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**Government
of South Australia**

Hills Area Health Advisory Council Inc

2022-23 Annual Report

HILLS AREA HEALTH ADVISORY COUNCIL

c/- Mt Barker District Soldiers' Memorial Hospital

87 Wellington Road, Mount Barker SA 5251

<https://www.sahealth.sa.gov.au/HillsAreaHAC>

Contact phone number: (08) 8393-1777

Contact email: cathryn.durдин@sa.gov.au

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To:

Hon Chris Picton MP

Minister for Health and Wellbeing

This annual report will be presented to Parliament to meet the statutory reporting requirements of 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 Hills Area Health Advisory Council Inc by:

A handwritten signature in black ink, appearing to read 'K. Maidment-Longbottom', written in a cursive style.

Karen Maidment-Longbottom
Interim Presiding Member

15 August 2023

From the Interim Presiding Member



Hills Area Health Advisory Council Meetings

The Hills Area Health Advisory Council (HAHAC) meets bi-monthly via Microsoft Teams and/or face to face. Also in attendance are the Directors of Nursing from Mt Barker, Strathalbyn, Gumeracha and Mt Pleasant Hospitals.

Representatives from the Barossa Hills Fleurieu Local Health Network (BHFLHN) Board and Executive also attend. Members are provided with agendas, minutes of previous meetings, copies of incoming correspondence, financial accounts and documents to be tabled for discussion.

Members are invited to contribute agenda items, which provide an opportunity to raise local concerns. Each member is also provided an opportunity to present an update of initiatives, activities or concerns of the community at the HAHAC meetings.

Presiding Member Forum Meetings

The Presiding Member has attended the Presiding Member Forum meetings during the year.

HAHAC Representation

Some HAHAC members have participated in health staff selection processes within our represented hospitals and have also attended engagement tasks for the new Mt Barker Emergency Department build, Strathalbyn and Gumeracha Emergency Department Working Groups and the new Strathalbyn Aged Care Facility.

Gift Fund Trust Account Purchases

Members of HAHAC approved the purchase and expenditure of the following items from the HAHAC Gift Fund:

- Community and Allied Health - New Podiatry Chair.
- Community and Allied Health – Equipment for the Mt Barker Multidisciplinary High Risk Foot Service.
- Duck Flat Garden Mt Barker – New kitchen flooring and toilet facility.
- Strathalbyn District Health Service – New commode, lifter and wheelchair.
- Community and Allied Health – Outdoor furniture.
- BHFLHN staff – COVID thank you sponsorship.

Accreditation for BHFLHN

ACHS Accreditation occurred successfully in March this year for all sites within BHFLHN. Community and Allied Health were successful with their re-accreditation for NDIS and Community Aged Care.

Aged Care

There are three Aged Care sites within the HAHAC area. They are Torrens Valley Aged Care Facilities at Gumeracha and Mt Pleasant and Strathalbyn and District Aged Care Facility. All facilities are fully accredited.

Mt Barker Emergency Department

The new Mt Barker Emergency Department has been built and is now open to the community.

Electronic Medical Record Mt Barker

Mt Barker Hospital was the first hospital in BHFLHN to implement a new electronic medical record.

Strathalbyn Aged Care Facility

The new Strathalbyn Aged Care facility is fully functional, and residents are enjoying the new upgraded facility.

New Mt Barker Hospital

The development of the new Mt Barker Hospital is underway with several user groups established who will work with the New Mt Barker Hospital team and architects to design a new hospital for the Mt Barker and surrounding community.

Gumeracha Emergency Department Model of Care

The Gumeracha Hospital Emergency Department was closed in 2020 as a result of the COVID pandemic. A working group was established to find a safe and suitable emergency department model of care for the Gumeracha and surrounding areas. The Gumeracha Emergency Department_Model of Care Working Group investigated the best and safest option for the local community. The best fit for purpose and safest option was to establish a Nurse-led Clinic. This proposal was presented at an open forum to the Gumeracha and surrounding community on the 12 January 2023.

The Nurse-led Clinic opened on 29 May 2023. This nurse-led clinic will provide the local community with timely access to urgent, non-emergency care, including access to virtual medical support when required. This service will provide urgent care after hours for illnesses and injuries, similar to those which would be managed at a GP clinic, when patients are unable to see their usual doctor. The service will be evaluated in due course with the findings to be presented at a subsequent community Meeting.

Strathalbyn Emergency Department Model of Care

The Strathalbyn and District Health Service Emergency Department was closed in 2020 as a result of the COVID pandemic. A working group was established to find a safe and suitable emergency department model of care for the Strathalbyn and surrounding areas. HAHAC members were included in the Working Group. The best fit for purpose and safest option was to establish a Nurse-led Clinic. This proposal was presented to the Strathalbyn and surrounding community on the 31 May 2023 and work is underway to implement the new service.

Kalimna

The Kalimna facility in Strathalbyn remains closed and the best use of the asset for health service outcomes is still under review.

A handwritten signature in black ink, appearing to read 'K. Maidment-Longbottom', written in a cursive style.

Karen Maidment-Longbottom
Interim Presiding Member
Hills Area Health Advisory Council Inc.

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2022-23 ANNUAL REPORT for the Hills Area Health Advisory Council Inc

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Overview: about the agency

Our strategic focus

Our Purpose	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. The constitution is available at: www.sahealth.sa.gov.au/Hills Area HAC
Our Vision	Not applicable.
Our Values	Not applicable.
Our functions, objectives and deliverables	The Health Advisory Council undertakes an advocacy role on behalf of the community.

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 Local Health Network

A list of current members is available at:

www.sahealth.sa.gov.au/Hills Area HAC Members

Changes to the agency

During 2022-23 there were no changes to the agency's structure and objectives as a result of internal reviews or machinery of government changes.

Our Minister

Hon Chris Picton MP 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)

- Central Adelaide Local Health Network
- Commission on Excellence and Innovation in Health
- Controlled Substances Advisory Council
- Country Health Gift Fund Health Advisory Council Inc.
- Regional Health Advisory Councils (39 across South Australia)
- Eyre and Far North Local Health Network
- Flinders and Upper North Local Health Network
- Health and Community Services Complaints Commissioner
- Health Performance Council
- Health Services Charitable Gifts Board
- Limestone Coast Local Health Network
- Northern Adelaide Local Health Network
- Pharmacy Regulation Authority of South Australia
- Riverland Mallee Coorong Local Health Network
- SA Ambulance Service
- SA Ambulance Service Volunteers' Health Advisory Council
- SA Medical Education and Training Health Advisory Council
- South Australian Public Health Council
- Southern Adelaide Local Health Network
- Wellbeing SA
- Women's and Children's Health Network
- Veterans' Health Advisory Council
- Yorke and Northern Local Health Network

The agency’s performance

Performance at a glance

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

- The Gumeracha Working Group have investigated options for the reinstatement and provision of an emergency service at the Gumeracha Hospital. A community Forum was held to announce the proposed option and this option was implemented in June 2023.
- Continued progress and consultation regarding the reactivation of the former Kalimna Hostel site at Strathalbyn.
- The HAHAC contributed funds for the purchase of medical equipment for use throughout the hospitals and Community and Allied Health located within the HAHAC area.
- Completion of the works for the new Mt Barker Emergency Department.
- A Working Party has been established to investigate options for the reinstatement and provision of an emergency service at the Strathalbyn and District Health Service. A Community Forum was held in late May 2023 to provide the community with a proposal that the Working Party proposed as a suitable option for the Strathalbyn and surrounding communities.

Agency specific objectives and performance

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

Agency objectives	Indicators	Performance
Not applicable.		

Corporate performance summary

Not applicable.

Employment opportunity programs

Program name	Performance
Not applicable.	

Agency performance management and development systems

Performance management and development system	Performance
Not applicable.	

Work health, safety and return to work programs

Not applicable.

Executive employment in the agency

Not applicable.

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 2022-2023 are attached to this report.

Hills Area Health Advisory Council Inc

Statement of Comprehensive Income	2022-23 Budget \$000s	2022-23 Actual \$000s	Variation \$000s	2021-22 Actual \$000s
Total Income	0	15,157	15,157	42
Total Expenses	0	1,966	(1,966)	1,727
Net Result	0	13,191	13,191	(1,685)
Total Comprehensive Result	0	13,191	13,191	(1,685)

Statement of Financial Position	2022-23 Budget \$000s	2022-23 Actual \$000s	Variation \$000s	2021-22 Actual \$000s
Current assets	0	0	0	0
Non-current assets	0	43,533	43,533	30,342
Total assets	0	43,533	43,533	30,342
Current liabilities	0	0	0	0
Non-current liabilities	0	0	0	0
Total liabilities	0	0	0	0
Net assets	0	43,533	43,533	30,342
Equity	0	43,533	43,533	30,342

Hills Area Health Advisory Council Inc Gift Fund Trust

Statement of Comprehensive Income	2022-23 Budget \$000s	2022-23 Actual \$000s	Variation \$000s	2021-22 Actual \$000s
Total Income	0	17	17	8
Total Expenses	0	31	(31)	71
Net Result	0	(14)	(14)	(63)
Total Comprehensive Result	0	(14)	(14)	(63)

Statement of Financial Position	2022-23 Budget \$000s	2022-23 Actual \$000s	Variation \$000s	2021-22 Actual \$000s
Current assets	0	656	656	725
Non-current assets	0	0	0	0
Total assets	0	656	656	725
Current liabilities	0	15	(15)	70
Non-current liabilities	0	0	0	0
Total liabilities	0	15	(15)	70
Net assets	0	641	641	655
Equity	0	641	641	655

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

Consultancies	Purpose	\$ Actual payment
All consultancies below \$10,000 each - combined	Not applicable.	

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

Consultancies	Purpose	\$ Actual payment
Not applicable.		

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

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.	

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

Contractors	Purpose	\$ Actual payment
Not applicable.		

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

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.	

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 non incorporated 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 Barossa Hills Fleurieu Local Health Network Inc.

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*:

Nil.

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

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
Health Care Act 2008	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 Chief Executive.
- 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.

Reporting required under the *Carers' Recognition Act 2005*

Not applicable.

Public complaints

Number of public complaints reported

A Regional Health Network response will be provided in the 2022-23 Barossa Hills Fleurieu Local Health Network Annual Report, which can be accessed on the [SA Health website](#).

Complaint categories	Sub-categories	Example	Number of Complaints 2022-23
Not applicable.			

Additional Metrics	Total
Not applicable.	

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

Service Improvements

Not applicable.

Compliance Statement

Hills Area Health Advisory Council Inc. is compliant with Premier and Cabinet Circular 039 – complaint management in the South Australian public sector.	Y
Hills Area Health Advisory Council Inc. has communicated the content of PC 039 and the agency’s related complaints policies and procedures to employees.	Y

Appendix: Audited financial statements 2022-23



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE HILLS AREA HEALTH ADVISORY COUNCIL INC.

Report on the Financial Report

Audit Opinion

We have audited the accompanying financial report of Hills Area Health Advisory Council Inc. (the Health Advisory Council), which comprises the statement of financial position as at 30 June 2023, 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 Hills Area 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 Hills Area Health Advisory Council Inc. as at 30 June 2023 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.

Mount Gambier

233 Commercial Street West
PO Box 246, Mount Gambier SA 5290
P: (08) 8725 3068
F: (08) 8724 9553
E: admin@galpins.com.au

Stirling

Unit 4, 3-5 Mount Barker Road
PO Box 727, Stirling SA 5152
P: (08) 8339 1255
F: (08) 8339 1266
E: stirling@galpins.com.au

Norwood

3 Kensington Road, Norwood SA 5067
PO Box 4067, Norwood South SA 5067
P: (08) 8332 3433
E: norwood@galpins.com.au

W: www.galpins.com.au

Galpins Trading Pty Ltd
ABN: 89 656 702 886

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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



Jessica Kellaway CA, CPA, Registered Company Auditor

Partner

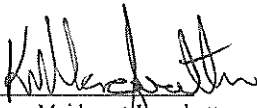
26/09/2023

HILLS AREA HEALTH ADVISORY COUNCIL INC
CERTIFICATION OF THE FINANCIAL STATEMENTS

We certify that the:

- financial statements of the Hills Area Health Advisory Council Inc:
 - are in accordance with the accounts and records of the Advisory Council;
 - comply with relevant Treasurer's Instructions;
 - comply with relevant accounting standards; and
 - present a true and fair view of the financial position of the Advisory Council at the end of the financial year and the result of its operation and cash flows for the financial year.

- Internal controls employed by Hills Area Health Advisory Council Inc for the financial year over its financial reporting and its preparation of financial statements have been effective.



Karen Maidment Longbottom
Acting Presiding Member of Hills Area Health Advisory
Council Inc

11 / 09 / 2023



Rose Dickinson
Executive Director, Finance Services

13 / 09 / 2023

HILLS AREA HEALTH ADVISORY COUNCIL INC
STATEMENT OF COMPREHENSIVE INCOME
For the year ended 30 June 2023

	Note	2023 \$'000	2022 \$'000
Income			
Resources received free of charge	2	15,157	42
Total income		15,157	42
Expenses			
Depreciation	4	1,962	1,723
Audit fees		4	4
Total expenses		1,966	1,727
Net result		13,191	(1,685)
Total comprehensive result		13,191	(1,685)

The accompanying notes form part of these financial statements.

HILLS AREA HEALTH ADVISORY COUNCIL INC
STATEMENT OF FINANCIAL POSITION
As at 30 June 2023

	Note	2023 \$ '000	2022 \$ '000
Non-current assets			
Property, plant and equipment	3	43,533	30,342
Total non-current assets		43,533	30,342
Total assets		43,533	30,342
Net assets		43,533	30,342
Equity			
Asset revaluation surplus		7,069	7,069
Retained earnings		36,464	23,273
Total equity		43,533	30,342

The accompanying notes form part of these financial statements.

HILLS AREA HEALTH ADVISORY COUNCIL INC
STATEMENT OF CHANGES IN EQUITY
For the year ended 30 June 2023

	Note	Asset revaluation surplus \$ '000	Retained earnings \$ '000	Total equity \$ '000
Balance at 30 June 2021		7,069	25,308	32,377
Net result for 2021-22		-	12,878	12,878
Balance at 30 June 2022		7,069	38,186	45,255
Prior period adjustments	1.5	-	(14,913)	(14,913)
Restated balance at 30 June 2022		7,069	23,273	30,342
Net result for 2022-23		-	13,191	13,191
Total comprehensive result for 2022-23		-	13,191	13,191
Balance at 30 June 2023		7,069	36,464	43,533

The accompanying notes form part of these financial statements.

HILLS AREA HEALTH ADVISORY COUNCIL INC
STATEMENT OF CASH FLOWS
For the year ended 30 June 2023

	2023	2022
	\$ '000	\$ '000
Net cash provided by/(used in) operating activities	-	-
Net cash provided by/(used in) investing activities	-	-
Net cash provided by/(used in) financing activities	-	-
Net increase/(decrease) in cash and cash equivalents	-	-
Cash and cash equivalents at the beginning of the period	-	-
Cash and cash equivalents at the end of the period	-	-

The accompanying notes form part of these financial statements.

1 About Hills Area Health Advisory Council Inc (the Advisory Council)

The Advisory Council is a not-for-profit entity and was established as an incorporated advisory council under the *Health Care Act 2008* (the Act).

The financial statements include all controlled activities of the Advisory Council.

The Advisory Council does not control any other entity and has no interests in unconsolidated structured entities.

The Advisory Council is controlled by Barossa Hills Fleurieu Local Health Network Inc.

1.1 Objectives and activities

The Advisory Council is 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 both within and from outside 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 as 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.

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 applying simplified disclosures

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.

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.

Cash flows include GST in the Statement of Cash Flows.

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.

1.3 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.

1.4 Changes in accounting policy

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

HILLS AREA HEALTH ADVISORY COUNCIL INC
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30 June 2023

1.5 Prior Period Adjustment

A material error was detected in the 2021-22 financial statements due to completed work-in-progress of \$14.563 million (net depreciation) being transferred to the Hills Area Health Advisory Council Inc in error. In 2020-21 plant and equipment of \$0.350 million was also transferred in error. This resulted in the opening balance of non-current assets being overstated by \$0.350 million, the 2022 net result being overstated by \$14.563 million and retained earnings being overstated by \$14.913 million. In accordance with *AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors*, the comparative information has been amended to reflect the correct balances.

	2022 Reported	Prior Period Adjustment	2022 Restated
	(Adjusted for 2020-21 prior period error)		
Statement of Comprehensive Income	\$'000	\$'000	\$'000
Resources received free of charge	14,753	(14,715)	38
Resources received free of charge - Audit Fees	4		4
Depreciation	1,875	(152)	1,723
Audit Expenses	4		4
Net Result	12,878	(14,563)	(1,685)
Statement of Financial Position			
Property, plant and equipment	44,905	(14,563)	30,342
Total Equity	44,905	(14,563)	30,342

2 Resources received free of charge

	2023 \$'000	2022 \$'000
Land and buildings	15,153	38
Services	4	4
Total resources received free of charge	15,157	42

During 2022-23 completed capital works at the Mt Barker Health Service were transferred to the Advisory Council from Barossa Hills Fleurieu Local Health Network Inc for nil consideration.

Contribution of services are recognised only when a fair value can be determined reliably and the services would be purchased if they had not been donated.

The contribution of services recognised are for audit fees paid or payable by Barossa Hills Fleurieu Local Health Network Inc for the audit of financial statements of the Advisory Council performed by Galpins Accountants Auditors and Business Consultants.

Although not recognised, the Advisory Council also receives various administrative services from Barossa Hills Fleurieu Local Health Network Inc for nil consideration.

3 Property, plant and equipment

3.1 Acquisition and recognition

Non-current assets are initially recorded on a cost basis, and subsequently measured at fair value. Where assets are acquired at no value, or minimal value, they are recorded at their fair value in the Statement of Financial Position. Where assets are acquired at no or nominal value as part of a restructure of administrative arrangements, the assets are recorded at the value held by the transferor public authority prior to the restructure.

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

HILLS AREA HEALTH ADVISORY COUNCIL INC
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30 June 2023

3.2 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 as 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:

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

3.3 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.

3.4 Impairment

The Advisory Council holds its property assets for their service potential (value in use). Specialised assets would rarely be sold and typically any costs of disposal would be negligible, accordingly the recoverable amount will be closer to or greater than fair value. Where there is an indication of impairment, the recoverable amount is estimated. For revalued assets, fair value is assessed each year.

There were no indications of impairment of property and infrastructure as at 30 June 2023.

3.5 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.

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.

4 Reconciliation of property, plant and equipment

The following table shows the movement:

2022-23	Land \$'000	Buildings \$'000	Total \$'000
Carrying amount at the beginning of the period	3,740	26,602	30,342
Assets received free of charge	-	15,153	15,153
Depreciation	-	(1,962)	(1,962)
Carrying amount at the end of the period	3,740	39,793	43,533
Gross carrying amount			
Gross carrying amount	3,740	48,767	52,507
Accumulated depreciation	-	(8,974)	(8,974)
Carrying amount at the end of the period	3,740	39,793	43,533

5 Contingent assets and liabilities

Contingent assets and contingent liabilities are not recognised in the Statement of Financial Position, but are disclosed within this note and, if quantifiable are measured at nominal value. The Advisory Council is not aware of any contingent assets and liabilities. In addition, the Advisory Council has made no guarantees.

6 Key Management Personnel

Key management personnel of the Advisory Council include the Minister, the Chief Executive of the Department for Health and Wellbeing, 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.

7 Remuneration of Council members

The total remuneration received or receivable by members was nil. 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 HILLS AREA HEALTH ADVISORY COUNCIL INC. GIFT FUND TRUST

Report on the Financial Report

We have audited the accompanying financial report of Hills Area Health Advisory Council Inc. Gift Fund Trust (the Gift Fund Trust), which comprises the statement of financial position as at 30 June 2023, 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 Hills Area 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 Hills Area Health Advisory Council Inc. Gift Fund Trust as at 30 June 2023 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.

Mount Gambier

233 Commercial Street West
PO Box 246, Mount Gambier SA 5290
P: (08) 8725 3068
F: (08) 8724 9553
E: admin@galpins.com.au

Stirling

Unit 4, 3-5 Mount Barker Road
PO Box 727, Stirling SA 5152
P: (08) 8339 1255
F: (08) 8339 1266
E: stirling@galpins.com.au

Norwood

3 Kensington Road, Norwood SA 5067
PO Box 4067, Norwood South SA 5067
P: (08) 8332 3433
E: norwood@galpins.com.au

W: www.galpins.com.au

Galpins Trading Pty Ltd
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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



Jessica Kellaway CA, CPA, Registered Company Auditor
Partner

26/09/2023

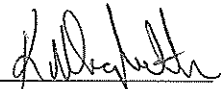
HILLS AREA HEALTH ADVISORY COUNCIL INC GIFT FUND TRUST

CERTIFICATION OF THE FINANCIAL STATEMENTS

We certify that the:

- financial statements of the Hills Area Health Advisory Council Inc Gift Fund Trust:
 - are in accordance with the accounts and records of the Trust;
 - comply with relevant Treasurer's Instructions;
 - comply with relevant accounting standards; and
 - present a true and fair view of the financial position of the Trust at the end of the financial year and the result of its operation and cash flows for the financial year.

- Internal controls employed by Hills Area Health Advisory Council Inc Gift Fund Trust for the financial year over its financial reporting and its preparation of financial statements have been effective.



Karen Maidment-Longbottom
Acting Presiding Member of Hills Area Health Advisory
Council Inc (the Trustee)

11 / 09 / 2023



Rose Dickinson
Executive Director, Finance Services

13 / 09 / 2023

HILLS AREA HEALTH ADVISORY COUNCIL INC GIFT FUND TRUST
STATEMENT OF COMPREHENSIVE INCOME
For the year ended 30 June 2023

	Note	2023 \$'000	2022 \$'000
Income			
Interest		11	1
Resources received free of charge	2	1	1
Other revenues/income	3	5	6
Total income		17	8
Expenses			
Grants		30	70
Audit fees		1	1
Total expenses		31	71
Net result		(14)	(63)
Total comprehensive result		(14)	(63)

The accompanying notes form part of these financial statements.

HILLS AREA HEALTH ADVISORY COUNCIL INC GIFT FUND TRUST
STATEMENT OF FINANCIAL POSITION
As at 30 June 2023

	Note	2023 \$ '000	2022 \$ '000
Current assets			
Cash and cash equivalents		22	102
Receivables	4	2	-
Term Deposits		632	623
Total current assets		656	725
Total assets		656	725
Current liabilities			
Payables and accrued expenses	5	15	70
Total current liabilities		15	70
Total liabilities		15	70
Net assets		641	655
Equity			
Retained earnings		641	655
Total equity		641	655

The accompanying notes form part of these financial statements.

HILLS AREA HEALTH ADVISORY COUNCIL INC GIFT FUND TRUST
STATEMENT OF CHANGES IN EQUITY
For the year ended 30 June 2023

	Retained earnings	Total equity
	\$ '000	\$ '000
Balance at 30 June 2021	718	718
Net result for 2021-22	(63)	(63)
Total comprehensive result for 2021-22	(63)	(63)
Balance at 30 June 2022	655	655
Net result for 2022-23	(14)	(14)
Total comprehensive result for 2022-23	(14)	(14)
Balance at 30 June 2023	641	641

The accompanying notes form part of these financial statements.

HILLS AREA HEALTH ADVISORY COUNCIL INC GIFT FUND TRUST
STATEMENT OF CASH FLOWS
For the year ended 30 June 2023

	2023	2022
	\$ '000	\$ '000
Cash flows from operating activities		
Cash inflows		
Other receipts	5	6
Cash generated from operations	<u>5</u>	<u>6</u>
Cash outflows		
Payments of grants	(85)	-
Cash used in operations	<u>(85)</u>	<u>-</u>
Net cash provided by/(used in) operating activities	<u>(80)</u>	<u>6</u>
Cash flows from investing activities		
Cash inflows		
Proceeds from sale/maturities of investments	-	90
Cash generated from investing activities	<u>-</u>	<u>90</u>
Net cash provided by/(used in) investing activities	<u>-</u>	<u>90</u>
Net increase/(decrease) in cash and cash equivalents	(80)	96
Cash and cash equivalents at the beginning of the period	102	6
Cash and cash equivalents at the end of the period	<u>22</u>	<u>102</u>

The accompanying notes form part of these financial statements.

HILLS AREA HEALTH ADVISORY COUNCIL INC GIFT FUND TRUST
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30 June 2023

1 About Hills Area Health Advisory Council Inc Gift Fund Trust (the Trust)

The Trust is a not-for-profit entity and was established by virtue of a deed executed between the Department for Health and Wellbeing and Hills Area Health Advisory Council Inc (the Trustee).

The financial statements include all controlled activities of the Trust.

The Trust does not control any other entity and has no interests in unconsolidated structured entities.

The Trust is controlled by Barossa Hills Fleurieu Local Health Network Inc.

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 applying simplified disclosures

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.

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.

Cash flows include GST in the Statement of Cash Flows.

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.

1.3 Changes in accounting policy

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

2 Resources received free of charge

Contribution of services are recognised only when a fair value can be determined reliably and the services would be purchased if they had not been donated.

The contribution of services recognised are for audit fees paid or payable \$1,000 (\$1,000) by Barossa Hills Fleurieu Local Health Network Inc for the audit of financial statements and compliance with the *Taxation Administration (Public Ancillary Fund) Guidelines 2022* of the Trust performed by Galpins Accountants Auditors and Business Consultants.

Although not recognised, the Trust also receives various administrative services from Barossa Hills Fleurieu Local Health Network Inc for nil consideration.

3 Other revenues/income

	2023	2022
	\$'000	\$'000
Donations	5	6
Total other revenues/income	5	6

HILLS AREA HEALTH ADVISORY COUNCIL INC GIFT FUND TRUST
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30 June 2023

4 Receivables

	2023	2022
Current	\$'000	\$'000
Interest	2	-
Total receivables	2	-

5 Payables

	2023	2022
Current	\$'000	\$'000
Creditors and accrued expenses	15	70
Total payables	15	70

6 Contingent assets and liabilities

Contingent assets and contingent liabilities are not recognised in the Statement of Financial Position, but are disclosed within this note and, if quantifiable are measured at nominal value. The Trust is not aware of any contingent assets and liabilities. In addition, the Trust has made no guarantees.

7 Financial instruments / financial risk management

7.1 Financial risk management

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 and the current assessment of risk.

7.2 Categorisation of financial instruments

All financial instruments are measured at amortised costs. Total financial assets of \$656,000 (\$725,000) consist of cash and cash equivalents \$22,000 (\$102,000), receivables \$2,000 (\$0,000) and term deposits \$632,000 (\$623,000).

Financial liabilities consist of accrued expenses \$15,000 (\$70,000).

The contractual maturities of all financial instruments are expected to be within one year.

8 Key Management Personnel

Key management personnel of the Trust include the Minister, the Chief Executive of the Department for Health and Wellbeing, board members and the Chief Executive Officer of Barossa Hills Fleurieu Local Health Network Inc and the members of Hills Area 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.

9 Remuneration of Council members

The total remuneration received or receivable by members was nil. 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.