



**Government  
of South Australia**

**COUNTRY HEALTH SA  
LOCAL HEALTH NETWORK  
HEALTH ADVISORY COUNCIL INC  
2018-19 Annual Report**

Country Health SA Local Health Network

Health Advisory Council Inc

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Date presented to Minister: 30 September 2019

To:

Hon Stephen Wade MLC

Minister for Health and Wellbeing

This annual report is 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 meets 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 SA Local Health Network Health Advisory Council Inc. by:

Peter Blacker

Presiding Member

Date 30/09/2019

Signature

A handwritten signature in black ink, appearing to read 'Peter Blacker', written over a horizontal line.

## From the Presiding Member

A key highlight for the year was the combined Health Advisory Council Conference held on 13-14 August 2018. A total of 97 people attended, including Health Advisory Council members, members of the Governing Council, special guests, speakers and Country Health SA staff. There was good representation from the six operational regions. Evaluation feedback indicated that participants found the opportunity to network with other Health Advisory Councils and share information on strategic country-wide issues highly valuable. The presentations and panel sessions were also positively received by participants, particularly the panel session on the Advance Care Directive Assistance Program and a presentation from Dr Hendrika Meyer on how technology is enabling better access to health services for country South Australians.

The Country Health SA Local Health Network Health Advisory Council has had an active role throughout the year in monitoring and guiding the governance reforms which were to commence 1 July 2019. This will see a transition in the role of the Country Health SA Local Health Network Health Advisory Council and a new name 'Country Health Gift Fund Health Advisory Council Inc.' from 1 July 2019. The current members will continue in this new arrangement.

I'd like to thank my fellow members for their support in effectively delivering the objectives of our Health Advisory Council and also the members of the Presiding Members Panel who have provided an invaluable connection with local Health Advisory Councils. I'd also like to thank Maree Geraghty who was the CEO of Country Health SA until late December 2018 and Rebecca Graham who was the Interim CEO until 30 June 2019.



Peter Blacker

### **Presiding Member**

Country Health SA Local Health Network  
Health Advisory Council Inc



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## Overview: about the agency

### Our strategic focus

<b>Our Purpose</b>	<p>The Health Advisory Council was established by the then Minister for Health and Ageing to undertake an advocacy role on behalf of the community and to provide advice in relation to health matters, amongst other functions.</p> <p>The constitution is available at <a href="http://www.sahealth.sa.gov.au">www.sahealth.sa.gov.au</a></p>
<b>Our Vision</b>	Not applicable.
<b>Our Values</b>	Not applicable.
<b>Our functions, objectives and deliverables</b>	<p>The Health Advisory Council undertakes an advocacy role on behalf of the community.</p> <p>The Country Health SA Local Health Network Health Advisory Council Inc acts as an ‘umbrella body’ for other Health Advisory Councils, providing advice from a whole of country perspective.</p> <p>Regional Presiding Member representatives also come together as the Presiding Members Panel to facilitate communication exchange between the local Health Advisory Councils and the Governing Council.</p>

### Our organisational structure

Membership of the Health Advisory Council can include:

- up to eight community members
- nominee of Local Government
- a local Member of Parliament or their nominee
- a medical practitioner member
- a worker from the Country Health SA Local Health Network.

### Changes to the agency

During 2018-19 there were no changes to the agency’s structure and objectives as a result of internal reviews or machinery of government changes.

However, 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)**

Country Health SA Local Health Network Inc.  
Balaklava and Riverton Health Advisory Council Inc.  
Barossa and Districts Health Advisory Council Inc.  
Berri Barmera District Health Advisory Council Inc.  
Bordertown and District Health Advisory Council Inc.  
Ceduna District Health Services Health Advisory Council Inc.  
Coorong Health Service Health Advisory Council Inc.  
Eastern Eyre Health Advisory Council Inc.  
Eudunda Kapunda Health Advisory Council Inc.  
Far North Health Advisory Council  
Gawler District Health Advisory Council Inc.  
Hawker District Memorial Health Advisory Council  
Hills Area Health Advisory Council Inc.  
Kangaroo Island Health Advisory Council Inc.  
Kingston/Robe Health Advisory Council Inc.  
Leigh Creek Health Services Health Advisory Council  
Lower Eyre Health Advisory Council Inc.  
Lower North Health Advisory Council Inc.  
Loxton and Districts Health Advisory Council Inc.

Mallee Health Service Health Advisory Council Inc.  
Mannum District Hospital Health Advisory Council Inc.  
Mid North Health Advisory Council Inc.  
Mid-West Health Advisory Council Inc.  
Millicent and Districts Health Advisory Council Inc.  
Mount Gambier and Districts Health Advisory Council Inc.  
Murray Bridge Soldiers Memorial Health Advisory Council Inc.  
Naracoorte Area Health Advisory Council Inc.  
Northern Yorke Peninsula Health Advisory Council Inc.  
Penola and Districts Health Advisory Council Inc.  
Port Augusta, Roxby Downs, Woomera Health Advisory Council  
Port Broughton District Hospital and Health Services Health Advisory Council Inc.  
Port Lincoln Health Advisory Council  
Port Pirie Health Service Advisory Council  
Quorn Health Services Health Advisory Council  
Renmark Paringa District Health Advisory Council Inc.  
South Coast Health Advisory Council Inc.  
Southern Flinders Health Advisory Council  
Waikerie and Districts Health Advisory Council Inc.  
Whyalla Hospital and Health Services Advisory Council  
Yorke Peninsula Health Advisory Council Inc.

## The agency's performance

### Performance at a glance

The Health Advisory Council undertakes an advocacy role on behalf of the community.

### 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 undertakes an advocacy role on behalf of the community.

Agency objectives	Indicators	Performance
Not applicable.	Not applicable.	Not applicable.

### Corporate performance summary

Not applicable.

### Employment opportunity programs

The Health Advisory Council consists of volunteers who undertake an advocacy role on behalf of the community.

### Agency performance management and development systems

Not applicable.

**Work health and 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, including both:

- Country Health SA Local Health Network Health Advisory Council Inc.
- Country Health SA Local Health Network Health Advisory Council Inc. Gift Fund Trust.

The information is unaudited. Full audited financial statements for 2018-19 are attached to this report.

Country Health SA Local Health Network Health Advisory Council Inc.

<b>Statement of Comprehensive Income</b>	<b>2018-19 Budget \$000s</b>	<b>2018-19 Actual \$000s</b>	<b>Variation \$000s</b>	<b>2017-18 Actual \$000s</b>
Expenses	0	890	(890)	826
Revenues	0	68	68	515
<b>Net cost of providing services</b>	<b>0</b>	<b>822</b>	<b>(822)</b>	<b>311</b>
Net Revenue from SA Government	0	0	0	0
<b>Net result</b>	<b>0</b>	<b>(822)</b>	<b>(822)</b>	<b>(311)</b>
<b>Total Comprehensive Result</b>	<b>0</b>	<b>(822)</b>	<b>(822)</b>	<b>1377</b>

<b>Statement of Financial Position</b>	<b>2018-19 Budget \$000s</b>	<b>2018-19 Actual \$000s</b>	<b>Variation \$000s</b>	<b>2017-18 Actual \$000s</b>
Current assets	0	205	205	203
Non-current assets	0	18,266	18,266	19,090
<b>Total assets</b>	<b>0</b>	<b>18,471</b>	<b>18,471</b>	<b>19,293</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>18,471</b>	<b>18,471</b>	<b>19,293</b>
<b>Equity</b>	<b>0</b>	<b>18,471</b>	<b>18,471</b>	<b>19,293</b>

## Country Health SA Local Health Network Health Advisory Council Inc. Gift Fund Trust

<b>Statement of Comprehensive Income</b>	<b>2018-19 Budget \$000s</b>	<b>2018-19 Actual \$000s</b>	<b>Variation \$000s</b>	<b>2017-18 Actual \$000s</b>
Expenses	0	150	(150)	498
Revenues	0	376	376	171
<b>Net cost of providing services</b>	<b>0</b>	<b>(226)</b>	<b>226</b>	<b>327</b>
Net Revenue from SA Government	0	0	0	0
<b>Net result</b>	<b>0</b>	<b>226</b>	<b>226</b>	<b>(327)</b>
<b>Total Comprehensive Result</b>	<b>0</b>	<b>226</b>	<b>226</b>	<b>(327)</b>

<b>Statement of Financial Position</b>	<b>2018-19 Budget \$000s</b>	<b>2018-19 Actual \$000s</b>	<b>Variation \$000s</b>	<b>2017-18 Actual \$000s</b>
Current assets	0	1,455	1,455	1,229
Non-current assets	0	0	0	0
<b>Total assets</b>	<b>0</b>	<b>1,455</b>	<b>1,455</b>	<b>1,229</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>1,455</b>	<b>1,455</b>	<b>1,229</b>
<b>Equity</b>	<b>0</b>	<b>1,455</b>	<b>1,455</b>	<b>1,229</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>Consultant</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

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

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

Contractors	Purpose	\$ Actual payment
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.](#)

### Other information

Not applicable.

## 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>

### Whistle-blowers disclosure

Number of occasions on which public interest information has been disclosed to a responsible officer of the agency under the *Whistleblowers Protection Act 1993*:

0

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

## 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

- Act as an advocate to promotion the interests of the community.
- Provide advice about relevant aspect of the provision of health services, and relevant health issues, goals, priorities, plans and strategic initiatives.
- Encourage community participation in programs.
- Consult with other bodies that are interested in the provision of health services.
- Provide advice to the Minister about any matter referred to it by the Minister or CE.
- Participate in consultation or assessment process associated with the selection of senior staff.
- Act as trustee and participate in budget discussions and financial management or development processes; and to undertake fundraising activities (incorporated HAC).
- Provide advice about the management of resources for health services; and provide assistance with fundraising activities (unincorporated HAC).
- Discharge the Governing Council's legal and financial responsibility for the bank accounts associated with the unincorporated Health Advisory Councils. Formal requests from the unincorporated Health Advisory Councils for proposed expenditure or investment options were received and endorsed by the Governing Council with follow up correspondence forwarded to the local Health Advisory Council.
- 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.
- Appoint local Health Advisory Council Presiding Members as delegated by the Minister for Health and Wellbeing in accordance with the Health Care Act 2008. Provide thank you acknowledgment letters to outgoing Presiding Members.
- Implement and further strengthen 'A Partnership Framework for Health Advisory Councils and Country Health SA'.
- Support and liaise with the Country Health SA Local Health Network Health Advisory Council's Presiding Member Panel.
- Provide advice and advocate for country health through meetings with the Minister for Health and Wellbeing.
- Monitor the performance of Country Health SA Local Health Network and the Country Health SA Local Health Network Health Advisory Council.

- Accompany the Chief Executive Officer on visits to country sites during the year and continue to build relationships between the Health Advisory Council and local communities.
- Participate in regional combined Health Advisory Council forums.
- Participate in the Country Health SA Local Health Network Performance Committee as the Health Advisory Council community and consumer representative.
- Partner with other agencies including the Health Consumers Alliance of South Australia and Rural Doctors Workforce Agency.
- Participate on the Country Health SA Local Health Network Patient Assistance Transport Scheme Appeal and Review Committee.
- Provide consumer feedback to the SA Health Safety and Quality in Health Care Consumer and Community Advisory Committee for various publications.

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

Not Applicable.

## Public complaints

### Number of public complaints reported (as required by the Ombudsman)

A whole of SA Health response will be provided in the 2018-19 Department for Health and Wellbeing Annual Report, which can be accessed on the [SA Health website](#).

Complaint categories	Sub-categories	Example	Number of Complaints 2018-19
Professional behaviour	Staff attitude	Failure to demonstrate values such as empathy, respect, fairness, courtesy, extra mile; cultural competency	Not applicable
Professional behaviour	Staff competency	Failure to action service request; poorly informed decisions; incorrect or incomplete service provided	Not applicable
Professional behaviour	Staff knowledge	Lack of service specific knowledge; incomplete or out-of-date knowledge	Not applicable
Communication	Communication quality	Inadequate, delayed or absent communication with customer	Not applicable
Communication	Confidentiality	Customer's confidentiality or privacy not respected; information shared incorrectly	Not applicable
Service delivery	Systems/technology	System offline; inaccessible to customer; incorrect result/information provided; poor system design	Not applicable.
Service delivery	Access to services	Service difficult to find; location poor; facilities/ environment poor standard; not accessible to customers with disabilities	Not applicable
Service delivery	Process	Processing error; incorrect process used; delay in processing application; process not customer responsive	Not applicable.
Policy	Policy application	Incorrect policy interpretation; incorrect policy applied; conflicting policy advice given	Not applicable
Policy	Policy content	Policy content difficult to understand; policy	Not

<b>Complaint categories</b>	<b>Sub-categories</b>	<b>Example</b>	<b>Number of Complaints 2018-19</b>
		unreasonable or disadvantages customer	applicable
Service quality	Information	Incorrect, incomplete, out dated or inadequate information; not fit for purpose	Not applicable
Service quality	Access to information	Information difficult to understand, hard to find or difficult to use; not plain English	Not applicable
Service quality	Timeliness	Lack of staff punctuality; excessive waiting times (outside of service standard); timelines not met	Not applicable
Service quality	Safety	Maintenance; personal or family safety; duty of care not shown; poor security service/ premises; poor cleanliness	Not applicable
Service quality	Service responsiveness	Service design doesn't meet customer needs; poor service fit with customer expectations	Not applicable
No case to answer	No case to answer	Third party; customer misunderstanding; redirected to another agency; insufficient information to investigate	Not applicable
		<b>Total</b>	Not applicable

<b>Additional Metrics</b>	<b>Total</b>
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/country-health-sa-local-health-network>

**Appendix: Audited financial statements 2018-19**

David Chant CA, FCPA  
Simon Smith CA, FCPA  
David Sullivan CA, CPA  
Jason Seidel CA  
Renaë 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 SA LOCAL HEALTH NETWORK HEALTH ADVISORY COUNCIL INC.

### Report on the Financial Report

#### Audit Opinion

We have audited the accompanying financial report of Country Health SA Local Health Network Health Advisory Council Inc. (the Health Advisory Council), which comprises the statement of financial position as at 30 June 2019, 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 SA Local Health Network 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 SA Local Health Network Health Advisory Council Inc. as at 30 June 2019 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 (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

05/09/2019

**COUNTRY HEALTH SA LOCAL HEALTH NETWORK HEALTH ADVISORY COUNCIL INC**

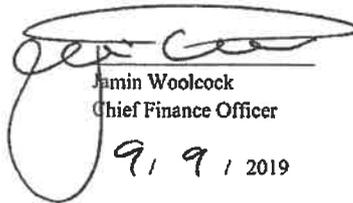
**CERTIFICATION OF THE FINANCIAL STATEMENTS**

We certify that the:

- attached general purpose financial statements for the Country Health SA Local Health Network 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 SA Local Health Network 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.



Peter Blacker  
Presiding Member of the Country Health SA Local Health  
Network Health Advisory Council Inc  
09 / 09 / 2019



Jamin Woolcock  
Chief Finance Officer  
9 / 9 / 2019

**COUNTRY HEALTH SA LOCAL HEALTH NETWORK HEALTH ADVISORY COUNCIL INC**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**For the year ended 30 June 2019**

	Note	2019 \$'000	2018 \$'000
<b>Expenses</b>			
Depreciation expense	10	890	638
Net loss from disposal of non-current and other assets	6	-	2
Other expenses	3	-	186
<b>Total expenses</b>		<b>890</b>	<b>826</b>
<b>Income</b>			
Interest revenues	4	2	1
Resources received free of charge	5	66	422
Other revenues/income	7	-	92
<b>Total income</b>		<b>68</b>	<b>515</b>
<b>Net cost of providing services</b>		<b>822</b>	<b>311</b>
<b>Net result</b>		<b>(822)</b>	<b>(311)</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to net result</b>			
Changes in property, plant and equipment asset revaluation surplus		-	1,688
<b>Total other comprehensive income</b>		<b>-</b>	<b>1,688</b>
<b>Total comprehensive result</b>		<b>(822)</b>	<b>1,377</b>

The accompanying notes form part of these financial statements.

**COUNTRY HEALTH SA LOCAL HEALTH NETWORK HEALTH ADVISORY COUNCIL INC****STATEMENT OF FINANCIAL POSITION**

As at 30 June 2019

	Note	2019 \$ '000	2018 \$ '000
<b>Current assets</b>			
Cash and cash equivalents	8	205	203
<b>Total current assets</b>		<u>205</u>	<u>203</u>
<b>Non-current assets</b>			
Property, plant and equipment	10	18,266	19,090
<b>Total non-current assets</b>		<u>18,266</u>	<u>19,090</u>
<b>Total assets</b>		<u>18,471</u>	<u>19,293</u>
<b>Net assets</b>		<u>18,471</u>	<u>19,293</u>
<b>Equity</b>			
Asset revaluation surplus		3,362	3,362
Retained earnings		15,109	15,931
<b>Total equity</b>		<u>18,471</u>	<u>19,293</u>

The accompanying notes form part of these financial statements.

**COUNTRY HEALTH SA LOCAL HEALTH NETWORK HEALTH ADVISORY COUNCIL INC**  
**STATEMENT OF CHANGES IN EQUITY**  
**For the year ended 30 June 2019**

	Asset		
	revaluation	Retained	Total
Note	surplus	earnings	equity
	\$ '000	\$ '000	\$ '000
<b>Balance at 30 June 2017</b>	<b>1,673</b>	<b>16,243</b>	<b>17,916</b>
Net result for 2017-18	-	(311)	(311)
Gain/(loss) on revaluation of land and buildings	1,688	-	1,688
<b>Total comprehensive result for 2017-18</b>	<b>1,688</b>	<b>(311)</b>	<b>1,377</b>
Transfer between equity components	1	(1)	-
<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)
<b>Total comprehensive result for 2018-19</b>	<b>-</b>	<b>(822)</b>	<b>(822)</b>
<b>Balance at 30 June 2019</b>	<b>3,362</b>	<b>15,109</b>	<b>18,471</b>

The accompanying notes form part of these financial statements.

**COUNTRY HEALTH SA LOCAL HEALTH NETWORK HEALTH ADVISORY COUNCIL INC**  
**STATEMENT OF CASH FLOWS**  
**For the year ended 30 June 2019**

	Note	2019 \$ '000	2018 \$ '000
<b>Cash flows from operating activities</b>			
<b>Cash inflows</b>			
Interest received		2	1
<b>Cash generated from operations</b>		<u>2</u>	<u>1</u>
<b>Net cash provided by/(used in) operating activities</b>		<u>2</u>	<u>1</u>
<b>Cash flows from investing activities</b>			
<b>Cash outflows</b>			
Cost of sales from property, plant and equipment		-	(10)
<b>Cash used in investing activities</b>		<u>-</u>	<u>(10)</u>
<b>Cash inflows</b>			
Proceeds from sale of property, plant and equipment		-	212
<b>Cash generated from investing activities</b>		<u>-</u>	<u>212</u>
<b>Net cash provided by/(used in) investing activities</b>		<u>-</u>	<u>202</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>		2	203
Cash and cash equivalents at the beginning of the period		203	-
<b>Cash and cash equivalents at the end of the period</b>	8	<u>205</u>	<u>203</u>

The accompanying notes form part of these financial statements.

**COUNTRY HEALTH SA LOCAL HEALTH NETWORK HEALTH ADVISORY COUNCIL INC**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**For the year ended 30 June 2019**

---

## **1 Basis of financial statements**

### **1.1 Reporting entity**

The Advisory Council was established as an incorporated advisory council pursuant to the *Health Care Act 2008* 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 (Advisory Council).

The consolidated accounts of the Advisory Council include the income, expenses, assets and liabilities of Country Health SA Local Health Network 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

### **1.2 Statement of compliance**

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.

### **1.3 Basis of preparation**

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 on a different basis.

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.

### **1.4 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.

### **1.5 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.

**COUNTRY HEALTH SA LOCAL HEALTH NETWORK HEALTH ADVISORY COUNCIL INC**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**For the year ended 30 June 2019**

**1.6 Change in accounting policy**

On 22 March 2019, pursuant to the *Public Finance and Audit Act 1987*, the Treasurer issued *Treasurer's Instructions (Accounting Policy Statements)* and revoked all previously issued Accounting Policy Statements. The new Accounting Policy Statements have largely been prepared on a no-policy change basis.

The change below does not impact the amounts reported in the financial statements:

- Increase in bands from \$10,000 to \$20,000 for council member reporting.

**AASB 9 Financial Instruments**

The adoption of AASB 9 from 1 July 2018 resulted in changes in accounting policies but no adjustments to the amounts recognised in the financial statements.

AASB 9 replaces the provisions of AASB 139 Financial Instruments: Recognition and Measurement that relate to recognition, classification, impairment and measurement of the Advisory Council's financial assets.

As the Advisory Council only holds cash, the provisions of AASB 9 had no impact on the measurement or classification of financial instruments.

**2 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 Advisory Council is established to:

- advise on the health service needs, priorities and issues within the Local Area with particular emphasis upon those issues in the context of consumers of health services, carers and volunteers
- ascertain the health needs of the Community and the attitude of the Community to the development of health services within the Community
- advocate on behalf of the Community to support the planning and provision of health services as part of an integrated statewide health system for the benefit of the Community
- hold assets for the benefit, purposes and use of, the Health Unit(s) on terms and conditions determined of approved by the Minister
- undertake such other activities as the Advisory Council may determine for the benefit or support of health services in the Local Area

The functions of the Advisory Council are to contribute significantly to the improved overall health status of all people by acting as an advocate and providing advice about the provision of health services, health issues, goals, priorities, plans and other strategic initiatives both inside and outside the Local Area.

**3 Other expenses**

	Note	2019 \$'000	2018 \$'000
Loss on revaluation of property	10	-	186
<b>Total other expenses</b>		<b>-</b>	<b>186</b>

**4 Interest revenues**

	2019 \$'000	2018 \$'000
Bank interest	2	1
<b>Total interest revenue</b>	<b>2</b>	<b>1</b>

**5 Resources received free of charge**

	2019 \$'000	2018 \$'000
Land and buildings	66	422
<b>Total resources received free of charge</b>	<b>66</b>	<b>422</b>

During 2018-19 completed capital works at the Crystal Brook, Hawker, Laura and Quorn Health Services were transferred to the Advisory Council from Country Health SA Local Health Network Inc for nil consideration.

**COUNTRY HEALTH SA LOCAL HEALTH NETWORK HEALTH ADVISORY COUNCIL INC**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**For the year ended 30 June 2019**

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

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Land and buildings:</b>		
Proceeds from disposal	-	212
Less net book value of assets disposed	-	(204)
Less other costs of disposal	-	(10)
<b>Net gain/(loss) from disposal of land and buildings</b>	<b>-</b>	<b>(2)</b>

Gains or losses on disposal are recognised at the date control of the asset is passed from the Advisory Council and are determined after deducting the cost of the asset from the proceeds at that time. When revalued assets are disposed, the revaluation surplus is transferred to retained earnings.

**7 Other revenues/income**

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
Other	-	92
<b>Total other revenues/income</b>	<b>-</b>	<b>92</b>

Other income is a property revaluation increment which reverses a revaluation decrement previously recognised as an expense.

**8 Cash and cash equivalents**

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
Cash at bank or on hand	205	203
<b>Total cash</b>	<b>205</b>	<b>203</b>

**9 Property, plant and equipment**

**9.1 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.

**9.2 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 reassessed 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, which is a change in an accounting estimate.

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:

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

**COUNTRY HEALTH SA LOCAL HEALTH NETWORK HEALTH ADVISORY COUNCIL INC**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**For the year ended 30 June 2019**

**9.3 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 Practising 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.

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.

**9.4 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 2019.

**9.5 Valuation of land and buildings**

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

The valuer arrived at the fair value of unrestricted land 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.

The valuer used depreciated replacement cost for specialised land and buildings, 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 and current use of the assets. The valuation was based on a combination of internal records, specialised knowledge and the acquisition/transfer costs.

**10 Reconciliation of property, plant and equipment**

The following table shows the movement:

<b>2018-19</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	18,300	19,090
Assets received free of charge	-	66	66
Depreciation	-	(890)	(890)
<b>Carrying amount at the end of the period</b>	<b>790</b>	<b>17,476</b>	<b>18,266</b>
<b>Gross carrying amount</b>			
Gross carrying amount	790	18,438	19,228
Accumulated depreciation	-	(962)	(962)
<b>Carrying amount at the end of the period</b>	<b>790</b>	<b>17,476</b>	<b>18,266</b>

**COUNTRY HEALTH SA LOCAL HEALTH NETWORK HEALTH ADVISORY COUNCIL INC**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**For the year ended 30 June 2019**

2017-18	Land \$'000	Buildings \$'000	Total \$'000
<b>Carrying amount at the beginning of the period</b>	<b>1,041</b>	<b>16,875</b>	<b>17,916</b>
Assets received free of charge	-	422	422
Disposals	(28)	(176)	(204)
<b>Gains/(losses) for the period recognised in net result:</b>			
Depreciation	-	(638)	(638)
Revaluation increment / (decrement)	(186)	92	(94)
<b>Gains/(losses) for the period recognised in other comprehensive income:</b>			
Revaluation increment / (decrement)	(37)	1,725	1,688
<b>Carrying amount at the end of the period</b>	<b>790</b>	<b>18,300</b>	<b>19,090</b>
<b>Gross carrying amount</b>			
Gross carrying amount	790	18,372	19,162
Accumulated depreciation	-	(72)	(72)
<b>Carrying amount at the end of the period</b>	<b>790</b>	<b>18,300</b>	<b>19,090</b>

## 11 Financial instruments / financial risk management

### 11.1 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.

### 11.2 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.

#### Classification applicable until 30 June 2018 under AASB 139

The carrying amounts of financial assets and liabilities were categorised as held-to-maturity investments; receivables; and financial liabilities measured at cost.

#### Classification applicable from 1 July 2018 under AASB 9

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	2019 Carrying amount \$'000	2018 Carrying amount \$'000
<b>Financial assets</b>			
Cash and equivalent			
Cash and cash equivalents	8	205	203
<b>Total financial assets</b>		<b>205</b>	<b>203</b>

## 12 Events after balance date

The Advisory Council is aware of the following non-adjusting event: the State Government is reforming SA Health's governance arrangements and accordingly a Health Care (Governance) Amendment Act 2018 was proclaimed on 2 August 2018 effective from 1 July 2019.

The Advisory Council will continue to hold assets on behalf of the unincorporated Health Advisory Councils until other arrangements are in place. Should any of the unincorporated Health Advisory Councils choose to become incorporated in their own right, their assets and liabilities will be transferred from the Advisory Council.

Effective 1 July 2019, the name of the Advisory Council is altered to Country Health Gift Fund Health Advisory Council Inc.

**13 Key Management Personnel**

Key management personnel of the Advisory Council include the Minister, the Chief Executive of the Department, Chief Executive Officer of Country Health SA Local Health Network Inc, board members and the Chief Executive Officer of Barossa Hills Fleurieu 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.

**14 Remuneration of Council members**

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

Blacker P (Presiding Member)

Evans L

Fuller J

Gregurke K

Healy R

Johnston J

Mackay M

McArthur A

	<b>2019</b>	<b>2018</b>
	<b>No. of</b>	<b>No. of</b>
	<b>Members</b>	<b>Members</b>
<b>The number of members whose remuneration received or receivable falls within the following bands is:</b>		
\$0 - \$19,999	8	8
<b>Total</b>	<b>8</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 \$64,000 (\$63,000 ). This income has been paid and reported in Country Health SA Local Health Network Inc during 2018/19.

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.

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

**Report on the Financial Report**

We have audited the accompanying financial report of Country Health SA Board Health Advisory Council Inc. Gift Fund Trust (the Gift Fund Trust), which comprises the statement of financial position as at 30 June 2019, 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 SA Board Health Advisory Council Inc. 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 SA Board Health Advisory Council Inc. Gift Fund Trust as at 30 June 2019 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 (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.



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## **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

**COUNTRY HEALTH SA LOCAL HEALTH NETWORK HEALTH ADVISORY COUNCIL INC GIFT FUND TRUST**

**CERTIFICATION OF THE FINANCIAL STATEMENTS**

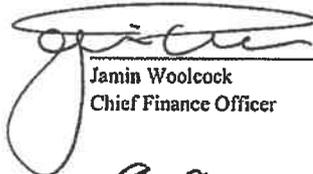
We certify that the:

- attached general purpose financial statements for the Country Health SA Local Health Network 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 SA Local Health Network 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.



Peter Blacker  
Presiding Member of the Country Health SA Local Health  
Network Health Advisory Council Inc (the Trustee)

09 / 09 / 2019



Jamin Woolecock  
Chief Finance Officer

9, 9 / 2019

**COUNTRY HEALTH SA LOCAL HEALTH NETWORK HEALTH ADVISORY COUNCIL INC GIFT FUND  
TRUST  
STATEMENT OF COMPREHENSIVE INCOME  
For the year ended 30 June 2019**

	Note	2019 \$'000	2018 \$'000
<b>Expenses</b>			
Supplies and services	3	-	1
Grants and subsidies	4	150	497
<b>Total expenses</b>		<u>150</u>	<u>498</u>
<b>Income</b>			
Interest revenues	5	23	20
Other revenues/income	6	353	151
<b>Total income</b>		<u>376</u>	<u>171</u>
<b>Net cost of providing services</b>		<u>(226)</u>	<u>327</u>
<b>Net result</b>		<u>226</u>	<u>(327)</u>
<b>Total comprehensive result</b>		<u>226</u>	<u>(327)</u>

The accompanying notes form part of these financial statements.

**COUNTRY HEALTH SA LOCAL HEALTH NETWORK HEALTH ADVISORY COUNCIL INC GIFT FUND  
TRUST  
STATEMENT OF FINANCIAL POSITION  
As at 30 June 2019**

	Note	2019 \$ '000	2018 \$ '000
<b>Current assets</b>			
Cash and cash equivalents	7	422	392
Receivables	8	4	4
Other financial assets	9	1,029	833
<b>Total current assets</b>		<u>1,455</u>	<u>1,229</u>
<b>Total assets</b>		<u>1,455</u>	<u>1,229</u>
<b>Net assets</b>		<u>1,455</u>	<u>1,229</u>
<b>Equity</b>			
Retained earnings		<u>1,455</u>	<u>1,229</u>
<b>Total equity</b>		<u>1,455</u>	<u>1,229</u>

The accompanying notes form part of these financial statements.

**COUNTRY HEALTH SA LOCAL HEALTH NETWORK HEALTH ADVISORY COUNCIL INC GIFT FUND  
TRUST  
STATEMENT OF CHANGES IN EQUITY  
For the year ended 30 June 2019**

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	Note	Retained earnings \$ '000	Total equity \$ '000
<b>Balance at 30 June 2017</b>		<u>1,556</u>	<u>1,556</u>
<b>Net result for 2017-18</b>		<u>(327)</u>	<u>(327)</u>
<b>Total comprehensive result for 2017-18</b>		<u>(327)</u>	<u>(327)</u>
<b>Balance at 30 June 2018</b>		<u>1,229</u>	<u>1,229</u>
<b>Net result for 2018-19</b>		<u>226</u>	<u>226</u>
<b>Total comprehensive result for 2018-19</b>		<u>226</u>	<u>226</u>
<b>Balance at 30 June 2019</b>		<u>1,455</u>	<u>1,455</u>

The accompanying notes form part of these financial statements.

**COUNTRY HEALTH SA LOCAL HEALTH NETWORK HEALTH ADVISORY COUNCIL INC GIFT FUND TRUST**  
**STATEMENT OF CASH FLOWS**  
**For the year ended 30 June 2019**

	Note	2019 \$ '000	2018 \$ '000
<b>Cash flows from operating activities</b>			
<b>Cash outflows</b>			
Payments for supplies and services		-	(1)
Payments of grants and subsidies		(150)	(497)
<b>Cash used in operations</b>		<u>(150)</u>	<u>(498)</u>
<b>Cash inflows</b>			
Interest received		2	3
Other receipts		353	151
<b>Cash generated from operations</b>		<u>355</u>	<u>154</u>
<b>Net cash provided by/(used in) operating activities</b>		<u>205</u>	<u>(344)</u>
<b>Cash flows from investing activities</b>			
<b>Cash outflows</b>			
Purchase of investments		(190)	(66)
<b>Cash used in investing activities</b>		<u>(190)</u>	<u>(66)</u>
<b>Cash inflows</b>			
Proceeds from sale/maturities of investments		15	20
<b>Cash generated from investing activities</b>		<u>15</u>	<u>20</u>
<b>Net cash provided by/(used in) investing activities</b>		<u>(175)</u>	<u>(46)</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>30</b>	<b>(390)</b>
Cash and cash equivalents at the beginning of the period		392	782
<b>Cash and cash equivalents at the end of the period</b>	7	<u>422</u>	<u>392</u>

The accompanying notes form part of these financial statements.

**COUNTRY HEALTH SA LOCAL HEALTH NETWORK HEALTH ADVISORY COUNCIL INC GIFT FUND TRUST**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**For the year ended 30 June 2019**

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**1 Basis of financial statements**

**1.1 Reporting entity**

The Country Health SA Local Health Network 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 SA Local Health Network Health Advisory Council Inc (The trustee).

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

- 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

**1.2 Statement of compliance**

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.

**1.3 Basis of preparation**

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 on a different basis.

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.

**1.4 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 SA LOCAL HEALTH NETWORK HEALTH ADVISORY COUNCIL INC GIFT FUND TRUST**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**For the year ended 30 June 2019**

**1.5 Change in accounting policy**

On 22 March 2019, pursuant to the *Public Finance and Audit Act 1987*, the Treasurer issued *Treasurer's Instructions (Accounting Policy Statements)* and revoked all previously issued Accounting Policy Statements. The new Accounting Policy Statements have largely been prepared on a no-policy change basis.

The change below does not impact the amounts reported in the financial statements:

- Increase in bands from \$10,000 to \$20,000 for council member reporting.

**AASB 9 Financial Instruments**

The adoption of AASB 9 from 1 July 2018 resulted in changes in accounting policies but no adjustments to the amounts recognised in the financial statements.

AASB 9 replaces the provisions of AASB 139 Financial Instruments: Recognition and Measurement that relate to recognition, classification, impairment and measurement of the Trust's financial assets.

Under AASB 9, the Trust's receivables and term deposits are measured at amortised cost, similar to the previous classifications of 'receivables' and 'held to maturity' respectively.

**2 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

**3 Supplies and services**

	2019	2018
	\$'000	\$'000
Consultants	-	1
<b>Total supplies and services</b>	<b>-</b>	<b>1</b>

**4 Grants and subsidies**

	2019	2018
	\$'000	\$'000
Note		
Other	150	497
<b>Total grants and subsidies</b>	<b>150</b>	<b>497</b>

**5 Interest revenues**

	2019	2018
	\$'000	\$'000
Bank interest	23	20
<b>Total interest revenue</b>	<b>23</b>	<b>20</b>

**6 Other revenues/income**

	2019	2018
	\$'000	\$'000
Donations	343	145
Other	10	6
<b>Total other revenues/income</b>	<b>353</b>	<b>151</b>

**7 Cash and cash equivalents**

	2019	2018
	\$'000	\$'000
Cash at bank or on hand	422	392
<b>Total cash</b>	<b>422</b>	<b>392</b>

**8 Receivables**

	2019	2018
	\$'000	\$'000
Note		
Current		

**COUNTRY HEALTH SA LOCAL HEALTH NETWORK HEALTH ADVISORY COUNCIL INC GIFT FUND TRUST**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

For the year ended 30 June 2019

Interest	4	4
<b>Total current receivables</b>	<b>4</b>	<b>4</b>
<b>Total receivables</b>	<b>4</b>	<b>4</b>

**9 Other financial assets**

	2019	2018
	\$'000	\$'000
<b>Current</b>		
Term deposits	1,029	833
<b>Total current investments</b>	<b>1,029</b>	<b>833</b>
<b>Total investments</b>	<b>1,029</b>	<b>833</b>

The Trust measures term deposits at amortised cost.

**10 Financial instruments / financial risk management**

**10.1 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.

**10.2 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.

*Classification applicable until 30 June 2018 under AASB 139*

The carrying amounts of financial assets and liabilities were categorised as held-to-maturity investments; receivables; and financial liabilities measured at cost.

*Classification applicable from 1 July 2018 under AASB 9*

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	2019 Carrying amount \$'000	2018 Carrying amount \$'000
<b>Financial assets</b>			
Cash and equivalent			
Cash and cash equivalents	7	422	392
Amortised cost			
Receivables <sup>(1)</sup>	8	4	4
Other financial assets	9	1,029	833
<b>Total financial assets</b>		<b>1,455</b>	<b>1,229</b>

<sup>(1)</sup> Receivable and payable amounts disclosed here exclude statutory receivables and payables such as GST receivables and payables.

**COUNTRY HEALTH SA LOCAL HEALTH NETWORK HEALTH ADVISORY COUNCIL INC GIFT FUND TRUST**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**For the year ended 30 June 2019**

**11 Events after balance date**

The Trust is aware of the following non-adjusting event: the State Government is reforming SA Health's governance arrangements and accordingly a Health Care (Governance) Amendment Act 2018 was proclaimed on 2 August 2018 effective from 1 July 2019.

The Advisory Council as trustee will continue to hold assets on behalf of the unincorporated Health Advisory Councils until other arrangements are in place. Should any of the unincorporated Health Advisory Councils choose to become incorporated in their own right, their assets and liabilities will be transferred from the Advisory Council.

Effective 1 July 2019, the name of the trustee is altered to Country Health Gift Fund Health Advisory Council Inc.

**12 Key Management Personnel**

Key management personnel of the Trust include the Minister, the Chief Executive of the Department, Chief Executive Officer of Country Health SA Local Health Network Inc, board members and the Chief Executive Officer of Barossa Hills Fleurieu Local Health Network Inc and the members of the Country Health Gift Fund Health Advisory Council Inc.

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.

**13 Remuneration of Council members**

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

Blacker P (Presiding Member)  
 Evans L  
 Fuller J  
 Gregurke K  
 Healy R  
 Johnston J  
 Mackay M  
 McArthur A

	<b>2019</b>	<b>2018</b>
	<b>No. of</b>	<b>No. of</b>
	<b>Members</b>	<b>Members</b>
<b>The number of members whose remuneration received or receivable falls within the following bands is:</b>		
\$0 - \$19,999	8	8
<b>Total</b>	<b>8</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 \$64,000 (\$63,000). This income has been paid and reported in Country Health SA Local Health Network Inc during 2018/19.

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.