



**Government  
of South Australia**

**COUNTRY HEALTH GIFT FUND  
HEALTH ADVISORY COUNCIL INC  
2019-20 Annual Report**

**COUNTRY HEALTH GIFT FUND  
HEALTH ADVISORY COUNCIL INC**

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Date presented to Minister: 30 September 2020

To:

Hon Stephen Wade MLC  
Minister for Health and Wellbeing

This annual report will be presented to Parliament to meet the statutory reporting requirements of the Public Sector Act 2009, the Public Finance and Audit Act 1987 and the Health Care Act 2008 and the requirements of Premier and Cabinet Circular PC013 Annual Reporting.

This report is verified to be accurate for the purposes of annual reporting to the Parliament of South Australia.

Submitted on behalf of the Country Health Gift Fund Health Advisory Council Inc by:  
Jeffrey Fuller

Presiding Member

Date 13 August 2020

Signature



## From the Presiding Member

On 1 July 2019, the Country Health SA Local Health Network Health Advisory Council transitioned to a new name, the 'Country Health Gift Fund Health Advisory Council Inc'. This included a shift to focus on holding assets on trust for Nominated Health Advisory Councils and ensuring that the funds are administered legally and appropriately, such as meeting the minimum expenditure requirements.

A key highlight for the year included monitoring the progress towards incorporation for the nine unincorporated Health Advisory Councils in regional South Australia and preparing for a responsible transfer of responsibility for the gift funds in the future. A delegation procedure and flowchart was developed to support unincorporated Health Advisory Councils to effectively and appropriately undertake expenditure.

The effective transition of the governance reforms remained an important focus, including monitoring progress of the transition to regional Local Health Networks and the establishment of the Rural Support Service, sharing knowledge in relation to community engagement and advocacy for rural communities.

On 30 June 2020, the appointments of long term members completed, including Peter Blacker, Presiding Member through 2009-20, Lucy Evans and Kathleen Gregurke. I would like to recognise their significant contribution and thank them for their wisdom and leadership. I would also like to thank my fellow members for their support in effectively delivering the objectives of our Health Advisory Council.



Jeffrey Fuller

**Presiding Member**

Country Health Gift Fund Health Advisory Council Inc



## Contents

<b>Contents.....</b>	<b>4</b>
<b>Overview: about the agency.....</b>	<b>6</b>
Our strategic focus .....	6
Our organisational structure.....	6
Changes to the agency .....	7
Our Minister .....	7
Our Executive Team .....	7
Legislation administered by the agency .....	7
Other related agencies (within the Minister's area/s of responsibility).....	7
<b>The agency's performance.....</b>	<b>8</b>
Performance at a glance .....	8
Agency contribution to whole of Government objectives.....	8
Agency specific objectives and performance .....	8
Corporate performance summary .....	8
Employment opportunity programs .....	8
Agency performance management and development systems.....	8
Work health, safety and return to work programs .....	8
Executive employment in the agency.....	9
<b>Financial performance .....</b>	<b>10</b>
Financial performance at a glance .....	10
Consultants disclosure .....	12
Contractors disclosure .....	12
<b>Risk management.....</b>	<b>14</b>
Risk and audit at a glance.....	14
Fraud detected in the agency.....	14
Strategies implemented to control and prevent fraud.....	14
Public interest disclosure .....	14
<b>Reporting required under any other act or regulation.....</b>	<b>15</b>
Health Care Act 2008.....	15
Reporting required under the <i>Carers' Recognition Act 2005</i> .....	15
<b>Public complaints.....</b>	<b>16</b>

Number of public complaints reported ..... 16

**Appendix:**..... 17

## Overview: about the agency

### Our strategic focus

<b>Our Purpose</b>	The Health Advisory Council was established to hold assets on trust for Nominated Health Advisory Councils and ensure that the funds are administered legally and appropriately. The constitution is available at <a href="http://www.sahealth.sa.gov.au">www.sahealth.sa.gov.au</a>
<b>Our Vision</b>	Not applicable.
<b>Our Values</b>	Not applicable.
<b>Our functions, objectives and deliverables</b>	The Health Advisory Council is established in relation to the Minister and the Flinders and Upper North Local Health Network Incorporated, the Eyre and Far North Local Health Network Incorporated, and the Yorke and Northern Local Health Network Incorporated, hospitals incorporated under section 29 of the <i>Health Care Act 2008</i> (“the Act”).  The Health Advisory Council acts in accordance with the Act and give effect to the policies from time to time determined by the Minister. It operates in accordance with the strategic objectives of the Government of South Australia.

### Our organisational structure

Membership of the Health Advisory Council can include up to eight members with an appropriate mix of skills, qualifications or experience, including:

- Hospital or Health Service Management
- Business Management
- Trusts or Financial Management
- Legal Experience
- Community Participation
- Knowledge or Experience of the Needs of People of Aboriginal or Torres Strait Islander Descent
- Such Other Skills and Experience as the Minister Considers Appropriate

## **Changes to the agency**

During 2019-20 there were the following changes to the agency's structure and objectives as a result of internal reviews or machinery of government changes.

- The Minister for Health and Wellbeing published in the South Australian Government Gazette of 27 June 2019, replacing the name assigned to the Country Health SA Local Health Network Health Advisory Council Inc with the name 'Country Health Gift Fund Health Advisory Council Inc'. This variation came into effect on 1 July 2019.

## **Our Minister**

Hon Stephen Wade MLC is the Minister for Health and Wellbeing in South Australia.

The Minister oversees health, wellbeing, mental health, ageing well, substance abuse and suicide prevention.



## **Our Executive Team**

Not applicable

## **Legislation administered by the agency**

Not applicable

## **Other related agencies (within the Minister's area/s of responsibility)**

Flinders and Upper North Local Health Network Incorporated

Eyre and Far North Local Health Network Incorporated

Yorke and Northern Local Health Network Incorporated

Far North Health Advisory Council

Hawker District Memorial Health Advisory Council

Leigh Creek Health Services Health Advisory Council

Port Augusta, Roxby Downs, Woomera Health Advisory Council

Port Lincoln Health Advisory Council

Port Pirie Health Service Advisory Council

Quorn Health Services Health Advisory Council

Southern Flinders Health Advisory Council

Whyalla Hospital and Health Services Advisory Council

## The agency's performance

### Performance at a glance

The Health Advisory Council holds assets on trust for Nominated Health Advisory Councils and ensures that the funds are administered legally and appropriately.

### Agency contribution to whole of Government objectives

Key objective	Agency's contribution
More jobs	Not applicable
Lower costs	Not applicable
Better Services	Not applicable

### Agency specific objectives and performance

The Health Advisory Council holds assets on trust for Nominated Health Advisory Councils and ensures that the funds are administered legally and appropriately.

### Corporate performance summary

Not applicable

### Employment opportunity programs

Not applicable

### Agency performance management and development systems

Not applicable

### Work health, safety and return to work programs

Not applicable

## **Executive employment in the agency**

Not applicable

The [Office of the Commissioner for Public Sector Employment](#) has a [workforce information](#) page that provides further information on the breakdown of executive gender, salary and tenure by agency.

## Financial performance

### Financial performance at a glance

The following is a brief summary of the overall financial position of the agency. The information is unaudited. Full audited financial statements for 2019-20 are attached to this report.

#### Country Health Gift Fund Health Advisory Council Inc

<b>Statement of Comprehensive Income</b>	<b>2019-20 Budget \$000s</b>	<b>2019-20 Actual \$000s</b>	<b>Variation \$000s</b>	<b>2018-19 Actual \$000s</b>
Total Income	0	36	36	68
Total Expenses	0	1,117	(1,117)	890
<b>Net Result</b>	<b>0</b>	<b>(1,081)</b>	<b>(1,081)</b>	<b>(822)</b>
<b>Total Comprehensive Result</b>	<b>0</b>	<b>(1,081)</b>	<b>(1,081)</b>	<b>(822)</b>

<b>Statement of Financial Position</b>	<b>2019-20 Budget \$000s</b>	<b>2019-20 Actual \$000s</b>	<b>Variation \$000s</b>	<b>2018-19 Actual \$000s</b>
Current assets	0	206	206	205
Non-current assets	0	17,334	17,334	18,266
<b>Total assets</b>	<b>0</b>	<b>17,540</b>	<b>17,540</b>	<b>18,471</b>
Current liabilities	0	150	(150)	0
Non-current liabilities	0	0	0	0
<b>Total liabilities</b>	<b>0</b>	<b>150</b>	<b>(150)</b>	<b>0</b>
<b>Net assets</b>	<b>0</b>	<b>17,390</b>	<b>17,390</b>	<b>18,471</b>
<b>Equity</b>	<b>0</b>	<b>17,390</b>	<b>17,390</b>	<b>18,471</b>

Country Health Gift Fund Health Advisory Council Inc Gift Fund Trust

<b>Statement of Comprehensive Income</b>	<b>2019-20 Budget \$000s</b>	<b>2019-20 Actual \$000s</b>	<b>Variation \$000s</b>	<b>2018-19 Actual \$000s</b>
Total Income	0	149	149	376
Total Expenses	0	155	(155)	150
<b>Net Result</b>	<b>0</b>	<b>(6)</b>	<b>(6)</b>	<b>226</b>
<b>Total Comprehensive Result</b>	<b>0</b>	<b>(6)</b>	<b>(6)</b>	<b>226</b>

<b>Statement of Financial Position</b>	<b>2019-20 Budget \$000s</b>	<b>2019-20 Actual \$000s</b>	<b>Variation \$000s</b>	<b>2018-19 Actual \$000s</b>
Current assets	0	1,449	1,449	1,455
Non-current assets	0	0	0	0
<b>Total assets</b>	<b>0</b>	<b>1,449</b>	<b>1,449</b>	<b>1,455</b>
Current liabilities	0	0	0	0
Non-current liabilities	0	0	0	0
<b>Total liabilities</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Net assets</b>	<b>0</b>	<b>1,449</b>	<b>1,449</b>	<b>1,455</b>
<b>Equity</b>	<b>0</b>	<b>1,449</b>	<b>1,449</b>	<b>1,455</b>

## **Consultants disclosure**

The following is a summary of external consultants that have been engaged by the agency, the nature of work undertaken, and the actual payments made for the work undertaken during the financial year.

### **Consultancies with a contract value below \$10,000 each**

<b>Consultancies</b>	<b>Purpose</b>	<b>\$ Actual payment</b>
All consultancies below \$10,000 each - combined	Not applicable	\$ 0

### **Consultancies with a contract value above \$10,000 each**

<b>Consultancies</b>	<b>Purpose</b>	<b>\$ Actual payment</b>
Not applicable	Not applicable	\$ 0
	Total	\$ 0

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/country-health-sa-local-health-network>

See also the [Consolidated Financial Report of the Department of Treasury and Finance](#) for total value of consultancy contracts across the South Australian Public Sector.

## **Contractors disclosure**

The following is a summary of external contractors that have been engaged by the agency, the nature of work undertaken, and the actual payments made for work undertaken during the financial year.

### **Contractors with a contract value below \$10,000**

<b>Contractors</b>	<b>Purpose</b>	<b>\$ Actual payment</b>
All contractors below \$10,000 each - combined	Not applicable	\$ 0

### **Contractors with a contract value above \$10,000 each**

<b>Contractors</b>	<b>Purpose</b>	<b>\$ Actual payment</b>
Not applicable	Not applicable	\$ 0
	Total	\$ 0

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/country-health-sa-local-health-network>

The details of South Australian Government-awarded contracts for goods, services, and works are displayed on the SA Tenders and Contracts website. [View the agency list of contracts](#).

The website also provides details of [across government contracts](#).

## Risk management

### Risk and audit at a glance

Not applicable

### Fraud detected in the agency

Category/nature of fraud	Number of instances
Not applicable	0

*NB: Fraud reported includes actual and reasonably suspected incidents of fraud.*

### Strategies implemented to control and prevent fraud

Health Advisory Councils have specific functions and powers as defined in the *Health Care Act 2008* and the Constitution (for incorporated Health Advisory Councils or Rules (for unincorporated Health Advisory Councils), including actions that cannot be undertaken without the approval of the Minister.

Health Advisory Councils are instrumentalities of the Crown and subject to relevant Department of Treasury and Finance Treasurers Instructions.

The Constitutions / Rules identify the actions to be undertaken in the event of a conflict of interest. All declared conflicts of interest are reported to the Minister for Health through Country Health SA Local Health Network Inc,

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/country-health-sa-local-health-network>

### Public interest disclosure

Number of occasions on which public interest information has been disclosed to a responsible officer of the agency under the *Public Interest Disclosure Act 2018*:

0

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/country-health-sa-local-health-network>

Note: Disclosure of public interest information was previously reported under the *Whistleblowers Protection Act 1993* and repealed by the *Public Interest Disclosure Act 2018* on 1/7/2019.

## Reporting required under any other act or regulation

Act or Regulation	Requirement
<b>Health Care Act 2008</b>	Part 4 Health Advisory Councils, Division 2 Functions and Powers, 18 Functions

- Discharge the Health Advisory Council's legal and financial responsibility for the bank accounts associated with the unincorporated Health Advisory Councils.
- Monitor the minimum distribution compliance of all Health Advisory Councils in relation to the Australian Taxation Office Public Ancillary Fund Guidelines 2011 that took effect 1 July 2016.

## Reporting required under the *Carers' Recognition Act 2005*

Not applicable

## Public complaints

### Number of public complaints reported

A whole of SA Health response will be provided in the 2019-20 Department for Health and Wellbeing Annual Report, which can be accessed on the [SA Health website](#).

Not applicable

Additional Metrics	Total
Number of positive feedback comments	Not applicable
Number of negative feedback comments	Not applicable
Total number of feedback comments	Not applicable
% complaints resolved within policy timeframes	Not applicable

Data for previous years is available

at: <https://data.sa.gov.au/data/dataset/department-for-health-and-wellbeing>

### Service Improvements resulting from complaints or consumer suggestions over 2019-20

Not applicable

## **Appendix:**

Appendix A – Audited Financial Statements 2019-20

David Chant CA, FCPA  
Simon Smith CA, FCPA  
David Sullivan CA, CPA  
Jason Seidel CA  
Renae Nicholson CA  
Tim Muhlhausler CA  
Aaron Coonan CA  
Luke Williams CA, CPA  
Daniel Moon CA



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**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF THE  
COUNTRY HEALTH GIFT FUND HEALTH ADVISORY COUNCIL INC.**

**Report on the Financial Report**

**Audit Opinion**

We have audited the accompanying financial report of Country Health Gift Fund Health Advisory Council Inc. (the Health Advisory Council), which comprises the statement of financial position as at 30 June 2020, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising summary of significant accounting policies and other explanatory information, and the statement by the presiding member and operational finance manager.

In our opinion, the financial report of Country Health Gift Fund Health Advisory Council Inc. presents fairly in accordance with Treasurer's Instructions promulgated under the provisions of the Public Finance and Audit Act 1987, Department of Health Accounting Policies, the Health Care Act 2008, applicable Accounting Standards and other mandatory professional reporting requirements in Australia, the financial position of Country Health Gift Fund Health Advisory Council Inc. as at 30 June 2020 and the results of its operations and its cash flows for the year then ended.

**Basis for Opinion**

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Health Advisory Council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our audit of the financial report in Australia, and we have fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Health Advisory Council's Responsibility for the Financial Report**

The Health Advisory Council is responsible for the preparation of the financial report that presents fairly in accordance with the Health Care Act 2008, Treasurer's Instructions promulgated under the provisions of the Public Finance and Audit Act 1987, Department of Health Accounting Policies, applicable Accounting Standards and other mandatory professional reporting requirements in Australia. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

## Auditor's Responsibility for the Audit of the Financial Report

Our 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 our 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, we exercise professional judgement and maintain professional scepticism throughout the audit. We 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 our 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 audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Health Advisory Council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Health Advisory Council's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association 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.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS**



**Simon Smith** CA, FCPA, Registered Company Auditor  
Partner

17/09/2020

David Chant CA, FCPA  
Simon Smith CA, FCPA  
David Sullivan CA, CPA  
Jason Seidel CA  
Renae Nicholson CA  
Tim Muhlhausler CA  
Aaron Coonan CA  
Luke Williams CA, CPA  
Daniel Moon CA



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**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF THE  
COUNTRY HEALTH GIFT FUND HEALTH ADVISORY COUNCIL INC. GIFT FUND TRUST  
GIFT FUND TRUST**

**Report on the Financial Report**

We have audited the accompanying financial report of Country Health Gift Fund Health Advisory Council Inc. Gift Fund Trust Gift Fund Trust (the Gift Fund Trust), which comprises the statement of financial position as at 30 June 2020, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising summary of significant accounting policies and other explanatory information, and the statement by the presiding member and operational finance manager.

In our opinion, the financial report of Country Health Gift Fund Health Advisory Council Inc. Gift Fund Trust Gift Fund Trust presents fairly in accordance with Treasurer's Instructions promulgated under the provisions of the Public Finance and Audit Act 1987, Department of Health Accounting Policies, the Health Care Act 2008, applicable Accounting Standards and other mandatory professional reporting requirements in Australia, the financial position of Country Health Gift Fund Health Advisory Council Inc. Gift Fund Trust Gift Fund Trust as at 30 June 2020 and the results of its operations and its cash flows for the year then ended.

**Basis for Opinion**

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Health Advisory Council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our audit of the financial report in Australia, and we have fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Health Advisory Council's Responsibility for the Financial Report**

The Gift Fund Trust is responsible for the preparation of the financial report that gives a true and fair view in accordance with the Health Care Act 2008, Treasurer's Instructions promulgated under the provisions of the Public Finance and Audit Act 1987, Department of Health Accounting Policies, applicable Accounting Standards and other mandatory professional reporting requirements in Australia. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

## **Auditor's Responsibility for the Audit of the Financial Report**

Our 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 our 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, we exercise professional judgement and maintain professional scepticism throughout the audit. We 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 our 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 audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Health Advisory Council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Health Advisory Council's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association 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.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS**



**Simon Smith** CA, FCPA, Registered Company Auditor  
Partner

17/09/2020

**COUNTRY HEALTH GIFT FUND HEALTH ADVISORY COUNCIL INC GIFT FUND TRUST**

**CERTIFICATION OF THE FINANCIAL STATEMENTS**

We certify that the:

- attached general purpose financial statements for the Country Health Gift Fund Health Advisory Council Inc Gift Fund Trust:
  - comply with the relevant Treasurer's Instructions issued under section 41 of the *Public Finance and Audit Act 1987*, and relevant Australian Accounting Standards;
  - are in accordance with the accounts and records of the Trust; and
  - present a true and fair view of the financial position of the Trust at the end of the financial year and the results of its operation and cash flows for the financial year.
- Internal controls employed by Country Health Gift Fund Health Advisory Council Inc Gift Fund Trust for the financial year over its financial reporting and its preparation of the general purpose financial statements have been effective throughout the reporting period.

**professor  
jeffrey fuller**

Digitally signed by professor jeffrey fuller  
DN: cn=professor jeffrey fuller, o=fuller,  
ou\_email=jeffrey.fuller@flinders.edu.au,  
c=US  
Date: 2020.09.10 14:51:16 +09'30'

Jeffrey Fuller  
Presiding Member of the Country Health Gift Fund Health  
Advisory Council Inc (the Trustee)

/        / 2020



Lis Wilson  
Executive Director, Finance Services

11 / 09 / 2020

**COUNTRY HEALTH GIFT FUND HEALTH ADVISORY COUNCIL INC GIFT FUND TRUST**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**For the year ended 30 June 2020**

	Note	2020 \$'000	2019 \$'000
<b>Income</b>			
Interest	3	18	23
Other revenues/income	4	131	353
<b>Total income</b>		<b>149</b>	<b>376</b>
<b>Expenses</b>			
Grants and subsidies	2	155	150
<b>Total expenses</b>		<b>155</b>	<b>150</b>
<b>Net result</b>		<b>(6)</b>	<b>226</b>
<b>Total comprehensive result</b>		<b>(6)</b>	<b>226</b>

The accompanying notes form part of these financial statements.

**COUNTRY HEALTH GIFT FUND HEALTH ADVISORY COUNCIL INC GIFT FUND TRUST****STATEMENT OF FINANCIAL POSITION****As at 30 June 2020**

	Note	2020 \$ '000	2019 \$ '000
<b>Current assets</b>			
Cash and cash equivalents	5	414	422
Receivables	6	5	4
Other financial assets	7	1,030	1,029
<b>Total current assets</b>		<b>1,449</b>	<b>1,455</b>
<b>Total assets</b>		<b>1,449</b>	<b>1,455</b>
<b>Net assets</b>		<b>1,449</b>	<b>1,455</b>
<b>Equity</b>			
Retained earnings		1,449	1,455
<b>Total equity</b>		<b>1,449</b>	<b>1,455</b>

The accompanying notes form part of these financial statements.

**COUNTRY HEALTH GIFT FUND HEALTH ADVISORY COUNCIL INC GIFT FUND TRUST**  
**STATEMENT OF CHANGES IN EQUITY**  
For the year ended 30 June 2020

	Note	Retained earnings \$ '000	Total equity \$ '000
<b>Balance at 30 June 2018</b>		<b>1,229</b>	<b>1,229</b>
Net result for 2018-19		226	226
Total comprehensive result for 2018-19		226	226
<b>Balance at 30 June 2019</b>		<b>1,455</b>	<b>1,455</b>
Net result for 2019-20		(6)	(6)
Total comprehensive result for 2019-20		(6)	(6)
<b>Balance at 30 June 2020</b>		<b>1,449</b>	<b>1,449</b>

The accompanying notes form part of these financial statements.

**COUNTRY HEALTH GIFT FUND HEALTH ADVISORY COUNCIL INC GIFT FUND TRUST**  
**STATEMENT OF CASH FLOWS**  
**For the year ended 30 June 2020**

	Note	2020 \$ '000	2019 \$ '000
<b>Cash flows from operating activities</b>			
<b>Cash inflows</b>			
Interest received	1	2	
Other receipts	131	353	
<b>Cash generated from operations</b>		<b>132</b>	<b>355</b>
<b>Cash outflows</b>			
Payments of grants and subsidies	(155)	(150)	
<b>Cash used in operations</b>		<b>(155)</b>	<b>(150)</b>
<b>Net cash provided by/(used in) operating activities</b>		<b>(23)</b>	<b>205</b>
<b>Cash flows from investing activities</b>			
<b>Cash inflows</b>			
Proceeds from sale/maturities of investments	15	15	
<b>Cash generated from investing activities</b>		<b>15</b>	<b>15</b>
<b>Cash outflows</b>			
Purchase of investments	-	(190)	
<b>Cash used in investing activities</b>		<b>-</b>	<b>(190)</b>
<b>Net cash provided by/(used in) investing activities</b>		<b>15</b>	<b>(175)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(8)</b>	<b>30</b>
Cash and cash equivalents at the beginning of the period		422	392
<b>Cash and cash equivalents at the end of the period</b>	5	<b>414</b>	<b>422</b>

The accompanying notes form part of these financial statements.

**COUNTRY HEALTH GIFT FUND HEALTH ADVISORY COUNCIL INC GIFT FUND TRUST**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**For the year ended 30 June 2020**

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**1 About Country Health Gift Fund Health Advisory Council Inc Gift Fund Trust**

The Country Health Gift Fund Health Advisory Council Inc Gift Fund Trust (the Trust) was established by virtue of a deed executed between the Department for Health and Wellbeing and the Country Health Gift Fund Health Advisory Council Inc (the Trustee), formerly named the Country Health Local Health Network Health Advisory Council Inc.

The consolidated accounts of the Trust include the income, expenses, assets and liabilities of Country Health Gift Fund Health Advisory Council Inc Gift Fund Trust and the following unincorporated Health Advisory Councils under its control:

- Far North Health Advisory Council
- Hawker District Memorial Health Advisory Council
- Leigh Creek Health Service Health Advisory Council
- Port Augusta, Roxby Downs, Woomera Health Advisory Council
- Port Lincoln Health Advisory Council
- Port Pirie Health Service Health Advisory Council
- Southern Flinders Health Advisory Council
- The Whyalla Hospital and Health Services Health Advisory Council
- Quorn Health Services Health Advisory Council

**1.1 Objectives and activities**

The Trust is a public ancillary fund and has been endorsed by the Australian Taxation Office as a Deductible Gift Recipient (DGR).

The Trust is established to:

- seek, collect and administer donations and bequests, to be used for the benefit of the local area health services that are DGRs
- undertake fundraising activities, the proceeds from which are to be used for the benefit of the local area health services that are DGRs

**1.2 Basis of preparation**

These financial statements are general purpose financial statements prepared in compliance 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 (with reduced disclosure requirements) applicable to not-for-profit entities, as the Trust is a not-for-profit entity.

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).

The historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured.

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

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

**1.3 Taxation**

The Trust is not subject to income tax but is liable for 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.

**COUNTRY HEALTH GIFT FUND HEALTH ADVISORY COUNCIL INC GIFT FUND TRUST**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**For the year ended 30 June 2020**

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#### 1.4 Changes in accounting policy

##### **AASB 1058 Income of Not-for-Profit Entities**

AASB 1058 *Income of Not-for-Profit Entities* establishes new income recognition requirements for not-for-profit entities. Its requirements apply where the consideration to acquire an asset, including cash, is significantly less than fair value principally to enable the entity to further its objectives. AASB 1058 also contains requirements for the receipt of volunteer services.

AASB 1058 supersedes income recognition requirements in AASB 1004 *Contributions*, AASB118 *Revenue* and AASB 111 *Construction Contracts*. However, elements of *AASB 1004* remain in place, primarily in relation to restructures of administrative arrangements and other contributions and distributions by owners.

The Trust adopted AASB 1058 on 1 July 2019 which did not have an impact on the timing or recognition of the Trust's revenues, as detailed below:

- Interest income continues to be recognised via AASB 9.

##### **Presentation of Financial Statements**

Treasurer's Instructions (Accounting Policy Statements) Variation Notice 2020 issued on 1 June 2020 removed the previous requirement for financial statements to be prepared using the net cost of services format. The net cost of services is the total cost of services less any revenue retained by public authorities involved in the provision of services but does not include items classified as revenues from and payments to the South Australian Government.

Presentation of the Statement of Comprehensive Income on an 'income and expense' basis allows information to be presented in such a way that eliminates potential confusion as to the source of funding for the department. As well as changes to the format of the Statement of Comprehensive Income, there are presentational changes to remove the net cost of services format from the Statement of Cash Flows. These statements now show income before expenses, and cash receipts before cash payments. Related disclosures also reflect this changed format.

#### 1.5 Impact of COVID-19 pandemic

The COVID-19 pandemic has not had a material impact on the operations of the Trust and is not expected to do so in the future.

## 2 Grants and subsidies

	2020 \$'000	2019 \$'000
Other	155	150
<b>Total grants and subsidies</b>	<b>155</b>	<b>150</b>

## 3 Interest

	2020 \$'000	2019 \$'000
Bank interest	18	23
<b>Total interest revenue</b>	<b>18</b>	<b>23</b>

## 4 Other revenues/income

	2020 \$'000	2019 \$'000
Donations	130	343
Other	1	10
<b>Total other revenues/income</b>	<b>131</b>	<b>353</b>

## 5 Cash and cash equivalents

	2020 \$'000	2019 \$'000
Cash at bank or on hand	414	422
<b>Total cash</b>	<b>414</b>	<b>422</b>

**COUNTRY HEALTH GIFT FUND HEALTH ADVISORY COUNCIL INC GIFT FUND TRUST**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**For the year ended 30 June 2020**

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**6 Receivables**

	2020	2019
	\$'000	\$'000
<b>Current</b>		
Interest	5	4
<b>Total current receivables</b>	<b>5</b>	<b>4</b>
 <b>Total receivables</b>	 <b>5</b>	 <b>4</b>

**7 Other financial assets**

	2020	2019
	\$'000	\$'000
<b>Current</b>		
Term deposits	1,030	1,029
<b>Total current investments</b>	<b>1,030</b>	<b>1,029</b>
 <b>Total investments</b>	 <b>1,030</b>	 <b>1,029</b>

**8 Financial instruments / financial risk management**

**8.1 Financial risk management**

Risk management is managed by the Department for Health and Wellbeing's Risk and Assurance Services section and 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 Trust's exposure to financial risk (liquidity risk, credit risk and market risk) is low due to the nature of the financial instruments held.

**8.2 Categorisation of financial instruments**

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 if applicable.

Category of financial asset and financial liability	Notes	2020 Carrying amount \$'000	2019 Carrying amount \$'000
<b><i>Financial assets</i></b>			
Cash and equivalent			
Cash and cash equivalents	5	414	422
Amortised cost			
Receivables	6	5	4
Other financial assets	7	1,030	1,029
<b>Total financial assets</b>		<b>1,449</b>	<b>1,455</b>

**9 Events after balance date**

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

**10 Key Management Personnel**

Key management personnel of the Advisory Council include the Minister, the Chief Executive of the Department, board members and the Chief Executive Officers of Barossa Hills Fleurieu Local Health Network Inc, Eyre and Far North Local Health Network Inc, Flinders and Upper North Local Health Network Inc and Yorke and Northern Local Health Network Inc, and the members of the Advisory Council.

The Trust 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.

**COUNTRY HEALTH GIFT FUND HEALTH ADVISORY COUNCIL INC GIFT FUND TRUST**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**For the year ended 30 June 2020**

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**11 Remuneration of Council members**

Members of the Advisory Council who served for all or part of the financial year were:

Blacker P	(appointed 01/07/2019)	(ceased 30/06/2020)
Evans L	(appointed 01/07/2019)	(ceased 30/06/2020)
Fuller J	(appointed 01/07/2019)	
Gregurke K	(appointed 01/07/2019)	(ceased 30/06/2020)
Healy R	(appointed 01/07/2019)	
Mackay M	(appointed 01/07/2019)	
McArthur A	(appointed 01/07/2019)	

The number of members whose remuneration received or receivable falls within the following bands is:	2020	2019
	No. of Members	No. of Members
\$0 - \$19,999	7	8
<b>Total</b>	<b>7</b>	<b>8</b>

Remuneration of members reflects all costs of performing council member duties including sitting fees, superannuation contributions, fringe benefits and any fringe benefits tax paid or payable in respect of those benefits. The total remuneration received or receivable by members was \$56,000 (\$64,000). This income has been paid and reported in Barossa Hills Fleurieu Local Health Network Inc during 2019/20.

In accordance with the Premier and Cabinet Circular No. 016, government employees did not receive any remuneration for council member 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.

**COUNTRY HEALTH GIFT FUND HEALTH ADVISORY COUNCIL INC**

**CERTIFICATION OF THE FINANCIAL STATEMENTS**

We certify that the:

- attached general purpose financial statements for the Country Health Gift Fund Health Advisory Council Inc:
  - comply with the relevant Treasurer's Instructions issued under section 41 of the *Public Finance and Audit Act 1987*, and relevant Australian Accounting Standards;
  - are in accordance with the accounts and records of the Advisory Council; and
  - present a true and fair view of the financial position of the Advisory Council at the end of the financial year and the results of its operation and cash flows for the financial year.
- Internal controls employed by Country Health Gift Fund Health Advisory Council Inc for the financial year over its financial reporting and its preparation of the general purpose financial statements have been effective throughout the reporting period.

**professor  
jeffrey fuller**

Digitally signed by professor  
jeffrey fuller  
DN: cn=professor jeffrey fuller,  
o=fuller, ou,  
email=jeffrey.fuller@flinders.edu.  
au, c=US  
Date: 2020.09.10 14:47:39 +09'30'

Jeffrey Fuller  
Presiding Member of the Country Health Gift Fund Health  
Advisory Council Inc

/      / 2020



Lis Wilson  
Executive Director, Finance Services

11 / 09 / 2020

**COUNTRY HEALTH GIFT FUND HEALTH ADVISORY COUNCIL INC**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**For the year ended 30 June 2020**

	Note	2020 \$'000	2019 \$'000
<b>Income</b>			
Interest	3	1	2
Resources received free of charge	4	35	66
<b>Total income</b>		<b>36</b>	<b>68</b>
<b>Expenses</b>			
Depreciation	7	967	890
Grants and subsidies	2	150	-
<b>Total expenses</b>		<b>1,117</b>	<b>890</b>
<b>Net result</b>		<b>(1,081)</b>	<b>(822)</b>
<b>Total comprehensive result</b>		<b>(1,081)</b>	<b>(822)</b>

The accompanying notes form part of these financial statements.

**COUNTRY HEALTH GIFT FUND HEALTH ADVISORY COUNCIL INC**

**STATEMENT OF FINANCIAL POSITION**

**As at 30 June 2020**

	Note	2020 \$ '000	2019 \$ '000
<b>Current assets</b>			
Cash and cash equivalents	5	206	205
<b>Total current assets</b>		<b>206</b>	<b>205</b>
<b>Non-current assets</b>			
Property, plant and equipment	7	17,334	18,266
<b>Total non-current assets</b>		<b>17,334</b>	<b>18,266</b>
<b>Total assets</b>		<b>17,540</b>	<b>18,471</b>
<b>Current liabilities</b>			
Payables	8	150	-
<b>Total current liabilities</b>		<b>150</b>	<b>-</b>
<b>Total liabilities</b>		<b>150</b>	<b>-</b>
<b>Net assets</b>		<b>17,390</b>	<b>18,471</b>
<b>Equity</b>			
Asset revaluation surplus		3,362	3,362
Retained earnings		14,028	15,109
<b>Total equity</b>		<b>17,390</b>	<b>18,471</b>

The accompanying notes form part of these financial statements.

**COUNTRY HEALTH GIFT FUND HEALTH ADVISORY COUNCIL INC**  
**STATEMENT OF CHANGES IN EQUITY**  
**For the year ended 30 June 2020**

	Note	Asset revaluation surplus \$ '000	Retained earnings \$ '000	Total equity \$ '000
<b>Balance at 30 June 2018</b>		<b>3,362</b>	<b>15,931</b>	<b>19,293</b>
Net result for 2018-19		-	(822)	(822)
Total comprehensive result for 2018-19		-	(822)	(822)
<b>Balance at 30 June 2019</b>		<b>3,362</b>	<b>15,109</b>	<b>18,471</b>
Net result for 2019-20		-	(1,081)	(1,081)
Total comprehensive result for 2019-20		-	(1,081)	(1,081)
<b>Balance at 30 June 2020</b>		<b>3,362</b>	<b>14,028</b>	<b>17,390</b>

The accompanying notes form part of these financial statements.

**COUNTRY HEALTH GIFT FUND HEALTH ADVISORY COUNCIL INC**  
**STATEMENT OF CASH FLOWS**  
**For the year ended 30 June 2020**

	Note	2020 \$ '000	2019 \$ '000
<b>Cash flows from operating activities</b>			
<b>Cash inflows</b>			
Interest received		1	2
<b>Cash generated from operations</b>		1	2
<b>Net cash provided by/(used in) operating activities</b>		<b>1</b>	<b>2</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>1</b>	<b>2</b>
Cash and cash equivalents at the beginning of the period		205	203
<b>Cash and cash equivalents at the end of the period</b>	5	<b>206</b>	<b>205</b>

The accompanying notes form part of these financial statements.

**COUNTRY HEALTH GIFT FUND HEALTH ADVISORY COUNCIL INC**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**For the year ended 30 June 2020**

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**1 About Country Health Gift Fund Health Advisory Council Inc**

The Advisory Council was established as an incorporated advisory council pursuant to the *Health Care Act 2008* (the Act) under the name of Country Health SA Board Health Advisory Council Incorporated. This name was changed on 5 June 2012 to Country Health SA Local Health Network Health Advisory Council Incorporated, then changed on 1 July 2019 to Country Health Gift Fund Health Advisory Council Incorporated (the Advisory Council).

The consolidated accounts of the Advisory Council include the income, expenses, assets and liabilities of Country Health Gift Fund Health Advisory Council Inc and the following unincorporated Health Advisory Councils under its control:

- Far North Health Advisory Council
- Hawker District Memorial Health Advisory Council
- Leigh Creek Health Service Health Advisory Council
- Port Augusta, Roxby Downs, Woomera Health Advisory Council
- Port Lincoln Health Advisory Council
- Port Pirie Health Service Health Advisory Council
- Southern Flinders Health Advisory Council
- The Whyalla Hospital and Health Services Health Advisory Council
- Quorn Health Services Health Advisory Council

**1.1 Objectives and activities**

The Advisory Council was established to undertake an advocacy role on behalf of the community, to provide advice, and to perform other functions as determined under the Act.

The Trust is established to:

- seek, collect and administer donations and bequests, to be used for the benefit of the local area health services that are DGRs
- undertake fundraising activities, the proceeds from which are to be used for the benefit of the local area health services that are DGRs

**1.2 Basis of preparation**

These financial statements are general purpose financial statements prepared in compliance 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 (with reduced disclosure requirements) applicable to not-for-profit entities, as the Advisory Council is a not-for-profit entity.

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).

The historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured.

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

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

**COUNTRY HEALTH GIFT FUND HEALTH ADVISORY COUNCIL INC**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**For the year ended 30 June 2020**

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**1.3 Taxation**

The Advisory Council is not subject to income tax but is liable for goods and services tax (GST).

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

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

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

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

**1.4 Equity**

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

**1.5 Changes in accounting policy**

**AASB 1058 Income of Not-for-Profit Entities**

AASB 1058 *Income of Not-for-Profit Entities* establishes new income recognition requirements for not-for-profit entities. Its requirements apply where the consideration to acquire an asset, including cash, is significantly less than fair value principally to enable the entity to further its objectives. AASB 1058 also contains requirements for the receipt of volunteer services.

AASB 1058 supersedes income recognition requirements in AASB 1004 *Contributions*, AASB 118 *Revenue* and AASB 111 *Construction Contracts*. However, elements of AASB 1004 remain in place, primarily in relation to restructures of administrative arrangements and other contributions and distributions by owners.

The Advisory Council adopted AASB 1058 on 1 July 2019 which did not have an impact on the timing or recognition of the Advisory Council's revenues, as detailed below:

- Contributed services (resources received free of charge) continue to be recognised where they would have been purchased if they were not donated under AASB 1058 (previously AASB 1004) and contributed assets that do not have sufficiently specific performance obligations continue to be accounted for as a donations via AASB 1058 (previously AASB 1004);
- Interest income continues to be recognised via AASB 9.

**Presentation of Financial Statements**

Treasurer's Instructions (Accounting Policy Statements) Variation Notice 2020 issued on 1 June 2020 removed the previous requirement for financial statements to be prepared using the net cost of services format. The net cost of services is the total cost of services less any revenue retained by public authorities involved in the provision of services but does not include items classified as revenues from and payments to the South Australian Government.

Presentation of the Statement of Comprehensive Income on an 'income and expense' basis allows information to be presented in such a way that eliminates potential confusion as to the source of funding for the department. As well as changes to the format of the Statement of Comprehensive Income, there are presentational changes to remove the net cost of services format from the Statement of Cash Flows. These statements now show income before expenses, and cash receipts before cash payments. Related disclosures also reflect this changed format.

**1.6 Impact of COVID-19 pandemic**

The COVID-19 pandemic has not had a material impact on the operations of the Advisory Council and is not expected to do so in the future.

**2 Grants and subsidies**

		2020	2019
	Note	\$'000	\$'000
Other		150	-
<b>Total grants and subsidies</b>		<b>150</b>	<b>-</b>

**COUNTRY HEALTH GIFT FUND HEALTH ADVISORY COUNCIL INC**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**For the year ended 30 June 2020**

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**3 Interest**

	<b>2020</b>	<b>2019</b>
	\$'000	\$'000
Bank interest	1	2
<b>Total interest revenue</b>	<b>1</b>	<b>2</b>

**4 Resources received free of charge**

	<b>2020</b>	<b>2019</b>
	\$'000	\$'000
Land and buildings	35	66
<b>Total resources received free of charge</b>	<b>35</b>	<b>66</b>

During 2019-20 completed capital works at the Quorn Health Service were transferred to the Advisory Council from Flinders and Upper North Local Health Network Inc for nil consideration.

**5 Cash and cash equivalents**

	<b>2020</b>	<b>2019</b>
	\$'000	\$'000
Cash at bank or on hand	206	205
<b>Total cash</b>	<b>206</b>	<b>205</b>

**6 Property, plant and equipment**

**6.1 Acquisition and recognition**

Non-current assets are initially recorded at cost or at the value of any liabilities assumed, plus any incidental cost involved with the acquisition. Non-current assets are subsequently measured at fair value after allowing for accumulated depreciation. Where assets are acquired at no value, or minimal value, they are recorded at their fair value in the Statement of Financial Position. Where assets are acquired at no or nominal value as part of a restructure of administrative arrangements, the assets are recorded at the value held by the transferor public authority prior to the restructure.

The Advisory Council capitalises all non-current tangible assets that it controls valued at or greater than \$10,000.

**6.2 Depreciation**

All non-current assets, that have a limited useful life, are systematically depreciated over their useful lives in a manner that reflects the consumption of their service potential.

The useful lives and depreciation methods of all major assets held by the Advisory Council are reviewed and adjusted of 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.

Land and non-current assets held for sale are not depreciated.

Depreciation is calculated on a straight line basis over the estimated or revised remaining useful life of the following classes of assets as follows:

<b>Class of asset</b>	<b>Useful life (years)</b>
Buildings and improvements	40 - 80
Site improvements	40 - 80

**6.3 Revaluation**

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

The Advisory Council revalues all land, buildings and site improvements on a regular cycle via a Certified Practicing Valuer.

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 valuation took place.

Non-current tangible assets that are acquired between revaluations are held at cost, until the next valuation, when they are revalued to fair value.

**COUNTRY HEALTH GIFT FUND HEALTH ADVISORY COUNCIL INC**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**For the year ended 30 June 2020**

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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.

#### **6.4 Impairment**

The Advisory Council holds its property assets for their service potential (value in use). All non-current tangible assets are valued at fair value. 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, an impairment loss is offset against the revaluation surplus for that class of assets, to the extent that the impairment loss does not exceed the amount in the respective asset revaluation surplus.

There were no indications of impairment of property and infrastructure as at 30 June 2020.

#### **6.5 Valuation of land and buildings**

An independent valuation of land and buildings, including site improvements, was performed in March 2018 by a Certified Practicing Valuer from AssetVal (JLT) Pty Ltd, as at 1 June 2018.

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.

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

### **7 Reconciliation of property, plant and equipment**

The following table shows the movement:

<b>2019-20</b>	<b>Land</b>	<b>Buildings</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Carrying amount at the beginning of the period</b>	790	17,476	18,266
Assets received free of charge	-	35	35
Depreciation	-	(967)	(967)
<b>Carrying amount at the end of the period</b>	<b>790</b>	<b>16,544</b>	<b>17,334</b>

#### **Gross carrying amount**

Gross carrying amount	790	18,473	19,263
Accumulated depreciation	-	(1,929)	(1,929)
<b>Carrying amount at the end of the period</b>	<b>790</b>	<b>16,544</b>	<b>17,334</b>

### **8 Payables**

	<b>2020</b>	<b>2019</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Current</b>		
Creditors and accrued expenses	150	-
<b>Total payables</b>	<b>150</b>	<b>-</b>

### **9 Financial instruments / financial risk management**

#### **9.1 Financial risk management**

Risk management is managed by the Department for Health and Wellbeing's Risk and Assurance Services section and 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 Advisory Council's exposure to financial risk (liquidity risk, credit risk and market risk) is low due to the nature of the financial instruments held.

**COUNTRY HEALTH GIFT FUND HEALTH ADVISORY COUNCIL INC**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**For the year ended 30 June 2020**

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**9.2 Categorisation of financial instruments**

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 if applicable.

Category of financial asset and financial liability	Notes	2020 Carrying amount \$'000	2019 Carrying amount \$'000
<i>Financial assets</i>			
Cash and equivalent			
Cash and cash equivalents	5	206	205
<b>Total financial assets</b>		<b>206</b>	<b>205</b>
<i>Financial liabilities</i>			
Financial liabilities at amortised cost			
Payables	8	150	-
<b>Total financial liabilities</b>		<b>150</b>	<b>-</b>

**10 Events after balance date**

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

**11 Key Management Personnel**

Key management personnel of the Advisory Council include the Minister, the Chief Executive of the Department, board members and the Chief Executive Officers of Barossa Hills Fleurieu Local Health Network Inc, Eyre and Far North Local Health Network Inc, Flinders and Upper North Local Health Network Inc and Yorke and Northern Local Health Network Inc, and the members of the Advisory Council.

The Advisory Council 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.

**12 Remuneration of Council members**

Members of the Advisory Council who served for all or part of the financial year were:

Blacker P	(appointed 01/07/2019)	(ceased 30/06/2020)
Evans L	(appointed 01/07/2019)	(ceased 30/06/2020)
Fuller J	(appointed 01/07/2019)	
Gregurke K	(appointed 01/07/2019)	(ceased 30/06/2020)
Healy R	(appointed 01/07/2019)	
Mackay M	(appointed 01/07/2019)	
McArthur A	(appointed 01/07/2019)	

The number of members whose remuneration received or receivable falls within the following bands is:	2020 No. of Members	2019 No. of Members
\$0 - \$19,999	7	8
<b>Total</b>	<b>7</b>	<b>8</b>

Remuneration of members reflects all costs of performing council member duties including sitting fees, superannuation contributions, fringe benefits and any fringe benefits tax paid or payable in respect of those benefits. The total remuneration received or receivable by members was \$56,000 (\$64,000). This income has been paid and reported in Barossa Hills Fleurieu Local Health Network Inc during 2019/20.

In accordance with the Premier and Cabinet Circular No. 016, government employees did not receive any remuneration for council member 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.