilities	1,117	1,583	1,104	1,570

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.

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27. Cash flow reconciliation

Reconciliation of cash and cash equivalents at the end of the reporting period	Consolidated		Parent	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Cash and cash equivalents disclosed in the Statement of Financial Position	180,068	166,413	175,121	159,457
Cash as per Statement of Financial Position	180,068	166,413	175,121	159,457
Balance as per Statement of Cash Flows	180,068	166,413	175,121	159,457
Reconciliation of net cash provided by operating activities to net result:				
Net cash provided by (used in) operating activities	113,071	66,365	113,843	64,051
Add/less non-cash items				
Asset donated free of charge	(6,560)	(600)	(6,560)	(600)
Capital revenues	102,842	28,332	102,842	28,332
Capitalised interest expense on finance lease	(8,307)	(9,053)	(8,307)	(9,053)
Depreciation and amortisation expense of non-current assets	(116,760)	(136,781)	(116,117)	(136,192)
Gain/(loss) on sale or disposal of non-current assets	(318)	66	(304)	66
Increments (decrements) on revaluation of non-current assets	3,050	-	-	-
Resources received free of charge	1	1,271	1	1,271
Revaluation of investments	779	(788)	-	-
Movement in assets/liabilities				
Increase/(decrease) in contract assets	(1,110)	738	(1,110)	738
Increase/(decrease) in inventories	1,081	929	1,309	777
Increase/(decrease) in receivables	(19,650)	6,768	(20,495)	6,287
(Increase)/decrease in other liabilities	466	657	466	612
(Increase)/decrease in payables and provisions	4,489	(41,226)	5,776	(41,040)
(Increase)/decrease in staff benefits	(16,809)	50,694	(16,390)	50,520
Net result	56,265	(32,628)	54,954	(34,231)

Total cash outflows for leases is \$250.563 million (\$190.252 million) for the consolidated entity, and \$250.314 million (\$189.985 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 Contractual commitments to acquire property, plant and equipment

	Consolidated		Parent	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Within one year	13,910	1,943	13,760	1,727
Total capital commitments	13,910	1,943	13,760	1,727

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 Other contracted commitments

	Consolidated		Parent	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Within one year	117,614	128,715	117,614	128,715
Later than one year but not longer than five years	378,785	359,797	378,785	359,797
Later than five years	2,082,378	2,175,659	2,082,378	2,175,659
Total other expenditure commitments	2,578,777	2,664,171	2,578,777	2,664,171
Less contingent rentals	(1,111,836)	(1,131,528)	(1,111,836)	(1,131,528)
Total finance lease commitments	1,466,941	1,532,643	1,466,941	1,532,643

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 \$2,523.411 million (\$2,605.205 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 2023 have not been quantified.

28.2 Expected rental income from lessor arrangements

	Consolidated		Parent	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Within one year	448	82	-	-
Later than one year but not longer than five years	1,418	-	-	-
Total operating lease revenue commitments	1,866	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	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Carrying amount at the beginning of period	35	18	35	18
Client trust receipts	22	44	22	44
Client trust payments	(35)	(27)	(35)	(27)
Carrying amount at the end of the period	22	35	22	35

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.

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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 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), 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 effective

Australian Accounting Standards and Interpretations not yet effective have not been adopted by the Hospital for the reporting period ended 30 June 2023, except for AASB 2021-2 which was adopted from 1 July 2021.

AASB 2022-10 Amendments to Australian Accounting Standards – Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities will apply from 1 July 2024. Given the complexity and level of judgement required in applying AASB 13 and the new amending standard, together with the need to liaise with valuers, the Hospital has not yet determined the impact.

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

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 *Risk Management Policy Statement* issued by the Premier and Treasurer 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.

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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.

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; financial assets measured at fair value through other comprehensive income; and financial liabilities measured at amortised cost are detailed below. All of the resulting fair value estimates are included in Level 2 as all significant inputs required are observable.

A financial asset is measured at amortised cost if:

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

	Notes	Consolidated		Parent	
		2023 Carrying amount/ Fair value \$'000	2022 Carrying amount/ Fair value \$'000	2023 Carrying amount/ Fair value \$'000	2022 Carrying amount/ Fair value \$'000
Category of financial asset and financial liability					
Financial assets					
Cash and equivalent					
Cash and cash equivalents	13, 27	180,068	166,413	175,121	159,457
Loans and receivables					
Receivables ⁽¹⁾⁽²⁾	14	78,011	97,182	75,366	95,408
Available for sale financial assets					
Other financial assets	15	5,534	4,937	1,150	1,150
Total financial assets		263,613	268,532	251,637	256,015
Financial liabilities					
Financial liabilities at amortised cost					
Payables ⁽¹⁾	22	87,859	98,165	85,490	97,101
Lease liabilities	23, 28	2,539,095	2,587,451	2,537,836	2,587,202
Other financial liabilities	26	646	1,065	633	1,052
Total financial liabilities		2,627,600	2,686,681	2,623,959	2,685,355

⁽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.

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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.

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 2023			30 June 2022		
	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%	15,560	127	0.3-2.0%	16,165	162
<30 days	1.2-2.3%	8,874	174	1.1-2.3%	6,804	131
31-60 days	2.8-4.0%	3,539	101	2.5-3.9%	5,359	164
61-90 days	4.6-6.6%	2,479	107	4.6-6.5%	2,888	133
91-120 days	6.8-9.2%	2,161	148	5.7-9.1%	2,542	158
121-180 days	10.2-15.0%	2,643	280	8.4-14.8%	3,356	342
181-360 days	17.3-34.9%	4,463	1,235	12.7-34.5%	3,854	961
361-540 days	39.1-63.1%	1,272	665	33.6-54.8%	1,427	815
>540 days	45.5-71.4%	3,274	2,406	39.6-100.0%	3,893	2,937
Total		44,265	5,243		46,288	5,803

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.

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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 Hospital incurred capital works expenditure with the Department for Infrastructure and Transport (DIT) of \$75.810 million (\$21.922 million). As at 30 June 2023 the value of unrecognised contractual expenditure commitments with DIT for accommodation was \$14.878 million (\$14.410 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.

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.

From 1 July 2023 AusHealth has become a health charity known as The AusHealth Hospital Research Fund (AHRF). AusHealth, as a trading entity, will fall under the umbrella of AHRF. Under its new charity status, AusHealth’s business model comprises three divisions —AusHealth Work, AusHealth Hospitals, and AusHealth Research.

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	Company limited by guarantee comprising of four members – South Australia Health and Medical Research Institute, Central Adelaide Local Health Network, Women’s and Children’s Health Network and The University of Adelaide.	Advocates for change, innovation and improvements in health service delivery, medical research, education and patient care.	Adelaide SA	25%
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 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%

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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
Allied Health Directorate Clinical Governance Committee	17	Heydrich S
AusHealth Corporate Pty Ltd	1	Bechta-Metti K (Resigned 15/05/2023), Hayden S (Appointed 14/05/2023), Johansen G, Livesey S Dr and Reid M
BreastScreen SA State Quality Committee	7	Eaton M Dr, Kerrins E and Roder D Prof
Care and Management of Aboriginal Remains Task Force	7	Wanganeen F
Central Adelaide Local Health Network 260 Currie Street Governance Committee	5	Bruce-Gordon S (Appointed 31/01/2023), Caldwell B (Appointed 30/03/2023), Massey A (Appointed 01/03/2023) and Robinson M (Appointed 03/02/2023)
Central Adelaide Local Health Network Clinical Ethics Committee	10	Cardinali R (Appointed 01/11/2022), Carter D Dr, Digance A, Lambert A and Merlin T Prof (Resigned 02/03/2023)
Central Adelaide Local Health Network Consumer Carer Advisory Group	3	Bickley B, Burns T, Earl-Bandaralage L, Law D, Lucas G, Meegan J (Resigned 01/10/2022), Smith E (Resigned 09/05/2023), Thai L (Appointed 14/02/2023) and Vega L
Central Adelaide Local Health Network Critical Care & Perioperative Program Intensive Care Services Quality and Governance Committee	-	Bampton J, Bickley B, Bruce K, How C, Johns P (Appointed 06/12/2022), Kelly P (Appointed 01/02/2023), Venhoek J, Workman D and Yeend K
Central Adelaide Local Health Network Critical Care & Perioperative Program Perioperative Services Quality and Governance Committee	35	Sheehy H
Central Adelaide Local Health Network Drug and Therapeutics Committee	39	Cullen M
Central Adelaide Local Health Network Executive Quality Governance Committee	41	Bruce K, Fyfe D and Knight S (Appointed 01/03/2023)
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, Hanlon P (Appointed 20/02/2023), Haythorpe I (Appointed 20/02/2023), Reid M, Spencer R (Chair), Wanganeen G (Resigned 30/06/2023) and Yuile J (Resigned 06/05/2023)
Central Adelaide Local Health Network Governing Board Audit and Risk Committee	13	Batt R, Haythorpe I (Appointed 20/02/2023) (Chair) and Reid M
Central Adelaide Local Health Network Governing Board Clinical Governance Committee	2	Beilby J Prof (Chair), Dwyer J Prof and Fyfe D
Central Adelaide Local Health Network Governing Board Consumer and Community Engagement Committee	-	Benwell N, Fyfe D, McWhinnie S and Touli S
Central Adelaide Local Health Network Governing Board Finance and Investment Committee	-	Cantley K
Central Adelaide Local Health Network Governing Board People and Culture Committee	-	Beilby J Prof, Dwyer J Prof, McEwen K (Appointed 07/11/2022), and Wanganeen G (Resigned 30/06/2023)

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Board/Committee name:	Government employee members	Other members
Central Adelaide Local Health Network Human Research Ethics Committee	10	Air T, Bonython J, Crabb A, Crockett J, Cullen J, Digance A, Fisher A, Greenberg Z, Hackett J (Resigned 30/01/2023), Lu L, Need A A/Prof, Newsham P, Parry C, Partridge G, Phillips C, Ruediger C and Slater H
Central Adelaide Local Health Network Integrated Care Clinical Governance Committee	-	Beaumont J and Wing M
Central Adelaide Local Health Network Pelvic Mesh Specialists Group	14	Blieschke, K, Lilley D, Short K and Williamson W
Clinical Governance and Quality Committee	13	Touli S
CNARTS Transplant Management Committee	46	Myers D (Resigned 25/11/2022) and Palk N (Appointed 01/07/2022)
Critical Care and Periop Safety and Quality Leadership Consumer Representative	15	Yeend K
General Medicine Safety and Quality Committee	40	Cardinali R, Klemm G
Heart and Lung Safety and Quality Committee	19	Klemm G (Appointed 01/07/2022, Resigned 17/1/2023), Lane B (Appointed 17/01/2023) and McWhinnie S
Learning from Dying Committee	28	Anderson R
Priority Care Committee: Communicating for Safety	43	Curry M, Raschella F
Priority Care Committee: Comprehensive Care	46	Anderson R, Bickley B, Coates P, Curry M and Messing L
Priority Care Committee: Managing Deterioration	40	Bampton J, Bickley B and Raschella F (Resigned 2023)
Priority Care Committee: Patient Blood Management	-	Venhoek J and Johns P
Priority Care Committee: Standard 2 Consumer Partnering	-	Anderson R (Resigned 14/03/2023), Bampton J (Appointed 14/03/2023), Curry M, Klemm G and McMahon J
Renal Community of Practice Steering Committee	18	Lester R, Robson B, Weber D and Williams K
Royal Adelaide Hospital Joint Services Review Committee	-	Klemm G
SA Brain Injury Rehabilitation Service Consumer Advisory Group	3	Bollella D, Crawford S, Francese L, Hoile L (Appointed 08/06/2023), Long J (Appointed 13/04/2023), and Morgan T (Chair)
SA Dental Services Consumer Advisory Panel	2	Costa D Dr, Ireland K, Kerekes E (Resigned 04/05/2023), Matiasz S Dr, Millier P (Resigned 12/04/2023), Saunders C, Sutherland R (Resigned 01/12/2022), Whiteway L and Zerna J
Statewide Clinical Support Services Committee	4	Beilby J Prof, Cockram A Dr (Resigned 01/09/2022), Haslam R (Resigned 30/06/2023), Smith M and Spencer R (Chair)
Statewide Clinical Support Services Risk Management & Audit Committee	11	Christley S Dr and Davies T (Chair)
Stroke Community of Practice Strategic Executive Committee	33	Chamberlain S, and McGrath A (Resigned 01/07/2022)
The Queen Elizabeth Hospital Emergency Department Steering Committee	24	Myers A (Appointed 26/10/2022)
Youth Cancer Advisory Group	3	Binns T, Custance B, Dix M, Edwards S, Gascoigne S, Gogel C, Hassall N, Kincaid J, Lawson A, Roth E (Appointed 14/12/2022), Tyson H and Winston T

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 2023

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	
	2023	2022	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue from fees and charges	55,931	57,195	-	67	55,931	57,262
Interest revenue	-	-	-	-	-	-
Staff benefit expenses	-	-	-	(62)	-	(62)
Supplies and services	(245)	-	-	-	(245)	-
Other expenses	(56,671)	(57,310)	(50)	-	(56,721)	(57,310)
Net result	(985)	(115)	(50)	5	(1,035)	(110)
Cash and cash equivalents	6,161	7,529	-	7	6,161	7,536
Receivables	5,868	4,794	-	70	5,868	4,864
Payables	(7,751)	(7,073)	-	(1)	(7,751)	(7,074)
Staff benefits	-	-	-	(27)	-	(27)
Other provisions/liabilities	(14)	(1)	-	-	(14)	(1)
Net assets	4,264	5,249	-	49	4,264	5,298
Cash at 1 July	7,529	6,954	7	39	7,536	6,993
Cash inflows	54,856	56,662	71	43	54,927	56,705
Cash outflows	(56,225)	(56,087)	(78)	(75)	(56,303)	(56,162)
Cash at 30 June	6,161	7,529	-	7	6,161	7,536