



INDEPENDENT AUDITOR'S REPORT

Far West Local Health District

To Members of the New South Wales Parliament

Opinion

I have audited the accompanying financial statements of Far West Local Health District (the District), which comprise the Statement by the Accountable Authority, the Statement of Comprehensive Income for the year ended 30 June 2024, the Statement of Financial Position as at 30 June 2024, the Statement of Changes in Equity and the Statement of Cash Flows, for the year then ended, and notes to the financial statements, including a Statement of Material Accounting Policy Information and other explanatory information.

In my opinion, the financial statements:

- have been prepared in accordance with Australian Accounting Standards and the applicable financial reporting requirements of the *Government Sector Finance Act 2018* (GSF Act), the *Government Sector Finance Regulation 2024* (GSF Regulation) and the Treasurer's Directions
- present fairly the District's financial position, financial performance and cash flows

My opinion should be read in conjunction with the rest of this report.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report.

I am independent of the District in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants (including Independence Standards)' (APES 110).

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of public sector agencies
- precluding the Auditor-General from providing non-audit services.

I have fulfilled my other ethical responsibilities in accordance with APES 110.

I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Emphasis of Matter - Presentation of Budget Information

Without modification to the opinion expressed above, I draw attention to the basis of presenting adjustment budget information detailed in Note 35. The note states that AASB 1055 'Budgetary Reporting' is not applicable to the District. It also states that unlike the requirement in AASB 1055

'Budgetary Reporting' to present original budget information, the District's financial statements present adjusted budget information.

Chief Executive's Responsibilities for the Financial Statements

The Chief Executive is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, the GSF Act, GSF Regulation and Treasurer's Directions. The Chief Executive's responsibility also includes such internal control as the Chief Executive determines is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Chief Executive is responsible for assessing the District's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

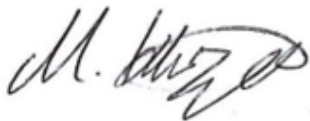
- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar4.pdf. The description forms part of my auditor's report.

The scope of my audit does not include, nor provide assurance:

- that the District carried out its activities effectively, efficiently and economically
- about the assumptions used in formulating the budget figures disclosed in the financial statements
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.



Michael Kharzoo
Director, Financial Audit

Delegate of the Auditor-General for New South Wales

5 September 2024
SYDNEY

Far West Local Health District

Statement by the Accountable Authority

for the year ended 30 June 2024



We state, pursuant to section 7.6(4) of the Government Sector Finance Act 2018 ('GSF Act'):

1. The financial statements of the Far West Local Health District for the year ended 30 June 2024 have been prepared in accordance with:
 - a. Australian Accounting Standards (AAS) (which include Australian Accounting Interpretations);
 - b. applicable requirements of the GSF Act, the *Government Sector Finance Regulation 2024* ; and
 - c. Treasurer's Directions issued under the GSF Act.
2. The financial statements present fairly the Far West Local Health District's financial position as at 30 June 2024 and the financial performance and cash flows for the year then ended; and
3. We are not aware of any circumstances which would render any particulars in the financial statements to be misleading or inaccurate.

A handwritten signature in black ink, appearing to read 'Melissa Welsh'.

Melissa Welsh
A/Chief Executive
29 August 2024

A handwritten signature in black ink, appearing to read 'Apsara Kahawita'.

Apsara Kahawita
Director Finance & Corporate Services
29 August 2024

Far West Local Health District

Statement of Comprehensive Income for the year ended 30 June 2024

		Consolidated	Consolidated	Consolidated	Parent	Parent
		Actual	Budget ¹	Actual	Actual	Actual
		2024	2024	2023	2024	2023
Notes		\$000	\$000	\$000	\$000	\$000
Continuing operations						
Expenses excluding losses						
Employee related expenses	2	104,509	104,743	90,919	-	-
Personnel services	3	-	-	-	100,978	88,092
Visiting medical officers	4	11,716	9,447	10,320	11,716	10,320
Operating expenses	5	38,164	35,922	35,202	38,164	35,202
Depreciation and amortisation	6	9,783	9,831	9,120	9,783	9,120
Grants and subsidies	7	2,929	3,120	3,036	2,929	3,036
Finance costs	8	33	26	22	33	22
Total expenses excluding losses		167,134	163,089	148,619	163,603	145,792
Revenue						
Ministry of Health recurrent allocations	11	95,731	91,180	129,214	95,731	129,214
Ministry of Health capital allocations	11	14,893	13,265	8,207	14,893	8,207
Acceptance by the Crown ² of employee benefits	15	3,531	3,531	2,827	-	-
Sale of goods and services from contracts with customers	12	9,643	9,602	8,422	9,643	8,422
Investment revenue	13	40	5	25	40	25
Grants and other contributions	14	43,976	43,532	2,386	43,976	2,386
Other income	16	455	4,369	471	455	471
Total revenue		168,269	165,484	151,552	164,738	148,725
Operating result		1,135	2,395	2,933	1,135	2,933
Gains / (losses) on disposal	17	(4)	-	-	(4)	-
Impairment losses on financial assets	21	(4)	-	(14)	(4)	(14)
Other gains / (losses)	18	(36)	(36)	(89)	(36)	(89)
Net result		1,091	2,359	2,830	1,091	2,830
Other comprehensive income						
Items that will not be reclassified to net result in subsequent periods						
Changes in revaluation surplus of property, plant and equipment	23	7,418	-	8,662	7,418	8,662
Total other comprehensive income		7,418	-	8,662	7,418	8,662
TOTAL COMPREHENSIVE INCOME		8,509	2,359	11,492	8,509	11,492

¹ Unaudited adjusted budget, see Note 35.

² Crown represents 'The Crown in right of the State of New South Wales'.

The accompanying notes form part of these financial statements.

Far West Local Health District

Statement of Financial Position as at 30 June 2024

	Notes	Consolidated Actual 2024 \$000	Consolidated Budget ¹ 2024 \$000	Consolidated Actual 2023 \$000	Parent Actual 2024 \$000	Parent Actual 2023 \$000
ASSETS						
Current assets						
Cash and cash equivalents	20	1,495	892	854	1,495	854
Receivables	21	3,218	2,687	2,685	3,218	2,685
Inventories	22	423	392	392	423	392
Total current assets		5,136	3,971	3,931	5,136	3,931
Non-current assets						
Property, plant & equipment	23					
- Land and buildings		161,208	154,790	150,980	161,208	150,980
- Plant and equipment		10,440	10,208	10,680	10,440	10,680
- Infrastructure systems		4,423	3,588	3,600	4,423	3,600
Total property, plant & equipment		176,071	168,586	165,260	176,071	165,260
Right-of-use assets	24	646	603	500	646	500
Intangible assets	25	-	-	-	-	-
Total non-current assets		176,717	169,189	165,760	176,717	165,760
Total assets		181,853	173,160	169,691	181,853	169,691
LIABILITIES						
Current liabilities						
Payables	28	12,103	10,702	10,557	12,103	10,557
Contract liabilities	29	-	97	97	-	97
Borrowings	30	231	249	254	231	254
Provisions	31	15,063	14,357	13,539	15,063	13,539
Other current liabilities	32	500	-	-	500	-
Total current liabilities		27,897	25,405	24,447	27,897	24,447
Non-current liabilities						
Borrowings	30	441	391	280	441	280
Provisions	31	241	241	199	241	199
Total non-current liabilities		682	632	479	682	479
Total liabilities		28,579	26,037	24,926	28,579	24,926
Net assets		153,274	147,123	144,765	153,274	144,765
EQUITY						
Reserves		59,539	52,118	52,121	59,539	52,121
Accumulated funds		93,735	95,005	92,644	93,735	92,644
Total Equity		153,274	147,123	144,765	153,274	144,765

¹ Unaudited adjusted budget, see Note 35.

The accompanying notes form part of these financial statements.

Far West Local Health District

Statement of Changes in Equity for the year ended 30 June 2024

PARENT AND CONSOLIDATION

	Notes	Accumulated Funds \$000	Asset Revaluation Surplus \$000	Total \$000
Balance at 1 July 2023		92,644	52,121	144,765
Net result for the year		1,091	-	1,091
Other comprehensive income:				
Net change in revaluation surplus of property, plant and equipment	23	-	7,418	7,418
Total other comprehensive income		-	7,418	7,418
Total comprehensive income for the year		1,091	7,418	8,509
Balance at 30 June 2024		93,735	59,539	153,274

	Notes	Accumulated Funds \$000	Asset Revaluation Surplus \$000	Total \$000
Balance at 1 July 2022		89,887	43,459	133,346
Correction of error - long service leave calculations		(73)	-	(73)
Balance at 1 July 2022		89,814	43,459	133,273
Net result for the year		2,830	-	2,830
Other comprehensive income:				
Net change in revaluation surplus of property, plant and equipment	23	-	8,662	8,662
Total other comprehensive income		-	8,662	8,662
Total comprehensive income for the year		2,830	8,662	11,492
Balance at 30 June 2023		92,644	52,121	144,765

The accompanying notes form part of these financial statements.

Far West Local Health District

Statement of Cash Flows for the year ended 30 June 2024

	Notes	Consolidated Actual 2024 \$000	Consolidated Budget ¹ 2024 \$000	Consolidated Actual 2023 \$000	Parent Actual 2024 \$000	Parent Actual 2023 \$000
CASH FLOWS FROM OPERATING ACTIVITIES						
Payments						
Employee related		(101,508)	(103,061)	(90,185)	-	-
Suppliers for goods and services		(52,473)	(48,125)	(50,508)	(52,473)	(50,508)
Grants and subsidies		(3,192)	(3,383)	(3,334)	(3,192)	(3,334)
Finance costs		(33)	(26)	(22)	(33)	(22)
Personnel services		-	-	-	(101,508)	(90,185)
Total payments		(157,206)	(154,595)	(144,049)	(157,206)	(144,049)
Receipts						
Ministry of Health recurrent allocations		95,731	91,180	129,214	95,731	129,214
Ministry of Health capital allocations		14,893	13,265	8,207	14,893	8,207
Reimbursements from the Crown ²		1,887	1,887	1,828	1,887	1,828
Sale of goods and services		9,218	9,697	8,690	9,218	8,690
Interest received		39	5	25	39	25
Grants and other contributions		44,976	43,558	2,269	44,976	2,269
Other		4,290	8,196	4,300	4,290	4,300
Total receipts		171,034	167,788	154,533	171,034	154,533
NET CASH FLOWS FROM OPERATING ACTIVITIES	36	13,828	13,193	10,484	13,828	10,484
CASH FLOWS FROM INVESTING ACTIVITIES						
Purchases of property, plant and equipment		(12,885)	(12,818)	(9,997)	(12,885)	(9,997)
NET CASH FLOWS FROM INVESTING ACTIVITIES		(12,885)	(12,818)	(9,997)	(12,885)	(9,997)
CASH FLOWS FROM FINANCING ACTIVITIES						
Payment of principal portion of lease liabilities		(302)	(337)	(343)	(302)	(343)
NET CASH FLOWS FROM FINANCING ACTIVITIES		(302)	(337)	(343)	(302)	(343)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		641	38	144	641	144
Opening cash and cash equivalents	20	854	854	710	854	710
CLOSING CASH AND CASH EQUIVALENTS	20	1,495	892	854	1,495	854

¹ Unaudited adjusted budget, see Note 35.

² Crown represents 'The Crown in right of the State of New South Wales'.

The accompanying notes form part of these financial statements.

Far West Local Health District

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

1. Statement of Material Accounting Policy Information

a) Reporting entity

The Far West Local Health District (the District), as a reporting entity, was established under the provisions of the Health Services Act 1997 with effect from 1 January 2011. The reporting entity is a not-for-profit entity (as profit is not its principal objective) and it has no cash generating units.

The District is a NSW Government entity and is controlled by the Ministry of Health, which is the immediate parent. The Ministry of Health is controlled by the State of New South Wales (and is consolidated as part of the NSW Total State Sector Accounts), which is the ultimate parent.

The District is also a parent entity in its own right, as it controls the operations of the:

- * Hospital Facilities and the Community Health Centres within its designated geographical remit; and
- * The Far West Local Health District Special Purpose Service Entity which provides personnel services to the District to exercise its functions and was established under the provisions of the Health Services Act 1997 with effect from 1 January 2011.

The consolidated entity includes the District as a parent entity and the District Special Purpose Service Entity. The consolidated financial statements disclose balances for the parent entity and the consolidated entity.

In preparing the consolidated financial statements, all inter-entity transactions and balances have been eliminated, and like transactions and other events are accounted for using uniform accounting policies.

These consolidated financial statements for the year ended 30 June 2024 have been authorised for issue by the A/Chief Executive on 29 August 2024.

b) Basis of preparation

The District's financial statements are general purpose financial statements which have been prepared on an accrual basis and in accordance with:

- * applicable Australian Accounting Standards (AAS) (which include Australian Accounting Interpretations);
- * the requirements of the *Government Sector Finance Act 2018* ('GSF Act'), the *Government Sector Finance Regulation 2024*; and
- * Treasurer's Directions issued under the GSF Act.

The financial statements of the District have been prepared on a going concern basis.

The Secretary of NSW Health, the Chair of the Far West Local Health District Board and the Chief Executive, through the Service Agreement have agreed to service and funding levels for the forward financial year. The Service Agreement sets out the level of financial resources for public health services under the District's control and the source of these funds. By agreement, the Service Agreement requires local management to control its financial liquidity and in particular meet benchmarks for the payment of creditors. Where the District fails to meet Service Agreement performance standards, the Ministry of Health as the state manager can take action in accordance with annual performance framework requirements, including withholding or providing additional financial support and increased management interaction.

Far West Local Health District

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

1. Statement of Material Accounting Policy Information (continued)

b) Basis of preparation (continued)

Other circumstances why the going concern assumption is appropriate include:

- * Allocated funds, combined with other revenues earned, are adequate to pay debts as and when they become due and payable.
- * The District has the capacity to review the timing of Ministry of Health allocation cash flows to ensure debts can be paid when they become due and payable.
- * The District has developed an Efficiency and Improvement Plan (EIP) which identifies revenue improvement and cost saving strategies. Benefits from the EIP are retained by the District and assist in meeting its overall budget target. The EIP is monitored and evaluated by the Ministry of Health throughout the financial year.

Property, plant and equipment and certain financial assets are measured using the fair value basis. Other financial statement items are prepared in accordance with the historical cost convention except where specified otherwise.

The District has determined that it is not probable a liability arises to pay superannuation on annual leave loading. This position has been formed based on current inquiries, other information currently available to management, and after considering the facts from a decision in the Federal Court of Australia: Finance Sector Union of Australia v Commonwealth Bank of Australia [2022] FedCFamC2G 409. That decision confirmed that, in relation to the industrial agreement considered in that case, annual leave loading did not form part of ordinary time earnings and therefore, did not require superannuation contributions to be made under superannuation guarantee legislation because the obligation to pay annual leave loading was not referable to ordinary hours of work or to ordinary rates of pay. Rather, it was paid by reference to the period of annual leave, and for the purpose of compensating employees for their loss of opportunity to work additional hours at higher rates during this period.

This position will be re-assessed in future periods as new information comes to light on this matter.

Judgements, key assumptions and estimations management have made are disclosed in the relevant notes to the financial statements.

All amounts are rounded to the nearest one thousand dollars (unless otherwise stated) and are expressed in Australian currency, which is the District's presentation and functional currency.

c) Statement of Compliance

The financial statements and notes comply with Australian Accounting Standards which include Australian Accounting Interpretations.

Far West Local Health District

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

1. Statement of Material Accounting Policy Information (continued)

d) Comparative Information

Except when an Australian Accounting Standard permits or requires otherwise, comparative information is disclosed in respect of the previous period for all amounts reported in the financial statements.

Certain comparative information has been reclassified to ensure consistency with current year presentation and classification. These include:

- * Note 5 Operating expenses: Details of operating expenses were previously split into two tables but have now been combined into one table for a more streamlined presentation in the current year. A number of new expense lines have also been added to provide additional information, these expenses previously formed part of different expense lines. There has been no change in the total operating expense amount.
- * Note 27 Restricted assets: A new category, Clinical trials, has been added from 1 July 2023. The balance of Clinical trials was previously included in the Research category which has now been reclassified out of Research category into Clinical trials.

e) Changes in accounting policy, including new or revised Australian Accounting Standards

(i) Effective for the first time in 2023-24

The District applied AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates for the first time in 2023. The amendment requires reporting entities to disclose only 'material' accounting policies, rather than 'significant' accounting policies. This amendment has led to removal of several previously disclosed accounting policies that were not considered material.

Apart from the above noted change, the accounting policies applied in 2023-24 are consistent with those of the previous financial year.

(ii) Issued but not yet effective

NSW public sector entities are not permitted to early adopt new Australian Accounting Standards (AAS), unless NSW Treasury determines otherwise.

Far West Local Health District

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

2. Employee related expenses

	Consolidated 2024 \$000	Consolidated 2023 \$000	Parent 2024 \$000	Parent 2023 \$000
Salaries and wages*	90,214	79,194	-	-
Superannuation - defined benefit plans	813	815	-	-
Superannuation - defined contribution plans	9,017	7,532	-	-
Long service leave	2,917	2,036	-	-
Redundancies	92	-	-	-
Workers' compensation insurance	1,456	1,340	-	-
Fringe benefits tax	-	2	-	-
	104,509	90,919	-	-

* Salaries and wages includes annual leave, accrued days off (ADOs) and parental leave.

Refer to Note 31 for further details on recognition and measurement of employee related expenses.

3. Personnel services

	Consolidated 2024 \$000	Consolidated 2023 \$000	Parent 2024 \$000	Parent 2023 \$000
Salaries and wages*	-	-	90,214	79,194
Superannuation - defined contribution plans	-	-	9,017	7,532
Long service leave	-	-	199	24
Redundancies	-	-	92	-
Workers' compensation insurance	-	-	1,456	1,340
Fringe benefits tax	-	-	-	2
	-	-	100,978	88,092

* Salaries and wages includes annual leave, allocated days off (ADOs) and parental leave.

Personnel services of Far West Local Health District were provided by its controlled entity, Far West Local Health District Special Purpose Service Entity.

4. Visiting medical officers

Visiting medical officers (VMOs) deliver specialist medical services throughout the District's hospitals. VMO expenses of \$11.72 million (2023: \$10.32 million) represent part of the day-to-day running costs incurred in the normal operations of the District. These costs are expensed as incurred.

Far West Local Health District

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

5. Operating expenses

	Consolidated 2024 \$000	Consolidated 2023 \$000	Parent 2024 \$000	Parent 2023 \$000
Advertising	511	171	511	171
Agency expenses	3,375	2,631	3,375	2,631
Auditor's remuneration - audit of financial statements	167	165	167	165
Blood and blood products	196	186	196	186
Consultants	98	-	98	-
Contractors	373	245	373	245
Corporate support services	1,188	671	1,188	671
Courier and freight	94	108	94	108
Disability equipment support expenses	204	196	204	196
Domestic supplies and services	742	643	742	643
Drug supplies	2,266	2,689	2,266	2,689
Expenses relating to short-term leases	708	265	708	265
Expenses relating to leases of low-value assets	46	27	46	27
Food supplies	690	599	690	599
Fuel, light, power and water	1,378	1,251	1,378	1,251
Hosted services purchased from entities controlled by the immediate parent	39	38	39	38
Information management expenses	4,214	4,156	4,214	4,156
Insurance	304	260	304	260
Legal services	100	168	100	168
Maintenance (see Note 5 (a))	3,209	3,215	3,209	3,215
Medical and surgical supplies (including prostheses)	2,387	2,228	2,387	2,228
Membership / professional fees	118	59	118	59
Motor vehicle expenses	418	363	418	363
Outsourced patient services	17	108	17	108
Patient transport costs	1,489	1,284	1,489	1,284
Postal and telephone costs	192	219	192	219
Printing and stationery	307	281	307	281
Professional services (excluding consultants)	789	876	789	876
Rates and charges	46	43	46	43
Security services	131	354	131	354
Specialised services (dental, radiology, pathology, cardiology and mental health)	8,396	8,533	8,396	8,533
Staff related costs	380	214	380	214
Travel related costs	2,333	1,741	2,333	1,741
Other miscellaneous	1,259	1,215	1,259	1,215
	38,164	35,202	38,164	35,202

The majority of the costs in relation to drug supplies and medical and surgical supplies expenses relate to the consumption of inventory held by the District.

Far West Local Health District

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

5. Operating expenses (continued)

Other miscellaneous of \$1.26 million (2023: \$1.21 million) includes audiovisual expenses, capital project expenses, chaplaincy expenses, data records and storage, expenses relating to non-lease component of a lease, other intra health expenses, other management services, patient support services and translator services amongst others.

	Consolidated 2024 \$000	Consolidated 2023 \$000	Parent 2024 \$000	Parent 2023 \$000
(a) Reconciliation of total maintenance expense				
Corrective maintenance	768	535	768	535
Planned maintenance	1,335	1,519	1,335	1,519
New / replacement equipment under \$10,000	1,106	1,161	1,106	1,161
Maintenance expense - contracted labour and other (non-employee related) in Note 5	3,209	3,215	3,209	3,215
Employee related / personnel services maintenance expense included in Notes 2 and 3*.	1,249	1,015	1,249	1,015
	4,458	4,230	4,458	4,230

* This balance consists of employees who have been classified as providing maintenance services for the District and the expense is included in employee related expenses / personnel services in Notes 2 and 3.

Far West Local Health District

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

6. Depreciation and amortisation

	Consolidated 2024 \$000	Consolidated 2023 \$000	Parent 2024 \$000	Parent 2023 \$000
Depreciation - buildings	7,262	6,687	7,262	6,687
Depreciation - plant and equipment	2,045	1,931	2,045	1,931
Depreciation - infrastructure systems	185	163	185	163
Depreciation - right-of-use land and buildings	14	29	14	29
Depreciation - right-of-use plant and equipment	277	310	277	310
	9,783	9,120	9,783	9,120

Refer to Note 23 Property, plant and equipment and Note 24 Leases for recognition and measurement policies on depreciation.

7. Grants and subsidies

	Consolidated 2024 \$000	Consolidated 2023 \$000	Parent 2024 \$000	Parent 2023 \$000
Non-government organisations	2,306	2,524	2,306	2,524
Grants to entities controlled by the immediate parent	241	37	241	37
Other grants	382	475	382	475
	2,929	3,036	2,929	3,036

Recognition and Measurement

Grants and subsidies expense generally comprise of contributions in cash or in kind to various local government authorities and not-for-profit community organisations to support their health-related objectives and activities. The grants and subsidies are expensed on the transfer of the cash or assets. The transferred assets are measured at their fair value.

Far West Local Health District

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

8. Finance costs

	Consolidated	Consolidated	Parent	Parent
	2024	2023	2024	2023
	\$000	\$000	\$000	\$000
Interest expense from lease liabilities	33	22	33	22
	33	22	33	22

Far West Local Health District

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

9. Revenue

Comments regarding the accounting policies for the recognition of income are discussed below.

Under the GSF Act 2018, the District's own source revenue (which includes but is not limited to receipts from operating activities and proceeds from the sale of minor property, plant and equipment) meets the definition of deemed appropriation money under the GSF Act.

Deemed appropriation money is money received directly by the District which forms part of the consolidated fund and is not appropriated to the District by an Act.

10. Summary of compliance

The Appropriation Act 2023 (Appropriations Act) (and the subsequent variations, if applicable) appropriates the sum of \$19.6 billion to the Minister for Health out of the Consolidated Fund for the services of the Ministry of Health for the year 2023-24. The spending authority of the Minister from the Appropriations Act has been delegated or subdelegated to officers of the Ministry of Health and entities that it is administratively responsible for, including the District.

The lead Minister for the District, being the Minister for Health, is taken to have been given an appropriation out of the Consolidated Fund under the authority section 4.7 of the GSF Act, at the time the District receives or recovers any deemed appropriation money, for an amount equivalent to the money that is received or recovered by the District. These deemed appropriations are taken to have been given for the services of the Ministry of Health.

In addition, government money that the District receives or recovers, from another GSF agency, of a kind prescribed by the GSF regulations that forms part of the Consolidated Fund, is also deemed appropriation moneys where the receiving agency has a different lead Minister to the agency making the payment, or one or both of the agencies is a special office (as defined in section 4.7(8)).

A summary of compliance is disclosed in the financial statements of the Annual Report of the Ministry of Health. It has been prepared by aggregating the spending authorities of the Minister for Health for the services of the Ministry of Health. It reflects the status at the point in time this disclosure statement is being made. District's spending authority and expenditure is included in the summary of compliance.

The delegation / sub-delegations for 2024 and 2023, authorising officers of the District to spend Consolidated Fund money, impose limits on the amounts of individual transactions, but not the overall expenditure of the District. However, as they relate to expenditure in reliance on a sum appropriated by legislation, the delegation / sub-delegations are subject to the overall authority of the Ministry of Health to spend monies under relevant legislation. The individual transaction limits have been properly observed. The information in relation to the aggregate expenditure limit from the Appropriations Act and other sources is disclosed in the summary of compliance table included in the financial statements of the Annual Report of the Ministry of Health.

11. Ministry of Health allocations

Payments are made by the immediate parent as per the Service Agreement to the District and adjusted for approved supplementations, mostly for salary agreements and approved enhancement projects. The Service Agreement between the immediate parent and the District does not contain sufficiently specific enforceable performance obligations as defined by AASB 15 and are therefore recognised upon the receipt of cash, in accordance with AASB 1058.

Interstate patient flows are funded through the NSW State Pool Account, based on activity and consistent with the price determined in cross border agreements. The funding is also recognised as part of the Ministry of Health recurrent allocation from the immediate parent.

Far West Local Health District

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

12. Sale of goods and services from contracts with customers

(a) Sale of goods comprise the following:

	Consolidated 2024 \$000	Consolidated 2023 \$000	Parent 2024 \$000	Parent 2023 \$000
Sale of inventories				
Sale and recovery of pharmaceutical supplies	1,105	1,147	1,105	1,147
Sale of prostheses	26	23	26	23
Other	16	37	16	37
	1,147	1,207	1,147	1,207

(b) Rendering of services comprise the following:

Patients				
Patient Fees:				
- Inpatient fees	2,245	1,826	2,245	1,826
- Nursing home fees	681	416	681	416
- Non inpatient fees	383	486	383	486
Department of Veterans' Affairs	878	570	878	570
Motor Accident Authority third party	249	228	249	228
Multi Purpose Service Centre fees	1,837	1,713	1,837	1,713
Staff				
Private use of motor vehicles	-	1	-	1
Salary packaging fee	18	-	18	-
Meals and accommodation	124	113	124	113
General community				
Commercial activities	17	17	17	17
Fees for conferences and training	21	37	21	37
Fees for medical records	8	7	8	7
Information retrieval	2	3	2	3
Meals on Wheels	5	14	5	14
Non-NSW Health entities				
Linen service revenues	82	104	82	104
Services to other organisations	50	57	50	57
Other				
Infrastructure fees - monthly facility charge	1,720	1,576	1,720	1,576
Other	176	47	176	47
	8,496	7,215	8,496	7,215
	9,643	8,422	9,643	8,422

Far West Local Health District

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

12. Sale of goods and services from contracts with customers (continued)

Recognition and Measurement

Sale of goods

Revenue from the sale of goods is recognised when the District satisfies a performance obligation by transferring the promised goods.

Type of good	Nature of timing of satisfaction of performance obligations, including significant payment terms	Revenue recognition policies
Sale and recovery of pharmaceutical supplies	The performance obligation of transferring pharmaceutical products is typically satisfied at the point in time when the products are dispensed to customers, which denotes acceptance by the customer, and therefore deemed as the point in time when the control is transferred to the customer. The payments are typically due within 30 days after the invoice date.	Revenue from these sales is recognised based on the price specified on the invoice, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. No element of financing is deemed present as the sales are made with a short credit term. No volume discount or warranty is provided on the sale.
Sale of prostheses	Relates to revenue generated for surgically implanted prostheses and medical devices. The performance obligation of transferring these products is typically satisfied at the point in time when the products are implanted in the body of the patient, which denotes acceptance by the customer, and therefore deemed as the point in time when the control is transferred to the customer. The payments are typically due within 30 days after the invoice date.	Revenue from these sales is recognised based on the price specified on the invoice, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. No element of financing is deemed present as the sales are made with a short credit term. No volume discount or warranty is provided on the sale.
Other	Relates to sale of various products including the sale of low value medical equipment, schedule 3 medical equipment, sale of publications, old wares and refuse and other general goods. The performance obligation of transferring these products is typically satisfied at the point in time when the products are purchased by the customer and takes delivery, which denotes acceptance by the customer, and therefore deemed as the point in time when the control is transferred to the customer. The payments are typically due within 30 days after the invoice date.	Revenue from these sales is recognised based on the price specified on the invoice, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. No element of financing is deemed present as the sales are made with a short credit term. No volume discount or warranty is provided on the sale.

Far West Local Health District

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

12. Sale of goods and services from contracts with customers (continued)

Recognition and Measurement (continued)

Rendering of services

Revenue from rendering of services is recognised when the District satisfies the performance obligation by transferring the promised services.

Type of service	Nature of timing of satisfaction of performance obligations, including significant payment terms	Revenue recognition policies
Patient services - Inpatient fees, Nursing home fees, Non inpatient fees, Department of Veterans' Affairs, Motor Accident Authority third party	The performance obligations in relation to patient services are typically satisfied as the health services are delivered to the chargeable inpatients and non-inpatients. Public patients are not charged for health services provided at public hospitals. Chargeable patients, including Medicare ineligible patients, privately insured patients, eligible veterans and compensable patients are billed for health services provided under various contractual arrangements. Billings are typically performed upon patient discharge and are based on the rates specified by the Ministry of Health. The payments are typically due within 30 days after the invoice date.	Revenue is recognised on an accrual basis when the service has been provided to the patient. In limited circumstances the price is not fully recovered, e.g. due to inadequate insurance policies, overseas patients returning to their home country before paying, etc. The likelihood of their occurrences is considered on a case by case basis. In most instances revenue is initially recognised at full amounts and subsequently adjusted when more information is provided. No element of financing is deemed present as majority of the services are made with a short credit term.
Non-Patient services provided to staff, General community, Non-NSW Health entities and Entities controlled by the immediate parent	Various non-patient related services are provided to the members of staff, general community, non-NSW health entities and entities controlled by the immediate parent. The performance obligations for these services are typically satisfied by transferring the promised services to its respective customers. The payments are typically due within 30 days after the invoice date.	Revenue is recognised when promised services are delivered. No element of financing is deemed present as the services are made with a short credit term.

Far West Local Health District

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

12. Sale of goods and services from contracts with customers (continued)

Recognition and Measurement (continued)

Rendering of services (continued)

Type of service	Nature of timing of satisfaction of performance obligations, including significant payment terms	Revenue recognition policies
Infrastructure fees	Specialist doctors with rights of private practice are subject to an infrastructure charge, including service charges where applicable for the use of hospital facilities at rates determined by the Ministry of Health. The performance obligations for these services are typically satisfied when the hospital facilities are made available and used by the doctors and staff specialists. The payments are typically due when monies are collected from patient billings for services provided under the arrangement.	Revenue is recognised when promised services are delivered. No element of financing is deemed present as the services are made with a short credit term.

Far West Local Health District

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

13. Investment revenue

	Consolidated 2024 \$000	Consolidated 2023 \$000	Parent 2024 \$000	Parent 2023 \$000
Interest income from financial assets at amortised cost	40	25	40	25
	40	25	40	25

Recognition and Measurement

Interest income from financial assets at amortised cost

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit impaired. For financial assets that become credit impaired, the effective interest rate is applied to the amortised cost of the financial asset (i.e. after deducting the loss allowance for expected credit losses).

Far West Local Health District

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

14. Grants and other contributions

	Consolidated 2024 \$000	Consolidated 2023 \$000	Parent 2024 \$000	Parent 2023 \$000
Other grants with sufficiently specific performance obligations				
Ministry of Health National Health Reform Funding*	27,291	-	27,291	-
Cancer Institute grants received from an entity controlled by the immediate parent	366	350	366	350
Commonwealth government grants received for community based services	499	475	499	475
Commonwealth government grants other	-	10	-	10
Other grants from entities controlled by the immediate parent	-	54	-	54
Other grants	461	647	461	647
Grants without specific performance obligations				
Ministry of Health National Health Reform Funding*	13,625	-	13,625	-
Commonwealth government grants other	366	122	366	122
Grants from entities controlled by the ultimate parent	427	51	427	51
Other grants from entities controlled by the immediate parent	16	166	16	166
Other grants	676	264	676	264
Donations				
Donations	249	247	249	247
	43,976	2,386	43,976	2,386

* Represents funding received by the District from the Ministry of Health, the immediate parent, in respect of activity-based funding and block funding in scope of the Commonwealth National Health Reform Agreement (NHRA). The Ministry of Health receives funding from the Commonwealth and distributes it based on activity levels for activity-based funding and at set amounts for the block funding component. The activity-based funding is recognised under AASB 15 Revenue from Contracts with Customers (AASB 15), while block funding is recognised under AASB 1058 Income of Not-for-Profit Entities (AASB 1058) due to lack of specific performance obligations. The activity-based revenue is calculated by multiplying activity levels with the agreed National Weighted Activity Unit price. In previous years, NHRA funding was not separately distributed by the Ministry of Health and was included within the Ministry of Health recurrent allocations (Note 11).

Far West Local Health District

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

14. Grants and other contributions (continued)

Recognition and Measurement

Income from grants to acquire / construct a recognisable non-financial asset to be controlled by the District are recognised when the District satisfies its obligations under the transfer. The District satisfies the performance obligation under the transfer over time as the non-financial assets are being constructed. The percentage of cost incurred is used to recognise income, because this most closely reflects the progress to completion.

Revenue from grants with sufficiently specific performance obligations are recognised when the District satisfies a performance obligation by transferring the promised goods or services. The District typically receives grants in respect of research, clinical drug trials and other community, health and wellbeing related projects. The District uses various methods to recognise revenue over time, depending on the nature and terms and conditions of the grant contract. The payments are typically based on an agreed timetable or on achievement of different milestones in the contract.

Revenue from these grants is recognised based on the grant amount specified in the funding agreement / funding approval, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. No element of financing is deemed present as funding payments are usually received in advance or shortly after the relevant obligation is satisfied.

Refer to Note 29 for the transaction price allocated to the performance obligations that have not been satisfied at the end of the year and when it is expected to be recognised as revenue.

Income from grants without sufficiently specific performance obligations is recognised when the District obtains control over the granted assets (e.g. cash).

15. Acceptance by The Crown in right of the State of New South Wales (Crown) of employee benefits

The following liabilities and / or expenses have been assumed by the Crown:

	Consolidated	Consolidated	Parent	Parent
	2024	2023	2024	2023
	\$000	\$000	\$000	\$000
Superannuation - defined benefit plans	813	815	-	-
Long service leave provision	2,718	2,012	-	-
	3,531	2,827	-	-

Far West Local Health District

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

16. Other income

	Consolidated 2024 \$000	Consolidated 2023 \$000	Parent 2024 \$000	Parent 2023 \$000
Other income comprises the following:				
Discounts	5	57	5	57
Insurance refunds	57	53	57	53
Rental income				
- Other rental income	59	61	59	61
Other	334	300	334	300
	455	471	455	471

Recognition and Measurement

Rental income

Rental income arising from operating leases is accounted for on a straight-line basis over the lease term. The rental income is incidental to the purpose for holding the property.

Far West Local Health District

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

17. Gains / (losses) on disposal

	Consolidated 2024 \$000	Consolidated 2023 \$000	Parent 2024 \$000	Parent 2023 \$000
Right-of-use assets				
Written down value of assets disposed	5	44	5	44
Less : lease liabilities extinguished	1	44	1	44
Total gains / (losses) on disposal	(4)	-	(4)	-

18. Other gains / (losses)

	Consolidated 2024 \$000	Consolidated 2023 \$000	Parent 2024 \$000	Parent 2023 \$000
Inventory write down	(36)	(89)	(36)	(89)
	(36)	(89)	(36)	(89)

Recognition and Measurement

Impairment losses on non-financial assets

Impairment losses may arise on non-financial assets held by the District from time to time. Accounting for impairment losses is dependent upon the individual asset (or group of assets) subject to impairment. Accounting policies and events giving rise to impairment losses are disclosed in the following notes:

- Note 22 Inventories
- Note 23 Property, plant and equipment
- Note 24 Leases
- Note 25 Intangible assets.

19. Conditions and restrictions on income of not-for-profit entities

The District receives various types of grants and donations from different grantors / donors, some of which may not have enforceable performance obligations. The District determines the grantor / donor expectations in determining the externally imposed restrictions and discloses them in accordance with different types of restrictions. The types of restrictions and income earned with restrictions are detailed in Note 27 Restricted assets.

Far West Local Health District

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

20. Cash and cash equivalents

	Consolidated 2024 \$000	Consolidated 2023 \$000	Parent 2024 \$000	Parent 2023 \$000
Cash at bank and on hand	118	854	118	854
Cash at bank - held by HealthShare NSW*	1,377	-	1,377	-
	1,495	854	1,495	854

* Represents cash held by HealthShare NSW, a controlled entity of the immediate parent, in a central bank account, on behalf of the District for its operating and investing activities. It is an operational bank account that earns interest on daily bank balances. Refer to Note 13 Investment revenue for the recognition and measurement policies on interest income.

For the purposes of the Statement of Cash Flows, cash and cash equivalents includes cash at bank, cash on hand, short-term deposits with original maturities of three months or less, which are subject to an insignificant risk of changes in value.

Cash and cash equivalent assets recognised in the Statement of Financial Position are reconciled at the end of the financial year to the Statement of Cash Flows as follows:

Cash and cash equivalents (per Statement of Financial Position)	1,495	854	1,495	854
	1,495	854	1,495	854

Refer to Note 39 for details regarding credit risk and market risk arising from financial instruments.

Most cash and cash equivalents held by the District are restricted assets. Refer to Note 27 for details of restricted assets.

HealthShare NSW, a controlled entity of the immediate parent manages accounts payable and employee related payments on behalf of the District for payments to suppliers and employees. HealthShare NSW makes payments after the District has reviewed and approved the invoices and employee rosters. The District's approval of invoices and employee rosters provides authority to HealthShare NSW to make payments. These payments are reported as expenditures and cash outflows in the financial statements of the District.

HealthShare NSW receives funds directly from the Ministry of Health to make these payments to suppliers and employees on behalf of the District. Upon payment, these are reported as revenue (Ministry of Health recurrent and capital allocations) and cash inflows in the financial statements of the District.

Far West Local Health District

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

21. Receivables

	Consolidated 2024 \$000	Consolidated 2023 \$000	Parent 2024 \$000	Parent 2023 \$000
Current				
Trade receivables from contracts with customers	989	516	989	516
Intra health receivables	1,287	936	1,287	936
Goods and Services Tax	776	1,038	776	1,038
Other receivables	57	69	57	69
Sub total	3,109	2,559	3,109	2,559
Less: Allowance for expected credit losses*				
- Trade receivables from contracts with customers	(21)	(21)	(21)	(21)
Sub total	3,088	2,538	3,088	2,538
Prepayments	130	147	130	147
	3,218	2,685	3,218	2,685

(a) * Movement in the allowance for expected credit losses

	Consolidated 2024 \$000	Consolidated 2023 \$000	Parent 2024 \$000	Parent 2023 \$000
Trade receivables from contracts with customers				
Balance at the beginning of the year	(21)	(15)	(21)	(15)
Amounts written off during the year	2	4	2	4
(Increase) / decrease in allowance recognised in the net result ¹	(2)	(10)	(2)	(10)
Balance at the end of the year	(21)	(21)	(21)	(21)
Other receivables				
Balance at the beginning of the year	-	-	-	-
Amounts written off during the year	2	3	2	3
(Increase) / decrease in allowance recognised in the net result	(2)	(3)	(2)	(3)
Balance at the end of the year	-	-	-	-
	(21)	(21)	(21)	(21)

Far West Local Health District

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

21. Receivables (continued)

(b) The current and non-current trade receivables from contracts with customers balances above include the following patient fee receivables:

Current and non-current include:

	Consolidated 2024 \$000	Consolidated 2023 \$000	Parent 2024 \$000	Parent 2023 \$000
Patient fees - compensable	51	92	51	92
Patient fees - Medicare ineligible	23	8	23	8
Patient fees - inpatient & other	463	228	463	228
	537	328	537	328

Details regarding credit risk of receivables that are neither past due nor impaired, are disclosed in Note 39.

	Consolidated 2024 \$000	Consolidated 2023 \$000	Parent 2024 \$000	Parent 2023 \$000
Contract receivables (included in Note 21)	2,276	1,452	2,276	1,452
Total contract receivables	2,276	1,452	2,276	1,452

Recognition and Measurement

Receivables are initially recognised at fair value plus any directly attributable transaction costs. Trade receivables that do not contain a significant financing component are measured at the transaction price.

Subsequent measurement

The District holds receivables with the objective to collect the contractual cash flows and therefore measures them at amortised cost using the effective interest method, less any impairment. Changes are recognised in the net result for the year when impaired, derecognised or through the amortisation process.

Impairment

For trade receivables, the District applies a simplified approach in calculating ECLs. The District recognises a loss allowance based on lifetime ECLs at each reporting date. The District has established a provision matrix based on its historical credit loss experience for trade receivables, adjusted for forward looking factors specific to the receivable.

Far West Local Health District

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

22. Inventories

	Consolidated 2024 \$000	Consolidated 2023 \$000	Parent 2024 \$000	Parent 2023 \$000
Current				
Held-for-distribution				
Drug supplies	179	165	179	165
Other including goods in transit	244	227	244	227
	423	392	423	392

Recognition and Measurement

Inventories held for distribution are stated at cost, adjusted when applicable, for any loss of service potential. A loss of service potential is identified and measured based on the existence of a current replacement cost that is lower than the carrying amount or any loss of operating capacity due to obsolescence. Inventories (other than those held for distribution) are stated at the lower of cost and net realisable value. Cost is calculated using the weighted average cost method.

The cost of inventories acquired at no cost or for nominal consideration is the current replacement cost as at the date of acquisition. Current replacement cost is the cost the District would incur to acquire the asset. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Obsolete items are disposed of in accordance with instructions issued by the Ministry of Health.

Far West Local Health District

Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

23. Property, plant and equipment

(a) Total property, plant and equipment

PARENT AND CONSOLIDATION

	Land and Buildings \$000	Plant and Equipment ¹ \$000	Infrastructure Systems \$000	Total \$000
At 1 July 2022 - fair value				
Gross carrying amount	250,588	19,895	6,567	277,050
Less: accumulated depreciation and impairment	109,668	9,041	3,013	121,722
Net carrying amount	140,920	10,854	3,554	155,328

	Land and Buildings \$000	Plant and Equipment ¹ \$000	Infrastructure Systems \$000	Total \$000
Year ended 30 June 2023				
Net carrying amount at beginning of year	140,920	10,854	3,554	155,328
Additions	8,761	1,236	-	9,997
Transfers within NSW Health entities through Statement of Comprehensive Income	-	54	-	54
Net revaluation increments less revaluation decrements	8,453	-	209	8,662
Depreciation expense	(6,687)	(1,931)	(163)	(8,781)
Reclassifications	(467)	467	-	-
Net carrying amount at end of year	150,980	10,680	3,600	165,260

¹ For non-specialised assets with short useful lives, recognition at depreciated historical cost is regarded as an acceptable approximation of fair value, in accordance with Treasury Policy Paper 21-09.

Further details regarding the fair value measurement of property, plant and equipment are disclosed in Note 26.

Far West Local Health District

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

23. Property, plant and equipment (continued)

(a) Total property, plant and equipment (continued)

PARENT AND CONSOLIDATION

	Land and Buildings \$000	Plant and Equipment ¹ \$000	Infrastructure Systems \$000	Total \$000
At 1 July 2023 - fair value				
Gross carrying amount	274,538	20,186	6,973	301,697
Less: accumulated depreciation and impairment	123,558	9,506	3,373	136,437
Net carrying amount	150,980	10,680	3,600	165,260

	Land and Buildings \$000	Plant and Equipment ¹ \$000	Infrastructure Systems \$000	Total \$000
Year ended 30 June 2024				
Net carrying amount at beginning of year	150,980	10,680	3,600	165,260
Additions	11,080	1,805	-	12,885
Net revaluation increments less revaluation decrements	7,199	-	219	7,418
Impairment losses (recognised in 'Other gains / (losses)')	-	-	-	-
Depreciation expense	(7,262)	(2,045)	(185)	(9,492)
Reclassifications	(789)	-	789	-
Net carrying amount at end of year	161,208	10,440	4,423	176,071

	Land and Buildings \$000	Plant and Equipment ¹ \$000	Infrastructure Systems \$000	Total \$000
At 30 June 2024 - fair value				
Gross carrying amount	294,825	20,863	8,162	323,850
Less: accumulated depreciation and impairment	133,617	10,423	3,739	147,779
Net carrying amount	161,208	10,440	4,423	176,071

¹ For non-specialised assets with short useful lives, recognition at depreciated historical cost is regarded as an acceptable approximation of fair value, in accordance with Treasury Policy Paper 21-09.

The net carrying amount of service concession assets included in each class of property, plant and equipment as at 30 June 2024:

- land and buildings \$Nil (2023: \$5.27 million)

Further details regarding the fair value measurement of property, plant and equipment are disclosed in Note 26.

Far West Local Health District

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

23. Property, plant and equipment (continued)

(b) Property, plant and equipment held and used by the District

PARENT AND CONSOLIDATION

The District has a building with a written down value of \$3.310 million (2023: \$3.281 million) subject to an operating lease at minimal rental and all other property, plant and equipment balances are for items held and used by the District

Recognition and Measurement

Acquisition of property, plant and equipment

Property, plant and equipment acquired are initially recognised at cost and subsequently revalued at fair value less accumulated depreciation and impairment.

Health Infrastructure, a controlled entity of the immediate parent, manages the approved major capital works program for the Ministry of Health and its controlled entities. Health Infrastructure receives Ministry of Health Capital Allocations and grants on behalf of the District and records all costs incurred as work in progress or expenses and subsequently transfers those costs to the District. The costs are then accordingly reflected in the District's financial statements. The District acquires most assets in this manner.

Land and buildings are owned by the Health Administration Corporation. Land and buildings which are operated / occupied by the District are deemed to be controlled by the District and are reflected as such in the financial statements.

Capitalisation thresholds

Property, plant and equipment assets costing \$10,000 and above individually (or forming part of a network costing more than \$10,000) are capitalised.

Far West Local Health District

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

23. Property, plant and equipment (continued)

Depreciation of property, plant and equipment

Except for certain non-depreciable assets, depreciation is provided for on a straight-line basis so as to write off the depreciable amount of each asset as it is consumed over its useful life to the District.

All material identifiable components of assets are depreciated separately over their useful life.

Land is not a depreciable asset. Certain heritage assets including original artworks and collections and heritage buildings may not have a limited useful life because appropriate curatorial and preservation policies are adopted. Such assets are not subject to depreciation. The decision not to recognise depreciation for these assets is reviewed annually.

Details of depreciation rates initially applied for major asset categories are as follows:

	Useful lives
	2024
Buildings	30-70 years
Buildings - leasehold improvements	3-10 years
Plant and equipment	4-20 years
Infrastructure Systems	40 years

Plant and equipment' comprises, among others, medical, computer and office equipment, motor vehicles, furniture and fittings and PODS (a detachable or self-contained unit on ambulances used for patient treatment).

'Infrastructure Systems' comprises public facilities which provide essential services and enhance the productive capacity of the economy including roads, bridges, water infrastructure and distribution works, sewerage treatment plants, seawalls and water reticulation systems.

The estimated useful lives, residual values and depreciation methods are reviewed at the end of each reporting period and adjusted if appropriate.

Right-of-use assets acquired by lessees

AASB 16 Leases (AASB 16) requires a lessee to recognise a right-of-use asset for most leases. The District has elected to present right-of-use assets separately in the Statement of Financial Position.

Further information on leases is contained in Note 24.

Service concession assets

Service concession arrangements (SCAs) are contracts between a grantor and an operator where an operator provides public services related to a service concession asset on behalf of a public sector grantor for a specified period of time and manages at least some of those services.

Far West Local Health District

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

23. Property, plant and equipment (continued)

Service concession assets (continued)

Based on the District's assessment, the following arrangements fall in the scope of AASB 1059:

Description	Far West Mental Health Recovery Centre	
Name and description of the SCA	Far West Mental Health Recovery Centre (Centre) is a 10 bed residential Mental Health Sub-Acute Unit in Broken Hill that provides services to people across the District. The Centre is owned by the District and operated by Neami Limited under a service agreement.	
Period of arrangement	5 years (2019 to 2024)	
Terms of the arrangement	The District has contracted Neami Limited (Operator) to manage the Centre for the duration of the arrangement. A funding agreement has been entered to compensate the Operator for managing the centre. The capital assets associated with the arrangement has been provided by the District to the Operator.	
Rights and obligations	The District is obliged to provide the Operator with access to the Centre. The Operator is responsible for the delivery of specified services to patients at the Centre. The District is obliged to pay for those services under the funding agreement. At the end of the arrangement, the Operator is obliged to return all assets back to the District. There is no provision for extension of the term.	
Changes in arrangements occurred during 2023	Nil	
Changes in arrangements occurred during 2024	Far West Mental Health Recovery Centre arrangement has finished during April 2024, with the asset transferred out of service concession arrangements.	
Carrying amounts of SCA	Land and Buildings	Total
	\$000	\$000
Year ended 30 June 2023		
Far West Mental Health Recovery Centre	5,275	5,275
	5,275	5,275

Far West Local Health District

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

23. Property, plant and equipment (continued)

Revaluation of property, plant and equipment

Revaluations are made with sufficient regularity to ensure the carrying amount of each asset in the class does not differ materially from its fair value at reporting date. The District conducts a comprehensive revaluation at least every three years for its land and buildings and infrastructure. Interim revaluations are conducted between comprehensive revaluations where cumulative changes to indicators suggest fair value may differ materially from carrying value. The District uses an independent professionally qualified valuer for such interim revaluations.

The last comprehensive revaluation was completed on 31 December 2023 and was based on an independent assessment.

Indices were subsequently obtained from external professionally qualified valuers since the last comprehensive revaluation. Indices obtained indicated a cumulative increase of 0.00% in market prices for land and material increases in construction and labour costs of 3.00% for buildings and 3.00% for infrastructure. Management has applied these indices to perform an interim revaluation and has recognised the resulting revaluation increment for land, buildings and infrastructure in 2024.

Non-specialised assets with short useful lives are measured at depreciated historical cost, as an approximation of fair value. The District has assessed that any difference between fair value and depreciated historical cost is unlikely to be material.

For other assets valued using other valuation techniques, any balances of accumulated depreciation existing at the revaluation date in respect of those assets are credited to the asset accounts to which they relate. The net asset accounts are then increased or decreased by the revaluation increments or decrements.

Far West Local Health District

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

24. Leases

(a) Entity as a lessee

The District leases various property, equipment and motor vehicles. Lease contracts are typically made for fixed periods of 1 to 5 years, but may have extension options. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants but leased assets may not be used as security for borrowing purposes. The District does not provide residual value guarantees in relation to leases.

Extension and termination options are included in a number of property and equipment leases. These terms are used to maximise operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable only by the District and not by the respective lessor. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

AASB 16 Leases (AASB 16) requires a lessee to recognise a right-of-use asset and a corresponding lease liability for most leases.

The District has elected to recognise payments for short-term leases and low value leases as expenses on a straight line basis, instead of recognising a right-of-use asset and lease liability. Short-term leases are leases with a lease term of 12 months or less. Low value assets are assets with a fair value of \$10,000 or less when new and comprise mainly of small office and medical equipment items.

Far West Local Health District

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

24. Leases (continued)

(a) Entity as a lessee (continued)

Right-of-use assets under leases

The following table presents right-of-use assets. There are no right-of-use assets that meet the definition of investment property.

PARENT AND CONSOLIDATION

	Land and Buildings \$'000	Plant and Equipment \$'000	Total \$'000
Balance at 1 July 2023	7	493	500
Additions	-	439	439
Reassessments	-	3	3
Disposals	-	(5)	(5)
Depreciation expense	(14)	(277)	(291)
Balance at 30 June 2024	(7)	653	646

PARENT AND CONSOLIDATION

	Land and Buildings \$'000	Plant and Equipment \$'000	Total \$'000
Balance at 1 July 2022	36	421	457
Additions	-	344	344
Reassessments	-	82	82
Disposals	-	(44)	(44)
Depreciation expense	(29)	(310)	(339)
Balance at 30 June 2023	7	493	500

Far West Local Health District

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

24. Leases (continued)

(a) Entity as a lessee (continued)

Lease liabilities

The following table presents liabilities under leases.

PARENT AND CONSOLIDATION

	2024	2023
	\$000	\$000
Balance at 1 July	534	494
Additions	439	344
Interest expenses	33	22
Payments	(335)	(365)
Terminations / derecognition	(1)	(44)
Other adjustments	2	83
Balance at 30 June	672	534

The following amounts were recognised in the Statement of Comprehensive Income during the period in respect of leases where the District is the lessee:

PARENT AND CONSOLIDATION

	2024	2023
	\$000	\$000
Depreciation expense of right-of-use assets	291	339
Interest expense on lease liabilities	33	22
Expenses relating to short-term leases	708	265
Expenses relating to leases of low-value assets	46	27
(Gains) / losses on disposal	4	-
Total amount recognised in the statement of comprehensive income	1,082	653

The District had total cash outflows for leases of \$1.09 million for the year ended 30 June 2024 (2023: \$0.66 million).

Far West Local Health District

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

24. Leases (continued)

(a) Entity as a lessee (continued)

Recognition and Measurement

i. *Right-of-use assets*

The right-of-use assets are subsequently measured at cost. They are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

	Useful lives
Buildings	4 years
Motor vehicles and other equipment	1 to 5 years

ii. *Lease liabilities*

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for real estate leases, the incremental borrowing rate is used. The District does not borrow funds in the market. Instead they receive an allocation of the appropriations from the Crown and where the Crown needs additional funding, Treasury Corporation (TCorp) goes to the market to obtain these funds. As a result, the District is using TCorp rates as their incremental borrowing rates. These rates are published by NSW Treasury on a regular basis.

iii. *Short-term leases and leases of low-value assets*

The District applies the short-term lease recognition exemption to its short-term leases of buildings, machinery, motor vehicles and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as an expense on a straight-line basis over the lease term.

(b) Entity as a lessor

Far West Local Health District has operating leases for their staff accommodation, houses and one entire building. These assets are leased for the benefit and furtherance of the public health system and not for the intention of deriving a profit.

Far West Local Health District

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

25. Intangible assets

PARENT AND CONSOLIDATION

	Software \$000	Total \$000
At 1 July 2022		
Cost (gross carrying amount)	281	281
Less: accumulated amortisation and impairment	281	281
Net carrying amount	-	-

	Software \$000	Total \$000
At 1 July 2023		
Cost (gross carrying amount)	132	132
Less: accumulated amortisation and impairment	132	132
Net carrying amount	-	-

	Software \$000	Total \$000
At 30 June 2024		
Cost (gross carrying amount)	132	132
Less: accumulated amortisation and impairment	132	132
Net carrying amount	-	-

Recognition and Measurement

The useful lives of intangible assets are assessed to be finite.

The District's intangible assets are amortised using the straight-line method over a period of four years.

Far West Local Health District

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

26. Fair value measurement of non-financial assets

PARENT AND CONSOLIDATION

Fair value measurement and hierarchy

When measuring fair value, the valuation technique used maximises the use of relevant observable inputs and minimises the use of unobservable inputs. Under AASB 13 Fair Value Measurement, the District categorises, for disclosure purposes, the valuation techniques based on the inputs used in the valuation techniques as follows:

- Level 1 – quoted (unadjusted) prices in active markets for identical assets / liabilities that the entity can access at the measurement date.
- Level 2 – inputs other than quoted prices included within Level 1 that are observable, either directly or indirectly.
- Level 3 – inputs that are not based on observable market data (unobservable inputs).

The District recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

(a) Fair value hierarchy

	Level 1	Level 2	Level 3	Total Fair
2024	\$000	\$000	\$000	\$000
Property, plant and equipment (Note 23)				
- Land and buildings	-	457	145,002	145,459
- Infrastructure systems	-	-	4,423	4,423
	-	457	149,425	149,882

There were no transfers between level 1 and 2 during the year ended 30 June 2024.

The above figures exclude leasehold improvements, work in progress and newly completed projects which are carried at cost, and as a result they will not agree to Note 23.

	Level 1	Level 2	Level 3	Total Fair
2023	\$000	\$000	\$000	\$000
Property, plant and equipment (Note 23)				
- Land and buildings	-	175	141,079	141,254
- Infrastructure systems	-	-	3,600	3,600
	-	175	144,679	144,854

There were no transfers between level 1 and 2 during the year ended 30 June 2023.

The above figures exclude leasehold improvements, work in progress and newly completed projects which are carried at cost, and as a result they will not agree to Note 23.

Far West Local Health District

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

26. Fair value measurement of non-financial assets (continued)

(b) Valuation techniques, inputs and processes

For land, buildings and infrastructure systems the District obtains external valuations by independent valuers at least every three years. The last revaluation was performed by CBRE Valuation & Advisory Services for the 2023-24 financial year. CBRE Valuation & Advisory Services is an independent entity and is not an associated entity of the District.

At the end of each reporting period a fair value assessment is made on any movements since the last revaluation, and a determination as to whether any adjustments need to be made. These adjustments are made by way of application of indices (refer Note 23).

The non-current assets categorised in (a) above have been measured as either level 2 or level 3 based on the following valuation techniques and inputs:

- For land, the valuation by the valuer is made on a market approach, comparing similar assets (not identical) and observable inputs. The most significant input is price per square metre.

Some commercial and non-restricted land is included in level 2 as these land valuations have a high level of observable inputs although these lands are not identical.

All of the restricted land has been classified as level 3 as, although observable inputs have been used, a significant level of professional judgement is required to adjust inputs in determining the land valuations. Certain parcels of land have zoning restrictions, for example hospital grounds, and values are adjusted accordingly.

- For buildings and infrastructure, many assets are of a specialised nature or use, including some modified residential properties and thus the most appropriate valuation method is depreciated replacement cost. These assets are included as level 3 as these assets have a high level of unobservable inputs. However some residential properties are valued on a market approach and included in level 2.
- Non-current assets held for sale is a non-recurring item that is measured at the lower of its fair value less cost to sell or its carrying amount. These assets are categorised as level 2.

Far West Local Health District

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

26. Fair value measurement of non-financial assets (continued)

(c) Reconciliation of recurring Level 3 fair value measurements

PARENT AND CONSOLIDATION

2024	Land and Buildings \$000	Infrastructure Systems \$000	Total Level 3 Recurring \$000
Fair value as at 1 July 2023	141,079	3,600	144,679
Additions*	3,986	789	4,775
Revaluation increments/(decrements) recognised in other comprehensive income - included in line item 'Changes in revaluation surplus of property, plant and equipment' (Note 23)	7,199	219	7,418
Depreciation expense	(7,262)	(185)	(7,447)
Fair value as at 30 June 2024	145,002	4,423	149,425

* Additions include assets previously carried at cost which have been revalued under the level 3 fair value hierarchy for the first time as a result of a comprehensive revaluation or an interim desktop revaluation.

There were no transfers between level 2 or 3 during the year ended 30 June 2024.

2023	Land and Buildings \$000	Infrastructure Systems \$000	Total Level 3 Recurring \$000
Fair value as at 1 July 2022	129,152	3,554	132,706
Additions*	10,161	-	10,161
Revaluation increments/(decrements) recognised in other comprehensive income - included in line item 'Changes in revaluation surplus of property, plant and equipment' (Note 23)	8,453	209	8,662
Depreciation expense	(6,687)	(163)	(6,850)
Fair value as at 30 June 2023	141,079	3,600	144,679

* Additions include assets previously carried at cost which have been revalued under the level 3 fair value hierarchy for the first time as a result of a comprehensive revaluation or an interim desktop revaluation.

There were no transfers between level 2 or 3 during the year ended 30 June 2023.

Far West Local Health District

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

27. Restricted assets

PARENT AND CONSOLIDATION

The District's financial statements include certain assets (predominantly cash and cash equivalents), the use of which is restricted for stipulated purposes and / or by externally imposed conditions, eg. donor requirements. The assets are only available for application in accordance with the terms of the donor restrictions. They consist of cash assets and rights and obligations to receive and make payments as at 30 June 2024.

Category	1 July 2023	Revenue	Expense	30 June 2024
	Opening			Closing
	\$000	\$000	\$000	\$000
Community welfare	69	4	-	73
Facility improvements	247	574	73	748
Holds funds in perpetuity	12	-	-	12
Patient welfare	69	34	8	95
Public contributions	283	66	32	317
Staff welfare	2	-	-	2
Training and education including conferences	126	6	5	127
	808	684	118	1,374

Restricted assets are held for the following purpose and cannot be used for any other purpose.

Category	Purpose
Community welfare	Improvements to service access, health literacy, public and preventative health care.
Facility improvements	Repairs, maintenance, renovations and/or new equipment or building related expenditure.
Holds funds in perpetuity	Donor has explicitly requested funds be invested permanently and not otherwise expended.
Patient welfare	Improvements such as medical needs, financial needs and standards for patients'.
Public contributions	Donations or legacies received without any donor-specified conditions as to its use.
Staff welfare	Staff benefits such as staff recognition awards, functions and staff amenity improvements.
Training and education including conferences	Professional training, education and conferences.

Unclaimed monies

All money and personal effects of patients which are left in the custody of the District by any patient who is discharged or dies in the hospital and which are not claimed by the person lawfully entitled thereto within a period of twelve months are recognised as the property of the District.

All such money and the proceeds of the realisation of any personal effects are lodged to the credit of the Samaritan Fund which is used specifically for the benefit of necessitous patients or necessitous outgoing patients.

Far West Local Health District

Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

28. Payables

	Consolidated 2024 \$000	Consolidated 2023 \$000	Parent 2024 \$000	Parent 2023 \$000
Current				
Accrued salaries, wages and on-costs	3,463	3,505	-	-
Salaries and wages deductions	19	21	-	-
Accrued liability - purchase of personnel services	-	-	3,482	3,526
Creditors	5,998	6,558	5,998	6,558
Other creditors				
- Payables to entities controlled by the immediate parent	2,623	473	2,623	473
	12,103	10,557	12,103	10,557

Details regarding liquidity risk, including a maturity analysis of the above payables are disclosed in Note 39.

Far West Local Health District

Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

29. Contract liabilities

	Consolidated 2024 \$000	Consolidated 2023 \$000	Parent 2024 \$000	Parent 2023 \$000
Current				
Contract liabilities	-	97	-	97
	-	97	-	97

Recognition and Measurement

Contract liabilities relate to consideration received in advance from customers.

Far West Local Health District

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

30. Borrowings

	Consolidated 2024 \$000	Consolidated 2023 \$000	Parent 2024 \$000	Parent 2023 \$000
Current				
Lease liabilities (see Note 24)	231	254	231	254
	231	254	231	254
Non-current				
Lease liabilities (see Note 24)	441	280	441	280
	441	280	441	280

No assets have been pledged as security / collateral for liabilities and there are no restrictions on any title to property.

Details regarding liquidity risk, including a maturity analysis of the above borrowings are disclosed in Note 39.

Recognition and Measurement

The District has not designated any financial liability at fair value through profit or loss.

The District has reviewed its financial guarantees and determined that there is no material liability to be recognised for financial guarantee contracts as at 30 June 2024 and as at 30 June 2023.

Changes in liabilities arising from financing activities

PARENT AND CONSOLIDATION

	Leases \$000	Total liabilities from financing activities \$000
1 July 2022	494	494
Cash flows	(343)	(343)
New leases	344	344
Lease terminations	(44)	(44)
Lease reassessments	83	83
30 June 2023	534	534
1 July 2023	534	534
Cash flows	(302)	(302)
New leases	439	439
Lease terminations	(2)	(2)
Lease reassessments	3	3
30 June 2024	672	672

Far West Local Health District

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

31. Provisions

	Consolidated 2024 \$000	Consolidated 2023 \$000	Parent 2024 \$000	Parent 2023 \$000
Current				
Employee benefits and related on-costs				
Annual leave				
- Obligations expected to be settled within 12 months	8,748	8,268	-	-
- Obligations expected to be settled after 12 months	3,018	2,527	-	-
Long service leave				
Long service leave consequential on-costs				
- Obligations expected to be settled within 12 months	269	201	-	-
- Obligations expected to be settled after 12 months	1,913	1,823	-	-
Parental leave				
- Obligations expected to be settled within 12 months	327	-	-	-
Provision for other employee benefits	788	720	-	-
Provision for personnel services liability	-	-	15,063	13,539
Total current provisions	15,063	13,539	15,063	13,539
Non-current				
Employee benefits and related on-costs				
Long service leave consequential on-costs	241	199	-	-
Provision for personnel services liability	-	-	241	199
Total non-current provisions	241	199	241	199
Aggregate employee benefits and related on-costs				
Provisions - current	15,063	13,539	-	-
Provisions - non-current	241	199	-	-
Accrued salaries, wages and on-costs and salaries and wages deductions (Note 28)	3,482	3,526	-	-
Liability - purchase of personnel services	-	-	18,786	17,264
	18,786	17,264	18,786	17,264

Far West Local Health District

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

31. Provisions (continued)

Recognition and Measurement

Employee benefits and other provisions

Salaries and wages, annual leave, allocated days off (ADO), parental leave, sick leave and on-costs

Actuarial advice obtained by NSW Treasury, a controlled entity of the ultimate parent, has confirmed that using the nominal annual leave balance plus the annual leave entitlements accrued while taking annual leave can be used to approximate the present value of the annual leave liability. On-costs of 22.68% are applied to the value of leave payable at 30 June 2024 (comparable on-costs for 30 June 2023 were 21.98%). The District has assessed the actuarial advice based on the District's circumstances to annual leave, ADO and parental leave and has determined that the effect of discounting is immaterial. All annual leave, ADO and parental leave are classified as a current liability even where the District does not expect to settle the liability within 12 months as the District does not have an unconditional right to defer settlement.

Recognition and Measurement (continued)

Unused non-vesting sick leave does not give rise to a liability as it is not considered probable that sick leave taken in the future will be greater than the benefits accrued in the future.

Long service leave and superannuation

The District's liability for long service leave and defined benefit superannuation (State Authorities Superannuation Scheme and State Superannuation Scheme) are assumed by The Crown in right of the State of New South Wales. The District accounts for the liability as having been extinguished, resulting in the amount assumed being shown as part of the non-monetary revenue item described as 'Acceptance by the Crown of employee benefits'.

Specific on-costs relating to long service leave assumed by The Crown in right of the State of New South Wales are borne by the District.

Long service leave is measured at the present value of expected future payments to be made in respect of services provided up to the reporting date. Consideration is given to certain factors based on actuarial review, including expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using the long-term Commonwealth Government bond rate at the reporting date.

The superannuation expense for the financial year is determined by using the formulae specified in the Treasurer's Directions. The expense for certain superannuation schemes (i.e. Basic Benefit and Aware Super) is calculated as a percentage of the employee's salary. For other superannuation schemes (i.e. State Superannuation Scheme and State Authorities Superannuation Scheme), the expense is calculated as a multiple of the employee's superannuation contributions.

Consequential on-costs

Consequential costs to employment are recognised as liabilities and expenses where the employee benefits to which they relate have been recognised. This includes outstanding amounts of workers' compensation insurance premiums and fringe benefits tax.

Far West Local Health District

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

32. Other liabilities

	Consolidated 2024 \$000	Consolidated 2023 \$000	Parent 2024 \$000	Parent 2023 \$000
Current				
Liabilities under transfer to acquire or construct non-financial assets to be controlled by the entity	500	-	500	-
	500	-	500	-

PARENT AND CONSOLIDATION

Reconciliation of financial assets and corresponding liabilities arising from transfers to acquire or construct non-financial assets to be controlled by the District.

	2024 \$'000	2023 \$000
Opening balance of liabilities arising from transfers to acquire / construct non-financial assets to be controlled by the entity	-	-
Add: receipt of cash during the financial year	500	-
Deduct: income recognised during the financial year	-	-
Closing balance of liabilities arising from transfers to acquire / construct non-financial assets to be controlled by the entity	500	-

Refer to Note 14 for a description of the District's obligations under transfers received to acquire or construct non-financial assets to be controlled by the District.

The District expects to recognise as income any liability for unsatisfied obligations as at the end of the reporting period during the next financial year.

Far West Local Health District

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

33. Commitments

(a) Capital commitments

Aggregate capital expenditure for the acquisition of land and buildings, plant and equipment and infrastructure systems, contracted for at balance date and not provided for:

	Consolidated 2024 \$000	Consolidated 2023 \$000	Parent 2024 \$000	Parent 2023 \$000
Within one year	42,139	4,199	42,139	4,199
Later than one year and not later than five years	12,588	1,806	12,588	1,806
Later than five years	-	-	-	-
Total (including GST)	54,727	6,005	54,727	6,005

(b) Contingent asset related to commitments for expenditure

The total 'Capital expenditure commitments' of \$54.73 million as at 30 June 2024 includes input tax credits of \$4.98 million that are expected to be recoverable from the Australian Taxation Office (2023: \$0.55 million).

Material increase in current year is due to four large capital development projects managed by Health Infrastructure for Wentworth Hospital, Broken Hill Emergency Department, Broken Hill Mental Health Inpatient Unit and Key Workers Accommodation.

34. Contingent liabilities and contingent assets

PARENT AND CONSOLIDATION

The District is not aware of any other contingent liabilities or assets which would have a material effect on the disclosures in these financial statements.

Far West Local Health District

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

35. Adjusted budget review

NSW Health's budget is shown at a consolidated level when presented in parliament each year (i.e. in the NSW Government Budget Papers). The District's budget is not presented in parliament, therefore AASB 1055 Budgetary Reporting is not applicable. Unlike the requirement in AASB 1055 Budgetary Reporting to present original budget information, the District's financial statements present adjusted budget information. The adjusted budgeted amounts are drawn from the initial Service Agreements between the District and the Ministry of Health at the beginning of the financial year, as well as any adjustments for the effects of additional supplementation provided in accordance with delegations to derive a final budget at year end (i.e. adjusted budget). The budget amounts are not subject to audit and, accordingly, the relevant budget entries in the financial statements are unaudited.

PARENT AND CONSOLIDATION

Net result

The actual Net Result was lower than adjusted budget by \$1.27 million, primarily due to:

Employee Related Expenses - favourable to adjusted budget by \$0.23 million.

Visiting Medical Officers - exceeds adjusted budget by \$2.27 million. This is mainly due to chronic shortage of medical staff.

Repair, Maintenance & Renewals Expense (included under Operating Expenses) - exceeds adjusted budget by \$1.52 million, due to the facility upgrades and equipment purchases less than \$10k.

Total Expenses - unfavourable to adjusted budget by \$4.05 million.

Own Source Revenue - Made up of note 12, 13, 14 and 16. Unfavourable to adjusted budget by \$3.39 million.

NSW Ministry of Health Allocations - recurrent allocations was more than adjusted budget by \$4.55 million and capital allocations more than budget by \$1.63M.

Assets and liabilities

Total Assets were \$8.69 million more than budget. This variance is mainly due to application of indices to land, buildings and infrastructure amounting to \$7.42 million.

Total Liabilities were \$2.54 million more than budget. Variance mainly due to \$1.40M payables and \$0.50M unearned revenue for capital asset to be consumed in next financial year.

Cash flows

Total Receipts was \$3.25 million more than the budget. Total payments were \$2.61 million more than the budget. Net cash flow from operating activities was \$0.64 million more than the budget.

Far West Local Health District

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

35. Adjusted budget review (continued)

Movements in the level of the Ministry of Health Recurrent Allocation that have occurred since the time of the initial allocation are as follows:

	\$000
Initial allocation, 1 July 2023	82,602
FY2023/24 NSW Aged Care Assessment Program (ACAP)	83
Establishment of Pregnancy Family Conferencing (PFC)	83
Consumer remuneration guideline implementation	50
s100 Highly Specialised Drugs Co-payments	26
WORKERS COMPENSATION: TMF Agency Performance Adjustment (APA)	(271)
Federation Funding Agreement for Adult Dental Services	313
Child Dental Benefits Schedule (CDBS)	(50)
NSW Aboriginal Nursing & Midwifery Cadetship Program	14
The Special Commission of Inquiry into the Drug 'Ice' Implementation	2,090
The Special Commission of Inquiry into the Drug 'Ice' MERIT Program	50
Implementation of the NSW Voluntary Assisted Dying Act 2022	400
Funding for Joint Child Protection and Response Program (JCPRP) accommodation costs	(44)
MH - Towards Zero Suicides	1,560
Voluntary Assisted Dying budget supplementation	127
NaMO Local Nursing & Midwifery Initiatives and Projects for FY24 only	460
Safety & Quality Essentials Pathways Implementation Partnerships	60
Winter Respiratory Immunisation Initiative funding	50
Support the expansion of the single Employer Model In FY24	65
Opioid Treatment Program budget	101
Health and Development Checks in Early Childhood Education	117
Resources for the implementation of Safe Staffing Levels	69
Facilitator funding for Pregnancy Family Conferencing	21
COVID19 Antiviral Pharmaceutical Drug Allocation from the State Pharmaceutical Stockpile	41
Workplace Culture & Safety	114
Staff Experience Lead	204
IPTAAS staffing regrade	41
Virtual care strategy Health and Development Checks in Early Childhood Education	50
Rural and Regional Workforce Funding	29
ORAL Health services in partnership with RFDS	43
Cross Border Arrangements With Sydney LHD	518
Pregnancy Connect	46
Sustaining NSW Families (SNF) funding to support vulnerable families	100
Disaster Recovery Clinicians	117
Rural Allied Health Educators Program	70
Extension of the Statewide 1,112 FTE funding for Safe Staffing Levels	329
AN ACC assessment services	111
Budget retraction for TACP	(86)
Rural Health Workforce Incentive Scheme	1,000
COVID-19 Antiviral Pharmaceutical Drug Allocation from the State Pharmaceutical Stockpile	69
Enhancement and Integration of Youth Mental Health Services Initiative	176
Goods and services to support the care of paediatric patients with life limiting illnesses	14
Rural Allied Health Educator Program Revenue Budget	(70)
Voluntary Redundancy Reimbursement	102
Smartchain Funding Allocation in FY2023/24 to FY2025/26	30
Stronger Communities Investment Pool Escalation	22
Rural and Regional Workforce Funding	25
Tertiary Health Study Subsidy Program variances removed from Health entities in 2023-24	72
COVID-19 Antiviral Pharmaceutical Drug Allocation from the State Pharmaceutical Stockpile	37
Balance as per Statement of Comprehensive Income	91,180

Far West Local Health District

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

36. Reconciliation of cash flows from operating activities to net result

Reconciliation of cash flows from operating activities to the net result as reported in the Statement of Comprehensive Income as follows:

	Consolidated 2024 \$000	Consolidated 2023 \$000	Parent 2024 \$000	Parent 2023 \$000
Net cash used on operating activities	13,828	10,484	13,828	10,484
Depreciation and amortisation expense	(9,783)	(9,120)	(9,783)	(9,120)
Allowance for impairment	(40)	(103)	(40)	(103)
(Increase) / decrease in other liabilities	(500)	-	(500)	-
Decrease / (increase) in provisions	(1,567)	1,715	(1,567)	1,715
Increase / (decrease) in inventory	67	(13)	67	(13)
Increase / (decrease) in prepayments and other assets	562	(230)	562	(230)
Decrease / (increase) in payables	(1,569)	140	(1,569)	140
Decrease / (increase) in contract liabilities	97	(97)	97	(97)
Net gain / (loss) on disposal of right-of-use assets	(4)	-	(4)	-
Assets donated or brought to account (Note 37)	-	54	-	54
Net result	1,091	2,830	1,091	2,830

37. Non-cash financing and investing activities

	Consolidated 2024 \$000	Consolidated 2023 \$000	Parent 2024 \$000	Parent 2023 \$000
Assets donated or brought to account	-	54	-	54
Property, plant and equipment acquired by a lease	439	344	439	344
	439	398	439	398

Far West Local Health District

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

38. Trust funds

PARENT AND CONSOLIDATION

The District holds trust funds of \$34 thousand (2023: \$31 thousand) which are held for the safe keeping of patients' monies, deposits on hired items of equipment and Private Patient Trusts.

These funds are excluded from the financial statements as the District cannot use them for the achievement of its objectives. The following is a summary of the transactions in the trust account.

Category	1 July 2023	Revenue \$000	Expense \$000	30 June 2024
	Opening equity \$'000			Closing equity \$'000
Private Patient Trust Funds	-	85	(85)	-
Third Party Funds	31	4	(1)	34
Total trust funds	31	89	(86)	34

Category	1 July 2022	Revenue \$000	Expense \$000	30 June 2023
	Opening equity \$'000			Closing equity \$'000
Private Patient Trust Funds	-	80	(80)	-
Third Party Funds	28	4	(1)	31
Total trust funds	28	84	(81)	31

The following list provides a brief description of the purpose of the trust fund categories.

Category	Purpose
Private Patient Trust Funds	The revenue derived from private patient and other billable services provided by Staff Specialists.
Third Party Funds	A sum of money held in trust on behalf of external parties, e.g. external foundations, volunteer groups and auxiliaries.

Far West Local Health District

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

39. Financial instruments

The District's principal financial instruments are outlined below. These financial instruments arise directly from the District's operations or are required to finance its operations. The District does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

The District's main risks arising from financial instruments are outlined below, together with the District's objectives, policies and processes for measuring and managing risk. Further quantitative and qualitative disclosures are included throughout these financial statements.

The A/Chief Executive has overall responsibility for the establishment and oversight of risk management and reviews and agrees policies for managing each of these risks. Risk management policies are established to identify and analyse the risks faced by the District, to set risk limits and controls and to monitor risks. Compliance with policies is reviewed on a continuous basis.

(a) Financial instrument categories

PARENT AND CONSOLIDATION

Class	Category	Carrying	Carrying
		Amount	Amount
		2024	2023
		\$000	\$000
Financial assets			
Cash and cash equivalents (Note 20)	Amortised cost	1,495	854
Receivables (Note 21) ¹	Amortised cost	2,312	1,500
Total financial assets		3,807	2,354
Financial liabilities			
Borrowings (Note 30)	Financial liabilities measured at amortised cost	672	534
Payables (Note 28) ²	Financial liabilities measured at amortised cost	12,103	10,557
Total financial liabilities		12,775	11,091

Notes

¹ Excludes statutory receivables and prepayments (i.e. not within scope of AASB 7 Financial Instruments: Disclosures).

² Excludes statutory payables and unearned revenue (i.e. not within scope of AASB 7 Financial Instruments: Disclosures).

The District determines the classification of its financial assets and liabilities after initial recognition and, when allowed and appropriate, re-evaluates this at each financial year end.

(b) Derecognition of financial assets and financial liabilities

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the contractual rights to the cash flows from the financial assets expire; or if the entity transfers its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass through arrangement and either:

- The District has transferred substantially all the risks and rewards of the asset; or
- The District has neither transferred nor retained substantially all the risks and rewards for the asset, but has transferred control.

Far West Local Health District

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

39. Financial instruments (continued)

(b) Derecognition of financial assets and financial liabilities (continued)

When the District has transferred its rights to receive cash flows from an asset or has entered into a pass through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. Where the District has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset continues to be recognised to the extent of the District's continuing involvement in the asset. In that case, the District also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the District has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the District could be required to repay.

A financial liability is derecognised when the obligation specified in the contract is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the net result.

(c) Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

(d) Financial risk

i. Credit risk

Credit risk arises when there is the possibility that the counterparty will default on their contractual obligations, resulting in a financial loss to the District. The maximum exposure to credit risk is generally represented by the carrying amount of the financial assets (net of any allowance for credit losses).

Credit risk arises from financial assets of the District, including cash, receivables and authority deposits. No collateral is held by the District. The District has not granted any financial guarantees.

Credit risk associated with the District's financial assets, other than receivables, is managed through the selection of counterparties and establishment of minimum credit rating standards. Authority deposits held with NSW TCorp are guaranteed by the State.

Far West Local Health District

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

39. Financial instruments (continued)

(d) Financial risk (continued)

i. Credit risk (continued)

The District considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the District may also consider a financial asset to be in default when internal or external information indicates that the District is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the District.

The District applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables, other receivables and contract assets.

To measure the expected credit losses, trade receivables, other receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are based on historical observed loss rates. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The District has identified relevant factors, and accordingly has adjusted the historical loss rates based on expected changes in these factors.

Trade receivables, other receivables and contract assets are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others a failure to make contractual payments for a period of greater than 90 days past due.

Far West Local Health District

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

39. Financial instruments (continued)

(d) Financial risk (continued)

i. Credit risk (continued)

Accounting policy for impairment of trade receivables and other financial assets (continued)

Receivables - trade receivables, other receivables and contract assets (continued)

The loss allowance for trade receivables, other receivables and contract assets as at 30 June 2024 and 30 June 2023 was determined as follows:

PARENT AND CONSOLIDATION

	Current	<30 days	30-60 days	61-90 days	>91 days	Total
30 June 2024	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Expected credit loss rate	0.39%	2.22%	7.69%	5.00%	7.95%	2.01%
Estimated total gross carrying amount ¹	778	45	52	20	151	1,046
Expected credit loss	3	1	4	1	12	21

	Current	<30 days	30-60 days	61-90 days	>91 days	Total
30 June 2023	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Expected credit loss rate	0.57%	2.15%	12.50%	6.52%	14.81%	3.59%
Estimated total gross carrying amount ¹	349	93	16	46	81	585
Expected credit loss	2	2	2	3	12	21

Notes

¹ The analysis excludes statutory receivables and prepayments as these are not within the scope of AASB 7 Financial Instruments: Disclosures. Therefore the 'total' will not reconcile to the receivables total in Note 21.

The District is not materially exposed to concentrations of credit risk to a single trade debtor or group of debtors as at 30 June 2024 and 30 June 2023.

ii. Liquidity risk

Liquidity risk is the risk that the District will be unable to meet its payment obligations when they fall due. The District continuously manages risk through monitoring future cash flows and maturities planning to ensure adequate holding of high quality liquid assets. The objective is to maintain a balance between continuity of funding and flexibility through the use of loans and other advances.

The District has negotiated no loan outside of arrangements with the Ministry of Health or NSW Treasury.

During the current and prior year, there were no defaults of loans payable. No assets have been pledged as collateral. The District's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk.

Far West Local Health District

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

39. Financial instruments (continued)

(d) Financial risk (continued)

ii. Liquidity risk (continued)

The District has exposure to liquidity risk. However, the risk is minimised by the service agreement with the Ministry of Health, as the annual service agreement requires local management to control its financial liquidity and in particular meet benchmarks for the payment of creditors. Where the District fails to meet service agreement performance standards, the Ministry of Health as the state manager can take action in accordance with annual performance framework requirements, including providing financial support and increased management interaction (refer Note 1).

Liabilities are recognised for amounts due to be paid in the future for goods or services received, whether or not invoiced. For all suppliers, that have a correctly rendered invoice, a matched purchase order and where goods have been received, an immediate payment is made irrespective of current contract payment terms.

For small business suppliers, where payment is not made within the specified time period, simple interest must be paid automatically unless an existing contract specifies otherwise.

For other suppliers, where settlement cannot be affected in accordance with the above, e.g. due to short term liquidity constraints, contact is made with creditors and terms of payment are negotiated to the satisfaction of both parties.

Far West Local Health District

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

39. Financial instruments (continued)

(d) Financial risk (continued)

ii. Liquidity risk (continued)

PARENT AND CONSOLIDATION

The table below summarises the maturity profile of the District's financial liabilities together with the interest rate exposure.

Maturity Analysis and interest rate exposure of financial liabilities

	Interest Rate Exposure				Maturity Dates			
	EIR ³ %	Nominal Amount ¹ \$000	Fixed	Variable	Non -	< 1 Yr \$000	1-5 Yr \$000	> 5Yr \$000
			Interest Rate \$000	Interest Rate \$000	Interest Bearing \$000			
2024								
Payables:								
- Creditors ²		12,103	-	-	12,103	12,103	-	-
Borrowings:								
- Lease liabilities	6.69	736	736	-	-	263	473	-
		12,839	736	-	12,103	12,366	473	-
2023								
Payables:								
- Creditors ²		10,557	-	-	10,557	10,557	-	-
Borrowings:								
- Lease liabilities	5.1	561	561	-	-	260	301	-
		11,118	561	-	10,557	10,817	301	-

Notes:

¹ The amounts disclosed are the contractual undiscounted cash flows of each class of financial liabilities based on the earliest date on which the District can be required to pay. The tables include both interest and principal cash flows and therefore will not reconcile to the Statement of Financial Position.

² Excludes statutory payables and unearned revenue (i.e. not within scope of AASB 7 Financial Instruments: Disclosures).

³ Weighted Average Effective Interest Rate (EIR).

Far West Local Health District

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

39. Financial instruments (continued)

iii. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The District has no exposure to foreign currency risk and does not enter into commodity contracts.

The effect on net result and equity due to a reasonably possible change in risk variable is outlined in the information below, for interest rate risk and other price risk. A reasonably possible change in risk variable has been determined after taking into account the economic environment in which the District operates and the time frame for the assessment (i.e. until the end of the next annual reporting period). The sensitivity analysis is based on risk exposures in existence at the Statement of Financial Position date. The analysis is performed on the same basis as for 2023. The analysis assumes that all other variables remain constant.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Exposure to interest rate risk arises primarily through the District's interest bearing liabilities. This risk is minimised by undertaking mainly fixed rate borrowings, primarily through NSW TCorp.

The District does not account for any fixed rate financial instruments at fair value through profit or loss or at fair value through other comprehensive income. Therefore, for these financial instruments, a change in interest rates would not affect the carrying value or interest paid/earned. A reasonably possible change of +/- 1% is used, consistent with current trends in interest rates (based on official Reserve Bank of Australia interest rate volatility over the last five years). The basis will be reviewed annually and amended where there is a structural change in the level of interest rate volatility.

However, the District is not permitted to borrow external to the Ministry of Health (except energy loans which are negotiated through NSW Treasury). Both NSW Treasury and the Ministry of Health loans are set at fixed rates and therefore are generally not affected by fluctuations in market rates.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates:

PARENT AND CONSOLIDATION

	2024		2023	
	\$000		\$000	
	-1%	1%	-1%	1%
Net result	(8)	8	(3)	3
Equity	(8)	8	(3)	3

Far West Local Health District

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

40. Related party disclosures

PARENT AND CONSOLIDATION

(a) Key management personnel compensation

Key management personnel compensation is as follows:

	2024	2023
	\$000	\$000
Short-term employee benefits	175	224
Post-employment benefits	19	24
	194	248

During the financial year, Far West Local Health District obtained key management personnel services from the immediate parent and incurred \$0.37 million (2023: \$0.36 million) for these services. This amount does not form part of the key management personnel compensation disclosed above.

The District's key management personnel comprise its board members and chief executive (or acting chief executive) from time to time during the year.

Compensation for the Minister for Health is paid by the Legislature and is not reimbursed by the Ministry of Health and its controlled entities. Accordingly no such amounts are included in the key management personnel compensation disclosures above.

Remuneration for the Secretary and Deputy Secretaries are paid by the Ministry of Health and is not reimbursed by the health entities. Accordingly no such amounts are included in the key management personnel compensation disclosures above.

(b) Transactions with key management personnel and their close family members

There were no transactions with key management personnel and their close family members (2023: \$Nil).

(c) Transactions with the ultimate parent

There were no transactions with the ultimate parent during the financial period (2023: \$Nil).

(d) Transactions the District had with government related entities during the financial year

During the financial year and comparative year, the District entered into the various transactions with other entities consolidated as part of the Ministry of Health (the immediate parent) and the NSW Total State Sector (the ultimate parent) within the normal course of business.

The following operating expenses were incurred with entities controlled by the immediate parent:

- Health Administration Corporation (includes Ambulance Service of NSW, eHealth NSW, Health Infrastructure, Health System Support Group, HealthShare NSW and NSW Health Pathology) provides shared services for the majority of patient transport services, information management services, domestic supplies and services, food supplies and corporate support services.
- Health Administration Corporation provides some specialised services which includes pathology related costs.

Far West Local Health District

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

40. Related party disclosures (continued)

(d) Transactions the District had with government related entities during the financial year (continued)

The following operating expenses were incurred with entities controlled by the ultimate parent:

- Audit of the statutory financial statements
- Legal services
- Utilities, including electricity, gas and water expenses
- Insurance costs

The following revenues were earned from entities controlled by the immediate parent:

- Revenue from recurrent and capital allocations
- Various grants and contributions towards services and other projects
- Other revenue from provision of travel bookings

The following revenues were earned from entities controlled by the ultimate parent:

- Motor Accident Authority third party revenue received from the State Insurance Regulatory Authority (SIRA)
- Various grants and other contributions towards services and other projects
- Motor vehicle rebates
- Insurance refunds
- Revenue from acceptance of long service leave liabilities and defined benefit superannuation

Assets and liabilities as follows:

- Receivables and payables in respect of the above noted related party revenue and expense transactions
- The majority of the construction of property, plant and equipment is managed and overseen by Health Administration Corporation
- The majority of capital commitments contracted but not provided for related to capital works overseen by the Health Administration Corporation.

41. Events after the reporting period

No other matters have arisen subsequent to balance date that would require these financial statements to be amended.

END OF AUDITED FINANCIAL STATEMENTS