
Financial performance



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Deputy Secretary, Financial Services and Asset Management and Chief Financial Officer's report

Expenses

NSW Health is a provider of patient-centred healthcare services. Approximately \$20.1 billion (64 per cent) of costs incurred during 2023–24 were labour related, including the costs of employee salaries and contracted visiting medical officers. Other operating and financing costs include approximately \$2.1 billion in pharmaceutical, medical, and surgical supplies; and \$667 million in maintenance related expenses.

Grants and subsidies to third parties for the provision of public health related services totalled approximately \$1.8 billion in 2023–24, including payments of \$860 million in operating grants being paid to affiliated health organisations.

Revenue

Key revenue items include a range of fees for medical services rendered, consisting of the Department of Veterans' Affairs, private health funds for privately insured patients, workers compensation and non-patient fees (\$1.3 billion); the sales and recoveries of pharmaceutical supplies, mainly the recoup of costs from the Commonwealth through Medicare for highly specialist drugs (\$444 million); and compensable payments received from motor vehicle insurers for the costs of people hospitalised or receiving treatment as a result of a motor vehicle accident (\$192 million).

Commonwealth Payments as part of the National Health Reform Agreement are received under grants and contributions (\$8.3 billion).

NSW Health's full year capital expenditure for 2023–24 (excluding capital expensing) was \$2.2 billion for works in progress and completed works. The total spent on capital in 2023–24 represents 7.2 per cent of the total Property, Plant, Equipment and Intangibles asset base.

Net assets

NSW Health's net assets at 30 June 2024 are \$28.9 billion. This is made up of total assets of \$36.8 billion, netted off by total liabilities of \$7.9 billion. The net assets are represented by accumulated funds of \$16.6 billion and an asset revaluation reserve of \$12.3 billion.

The audited financial statements for the NSW Ministry of Health are provided in the report. Audited financial statements have also been prepared in respect of each of the reporting entities controlled by the NSW Ministry of Health. These statements have been included in a separate volume of the 2023–24 Annual Report. The NSW Ministry of Health and all its controlled entities received an unqualified audit opinion.

Adjunct Professor Alfa D'Amato

Deputy Secretary, Financial Services and Asset Management and Chief Financial Officer
NSW Health

Financial management

Asset management

Key asset management investment initiatives include the Critical Asset Maintenance Program and NSW Health Key Worker Accommodation Program.

The *NSW Health Asset Management Strategy 2024–2028* was launched to enhance and accelerate NSW Health's asset management function, including focus on asset management governance/organisation, information systems and continuous improvement. NSW Health is advancing the health system *Asset Management Plan* to a digital solution. This will enable a more efficient approach to centrally collating live-to-date data from the system to support forward planning and management of NSW Health's assets.

NSW Health Asset Management continues to embed environmental sustainability through investigating innovative solutions to rising energy costs, aligning with the NSW Government's net zero target. Solar power generation capacity across NSW Health continues to increase. The solar target in the *Government Resource Efficiency Policy* was achieved by NSW Health as a cluster. NSW Health produces seven per cent of the organisational electricity needs through solar generation. This resulted in a reduction in NSW Health's electricity bill costs in 2023–24. NSW Health continues to progress the electric fleet program. To support electric vehicles, charging infrastructure has been installed at 14 local health districts and specialty health networks in 2023–24. More information about NSW Health's energy management can be found in the Sustainability section of this report.

Non-government funding

Each year, NSW Health allocates funding to non-government organisations (NGOs) to deliver community-based services supporting health and wellbeing, particularly for vulnerable or hard-to-reach populations. Aboriginal health; aged care; children; youth and families; chronic care and disability; community transport; drug and alcohol; mental health; palliative care; population health; and women's health are among the services for which NSW Health provides funding.

Partnerships for health funding allocated to non-government organisations by the NSW Ministry of Health in 2023–24

Centre for Aboriginal Health

Grant recipient	Amount \$	Description
Aboriginal Health and Medical Research Council NSW (AH&MRC)	2,850,500	Peak body for Aboriginal Community Controlled Health Services in NSW. Its core activities include building the capacity of member services in priority areas, such as governance, financial management and business processes, and workforce development. Funding supports the AH&MRC to contribute to NSW Health policy and program development processes aimed at improving the health outcomes of Aboriginal people across NSW and to be a formal partner with NSW Health on Aboriginal health issues.
Aboriginal Medical Service Co-Operative Ltd	770,100	Provision of population health and chronic care primary health services. Provision of drug and alcohol services for the Aboriginal community in the Sydney region.
Albury Wodonga Aboriginal Health Service	252,800	Provision of population health and chronic care primary health services to the Aboriginal community in the Albury Wodonga area.
Armajun Health Service Aboriginal Corporation	335,900	Provision of population health and chronic care services to the Aboriginal community in the Armidale, Glen Innes, Inverell, Tenterfield and Tingha regions.
Awabakal Ltd	867,600	Provision of population health, chronic care, and drug and alcohol primary care services. Provision of ear health and family health services for the Aboriginal community in the Newcastle region.

Grant recipient	Amount \$	Description
Biripi Aboriginal Corporation Medical Centre	491,600	Provision of population health, chronic care, and drug and alcohol primary health services, and provision of family health services for the Aboriginal community in the Taree area.
Bourke Aboriginal Corporation Health Service	426,700	Provision of population health, chronic care, and drug and alcohol primary health services, and provision of family health services for the Aboriginal community in Bourke and surrounding areas.
Bulgarr Ngaru Medical Aboriginal Corporation	715,200	Provision of population health and chronic care primary health services, and provision of family health services in the Richmond and Clarence valley regions.
Bullinah Aboriginal Health Service Ltd	270,300	Provision of population health and chronic care primary health services to the Aboriginal community in the Ballina region.
CatholicCare Wilcannia-Forbes Ltd	224,000	Provision of family health services in Narromine and Bourke.
Condobolin Aboriginal Health Service Inc	270,300	Provision of population health and chronic care primary health services to the Aboriginal community in the Condobolin area.
Coomealla Health Aboriginal Corporation	212,900	Provision of population health and chronic care primary health services to the Aboriginal community in the Dareton and Wentworth area.
Coonamble Aboriginal Health Service	893,200	Provision of population health and chronic care primary health services, and provision of family health services in the Coonamble, Dubbo and Gilgandra regions.
Cummeragunja Aboriginal Corporation	215,500	Provision of population health and chronic care primary health services for Aboriginal community in the Cumeragunja, Moama and surrounding areas.
Dubbo Neighbourhood Centre Inc	116,100	Provision of family health services for communities in the Dubbo area.
Durri Aboriginal Corporation Medical Service	646,000	Provision of population health, chronic care, and drug and alcohol primary health services for the Aboriginal communities in the Kempsey, Nambucca Valley area.
Galambila Aboriginal Health Service Inc	372,800	Provision of population and chronic care primary health services for Aboriginal communities in the Coffs Harbour area.
Griffith Aboriginal Medical Service Inc	270,300	Provision of population health and chronic care primary health services to the Aboriginal community in the Griffith and Hay region.
Illaroo Co-operative Aboriginal Corporation	75,100	Personal care worker for the Rose Mumbler Retirement Village.
Illawarra Aboriginal Medical Service	409,500	Provision of population health, chronic care, and drug and alcohol primary health services for the Aboriginal community in the Illawarra area.
Intereach Ltd	136,200	Provision of family health services in the Deniliquin area.
Katungul Aboriginal Corporation Community and Medical Services	397,500	Provision of population health, chronic care, and ear health primary health services for Aboriginal communities of the Far South Coast region and Bega.
Maari Ma Health Aboriginal Corporation	469,700	Provision of population health and chronic care primary health services, and family health services in Broken Hill and across Far West NSW.
Ngaimpe Aboriginal Corporation	248,500	Residential drug and alcohol treatment and referral program providing statewide services, located in the Central Coast area.
Orana Haven Aboriginal Corporation	206,300	Residential drug and alcohol treatment and referral program providing statewide services located near Brewarrina.
Orange Aboriginal Medical Service	335,900	Provision of population health and chronic care primary health services for Aboriginal communities in the Orange area.
Pius X Aboriginal Corporation	215,000	Provision of population health and chronic care primary health services to the Aboriginal community in the Moree area.
Riverina Medical and Dental Aboriginal Corporation	626,300	Provision of population health, chronic care, drug and alcohol, and ear health primary health services, and provision of family health services for the Aboriginal community in the Riverina region.
South Coast Medical Service Aboriginal Corporation	313,700	Provision of population health, chronic care, and drug and alcohol primary health services for the Aboriginal community in the Nowra area.

Grant recipient	Amount \$	Description
South Coast Women's Health and Welfare Aboriginal Corporation (WAMINDA)	593,700	Provision of population health and chronic care primary health services, and provision of family health services to Aboriginal women and their families in the South Coast region.
Tamworth Aboriginal Medical Service Inc	306,400	Provision of population health and chronic care primary health services to the Aboriginal community in the Tamworth area.
Tharawal Aboriginal Corporation	429,600	Provision of population health, chronic care, and drug and alcohol primary health services for the Aboriginal community in the Campbelltown area.
The Oolong Aboriginal Corporation	277,800	Residential drug and alcohol treatment and referral program providing statewide services located in the Nowra area.
Tobwabba Aboriginal Medical Service	313,800	Provision of population health and chronic care primary health services, and provision of family health services for the Aboriginal community in Forster and surrounding areas.
Ungooroo Aboriginal Corporation	270,300	Provision of population health and chronic care primary health services to the Aboriginal community in the Singleton and Muswellbrook areas.
Walgett Aboriginal Medical Service	523,900	Provision of population health, chronic care, and drug and alcohol primary health services, and provision of family health services for the Aboriginal community in the Walgett, Brewarrina and surrounding areas.
Weigelli Centre Aboriginal Corporation	103,700	Residential drug and alcohol treatment and referral program providing statewide services located in the Cowra area.
Wellington Aboriginal Corporation Health Service	1,444,800	Provision of population health, chronic care, and drug and alcohol primary health services, and provision of family health services for the Aboriginal communities around Wellington and Greater Western Sydney.
Werin Aboriginal Corporation	270,300	Provision of population health and chronic care primary health services to the Aboriginal community in the Port Macquarie area.
Eleanor Duncan Aboriginal Services Ltd	488,600	Provision of population health, chronic care, and ear health primary health services, and provision of family health services for the Aboriginal communities in the Central Coast area.
Yoorana Gunya Family Healing Centre Aboriginal Corporation	501,900	Provision of population health and chronic care primary health services, and provision of family health services for the Aboriginal community in Forbes and surrounding areas.
Total	19,160,300	

Aboriginal maternal and infant health

Grant recipient	Amount \$	Description
Durri Aboriginal Corporation Medical Service	258,700	Employment of a community midwife and an Aboriginal health worker to provide antenatal care to improve the health outcomes of Aboriginal mothers and their babies.
Maari Ma Health Aboriginal Corporation	387,600	Employment of a community midwife and an Aboriginal health worker to provide antenatal care to improve the health outcomes of Aboriginal mothers and their babies.
Walgett Aboriginal Medical Service	258,700	Employment of a community midwife and an Aboriginal health worker to provide antenatal care to improve the health outcomes of Aboriginal mothers and their babies.
Total	905,000	

HIV, blood-borne viruses and sexually transmitted infections

Grant recipient	Amount \$	Description
Aboriginal Health and Medical Research Council NSW	145,800	Delivery of education and training in primary health care (sexual health) and specialised short courses and skill set training covering HIV, hepatitis C and B, and sexually transmissible infections (STI) to support Aboriginal health workers in Aboriginal Community Controlled Health Services and local health districts to implement the NSW HIV, STI, hepatitis C and hepatitis B strategies.
ACON Health Ltd	13,402,400	ACON is a statewide community-based organisation providing HIV prevention, education, and support services to gay and other homosexually active men at risk of and living with HIV. Services and programs include HIV prevention; health promotion, education and community engagement programs for gay and homosexually active men to increase access to HIV testing, treatment and prevention.
ASHM Health	755,700	ASHM provides: <ul style="list-style-type: none"> • general practitioner (GP) engagement and delivery of training for authorisation as required for prescription of drugs used in the treatment of HIV and hepatitis B • training that supports GPs involved with patients who have HIV and sexually transmitted infections (STI) • sexual health and viral hepatitis training for nurses • HIV, STI and viral hepatitis training content and materials for GPs and other health care providers.
Bobby Goldsmith Foundation	2,129,600	Provision of client-centred services across NSW for HIV positive people with complex care needs to support client stability, and address barriers to retention in care and target service gaps in partnership with specialist HIV community services.
Diabetes NSW	2,833,725	Provision of syringes and pen needles at no cost to NSW registrants of the National Diabetic Services Scheme, and the promotion and education for safe sharps disposal.
Hepatitis NSW Inc	2,309,000	A statewide community-based organisation that provides information, support, referral, education, and advocacy services for people in NSW affected by hepatitis C and hepatitis B.
NSW Users and AIDS Association Inc (NUAA)	1,791,000	Statewide community-based organisation that provides HIV and hepatitis C prevention education, harm reduction, access to testing and treatment, advocacy and resources, referral and support services for people who inject drugs.
Positive Life NSW Inc	1,151,600	Statewide community-based health promotion and education, advocacy, and implementation of policy and programs which affect people living with HIV.
Sex Workers Outreach Project Inc	1,587,900	Statewide peer-based health education and outreach services to sex industry workers to prevent the transmission of HIV, viral hepatitis and sexually transmissible infections.
Total	26,106,725	

Aged care, disability and community care

Grant recipient	Amount \$	Description
Cystic Fibrosis Community Care Ltd	340,000	Cystic Fibrosis Community Care Ltd provides counselling, support and assistance to people with Cystic Fibrosis and their families. It also delivers community outreach and works to improve equitable delivery of services and multidisciplinary engagement.
Palliative Care NSW Inc	112,700	Palliative Care NSW provides information and education to healthcare professionals and the general public to raise awareness and enable informed choices about quality palliative and end of life care. The organisation designs and delivers strategies and policies to support the growth and uptake of palliative care in NSW, and assists primary and specialist health professionals who provide palliative care in the community.
Parkinson's NSW Ltd	33,000	Parkinson's NSW supports people living with Parkinson's disease, their families and carers. It provides essential services through the Parkinson's NSW InfoLine, counselling services, network of Support groups, Parkinson's nurse specialists in regional NSW, and education and information programs.
Total	485,700	

Community services

Grant recipient	Amount \$	Description
Albury Wodonga Aboriginal Health Service (AWAHS)	293,200	This organisation provides child and family health services, including the provision of child health and development checks.
Association for the Wellbeing of Children in Healthcare (AWCH)	240,100	AWCH coordinates and supports the AWCH Ward Grandparent Program in NSW public hospitals, and advocates for the needs of children and young people through education, policy development, awareness raising and partnerships.
Centre For Disability Studies Ltd	255,200	This organisation provides a complex care service for adults with intellectual disability and complex health needs, working with the person's general practitioner to ensure high quality healthcare. They provide multidisciplinary health assessments, healthcare plans advice and referrals.
NSW Council of Social Service (NCOSS)	326,400	This organisation provides capacity building activities that increase sustainability in health-related activities that promote the development of health policies, strategies, service design and delivery to better address the health needs of disadvantaged people.
Health Consumers NSW Inc	480,800	This organisation provides a voice for patients, their family members and carers, patient leaders and health consumer representatives in NSW, as well as health consumer organisations representing specific disease and population groups. Key activities include support for consumer representative networks, and training and education for consumers and NSW Health staff.
United Hospital Auxiliaries of NSW Inc	247,000	Funding supports delivery of administrative and communications support to the affiliated hospital auxiliaries and volunteers located in public hospitals, multi-purpose services, community health centres, day care services and other public health facilities across NSW.
Womens Health NSW Inc	277,800	This organisation is the peak body for non-government, community-based, women's health centres in NSW. It is responsible for promoting a coordinated approach to policy and planning, service delivery, staff development, training, education, and consultation between members, NSW Health and other government and non-government agencies.
Total	2,120,500	

Community services – NSW children, youth and families

Grant recipient	Amount \$	Description
Australian Breastfeeding Association (NSW Branch)	190,700	This organisation promotes, protects and supports breastfeeding by advocating for and creating an awareness in the community of the importance of human milk. It provides peer support to women and families and supports health professionals with resources, workshops and seminars.
Australian Red Cross Society	413,400	Residential program that builds the capacity of young pregnant women over 20 weeks gestation with complex needs, and newly parenting young men and women aged 12 to 25 to live and parent independently and respond appropriately to the needs of their children.
CatholicCare Sydney Trust	105,900	This organisation recruits and trains personnel to deliver natural fertility planning (NFP) and family life education (FLE) services. The organisation also supports ongoing learning and professional development of NFP and FLE educators.
Red Nose Saving Little Lives (formerly SIDS and Kids NSW)	209,300	This organisation provides bereavement support to NSW families who experience the death of their baby or child during pregnancy, birth and infancy, including miscarriage, ectopic pregnancy, termination of pregnancy, stillbirth, neonatal and infant death and sudden death of a child.
Royal Far West Children's Health Scheme	4,615,100	The Paediatric Developmental Program at Royal Far West provides specialist comprehensive multidisciplinary assessment, diagnosis, planning, review and treatment for rural and remote children up to age 12 with complex developmental and behavioural issues. The program includes support for parents and carers. The service targets the needs of families residing north of Taree, west of Lithgow and south of Nowra, who cannot access the services they need locally.

Grant recipient	Amount \$	Description
Youth Action	152,300	Youth Action is the peak body for young people and youth services in NSW. Youth Action has received funding to develop and implement the NSW Youth Health Literacy Project. This aims to improve the health outcomes of young people aged 12 to 24 years old through promoting their health literacy and access to healthcare.
Youthsafe	227,300	Youthsafe works with schools, workplaces and community organisations to provide information, build capacity and deliver programs to prevent unintentional injury of young people aged 12 to 26 years in different settings, including on the road, at work, while playing sport and when out socialising with friends.
Total	5,914,000	

Drug and alcohol

Grant recipient	Amount \$	Description
Aboriginal Health and Medical Research Council of NSW	211,000	Develop capacity of NSW Aboriginal Community Controlled Health Organisations to identify and respond to alcohol and other drug related harm.
Aboriginal Medical Service Co-Operative Ltd	365,400	Delivery of alcohol and other drug treatment and support services for Aboriginal people in Redfern.
Odyssey House NSW	900,100	Works with people from a range of culturally and linguistically diverse (CALD) communities, primarily in Western and South Western Sydney. Delivery of alcohol and other drug prevention, community development, treatment and research services for people and communities with cultural and linguistic diversity, primarily in Western and South Western Sydney.
Network of Alcohol and Other Drugs Agencies (NADA)	1,837,000	Represent and develop capacity of NSW non-government organisations delivering alcohol and other drug prevention, harm minimisation, and treatment services.
The Oolong Aboriginal Corporation Inc	402,600	Alcohol and other drug residential rehabilitation in Nowra primarily for Aboriginal men, with priority access for Magistrates Early Referral Into Treatment program participants.
Uniting (NSW.ACT)	4,851,150	Medically supervised injecting centre.
Total	8,567,250	

Health promotion

Grant recipient	Amount \$	Description
Asthma Australia Ltd	608,900	Asthma Australia aims to provide services and access to evidenced based information to improve the health and wellbeing of people with asthma to enable them to lead active and productive lives.
Family Drug Support	434,300	Provides a 24-hour 7 days telephone service, information, support and referral to families affected by alcohol and other drug issues.
Healthy Kids Association Inc	325,000	Delivery of key activities in relation to the NSW Healthy School Canteen Strategy, and activities associated with the Centre for Population Health's Healthy Eating Active Living in schools portfolio.
Kidsafe NSW Inc	294,800	Kidsafe NSW undertakes public awareness campaigns and provides information, training and advice on child injury prevention to key stakeholders and the community.
Life Education NSW Ltd	2,536,400	Delivers alcohol and other drugs and healthy lifestyle related education to primary school children in NSW.
Total	4,199,400	

Mental health

Grant recipient	Amount \$	Description
Aboriginal Health and Medical Research Council NSW	225,100	Mental Health statewide coordination to support and develop the capacity of Aboriginal Community Controlled Health Organisation to deliver mental health and wellbeing services and provide strategic advice to NSW Health on key issues affecting mental health and wellbeing service delivery in the Aboriginal Community Controlled sector.
Aboriginal Medical Service Co-Operative Ltd	372,600	Increased access to culturally safe, holistic and flexible mental health and wellbeing services led by Aboriginal Community Controlled Health Organisations that are responsive to the needs to the local community.
Albury Wodonga Aboriginal Health Service (AWAHS)	113,600	Increased access to culturally safe, holistic and flexible mental health and wellbeing services led by Aboriginal Community Controlled Health Organisations that are responsive to the needs to the local community.
Awabakal Ltd	127,600	Increased access to culturally safe, holistic and flexible mental health and wellbeing services led by Aboriginal Community Controlled Health Organisations that are responsive to the needs to the local community.
Black Dog Institute	1,827,700	Education and training programs for health professionals, schools and school communities. The Black Dog Institute Clinic is a psychiatric assessment clinic receiving referrals from GPs and psychiatrists who are seeking diagnosis and treatment planning for patients who have already unsuccessfully undertaken pharmacological and psychological interventions for their mood disorder.
Bulgarr Ngaru Medical Aboriginal Corporation	130,500	Increased access to culturally safe, holistic and flexible mental health and wellbeing services led by Aboriginal Community Controlled Health Organisations that are responsive to the needs to the local community.
CatholicCare Wilcannia-Forbes Ltd	984,400	NSW Family and Carer Mental Health Program – supports families and carers of people with a mental illness through individual support, support groups, advocacy and training and education.
Coomealla Health Aboriginal Corporation	127,600	Increased access to culturally safe, holistic and flexible mental health and wellbeing services led by Aboriginal Community Controlled Health Organisations that are responsive to the needs to the local community.
Cummeragunja Aboriginal Corporation	127,600	Increased access to culturally safe, holistic and flexible mental health and wellbeing services led by Aboriginal Community Controlled Health Organisations that are responsive to the needs to the local community.
Galambila Aboriginal Health Service Inc	113,600	Increased access to culturally safe, holistic and flexible mental health and wellbeing services led by Aboriginal Community Controlled Health Organisations that are responsive to the needs to the local community.
Katungul Aboriginal Corporation Community and Medical Services	120,200	Increased access to culturally safe, holistic and flexible mental health and wellbeing services led by Aboriginal Community Controlled Health Organisations that are responsive to the needs to the local community.
Lifeline Australia	3,858,600	Support for Lifeline Centres in NSW to provide the Lifeline crisis support telephone service.
Mental Health Coordinating Council Inc	719,000	NSW mental health peak organisation funded to support the mental health community managed organisation sector to provide quality services.
Mission Australia	975,500	NSW Family and Carer Mental Health Program – supports families and carers of people with a mental illness through individual support, support groups, advocacy and training and education.
Peer Support Australia	332,600	School based, peer-led mentoring program supporting the mental, social and emotional wellbeing of children and young people.
Riverina Medical and Dental Aboriginal Corporation	113,600	Increased access to culturally safe, holistic and flexible mental health and wellbeing services led by Aboriginal Community Controlled Health Organisations that are responsive to the needs to the local community.
Schizophrenia Fellowship of NSW Ltd (One Door Mental Health)	3,061,600	NSW Family and Carer Mental Health Program – supports families and carers of people with a mental illness through individual support, support groups, advocacy and training and education.

Grant recipient	Amount \$	Description
Schizophrenia Fellowship of NSW Ltd (One Door Mental Health)	551,100	One Door Mental Health Core Grant to provide support, referral, advocacy and information to people experiencing mental health issues.
South Coast Medical Service Aboriginal Corporation	244,800	Increased access to culturally safe, holistic and flexible mental health and wellbeing services led by Aboriginal Community Controlled Health Organisations that are responsive to the needs to the local community.
South Coast Womens Health and Welfare Aboriginal Corporation (WAMINDA)	123,500	Increased access to culturally safe, holistic and flexible mental health and wellbeing services led by Aboriginal Community Controlled Health Organisations that are responsive to the needs to the local community.
St Vincent de Paul Society	255,300	Frederic House is a residential aged care facility that targets older men with mental health and/or substance use issues. This top up funding supports the facility and services provided, particularly the provision of specialist staffing.
Stride Mental Health Ltd	963,400	NSW Family and Carer Mental Health Program – supports families and carers of people with a mental illness through individual support, support groups, advocacy and training and education.
Tharawal Aboriginal Corporation	113,600	Increased access to culturally safe, holistic and flexible mental health and wellbeing services led by Aboriginal Community Controlled Health Organisations that are responsive to the needs to the local community.
Uniting (NSW.ACT)	1,955,200	NSW Family and Carer Mental Health Program – supports families and carers of people with a mental illness through individual support, support groups, advocacy and training and education.
Walgett Aboriginal Medical Service	226,800	Increased access to culturally safe, holistic and flexible mental health and wellbeing services led by Aboriginal Community Controlled Health Organisations that are responsive to the needs to the local community.
Weigelli Centre Aboriginal Corporation	113,600	Increased access to culturally safe, holistic and flexible mental health and wellbeing services led by Aboriginal Community Controlled Health Organisations that are responsive to the needs to the local community.
Wellington Aboriginal Corporation Health Service	238,100	Increased access to culturally safe, holistic and flexible mental health and wellbeing services led by Aboriginal Community Controlled Health Organisations that are responsive to the needs to the local community.
Eleanor Duncan Aboriginal Services Ltd	113,600	Increased access to culturally safe, holistic and flexible mental health and wellbeing services led by Aboriginal Community Controlled Health Organisations that are responsive to the needs to the local community.
WayAhead – Mental Health Association NSW Ltd	118,500	Wayahead is the peak body for mental health promotion in NSW. Wayahead promotes mental health and wellbeing, supports the people of NSW to access mental health services and delivers mental health projects across NSW.
BEING – Mental Health Consumers Ltd	73,700	BEING – Mental Health Consumers Ltd is the peak body for mental health consumers in NSW. BEING represents the interest of mental health consumers in NSW and advocate on behalf of consumers for changes in policy, legislation and service provision. BEING also delivers projects that support the expansion and growth of the lived experience workforce.
Mental Health Carers NSW Inc	42,300	Mental Health Carers NSW is the peak body for mental health carers in NSW. It represents the interest of mental health carers in NSW and information they gather from carers is used to advocate for changes in policy, legislation and service provision to better recognise and support carers.
Total	18,464,900	

Oral health

Grant recipient	Amount \$	Description
Aboriginal Medical Service Co-Operative Ltd	444,200	Aboriginal Oral Health Services.
Albury Wodonga Aboriginal Health Service	632,700	Aboriginal Oral Health Services.
Armajun Health Service Aboriginal Corporation	603,200	Aboriginal Oral Health Services.
Awabakal Ltd	399,400	Aboriginal Oral Health Services.
Biripi Aboriginal Corporation Medical Centre	226,100	Aboriginal Oral Health Services.
Bourke Aboriginal Corporation Health Service	435,500	Aboriginal Oral Health Services.
Condobolin Aboriginal Health Service	165,800	Aboriginal Oral Health Services.
Coonamble Aboriginal Health Service	165,800	Aboriginal Oral Health Services.
Durri Aboriginal Corporation Medical Service	547,700	Aboriginal Oral Health Services.
Griffith Aboriginal Medical Service Inc	165,800	Aboriginal Oral Health Services.
Illawarra Aboriginal Medical Service	510,600	Aboriginal Oral Health Services.
Katungul Aboriginal Corporation Community and Medical Services	411,800	Aboriginal Oral Health Services.
Maari Ma Health Aboriginal Corporation	448,200	Aboriginal Oral Health Services.
Orange Aboriginal Medical Service	728,400	Aboriginal Oral Health Services.
Pius X Aboriginal Corporation	225,500	Aboriginal Oral Health Services.
Riverina Medical and Dental Aboriginal Corporation	596,200	Aboriginal Oral Health Services.
South Coast Medical Service Aboriginal Corporation	342,700	Aboriginal Oral Health Services.
Tamworth Aboriginal Medical Service Inc	158,600	Aboriginal Oral Health Services.
Tharawal Aboriginal Corporation	452,800	Aboriginal Oral Health Services.
Tobwabba Aboriginal Medical Service	435,500	Aboriginal Oral Health Services.
University of Sydney	303,700	Aboriginal Oral Health Services.
Walgett Aboriginal Medical Service	223,700	Aboriginal Oral Health Services.
Eleanor Duncan Aboriginal Services Ltd	432,900	Aboriginal Oral Health Services.
Total	9,056,800	

Rural doctors services

Grant recipient	Amount \$	Description
NSW Rural Doctors Network	1,921,100	The NSW Rural Doctors Network core funding supports a range of programs aimed at ensuring sufficient numbers of suitably trained and experienced general practitioners are available to meet the healthcare needs of rural NSW communities. Funding is also provided for the NSW Rural Medical Undergraduates Initiatives Program, which provides financial assistance to medical students undertaking rural NSW placements; and the NSW Rural Resident Medical Officer Cadetship Program, which supports selected medical students in their final two years of study who commit to completing two of their first three postgraduate years in a NSW regional hospital.
Total	1,921,100	

External health services

Grant recipient	Amount \$	Description
Royal Flying Doctor Service of Australia (South Eastern Section)	3,220,740	Provision of Rural Aerial Health Service.
Total	3,220,740	

Community services – transport

Grant recipient	Amount \$	Description
Access Sydney Community Transport Ltd	51,100	Community transport services.
Active Care Network (Great Community Transport)	174,000	Community transport services.
Activus Transport Inc	27,900	Community transport services.
Bankstown Canterbury Community Transport Inc	26,300	Community transport services.
Cabonne Shire Council	21,000	Community transport services.
Care 'N' Go (Linked Community Services)	33,400	Community transport services.
Community Transport Central Coast Ltd	55,100	Community transport services.
Connect You Too Ltd	85,600	Community transport services.
Holdsworth Community Ltd	33,600	Community transport services.
Home Assistance and Regional Transport Services Inc	51,500	Community transport services.
Hornsby Ku-ring-gai Community Aged/Disabled Transport Inc	23,800	Community transport services.
Linked Community Services	33,500	Community transport services.
LiveBetter Services Ltd	53,300	Community transport services.
Inverell HACC Services Inc	21,700	Community transport services.
Mid-Western Regional Council	32,000	Community transport services.
Neighbourhood Central	47,000	Community transport services.
Ourcare Services Ltd	25,500	Community transport services.
Peppercorn Services Inc	32,500	Community transport services.
Stryder Inc	47,500	Community transport services.
The Community Transport Company Ltd	46,800	Community transport services.
Transcare Hunter Ltd	10,800	Community transport services.
Warrumbungle Shire Council	10,700	Community transport services.
Wee Waa Community Care Service	37,900	Community transport services.
Total	982,500	

Other funding grants in 2023–24

Grant recipient	Amount \$	Description
2Connect Youth & Community Inc	141,348	Alcohol and other drugs youth treatment services.
Aboriginal Community Housing Ltd	150,000	Alcohol and other drugs funding: ICE Response.
Aboriginal Corporation for Drug and Alcohol Network NSW	135,000	To support Aboriginal engagement in the ICE response.
Aboriginal Drug and Alcohol Residential Rehabilitation Network Ltd (ADARRN)	175,000	Aboriginal Drug and Alcohol Residential Rehabilitation Organisation and service development.
Aboriginal Health and Medical Research Council NSW	110,659	Aboriginal Alcohol and Other Drugs Workforce Training grant.
Aboriginal Health and Medical Research Council NSW	248,513	Suicide Prevention Project Officer.
Aboriginal Medical Service Co-Operative Ltd	300,000	Awarding of Aboriginal Model of Care Program grants.
Aboriginal Medical Service Co-Operative Ltd	208,000	Funding to replace, update or purchase additional dental equipment to increase and improve service capacity.
ACON Health Ltd	10,000	End of Life and Palliative Care Grants Program.
ACON Health Ltd	184,016	Resource development for families carers and friends of LGBTQ+ people using alcohol and other drugs.
ACON Health Ltd	125,470	Statewide Community Response Packages for people of diverse sexualities and genders.
ACON Health Ltd	557,500	Community-based suicide prevention services: Aftercare – LGBTQ+ community.
Albury Wodonga Aboriginal Health Service	194,000	Aboriginal Mental Health and Wellbeing Flood Recovery Program.
Albury Wodonga Aboriginal Health Service	27,000	Funding to replace, update or purchase additional dental equipment to increase and improve service capacity.
Alcohol And Drug Foundation Inc	181,815	Resource development for families, carers and friends of people using alcohol and other drugs.
Anglican Community Services	5,409	Community Response Packages.
Anglican Community Services	1,241,332	Mental health Community Living Supports for refugees.
Armajun Health Service Aboriginal Corporation	267,299	Building on Aboriginal Communities' Resilience initiative.
Armajun Health Service Aboriginal Corporation	11,000	Funding to replace, update or purchase additional dental equipment to increase and improve service capacity.
Armidale Centacare New England North West Ltd	319,727	Alcohol and Other Drugs Youth Treatment Services.
Association of Children's Welfare Agencies Inc	326,000	Centre for Community Welfare Training – Workforce training grant.
Association of Drug Referral Centres Ltd	216,096	Alcohol and Other Drugs Youth Treatment Services.
Australian Association of Social Workers Ltd	233,000	Supervision training by Australian Association of Social Workers Services.
Australian Commission on Safety and Quality in Health Care	2,861,877	Contribution for the Australian Commission on Safety and Quality in Health Care.
Australian Community Support Organisation Ltd	300,000	Alcohol and other drugs funding.
Australian Crime Commission	50,000	Enhance wastewater monitoring in regional NSW.
Australian Digital Health Agency	10,132,950	NSW contribution to Australian Digital Health Agency.

Grant recipient	Amount \$	Description
Australian Health Practitioner Regulation Agency	630,000	Kruk Review project.
Australian Infant Child Adolescent and Family Mental Health Association Ltd	208,514	Emerging Minds training.
Australian Medical Council	141,377	Australian Medical Council National ePortfolio.
Australian Men's Sheds Association	100,000	Funding to support the NSW Branch of the Australian Men's Shed Association in their work in men's health.
Australian Red Cross Society	635,958	Mental health Community Living Supports for refugees.
Australian Sickle Cell Association	30,000	Contribution to support organisation's objectives.
Awabakal Ltd	120,000	Aboriginal Family Wellbeing and Violence Prevention Program.
Awards Australia Pty Ltd	15,000	Contribution towards Health Award.
BEING – Mental Health Consumers Inc	946,464	BEING core funding grant.
Beyond Blue Ltd	1,336,495	Beyond Blue core funding.
Biaggio Signorelli Foundation Charitable Trust	100,000	Contribution to support organisation's objectives.
Biripi Aboriginal Corporation Medical Centre	194,000	Aboriginal Mental Health and Wellbeing Disaster Recovery Program.
Better Foundation – Blacktown and Mount Druitt Hospitals	30,000	Funding for equipment for diabetes patients at Blacktown and Mt Druitt hospitals.
Bobby Goldsmith Foundation	99,000	Contribution to Bobby Goldsmith for expansion of support in Western Sydney additional Case worker.
Bourke Aboriginal Corporation Health Service	120,000	Aboriginal Family Wellbeing and Violence Prevention Program.
Bourke Aboriginal Corporation Health Service	300,000	Awarding of Aboriginal Model of Care Program grants.
Bourke Aboriginal Corporation Health Service	99,000	Funding to replace, update or purchase additional dental equipment to increase and improve service capacity.
Bulgarr Ngaru Medical Aboriginal Corporation	194,000	Aboriginal Mental Health and Wellbeing Disaster Recovery Program.
Bulgarr Ngaru Medical Aboriginal Corporation	267,299	Building on Aboriginal Communities' Resilience initiative.
Bullinah Aboriginal Health Service Ltd	32,250	End of Life and Palliative Care Grants Program.
Bullinah Aboriginal Health Service Ltd	254,488	Building on Aboriginal Communities' Resilience initiative.
Byron Bay Community Benefit Fund	250,000	Contribution to the Centre to engage a service coordinator.
Cancer Council NSW	160,000	Grant for expansion of Generation Vape Research project.
Cancer Council NSW	240,000	Tackling Tobacco in mental health research project.
Cancer Council NSW	19,051	Tobacco In Australia Funding.
Cancer Patients Assistance Society of NSW	50,000	Contribution to support Can Assist's objectives.
CanRevive Inc	100,000	Contribution towards volunteer service training and support for cancer patients and carers.
Careflight Pty Ltd	3,600,000	To operate CareFlight Rapid Response Helicopter.
Children of the Bomaderry Aboriginal Children's Home Inc	100,000	Funding enhancement for Stolen Generations.
Children of the Bomaderry Aboriginal Children's Home Inc	100,000	Support for Stolen Generations survivors in accessing health services and undertaking healing activities.

Grant recipient	Amount \$	Description
Children of the Bomaderry Aboriginal Children's Home Inc	195,000	Health Care Co-ordinator positions for Stolen Generations.
Children's Cancer Institute Australia	25,000	Contribution towards research into Diffuse Intrinsic Pontine Glioma.
Children's Tumour Foundation of Australia	75,000	Contribution to support the organisation's initiatives for those living with Neurofibromatosis.
Chronic Pain Australia Ltd	25,000	Funding to support the provision of pain support groups in NSW.
Community Broadcasting Association	67,243	End of Life and Palliative Care Grants Program.
Community Restorative Centre	509,494	Alcohol and Other Drugs Treatment Access Expansion Grants.
Community Restorative Centre	143,998	Drug and Alcohol Treatment Services Grant.
Condobolin Aboriginal Health Service Inc	267,299	Building on Aboriginal Communities' Resilience initiative.
Condobolin Aboriginal Health Service Inc	100,000	Mental health and wellbeing program.
Coomealla Health Aboriginal Corporation	300,000	Awarding of Aboriginal Model of Care Program Grants.
Coomealla Health Aboriginal Corporation	267,299	Building on Aboriginal Communities' Resilience initiative.
Coonamble Aboriginal Health Service	534,598	Building on Aboriginal Communities' Resilience initiative.
Coonamble Aboriginal Health Service	132,000	Funding to support community engagement initiative.
Coonamble Aboriginal Health Service	208,000	Funding to replace, update or purchase additional dental equipment to increase and improve service capacity.
Coordinare Ltd	1,850,000	Funding to South East NSW Primary Health Network to support joint development phase of Collaborative Commissioning.
Coota Girls Aboriginal Corporation	195,000	Coordinator position funding.
Council for Intellectual Disability	64,583	End of Life and Palliative Care Grants Program.
Cox Inall Ridgeway Pty Ltd	96,470	Community Response Packages.
Cummeragunja Health and Development Aboriginal Corporation	300,000	Aboriginal Mental Health and Wellbeing Model of Care Program.
Department of Communities and Justice	379,480	Specialist victims support service for 2023–24.
Department of Communities and Justice	419,097	Additional funds suicide monitoring system.
Department of Communities and Justice	30,609	National Coronial Information System Contribution (NCIS).
Department of Health and Aged Care	1,549,330	NSW contribution to haemopoietic progenitor cell sector.
Department of Health and Aged Care	207,388	NSW contribution to the Health Star Rating Scheme.
Department of Health and Aged Care	2,279,028	Contribution to Commonwealth Department of Health under Bilateral Schedule for Postvention Services.
Department of Health and Aged Care	1,932,601	Contribution to the Health Chief Executives Forum.
Directions Health Services	3,675,000	Alcohol and Other Drugs Treatment Access Expansion Grants.
Directions Health Services	816,981	Counselling for people using methamphetamines.
Dubbo Neighbourhood Centre Inc	127,807	Grant to Dubbo Neighbourhood Centre for the employment of a women's safety coordinator.

Grant recipient	Amount \$	Description
Durri Aboriginal Corp Medical Service	267,299	Building on Aboriginal Communities' Resilience initiative.
Durri Aboriginal Corp Medical Service	350,000	Funding to replace, update or purchase additional dental equipment to increase and improve service capacity.
DV West Ltd	79,242	Grant to implement a specialist children and young people's domestic violence program.
Eastern Health	27,986	Resource development for families, carers and friends of people using alcohol and other drugs.
EIS Health Ltd	3,420,000	NSW Pandemic Recovery Access Initiative.
EIS Health Ltd	500,000	Program grant for the Primary Health Network Joint Statement project.
Eleanor Duncan Aboriginal Services Ltd	194,000	Aboriginal Mental Health and Wellbeing Disaster Recovery Program.
Eleanor Duncan Aboriginal Services Ltd	300,000	Awarding of Aboriginal Model of Care Program Grants.
Eleanor Duncan Aboriginal Services Ltd	267,299	Building on Aboriginal Communities' Resilience initiative.
Eleanor Duncan Aboriginal Services Ltd	195,000	Eleanor Duncan model of care research grant.
Eleanor Duncan Aboriginal Services Ltd	100,000	Funding to replace, update or purchase additional dental equipment to increase and improve service capacity.
Eleanor Duncan Aboriginal Services Ltd	615,000	Alcohol and Other Drugs Treatment Access Expansion Grants.
Equality Australia Ltd	150,000	Capacity building program for trans and gender diverse communities.
Feel The Magic Ltd	150,000	Postvention support for children, young people and families bereaved by suicide.
Filling The Gap Ltd	170,000	Funding for National Dental Foundation Program.
Friendly Faces Helping Hands	200,000	Contribution to support organisation's objectives in rural, remote and regional communities.
Full Stop Australia	20,000	Grant to Full Stop Australia to undertake an expanded independent evaluation.
Full Stop Australia	320,000	Sex and Ethics for Young People: Training the Trainer.
Galambila Aboriginal Health Service Inc	194,000	Aboriginal Mental Health and Wellbeing Disaster Recovery Program.
Galambila Aboriginal Health Service Inc	267,098	Building on Aboriginal Communities' Resilience initiative.
Gandangara Health Services Ltd	300,000	Alcohol and other drugs funding: Ice Response.
Gidget Foundation Australia	1,850,625	Mental Health Recovery Funding.
Grand Pacific Health Ltd	600,000	Alcohol and other drugs funding: Ice Response.
Grand Pacific Health Ltd	731,352	Community living support services.
Grand Pacific Health Ltd	837,500	Community-based suicide prevention services.
Grand Pacific Health Ltd	1,914,131	Housing and Accommodation Support initiative.
Grand Pacific Health Ltd	1,490,414	Rural Adversity Mental Health Program coordination and management.
Griefline	250,000	Griefline funding.
Griffith Aboriginal Medical Service Inc	300,000	Awarding of Aboriginal Model of Care Program Grants.
Griffith Aboriginal Medical Service Inc	267,299	Building on Aboriginal Communities' Resilience initiative.
Griffith Aboriginal Medical Service Inc	74,000	Funding to replace, update or purchase additional dental equipment to increase and improve service capacity.

Grant recipient	Amount \$	Description
Headspace National Youth Mental Health Foundation Ltd	2,984,796	Headspace national floods support.
Headspace National Youth Mental Health Foundation Ltd	1,000,000	Headspace community collaboratives.
Health Consumers NSW	100,000	Funding to support organisational review and strategic plan implementation.
Health Professional Councils Authority	251,072	Treasury Managed Fund contribution for workers compensation, motor vehicles and property.
Healthdirect Australia	379,962	Contribution to Health Information and Advice Service.
Healthwise New England North West	543,750	Mental Health Suicide Prevention Fund.
Healthy North Coast Ltd	6,760,000	Mental Wellbeing Flood Recovery.
HNECC Ltd	1,395,000	Armidale Urgent Care Service Grant.
HNECC Ltd	667,000	Mental Wellbeing Flood Recovery HNECC.
Humpty Dumpty Foundation Ltd	230,520	Funding to support objectives of the organisation in NSW public hospitals, including contribution towards the Michelle Beets Award.
Hunter Primary Care Ltd	183,687	Alcohol and Other Drugs Youth Treatment Services.
Huntington's Australia Ltd	112,985	Provision of specialist support groups for people with movement disorders in NSW.
Illawarra Aboriginal Medical Service	37,000	Funding to replace, update or purchase additional dental equipment to increase and improve service capacity.
Illawarra Women's Health Centre	2,000,000	Contribution to Illawarra Women's Health Centre to support refurbishment of Illawarra Women's Trauma Recovery Centre.
Independent Community Living Australia	500,000	Independent Community Living Australia Grant.
Institute of Electrical and Electronics Engineers Inc	13,300	Funding for Biology Society's Annual International Conference.
Intereach Ltd	120,000	Aboriginal Family Wellbeing and Violence Prevention Program.
Jirrawich	15,000	Funding towards Indigenous Rugby League Event for Suicide Prevention.
Juvenile Arthritis Foundation Australia Ltd	25,000	Contribution towards the provision of the Australian Juvenile Arthritis Registry (AJAR).
Karitane	1,486,000	Funding for Virtual Residential Unit.
Karralika Programs Inc	1,713,000	Alcohol and Other Drugs Treatment Access Expansion Grant.
Karralika Programs Inc	579,330	Alcohol and Other Drugs Youth Treatment Services.
Katungul Aboriginal Corporation Community and Medical Services	194,000	Aboriginal Mental Health and Wellbeing Disaster Recovery Program.
Katungul Aboriginal Corporation Community and Medical Services	267,299	Building on Aboriginal Communities' Resilience initiative.
Kedesh Rehabilitation Services Ltd	198,823	Drug and Alcohol Treatment Services Grant.
Keiths Closet Ltd	185,000	Funding to support the organisations operations and services.
Kids of Macarthur Health Foundation Trust	50,000	Funding to support the purchase of paediatric medical equipment for NSW Public Hospitals.
Kinchela Boys Home Aboriginal Corporation	195,000	Coordinator position funding.
Kinchela Boys Home Aboriginal Corporation	100,000	Funding enhancement for Stolen Generations Organisation.
La Trobe University	236,899	Second edition of Aboriginal Alcohol and Other Drugs Handbook.

Grant recipient	Amount \$	Description
Lifeline Australia	7,931,250	Lifeline Australia additional funding for phone and text crisis support service.
Lifeline Australia	1,625,000	Contribution to Lifeline.
Little Wings Ltd	600,000	Funding to support transport services for children in regional, rural and remote NSW to receive medical treatment.
Lives Lived Well Ltd	1,060,000	Alcohol and Other Drugs Treatment Access Expansion Grants.
Lives Lived Well Ltd	2,044,571	Drug and Alcohol Package Women and Children Residential Rehabilitation.
Lives Lived Well Ltd	594,872	Drug and Alcohol Treatment Services Grant.
Living Works Education (Australia) Pty Ltd	4,007,578	Statewide Suicide Prevention Training initiative.
Maari Ma Health Aboriginal Corporation	120,000	Aboriginal Family Wellbeing and Violence Prevention Program.
Maari Ma Health Aboriginal Corporation	267,299	Building on Aboriginal Communities' Resilience initiative.
Maari Ma Health Aboriginal Corporation	351,202	Drug and Alcohol Treatment Services Grant.
McGrath Foundation Ltd	4,981,000	Funding to support McGrath Breast Care Nurses.
Medlogical Innovations Pty Ltd	2,500,000	Medical Devices Fund.
Mental Health Assoc NSW Inc	1,654,971	WayAhead core funding.
Mental Health Carers ARAFMI NSW Inc	672,481	Mental Health Carers NSW core funding.
Mental Health Co-Ordinating Council Inc	30,000	Funding to support 100 Certificate IV Peer Work Scholarships program.
Mental Health Co-Ordinating Council Inc	465,565	Learning and Development Unit.
Mental Health Co-Ordinating Council Inc	149,329	Training pilot for the lived and living experience workforce in the alcohol and other drugs sector.
Mindgardens Neuroscience Network Ltd	1,031,266	Tertiary referral service for psychosis.
Miracle Babies Foundation Ltd	65,000	Funding to support objectives of organisation in NSW public hospitals, including contribution towards the Nurture Program.
Mission Australia	828,463	Alcohol and Other Drugs Continuing Care Sector Development.
Mission Australia	1,130,000	Alcohol and Other Drugs Treatment Access Expansion Grants.
Mission Australia	845,387	Alcohol and Other Drugs Youth Treatment Services.
Mission Australia	488,007	Benjamin Short Grove Specialist Residential Aged Care Facility.
Mission Australia	2,337,750	Community living support services.
Mission Australia	5,893,197	Housing and Accommodation Support Initiative.
Mrcf Ptd Ltd	475,000	Medical Research Commercialisation fund.
Murrumbidgee Primary Health Network	120,000	Urgent Care Service grant.
National Association of Loss and Grief (NSW) Inc	622,072	Loss and grief support.
National Blood Authority	9,160,020	Operational costs.
Neami Ltd	4,127,320	Community living support.
Neami Ltd	9,737,448	Housing and Accommodation Support Initiative.
Nelune Foundation	150,000	Funding to support the organisations objectives, including the development of infrastructure and cancer-care services for NSW public hospital patients.

Grant recipient	Amount \$	Description
Network of Alcohol and Other Drugs Agencies Inc	158,784	Alcohol and Other Drugs Continuing Care Sector Development.
Network of Alcohol and Other Drugs Agencies Inc	891,940	Capacity building grant program in research, evaluation and monitoring.
New Horizons Enterprises Ltd	7,387,372	Community living support.
New Horizons Enterprises Ltd	12,578,183	Housing and Accommodation Support Initiative.
New Horizons Enterprises Ltd	3,052,599	Mental health Community Living Supports for refugees.
New Horizons Enterprises Ltd	2,975,000	Youth Aftercare Pilot.
Northern Rivers Women and Children's Services Inc.	130,000	Funding to support NORWAC's domestic and family violence services.
NSW Rural Doctors Network	1,397,000	NSW Rural Resident Medical Officer Cadetships.
NSW Rural Doctors Network	315,000	Rural healthcare workforce wellbeing initiative.
NSW Rural Doctors Network	134,000	National Rural Generalist Pathways Grant.
NSW Rural Doctors Network	392,900	Collaborative Care Funding.
NSW Users and Aids Association Inc	400,000	Alcohol and other drugs funding.
NSW Users and Aids Association Inc	170,207	Hepatitis C activities.
NSW Users and Aids Association Inc	470,000	Peer based harm reduction services for NSW music festivals grant.
NSW Users and Aids Association Inc	5,000	Virtual and postal take home naloxone pilot and evaluation.
Obesity Australia Pty Ltd	195,000	Obesity Collective Grant.
Odyssey House NSW	1,942,768	Community Drug Action Program in NSW.
Odyssey House NSW	358,765	Drug and Alcohol Treatment Services Grant.
Odyssey House NSW	1,360,000	Post Custodial Support Grant.
Open Minds Australia Ltd	1,949,789	Community living support services.
Open Minds Australia Ltd	1,400,446	Housing and Accommodation Support Initiative.
Orana Haven	194,000	Aboriginal Mental Health and Wellbeing Disaster Recovery Program.
Orana Haven	267,299	Building on Aboriginal Communities' Resilience initiative.
Orange Aboriginal Medical Service	700,000	Alcohol and other drugs funding.
Orange Aboriginal Medical Service	300,000	Awarding of Aboriginal Model of Care Program Grants.
Orange Aboriginal Medical Service	267,299	Building on Aboriginal Communities' Resilience initiative.
Orange Aboriginal Medical Service	100,000	Mental health and wellbeing program.
Orygen Research Centre	560,000	Pilot of moderated online social therapy.
Palliative Care NSW Inc	646,076	Palliative care support program.
PANDA – Perinatal Anxiety and Depression Australia Inc	100,000	PANDA grant to support women released from prison.
Parkinson's NSW	75,000	Funding to support organisation's health and wellbeing program.
Pharmaceutical Society of Australia Ltd	112,950	Opioid Treatment Program: Community Pharmacy Professional Support Package.
Pharmaceutical Society of Australia Ltd	400,000	Stigma, discrimination and cultural safety in alcohol and other drugs training package for pharmacists grant.

Grant recipient	Amount \$	Description
Pharmacy Guild of Australia NSW Branch	3,306,114	Pharmacy Incentive Scheme.
Pius X Aboriginal Corporation	267,299	Building on Aboriginal Communities' Resilience initiative.
Pius X Aboriginal Corporation	171,000	Funding to replace, update or purchase additional dental equipment to increase and improve service capacity.
Positive Life NSW Inc	99,000	Peer Navigation project and Positive Minds Counselling Program.
Push for Palliative Care Orange	40,000	Contribution to support palliative care patients and their families.
Rainbow Families	178,380	Contribution towards organisation's programs and objectives.
Raising The Bar Foundation Ltd	250,000	Contribution to Raising the Bar Foundation towards a Mental Health education initiative.
Resolve SBB Trust	2,535,450	Social Benefit Bond.
Respite Care for QBN Inc	100,000	Support people suffering from chronic illness.
RichmondPRA Limited	2,790,422	Community living support.
RichmondPRA Limited	15,400,923	Housing and Accommodation Support Initiative.
RichmondPRA Limited	1,900,000	NDIS mental health officers program.
Riverina Medical and Dental Aboriginal Corporation	300,000	Awarding of Aboriginal Model of Care Program Grants.
Riverina Medical and Dental Aboriginal Corporation	45,000	Funding to replace, update or purchase additional dental equipment to increase and improve service capacity.
Riverina Medical and Dental Aboriginal Corporation	300,000	Post custodial support grant.
Royal Aust College of General Practitioners	46,427	Funding for Project ECHO (Extension for Community Health Care Outcomes).
Royal Aust College of General Practitioners	275,684	General practitioner education and training initiative.
Royal Far West	369,200	Contribution to support the Paediatric Development Program.
Royal Society for the Welfare of Mothers and Babies	4,024,119	Funding for virtual residential unit.
Royal Society for the Welfare of Mothers and Babies	4,651,668	Tresillian – Funding for six family care centres, Macksville and five T2U vans.
RSL Lifecare Ltd	390,521	Mental Health Aged Care Partnership Initiative transition unit.
Safe and Together Institute	30,000	Grant to provide training and mentoring to NSW Health staff to improve responses to domestic violence.
Samaritans Foundation Diocese of Newcastle	386,085	Drug and Alcohol Treatment Services Grant.
Schizophrenia Fellowship of NSW Ltd	299,994	Forensic Reintegration Program.
SDIP Innovations Pty Ltd	4,065,000	Medical Devices Fund.
Service NSW	10,045,031	Pre IVF testing rebate.
Sibdeal Pty Ltd	144,000	30 day patient programs.
Silver Chain Group Ltd	1,184,163	Social Benefit Bond.
Sisters Cancer Support Group Inc	91,000	Funding to assist with analysis and evaluative research.
SNPHN Ltd	1,471,642	Collaborative commissioning contribution to Sydney North Health Network.
SNPHN Ltd	667,000	Mental wellbeing flood recover package.
SNPHN Ltd	1,770,000	Urgent Care Service Grant.
Social Futures Ltd	1,000,000	Alcohol and other drugs funding.

Grant recipient	Amount \$	Description
South Coast Medical Service Aboriginal Corporation	267,299	Building on Aboriginal Communities' Resilience initiative.
South Coast Medical Service Aboriginal Corporation	61,000	Funding to replace, update or purchase additional dental equipment to increase and improve service capacity.
South Western Sydney Primary Health Network Ltd	1,650,000	Urgent Care Service Grant – Bankstown.
South Western Sydney Primary Health Network Ltd	1,650,000	Urgent Care Service Grant – Liverpool.
South Western Sydney Primary Health Network Ltd	1,463,000	Urgent Care Service Grant – Gregory Hills.
South Western Sydney Primary Health Network Ltd	1,617,000	Urgent Care Service Grant – Campbelltown.
Southern Cross Care (NSW & ACT)	676,789	Specialist residential aged care facility.
Sporting Chance Cancer Foundation	100,000	Funding to support childrens cancer outreach program.
St Vincent de Paul Society NSW	4,001,036	Alcohol and Other Drugs Continuing Care Sector Development.
St Vincent de Paul Society NSW	1,000,000	Alcohol and other drugs funding.
St Vincent de Paul Society NSW	89,888	Drug and Alcohol Treatment Services Grant.
State Library Of New South Wales	178,302	Drug Info at Your Library grant.
Stolen Generations Council (NSW-ACT) Inc	195,000	Stolen Generations Council funding for coordinator position.
Stolen Generations Council (NSW-ACT) Inc	100,000	Support for Stolen Generations Survivors in accessing health services and undertaking healing activities.
Street Side Medics Ltd	200,000	Contribution to Street Side Medics to support its objectives.
Stride Mental Health Ltd	1,951,088	LikeMind funding to provide integrated care and support in community.
Suicide Prevention Australia Ltd	15,000	Bursary Sponsorship for Suicide Prevention Australia Conference.
Suicide Prevention Australia Ltd	96,470	Community Response Packages.
Suicide Prevention Australia Ltd	100,000	Suicide Prevention Australia – Targeted activities for NSW Suicide Prevention Legislation.
Survivors R Us Inc	50,000	Contribution to support courses with focus on health and mental health.
Sydney Children's Hospitals Foundation Ltd	100,000	Contribution to support redevelopments across the Sydney Children's Hospital Network.
Tamworth Aboriginal Medical Service – Aboriginal Corporation	267,299	Building on Aboriginal Communities' Resilience initiative.
Tharawal Aboriginal Corporation	267,299	Building on Aboriginal Communities' Resilience initiative.
The Association of Independent Schools of NSW Ltd	57,900	NSW Healthy School Canteen strategy.
The Association of Independent Schools of NSW Ltd	26,460	Support the optimisation of Live Life Well at Schools.
The Bill Crews Charitable Trust	600,000	Alcohol and other drugs funding: ICE Response.
The Buttery Ltd	480,450	Alcohol and Other Drugs Continuing Care Sector Development.
The Buttery Ltd	84,322	Alcohol and Other Drugs Youth Treatment Services.
The Buttery Ltd	391,884	Drug and Alcohol Treatment Services Grant.
The Buttery Ltd	1,421,758	Housing and Accommodation Support Initiative.
The Buttery Ltd	560,000	Post Custodial Support Grant.
The Buttery Ltd	1,683,000	Alcohol and Other Drugs Treatment Access Expansion Grants.
The Buttery Ltd	235,000	Alcohol and other drugs funding: Ice Response.

Grant recipient	Amount \$	Description
The Gender Centre Inc	152,375	The Gender Centre funding.
The Haymarket Foundation Ltd	135,000	Contribution to deliver support to vulnerable community members experiencing homelessness.
The Man Walk Australia Ltd	50,000	Contribution to support the organisation's objectives of bettering the mental, physical, and overall wellbeing of men.
The Peregrine Centre Pty Ltd	1,183,938	Rural Mental Health Research Partnership Grant.
The Salvation Army (NSW) Property Trust	1,000,000	Alcohol and other drugs funding.
The Salvation Army (NSW) Property Trust	239,982	Drug and Alcohol Treatment Services Grant.
The Sax Institute	5,180	SURE Workspace – Mental Health Emergency Care Services Review.
The Ted Noffs Foundation	2,545,000	Alcohol and Other Drugs Treatment Access Expansion Grants.
The Ted Noffs Foundation	175,595	Alcohol and Other Drugs Youth Treatment Services.
Tobwabba Aboriginal Medical Service	194,000	Aboriginal Mental Health and Wellbeing Disaster Recovery Program.
Tobwabba Aboriginal Medical Service	76,000	Funding to replace, update or purchase additional dental equipment to increase and improve service capacity.
Top Blokes Foundation	150,000	Contribution to support organisation's objectives.
Transport for NSW	89,985	Transport for NSW MOU Grants administration.
Ulster University	50,000	Development of the iPAKT Application.
Ungooroo Aboriginal Corporation	194,000	Aboriginal Mental Health and Wellbeing Disaster Recovery Program.
Ungooroo Aboriginal Corporation	267,299	Building on Aboriginal Communities' Resilience initiative.
Uniting (NSW.ACT)	2,798,017	Community living support services.
Uniting (NSW.ACT)	7,529,129	Housing and Accommodation Support Initiative.
Uniting (NSW.ACT)	1,951,080	LikeMind funding to provide integrated care and support in community.
Uniting (NSW.ACT)	18,679	Residue and Post Overdose Substance Testing (RePOST) study.
University of Newcastle	94,921	Support the optimisation of live life well in primary schools.
University of NSW	199,143	Evidence Check – Youth Mental Health Social Connectedness.
University of NSW	80,682	Follow up study on HIV and STI screening practices.
University of NSW	283,320	Implementation research to guide elimination of HIV transmission in NSW.
University of NSW	669,969	Intellectual Disability Mental Health Chair.
University of NSW	264,125	Support evaluation of Collaborative Commissioning.
University of Sydney	422,000	Brain Injury Psychiatry Program.
University of Sydney	283,406	Building the mental health capacity of alcohol and other drug workers – The Matilda Centre.
University of Sydney	65,000	Educational and training resources for phage therapy.
University of Sydney	47,967	Helping Mothers Quit.
University of Sydney	100,000	Mental health and wellbeing program.
University of Sydney	352,649	NSW Health Chair of Population Oral Health.
University of Sydney	65,000	Sexuality and sexual health education pre-service teacher mapping.
University of Wollongong	1,368,412	Funding for Project Air.
Walgett Aboriginal Medical Service	120,000	Aboriginal Family Wellbeing and Violence Prevention Program.
Walgett Aboriginal Medical Service	267,299	Building on Aboriginal Communities' Resilience initiative.

Grant recipient	Amount \$	Description
Waminda South Coast Women's Health and Wellbeing Aboriginal Corporation	2,391,612	Alcohol and Other Drugs Treatment Access Expansion Grants.
Waminda South Coast Women's Health and Wellbeing Aboriginal Corporation	300,000	Awarding of Aboriginal Model of Care Program Grants.
Waminda South Coast Women's Health and Wellbeing Aboriginal Corporation	267,299	Building on Aboriginal Communities' Resilience initiative.
Waminda South Coast Women's Health and Wellbeing Aboriginal Corporation	70,091	End of Life and Palliative Care Grants Program
Wayback Committee Ltd	250,000	Sustainability support grant.
We Help Ourselves	824,818	Drug and Alcohol Treatment Services Grant.
Weigelli Centre Aboriginal Corporation	50,000	Mental health and wellbeing program.
Wellington Aboriginal Corporation Health Service	240,000	Aboriginal Family Wellbeing and Violence Prevention Program.
Wellington Aboriginal Corporation Health Service	534,598	Building on Aboriginal Communities' Resilience initiative.
Wellington Aboriginal Corporation Health Service	58,000	Funding to replace, update or purchase additional dental equipment to increase and improve service capacity.
Wellington Aboriginal Corporation Health Service	300,000	Post Custodial Support Grant.
Wellways Australia Ltd	3,412,886	Community living support services.
Wellways Australia Ltd	12,618,427	Housing and Accommodation Support Initiative.
Wellways Australia Ltd	96,470	Statewide Community Response Packages for Priority Groups – Young People.
Wellways Australia Ltd	2,516,508	Youth community living support services.
Wentwest Ltd	500,000	Western Sydney Neighbourhood Health Hub initiative.
Wentworth Healthcare Ltd	667,000	Mental wellbeing flood recovery.
Wentworth Healthcare Ltd	200,000	Urgent Care Service Grant.
Werin Aboriginal Corporation	194,000	Aboriginal Mental Health and Wellbeing Disaster Recovery Program.
Western Health Alliance Ltd	76,845	Urgent Care Service grant.
Womens Alcohol and Drug Advisory Centre Inc	221,024	Drug and Alcohol Treatment Services Grant.
Womens Health NSW Inc	89,000	Women's Health Centre funding enhancement.
Yacaaba Centre Information and Counselling Service Port Stephens Inc	50,000	Yacaaba Centre Information and Counselling Service.
Yfoundations Inc	111,000	Sexual health capacity building.
Yoorana Gunya Family Healing Centre Aboriginal Corporation	267,299	Building on Aboriginal Communities' Resilience initiative.
Yoorana Gunya Family Healing Centre Aboriginal Corporation	450,000	Mental health and wellbeing program.
Yourtown	4,100,000	Kids helpline service.
Total	326,917,700	

Research grants in 2022–23

Grant recipient	Amount \$	Description
AbCellera Australia Pty Ltd	1,000	AbCellera Australia partnership sponsorship.
Anzics	420,977	Bi-national intensive care databases.
Arcs Australia	10,000	Medical research sponsorship program.
Ausbiotech Ltd	9,000	Ausbiotech partnership sponsorship.
Australian and New Zealand Society for Immunology Inc	5,000	Medical research sponsorship program.
Australian Association for Adolescent Health Ltd	10,000	Medical research sponsorship program.
Australian Cardiovascular Alliance Ltd	165,000	Cardiovascular and stroke research investments on health outcomes.
Australian Catholic University Ltd	449,826	PhD and early-mid career grant funding.
Biotalk Pty Ltd	350,000	Sustainable operating model for the special enterprise Franklin Women.
Black Dog Institute	591,979	Medical Research support program.
Canberra Health Services	779,190	Rural, regional and remote clinical trial support units.
Centenary Institute of Cancer Medicine and Cell Biology	1,880,506	Medical research support program.
Children's Cancer Institute Australia	942,726	Medical research support program.
Children's Cancer Institute Australia	5,000	Medical research sponsorship program.
Children's Medical Research Institute	498,335	Early Mid-Career Grants funding.
Children's Medical Research Institute	13,000	Medical research sponsorship program.
Department of Communities and Justice	5,000	Funding for Safe & Together™ Model to provide culturally safe response, addressing family violence in Aboriginal communities.
Garvan Institute of Medical Research	5,983,412	Medical research support program.
Garvan Institute of Medical Research	500,000	Early Mid-Career Grants funding.
Garvan Institute of Medical Research	50,000	Funding support for NSW Early Phase Clinical Trials Alliance (NECTA) statewide recruitment initiative.
Genetic Alliance Australia	5,000	Medical research sponsorship program.
Hunter Medical Research Institute	10,379,751	Medical research support program.
Hunter Medical Research Institute	500,000	Early Mid-Career Grants funding.
Ingham Institute for Applied Medical Research	2,815,554	Medical research support program.
Ingham Institute for Applied Medical Research	5,000	Medical research sponsorship program.
Macquarie University	997,808	Motor Neuron Disease Grant.
ME Research Solutions Pty Ltd	5,000	Medical research sponsorship program.
Medical Technology Association of Australia Ltd	5,000	Medical research sponsorship program.
National Heart Foundation of Australia	250,000	NSW Cardiovascular Research Network.
Neuroscience Research Australia	3,394,458	Medical research support program.
St Vincents Hospital Sydney Ltd	7,500	Medical research sponsorship program.
The George Institute for Global Health	7,375,313	Medical research support program.
The George Institute for Global Health	5,000	Medical research sponsorship program.
The Heart Research Institute Ltd	2,500,000	Cardiovascular Research Capacity Program.
The Heart Research Institute Ltd	450,000	Senior and early mid-career grant funding.
The Heart Research Institute Ltd	5,000	Medical research sponsorship program.
The Sax Institute	2,250,000	Sax Institute core funding.
The Westmead Institute for Medical Research	3,534,733	Medical research support program.

Grant recipient	Amount \$	Description
The Westmead Institute for Medical Research	14,500	Medical research sponsorship program.
University of Melbourne	55,000	Funding for Safe & Together™ Model to provide culturally safe response, addressing family violence in Aboriginal communities.
University of New South Wales	42,857	First 2000 days program grant.
University of Newcastle	478,000	Early Mid-Career Grants funding.
University of Newcastle	500,000	NSW Prevention Research Support Program for prevention research collaboration.
University of Newcastle	1,444,000	Clinical trial – pharmacist management of urinary tract infections.
University of Newcastle	1,515,813	Community pharmacist clinical trial – pharmacy reform.
University of NSW	130,816	BUBs Quit study.
University of NSW	999,710	Cardiovascular Research Capacity Program.
University of NSW	375,000	NSW Prevention Research Support Program – Centre for Primary Health Care and Equity.
University of NSW	511,250	NSW Prevention Research Support Program – Kirby Institute.
University of NSW	525,000	NSW Prevention Research Support Program – National Drug and Alcohol Research Centre.
University of NSW	4,500,000	Grant funding for the Non-Animal Technologies Network.
University of NSW	746,872	Schizophrenia Research Grants Program.
University of NSW	499,231	Early Mid-Career Grants funding.
University of NSW	4,342,271	Senior and Early Mid-Career Grant Funding.
University of NSW	450,000	NSW Cardiovascular Early-Mid Career and Senior Researcher Grants.
University of NSW	1,285,787	Spinal Cord Injury Research Grants.
University of NSW	135,909	Intellectual disability genetic test decision aid tool.
University of NSW	84,165	Alcohol price surveillance project.
University of NSW	257,143	First 2000 days program grant.
University of NSW	80,000	Integrating mathematical modelling and public health surveillance – partner contribution.
University of Sydney	156,250	NSW Prevention Research Support Program – Edith Collins Centre.
University of Sydney	500,000	NSW Prevention Research Support Program – Prevention Research Collaboration.
University of Sydney	271,250	NSW Prevention Research Support Program – Women and Babies Research.
University of Sydney	49,499	Research on creation of sustainable rural and remote oral health workforce.
University of Sydney	985,515	Motor Neuron Disease Grant.
University of Sydney	3,597,960	Ensuring sovereign manufacture of phage therapy.
University of Sydney	999,542	NSW Translational Research Grants Scheme.
University of Sydney	2,833,881	PhD and Early-Mid Career Grant funding.
University of Sydney	1,287,207	Spinal Cord Injury Research Grants.
University of Sydney	375,000	Research program for physical activity nutrition and obesity prevention.
University of Technology Sydney	390,690	Spinal Cord Injury Research Grants.
University of Wollongong	356,250	NSW Prevention Research Support Program – Early Start.
University of Wollongong	449,262	Cardiovascular Senior and EMC Researcher Grant.
Victor Chang Cardiac Research Institute Ltd	1,361,439	Medical research support program.
Victor Chang Cardiac Research Institute Ltd	5,000	Medical research sponsorship program.
Total	79,747,137	

Financial statements

This section of the report presents the Auditor's report and financial statements of the NSW Ministry of Health.

The financial statements for all NSW Health entities can be found in volumes two and three of the NSW Health 2023-24 Annual Report on the NSW Health Website at health.nsw.gov.au/AnnualReport.



INDEPENDENT AUDITOR'S REPORT

Ministry of Health (the Ministry) and the Consolidated Entity

To Members of the New South Wales Parliament

Opinion

I have audited the accompanying financial statements of Ministry of Health (the Ministry) and the Consolidated Entity, 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 Policies and other explanatory information of the Ministry and the Consolidated Entity. The Consolidated Entity comprises the Ministry and the entities it controlled at the year's end or from time to time during the financial year.

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 financial position, financial performance and cash flows of the Ministry and the Consolidated Entity.

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 Ministry and the Consolidated Entity 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 opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements for the year ended 30 June 2024. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon. I do not provide a separate opinion on these matters.

Key Audit Matter	How my audit addressed the matter
Valuation of property, plant and equipment	
<p><i>Refer to Note 23 Property, plant and equipment</i></p> <p>At 30 June 2024, the Consolidated Entity reported \$30.4 billion in infrastructure, property, plant and equipment measured at fair value and comprised of:</p> <ul style="list-style-type: none"> • \$27.9 billion - land and buildings • \$1.6 billion - plant and equipment • \$0.9 billion - infrastructure. <p>I considered this area a key audit matter due to the:</p> <ul style="list-style-type: none"> • financial significance, geographical distribution and specialised or unique nature of health assets; • high degree of management judgement required in respect of classifying project costs as capital or expense; and • complexities associated with the application of AASB 13 Fair Value Measurement being dependent on assumptions that require significant judgement in areas such as: <ul style="list-style-type: none"> – identifying components of buildings and determining their current replacement cost – forecasting remaining useful lives – assessing the conditions of the assets – assessing the financial impact of indicators of impairment. 	<p>To address the key audit matter, I:</p> <ul style="list-style-type: none"> • assessed the adequacy of management's review of the valuation process; • assessed the competence, capabilities and objectivity of management's valuers; • reviewed the scope and instructions provided to the valuers and obtained an understanding of the methodology used and its appropriateness with reference to relevant Australian Accounting Standards and Treasurer's Directions; • assessed the appropriateness of the components of buildings used for measuring gross replacement cost with reference to common industry practice; • tested a sample of costs allocated to work in progress to assess the appropriateness of capitalisation; • evaluated whether the useful lives applied to the various asset classes were consistent with management's planned usage of those assets; • assessed assumptions used by the valuer to determine the asset values; • assessed the reasonableness and appropriateness of judgement used by management to assess non-financial assets for impairment. This included the process employed to monitor impairment indicators; and • assessed the adequacy of the financial statement disclosures against the requirements of applicable Australian Accounting Standards and Treasurer's Directions.
Recognition and measurement of Commonwealth grants and contributions revenue	
<p><i>Refer to Note 10 Grants and other contributions</i></p> <p>Of the \$9.3 billion recognised as grants and other contributions revenue during the year, over \$8.3 billion related to the funding arrangements through the National Health Reform Agreement (NHRA) in 2023-24.</p> <p>I considered this area a key audit matter due to the:</p> <ul style="list-style-type: none"> • significance of the balance relative to the Consolidated Entity's Statement of Comprehensive Income; 	<p>To address the key audit matter, I:</p> <ul style="list-style-type: none"> • documented and understood the nature of the key revenue streams relating to the NHRA and other grants; • reviewed the terms and conditions contained within the key funding agreements entered with the grantors; • assessed the IT general controls of the new EDWARD system and the accounting treatments applied to each type of grant funding stream;

Key Audit Matter	How my audit addressed the matter
<ul style="list-style-type: none"> different types of performance obligations attached to each revenue stream; the Ministry's new IT system (EDWARD) for capturing various activities occurred at all NSW Health entities for activity-based funding (ABF) streams . 	<ul style="list-style-type: none"> understood and assessed the implications resulting from expiration of any agreement; and reviewed a sample of transactions to ensure the appropriate accounting treatment had been applied.
Employee related expenses	
<p><i>Refer to Note 2 Employee related expenses</i></p> <p>For the financial year ended 30 June 2024, the Ministry and the Consolidated Entity's statement of comprehensive income reported \$18.9 billion in employee related expenses.</p> <p>I considered this to be a key audit matter because of the:</p> <ul style="list-style-type: none"> financial significance of employee related expenses to the Ministry's statement of comprehensive income for the financial year ended 30 June 2024; geographical spread of the Ministry's workforce and high volume of transactions processed by its information system; size and complexity of the remuneration structures, including the diversity and number of health industrial staff awards affecting remuneration, work hours, rates and allowances, and other conditions of employment. 	<p>Key audit procedures included the following:</p> <ul style="list-style-type: none"> evaluated and tested on a sample basis, the design, implementation and operating effectiveness of key controls over payroll processes and systems; obtained personnel records for a sample of employees and agreed their recorded employment details, including relevant award types and conditions when calculating the payroll costs; on a sample basis, tested employee's annual leave and long service leave expenses and accruals to their corresponding award types, and reviewed the appropriateness of on-costs applied for the relevant provisions; performed a range of data analytics on the employee master files and detailed payroll records to identify areas of risk and material exceptions.

Secretary's Responsibilities for the Financial Statements

The Secretary is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards and the GSF Act, GSF Regulation and Treasurer's Directions. The Secretary's responsibility also includes such internal control as the Secretary 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 Secretary is responsible for assessing the ability of the Ministry and the Consolidated Entity 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/ar5.pdf. The description forms part of my auditor's report.

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

- that the Ministry and the Consolidated Entity carried out their 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

10 October 2024
SYDNEY



Ministry of Health

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 Ministry of Health 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 Ministry of Health's financial position as at 30 June 2024 and the financial performance and cash flows for the year then ended.
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 'Susan Pearce'.

Susan Pearce AM
Secretary, NSW Health

10 October 2024

A handwritten signature in black ink, appearing to read 'Steve Carr'.

Steve Carr
**Acting Deputy Secretary, Financial Services and Asset
Management and Chief Financial Officer, NSW Health**

10 October 2024

Ministry of Health

Statement of Comprehensive Income for the year ended 30 June 2024

	Notes	Consolidated Actual 2024 \$000	Consolidated Budget 2024 \$000	Consolidated Actual 2023 \$000	Parent Actual 2024 \$000	Parent Actual 2023 \$000
Continuing operations						
Expenses excluding losses						
Employee related expenses	2	18,901,233	18,901,660	17,192,005	282,330	262,087
Operating expenses	3	8,858,313	8,665,992	8,969,218	1,490,349	1,232,023
Depreciation and amortisation	4	1,477,854	1,399,091	1,377,606	11,420	10,903
Grants and subsidies	5	1,842,193	1,854,118	1,872,061	25,981,175	25,541,940
Finance costs	6	126,514	130,945	118,624	17	13
Total expenses excluding losses		31,206,107	30,951,806	29,529,514	27,765,291	27,046,966
Revenue						
Appropriations	7	19,138,955	19,612,662	17,588,577	19,138,955	17,588,577
Acceptance by the Crown ¹ of employee benefits and other liabilities	11	589,971	530,525	420,395	10,681	8,033
Sale of goods and services from contracts with customers	8	2,999,160	2,872,987	2,911,285	143,559	238,788
Investment revenue	9	113,634	75,022	73,239	18,606	3,875
Grants and other contributions	10	9,342,292	9,142,259	9,112,271	8,717,139	8,526,537
Other income	12	100,861	111,253	75,631	19,918	18,837
Total revenue		32,284,873	32,344,708	30,181,398	28,048,858	26,384,647
Operating result		1,078,766	1,392,902	651,884	283,567	(662,319)
Gains / (losses) on disposal	13	(11,747)	-	(27,429)	(5)	(189)
Impairment losses on financial assets	18	(84,680)	-	(57,087)	120	(595)
Other gains / (losses)	14	(92,122)	268,867	(164,036)	(47)	(41)
Net result from continuing operations		890,217	1,661,769	403,332	283,635	(663,144)
Net result from discontinued operations		-	-	-	-	-
Net result		890,217	1,661,769	403,332	283,635	(663,144)
Other comprehensive income						
<i>Items that will not be reclassified to net result in subsequent periods</i>						
Changes in revaluation surplus of property, plant and equipment	23	1,190,421	-	1,391,934	5,673	4,586
Total other comprehensive income		1,190,421	-	1,391,934	5,673	4,586
TOTAL COMPREHENSIVE INCOME		2,080,638	1,661,769	1,795,266	289,308	(658,558)

¹Crown represents 'The Crown in right of the State of New South Wales'.

The accompanying notes form part of these financial statements.

Ministry of Health

Statement of Financial Position as at 30 June 2024

		Consolidated	Consolidated	Consolidated	Parent	Parent
		Actual	Budget	Actual	Actual	Actual
		2024	2024	2023	2024	2023
	Notes	\$000	\$000	\$000	\$000	\$000
ASSETS						
Current assets						
Cash and cash equivalents	17	2,781,203	2,170,184	2,475,288	683,561	426,486
Receivables	18	1,267,496	1,074,189	1,152,214	318,899	217,780
Contract assets	19	2,677	2,260	2,260	636	460
Inventories	20	325,036	417,032	451,621	38,808	33,589
Financial assets at fair value	21	68,521	101,550	97,322	-	-
Other financial assets	22	-	-	46	281,133	206,553
		4,444,933	3,765,215	4,178,751	1,323,037	884,868
Non-current assets held for sale	26	304	304	304	-	-
Total current assets		4,445,237	3,765,519	4,179,055	1,323,037	884,868
Non-current assets						
Receivables	18	120,924	18,038	150,259	5,903	-
Financial assets at fair value	21	6,351	9,148	9,148	-	-
Other financial assets	22	90,771	-	88,541	-	-
Property, plant and equipment						
- Land and buildings	23	27,945,803	28,589,719	26,039,753	165,945	169,391
- Plant and equipment	23	1,620,131	1,705,743	1,521,397	17,155	18,141
- Infrastructure systems	23	851,435	868,777	881,665	853	941
Total property, plant and equipment		30,417,369	31,164,239	28,442,815	183,953	188,473
Right-of-use assets	24	738,947	623,063	626,715	639	776
Intangible assets	25	985,749	888,660	732,046	9,749	7,072
Other non-current assets		-	90,771	-	-	-
Total non-current assets		32,360,111	32,793,919	30,049,524	200,244	196,321
Total assets		36,805,348	36,559,438	34,228,579	1,523,281	1,081,189
LIABILITIES						
Current liabilities						
Payables	29	2,084,717	1,931,688	1,941,442	685,275	560,116
Contract liabilities	30	36,785	57,031	57,031	647	545
Borrowings	31	186,875	192,164	180,621	171	156
Provisions	32	3,469,465	3,112,835	3,287,690	102,774	81,191
Other current liabilities	33	102,755	112,751	120,194	187	3,000
Total current liabilities		5,880,597	5,406,469	5,586,978	789,054	645,008
Non-current liabilities						
Payables	29	106,396	-	-	-	-
Contract liabilities	30	198	556	556	-	-
Borrowings	31	1,560,822	1,435,542	1,479,710	485	629
Provisions	32	77,776	55,130	54,321	6,836	720
Other non-current liabilities	33	310,512	304,248	318,605	2,766	-
Total non-current liabilities		2,055,704	1,795,476	1,853,192	10,087	1,349
Total liabilities		7,936,301	7,201,945	7,440,170	799,141	646,357
Net assets		28,869,047	29,357,493	26,788,409	724,140	434,832

Ministry of Health

Statement of Financial Position as at 30 June 2024 (continued)

		Consolidated	Consolidated	Consolidated	Parent	Parent
		Actual	Budget	Actual	Actual	Actual
		2024	2024	2023	2024	2023
	Notes	\$000	\$000	\$000	\$000	\$000
EQUITY						
Reserves	34	12,256,774	11,873,371	11,083,538	161,469	155,796
Accumulated funds		16,612,273	17,484,122	15,704,871	562,671	279,036
Total equity		28,869,047	29,357,493	26,788,409	724,140	434,832

The accompanying notes form part of these financial statements.

Ministry of Health

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

CONSOLIDATED	Notes	Accumulated	Asset	Total
		Funds	Revaluation	
		\$000	\$000	\$000
Balance at 1 July 2023		15,704,871	11,083,538	26,788,409
Net result for the year		890,217	-	890,217
Other comprehensive income:				
Net changes in revaluation surplus of property, plant and equipment	23	-	1,190,421	1,190,421
Total comprehensive income for the year		890,217	1,190,421	2,080,638
Transfer of asset revaluation surplus to accumulated funds on disposal of assets		17,185	(17,185)	-
Balance at 30 June 2024		16,612,273	12,256,774	28,869,047
Balance at 1 July 2022		15,300,886	9,701,661	25,002,547
Net result for the year		403,332	-	403,332
Other comprehensive income:				
Net changes in revaluation surplus of property, plant and equipment	23	-	1,391,934	1,391,934
Total comprehensive income for the year		403,332	1,391,934	1,795,266
Transfer of asset revaluation surplus to accumulated funds on disposal of assets		10,057	(10,057)	-
Transactions with owners in their capacity as owners				
Increase / (decrease) in net assets from equity transfers	34	(9,404)	-	(9,404)
Balance at 30 June 2023		15,704,871	11,083,538	26,788,409

PARENT	Notes	Accumulated	Asset	Total
		Funds	Revaluation	
		\$000	\$000	\$000
Balance at 1 July 2023		279,036	155,796	434,832
Net result for the year		283,635	-	283,635
Other comprehensive income				
Net changes in revaluation surplus of property, plant and equipment	23	-	5,673	5,673
Total comprehensive income for the year		283,635	5,673	289,308
Balance at 30 June 2024		562,671	161,469	724,140
Balance at 1 July 2022		935,752	151,210	1,086,962
Net result for the year		(663,144)	-	(663,144)
Other comprehensive income				
Net changes in revaluation surplus of property, plant and equipment	23	-	4,586	4,586
Total comprehensive income for the year		(663,144)	4,586	(658,558)
Transactions with owners in their capacity as owners				
Increase / (decrease) in net assets from equity transfers	34	6,428	-	6,428
Balance at 30 June 2023		279,036	155,796	434,832

The accompanying notes form part of these financial statements.

Ministry of Health

Statement of Cash Flows for the year ended 30 June 2024

	Notes	Consolidated Actual 2024 \$000	Consolidated Budget 2024 \$000	Consolidated Actual 2023 \$000	Parent Actual 2024 \$000	Parent Actual 2023 \$000
CASH FLOWS FROM OPERATING ACTIVITIES						
Payments						
Employee related		(18,377,656)	(18,461,259)	(17,180,143)	(277,899)	(263,417)
Suppliers for goods and services		(9,625,010)	(9,918,961)	(10,286,776)	(1,659,334)	(1,678,736)
Grants and subsidies		(1,970,728)	(1,774,118)	(1,846,428)	(25,854,643)	(25,525,039)
Finance costs		(126,514)	(130,945)	(118,624)	(17)	(13)
Total payments		(30,099,908)	(30,285,283)	(29,431,971)	(27,791,893)	(27,467,205)
Receipts						
Appropriations		19,138,955	19,612,662	17,588,577	19,138,955	17,588,577
Reimbursements from the Crown ¹		288,001	-	285,694	7,241	3,593
Sale of goods and services		2,869,576	2,871,801	2,780,170	103,037	152,620
Interest received		102,322	68,563	63,750	18,490	3,875
Grants and other contributions		9,201,205	9,135,691	9,498,243	8,583,824	8,970,484
Other		1,203,285	1,612,148	1,163,163	275,898	263,136
Total receipts		32,803,344	33,300,865	31,379,597	28,127,445	26,982,285
NET CASH FLOWS FROM OPERATING ACTIVITIES	39	2,703,436	3,015,582	1,947,626	335,552	(484,920)
CASH FLOWS FROM INVESTING ACTIVITIES						
Proceeds from sale of property, plant and equipment and intangibles		5,333	15,000	25,289	-	6,428
Proceeds from sale of financial assets		36,581	47	9,334	-	-
Purchases of property, plant and equipment and intangibles		(2,247,417)	(2,906,273)	(2,208,865)	(3,727)	(6,775)
Purchases of financial assets		-	-	-	-	-
Other		47	(254,263)	78	(74,580)	297,274
NET CASH FLOWS FROM INVESTING ACTIVITIES		(2,205,456)	(3,145,489)	(2,174,164)	(78,307)	296,927

Ministry of Health

Statement of Cash Flows for the year ended 30 June 2024 (continued)

Notes	Consolidated Actual 2024 \$000	Consolidated Budget 2024 \$000	Consolidated Actual 2023 \$000	Parent Actual 2024 \$000	Parent Actual 2023 \$000
CASH FLOWS FROM FINANCING ACTIVITIES					
Repayment of borrowings and advances	(30,307)	(175,197)	(25,811)	-	-
Payment of principal portion of service concession financial liability	(1,557)	-	(1,464)	-	-
Payment of principal portion of lease liabilities	(163,440)	-	(160,109)	(170)	(168)
Proceeds / (payment) of derivatives	3,041	-	2,250	-	-
NET CASH FLOWS FROM FINANCING ACTIVITIES	(192,263)	(175,197)	(185,134)	(170)	(168)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	305,717	(305,104)	(411,672)	257,075	(188,161)
Opening cash and cash equivalents	2,475,288	2,475,288	2,887,006	426,486	614,647
Effects of exchange rate changes on cash and cash equivalents	198	-	(46)	-	-
CLOSING CASH AND CASH EQUIVALENTS	2,781,203	2,170,184	2,475,288	683,561	426,486

¹Crown represents 'The Crown in right of the State of New South Wales'.

The accompanying notes form part of these financial statements.

Ministry of Health

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 Ministry of Health (the Ministry or Parent) is a NSW government entity and is controlled by the State of New South Wales, which is the immediate and ultimate parent. The Ministry is a not-for-profit entity (as profit is not its principal objective) and it has no cash generating units. The Ministry and its controlled entities are consolidated as part of the NSW Total State Sector Accounts.

The Ministry and its controlled entities are collectively referred to as the consolidated entity.

The Ministry controls the Local Health Districts established from 1 January 2011, as well as other controlled entities constituted under the *Health Services Act 1997* which include:

- Agency for Clinical Innovation
- Albury Base Hospital
- Albury Wodonga Health Employment Division
- Bureau of Health Information
- Cancer Institute NSW
- Central Coast Local Health District
- Clinical Excellence Commission
- Far West Local Health District
- Graythwaite Charitable Trust (per Supreme Court order)
- Health Administration Corporation
- Health Education and Training Institute
- Hunter New England Local Health District
- Illawarra Shoalhaven Local Health District
- Justice Health and Forensic Mental Health Network
- Mid North Coast Local Health District
- Murrumbidgee Local Health District
- Nepean Blue Mountains Local Health District
- Northern NSW Local Health District
- Northern Sydney Local Health District
- South Eastern Sydney Local Health District
- South Western Sydney Local Health District
- Southern NSW Local Health District
- Sydney Local Health District
- The Sydney Children's Hospitals Network
- Western NSW Local Health District
- Western Sydney Local Health District

The Health Administration Corporation includes the operations of:

- Ambulance Service of NSW
- eHealth NSW
- Health Infrastructure
- Single Digital Patient Record Implementation Authority
- Health System Support Group
- HealthShare NSW
- NSW Health Pathology

The consolidated financial statements also include results for the parent entity thereby capturing the central administrative function of the Ministry.

These consolidated financial statements for the year ended 30 June 2024 have been authorised for issue by the Secretary, NSW Health on the date the accompanying statement was signed.

(b) Principles of consolidation

The consolidated financial statements comprise the financial statements of the parent entity and its controlled entities, after elimination of all inter-entity transactions and balances. The controlled entities are consolidated from the date the parent entity obtained control and until such time as control passes.

The financial statements of the controlled entities are prepared for the same reporting period as the parent entity using uniform accounting policies for like transactions and other events in similar circumstances. As a result, no adjustments were required for any dissimilar accounting policies.

Ministry of Health

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

1. Statement of Material Accounting Policy Information (continued)

(c) Basis of preparation

The consolidated financial statements are general purpose financial statements which have been prepared on an accruals 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.

Property, plant and equipment, assets held for sale and certain financial assets and liabilities 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 consolidated entity 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 vs 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 reporting periods as new information comes to light on this matter.

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

The consolidated financial statements have been prepared on a going concern basis, which assumes it will be able to meet its obligations as and when they fall due.

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

(d) Statement of Compliance

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

(e) Comparative information

Except when an Australian Accounting Standard permits or requires otherwise, comparative information is presented 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 3 Operating expenses: new expense lines and reclassifications within the expense lines were made for enhanced and accurate presentation in the current year. Comparatives were updated accordingly. There has been no change in the total operating expense amount.

Ministry of Health

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

1. Statement of Material Accounting Policy Information (continued)

(e) Comparative information (continued)

- Note 8 Sale of goods and services from contracts with customers: new revenue lines and reclassifications within the revenue lines were made for additional information in the current year. Comparatives were updated accordingly. There has been no change in the total revenue amount.
- Note 10 Grants and other contributions: one of the grant contracts was reassessed and reclassified from 'Grants to acquire / construct non-financial asset' to 'Grants from entities controlled by the ultimate parent'. This also led to a change in the reconciliation presented in Note 33 for movement in 'Liabilities under transfer to acquire or construct non-financial assets to be controlled by the entity'. The comparatives were updated accordingly. There was no change in the totals for Note 10 and 33.
- Note 28 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.
- Note 29 Payables: interest payable, which was not individually material, was reclassified to other creditors in the current year, for a more streamlined presentation. Comparatives were updated accordingly. There has been no change in the total payables amount.

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

(i) Effective for the first time in FY2023-24

The consolidated entity applied *AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates* (AASB 2021-2) for the first time in 2023-24. 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, unless NSW Treasury determines otherwise.

The following new AAS has not been applied and is not yet effective:

- *AASB 2022-10 Amendments to Australian Accounting Standards – Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities* (AASB 2022-10)

AASB 2022-10 amends AASB 13 *Fair Value Measurement* for fair value measurements of non-financial assets of not-for-profit public sector entities not held primarily for their ability to generate net cash inflows. For these assets, AASB 2022-10 clarifies when an entity is required to consider whether the asset's highest and best use differs from its current use, under what circumstances the asset's use is considered 'financially feasible', and when an entity should use its own assumptions as a starting point in developing unobservable inputs. AASB 2022-10 also provides guidance on how the cost approach is to be applied to measure the asset's fair value. The standard applies prospectively to annual periods beginning on or after 1 January 2024. The impact of the standard is yet to be determined by the consolidated entity.

Ministry of Health

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*	16,201,303	14,938,694	220,797	190,517
Superannuation - defined benefit plan	40,405	55,731	514	697
Superannuation - defined contribution plan	1,678,773	1,459,171	18,160	16,384
Long service leave	608,930	374,891	11,458	7,976
Redundancies	9,936	11,409	850	170
Workers' compensation insurance	344,882	336,991	14,783	31,950
Payroll tax and fringe benefits tax	17,004	15,118	15,768	14,393
	18,901,233	17,192,005	282,330	262,087

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

Refer to Note 32 for further details on recognition and measurement of employee related expenses.

Employee related costs of \$49.99 million (2023: \$40.21 million) (parent entity: \$Nil (2023: \$Nil)) have been capitalised in property, plant and equipment and intangible assets and are excluded from the above amounts.

During the year, junior medical officers (JMO) litigation was settled for \$229.80 million, of which \$190.89 million was recognised under employee related expense (Note 2) and \$38.91 million recognised under general expenses (Note 3) in the consolidated entity.

Ministry of Health

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

3. Operating expenses

	Consolidated 2024 \$000	Consolidated 2023 \$000	Parent 2024 \$000	Parent 2023 \$000
Agency expenses	142,661	172,964	564	262
Aircraft expenses	144,924	141,294	-	-
Auditor's remuneration	5,739	5,301	1,099	1,006
Blood and blood products	219,780	185,818	53,401	41,924
Capital project expense	71,311	45,131	-	-
Consultants	5,204	23,357	1,648	4,636
Contractors	184,999	238,471	9,194	11,777
Cost of sales	2,414	-	-	-
Disability equipment support services	9,543	8,776	-	-
Domestic supplies and services	188,414	202,325	795	1,019
Electricity, gas and water	220,192	212,071	936	766
Expenses relating to short-term leases	47,719	41,361	13	15
Expenses relating to leases of low-value assets	21,152	20,325	924	293
Food supplies	140,728	137,341	-	-
Information management expenses	477,336	436,320	42,572	39,463
Insurance	530,148	438,039	478,924	395,133
Interstate patient outflows	365,032	340,888	365,032	340,888
Isolated patient travel accommodation assistance	49,302	37,327	-	-
Legal services	20,780	17,441	7,076	4,402
Maintenance (see (a) below)	666,989	695,823	5,978	5,623
Medical and surgical supplies (including prostheses)	1,082,012	1,189,889	8,380	97,196
Motor vehicle expenses	64,674	59,071	237	126
Occupancy agreement expenses - Property and Development NSW	49,847	47,409	22,642	21,184
Office expenses	96,778	100,446	2,886	2,600
Other management services	2,613	119,695	-	56,579
Outsourced patient services	571,023	665,265	4,251	14,022
Patient transport costs	56,000	46,388	123	59
Pharmaceutical supplies	1,060,016	1,127,510	163,503	138,392
Professional services (excluding consultants)	79,965	52,893	18,059	7,096
Specialised health services	594,741	703,068	39,124	16,518
Staff related costs	75,740	65,235	1,505	1,527
Travel expenses	146,975	138,997	1,866	1,989
Viability payments to private hospitals	-	8,977	-	8,977
Visiting medical officers	1,194,677	1,034,722	-	-
Warehousing expenses	23,965	26,302	-	-
Works performed for entities controlled by the ultimate parent	9,476	5,333	-	-
General expenses	235,444	177,645	259,617	18,551
	8,858,313	8,969,218	1,490,349	1,232,023

Ministry of Health

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

3. Operating expenses (continued)

The majority of the costs in relation to food supplies, medical and surgical supplies and pharmaceutical supplies relate to the consumption of inventory held by the consolidated entity.

General expenses of \$235.44 million (2023: \$177.65 million) for the consolidated entity relates to advertising, marketing, courier, freight, taxes, rates and related charges, security services and miscellaneous operating expenses.

General expenses of \$259.62 million for the parent entity includes \$229.80 million for JMO litigation settlement expense.

(a) Reconciliation of total maintenance expense

	Consolidated 2024 \$000	Consolidated 2023 \$000	Parent 2024 \$000	Parent 2023 \$000
Corrective maintenance	172,073	184,830	2,188	3,673
Planned maintenance	296,139	258,027	1,891	589
New/replacement equipment under \$10,000	198,178	252,577	1,857	1,361
Other	599	389	42	-
Maintenance expense - contracted labour and other (non-employee related), as above	666,989	695,823	5,978	5,623
Employee related maintenance expense*	65,897	63,728	-	-
Total maintenance expenses	732,886	759,551	5,978	5,623

* This balance consists of employees who have been classified as providing maintenance services for the consolidated entity and the expense is included in employee related expenses in Note 2.

4. Depreciation and amortisation

	Consolidated 2024 \$000	Consolidated 2023 \$000	Parent 2024 \$000	Parent 2023 \$000
Depreciation - buildings	883,909	812,353	9,414	9,012
Depreciation - plant and equipment	272,030	260,267	1,247	1,149
Depreciation - infrastructure systems	38,595	37,407	123	114
Depreciation - right-of-use land and buildings	74,286	71,974	133	130
Depreciation - right-of-use plant and equipment	96,787	89,255	45	45
Amortisation - intangible assets	112,247	106,350	458	453
	1,477,854	1,377,606	11,420	10,903

Refer to Note 23 Property, plant and equipment, Note 24 Leases and Note 25 Intangible assets for recognition and measurement policies on depreciation and amortisation.

Ministry of Health

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

5. Grants and subsidies

	Consolidated 2024 \$000	Consolidated 2023 \$000	Parent 2024 \$000	Parent 2023 \$000
Payments to entities controlled by the Ministry	-	-	24,722,659	24,188,995
Payments to Affiliated Health Organisations	860,026	817,091	501,307	475,687
Payments to other public health services not controlled by the Ministry	141,149	167,901	141,149	167,901
Grants provided to support:				
- Community packages	51,385	25,234	731	-
- Grants to research organisations	104,491	118,296	76,489	89,023
- Non-Government organisations	206,568	186,906	100,610	94,740
Grants to entities controlled by the ultimate parent	60,907	172,475	58,594	170,244
Other grants	417,667	384,158	379,636	355,350
	1,842,193	1,872,061	25,981,175	25,541,940

Other grants also includes \$169.95 million (2023: \$198.52 million) towards various mental health programs and \$93.30 million (2023: \$88.22 million) towards the mental health Housing and Accommodation Support Initiative (HASI) and Community Living Supports (CLS) program in the consolidated and parent entity.

Recognition and Measurement

Grants and subsidies generally comprise contributions in cash or in kind to controlled entities of the Ministry (from the parent entity), affiliated health organisations, various local government authorities and not-for-profit community organisations to support their health-related objectives and activities. Expenses are recognised on an accruals basis when the reporting entity has a present obligation under a contract to make the payment or upon the transfer of the cash or assets. The transferred assets are measured at their fair value.

6. Finance costs

	Consolidated 2024 \$000	Consolidated 2023 \$000	Parent 2024 \$000	Parent 2023 \$000
Interest expense from lease liabilities	22,856	16,893	17	13
Interest expense from financial liabilities at amortised cost*	103,610	101,685	-	-
Other interest and charges	48	46	-	-
	126,514	118,624	17	13

* Of the interest expense from financial liabilities at amortised cost, \$0.70 million (2023: \$0.74 million) related to financial liabilities relating to service concession arrangements. Refer to Note 23 for further details on service concession arrangements.

Recognition and Measurement

Finance costs consist of interest and other costs incurred in connection with the borrowing of funds. Finance costs are recognised as expenses in the period in which they are incurred, in accordance with NSW Treasury's mandate to not-for-profit NSW General Government Sector entities.

Ministry of Health

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

7. Appropriations and transfers to The Crown in right of the State of New South Wales (Crown)

Summary of compliance at a lead minister level

	2024 \$000	2023 \$000
Original budget per <i>Appropriation Act</i>	19,612,662	18,729,865
Other appropriations / expenditure:		
Variations made to appropriations during the financial year		
- Section 4.9 GSF Act (transfer of functions between GSF agencies)	4,500	8,300
- Section 4.11 GSF Act (variations of annual appropriations for Commonwealth grants)	4,229	8,506
Total spending authority from parliamentary appropriations, other than deemed appropriations	19,621,391	18,746,671
Add:		
The spending authority from deemed appropriations during the year	13,709,915	13,827,842
The unutilised spending authority from deemed appropriations in prior years	2,470,125	2,880,038
Total	35,801,431	35,454,551
Less: total expenditure out of the Consolidated Fund	(32,537,753)	(31,826,332)
Variance	3,263,678	3,628,219
Less:		
The spending authority from appropriations lapsed at 30 June	(482,436)	(1,158,094)
Deemed appropriations balance carried forward to following years	2,781,242	2,470,125
	2024 \$000	2023 \$000
Appropriations (per Statement of Comprehensive Income)	19,138,955	17,588,577
Total amount drawn down against Annual Appropriations:	19,138,955	17,588,577

The *Appropriation Act 2023* (Appropriations Act) (and the subsequent variations, if applicable) appropriates the sum of \$19,612.66 million to the Minister for Health out of the Consolidated Fund for the services of the Ministry of Health for the year 2024. 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, listed in Note 1 to the financial statements, with separate instruments of delegation issued to cluster agencies Mental Health Commission of New South Wales and Health Care Complaints Commission.

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

In addition, government money that a GSF agency 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)).

Ministry of Health

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

7. Appropriations and transfers to The Crown in right of the State of New South Wales (Crown) (continued)

Summary of compliance at a lead minister level (continued)

The delegation / sub-delegations for 2024 and 2023, authorising officers to spend Consolidated Fund money, impose limits to the amounts of individual transactions, but do not specify an aggregate expenditure limit for the respective entities. However, as it relates to expenditure in reliance on a sum appropriated through an annual Appropriations Act, the delegation / sub-delegations are referable to the overall authority to spend set out in the relevant Appropriations Act. The individual transaction limits have been properly observed. The information in relation to the limit from the Appropriations Act is disclosed in the summary of compliance table above.

The summary of compliance has been prepared on the basis of aggregating the spending authorities of both the Minister for Health for the services of the Ministry of Health and the lead Ministers for the services of the entities listed above that receives or recovers deemed appropriation money. It reflects the status at the point in time this disclosure statement is being made.

Recognition and Measurement

Parliamentary appropriations other than deemed appropriations

Income from appropriations, other than deemed appropriations (of which the accounting treatment is based on the underlying transaction), does not contain enforceable and sufficiently specific performance obligations as defined by AASB 15. Therefore, except as specified below, appropriations (other than deemed appropriations) are recognised as income when the entity obtains control over the asset comprising the appropriations. Control over appropriations is normally obtained upon the receipt of cash.

Ministry of Health

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

8. Sale of goods and services from contracts with customers

	Consolidated 2024 \$000	Consolidated 2023 \$000	Parent 2024 \$000	Parent 2023 \$000
Sale of goods				
Sale of inventories	2,414	-	-	-
Sales and recoveries of pharmaceutical supplies	443,980	512,050	-	-
Sales of prostheses	63,592	62,288	-	-
Other	31,512	105,988	-	73,370
	541,498	680,326	-	73,370
Rendering of services				
Patients				
Fees for clinical services	66,670	57,089	-	-
Fees for medical services rendered	1,199,446	1,070,410	9,891	10,755
Interstate patient inflows	101,939	124,910	101,939	124,910
Motor accident third party insurance covered	192,029	165,379	-	-
Patient transport fees	84,341	72,595	-	-
Other patient fees	91,172	83,835	-	-
General Community				
Car parking fees	51,691	30,218	6	-
Commercial activities	50,478	50,240	-	-
Fees for non-medical services	4,169	3,860	-	-
Non-NSW Health entities				
Services provided to non NSW Health organisations	40,713	29,296	-	-
Entities controlled by the ultimate parent				
Fees for capital works performed	9,476	5,333	-	-
Other				
Fees for private usage of hospital's facilities	9,489	10,549	-	-
Infrastructure fees - monthly facility charge	338,258	328,225	-	-
Infrastructure fees - annual charge	95,459	86,197	-	-
General user charges fees	53,686	52,663	1,051	2,782
Personnel service fees recharged	30,619	26,893	30,619	26,893
Other services	38,027	33,267	53	78
	2,457,662	2,230,959	143,559	165,418
	2,999,160	2,911,285	143,559	238,788

Ministry of Health

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

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

Recognition and Measurement

Sales of goods

Revenue from sale of goods is recognised when the consolidated entity satisfies the 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
Sales of inventories and sale and recoveries of pharmaceutical supplies	The performance obligation of transferring inventories and 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.
Sales 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.

Ministry of Health

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

8. 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 consolidated entity 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 - Patient transport fees, clinical and medical services, interstate patient flows and motor accident third party insurance	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 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 the General community, non-NSW Health entities and entities controlled by the ultimate parent	Various non-patient related services are provided to the general community, non-NSW health entities and entities controlled by the ultimate 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.

Ministry of Health

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

8. 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
Fees for private usage of hospital's facilities	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.
Other	Various other services are provided for general user charges, personnel services recharged and other small services. The performance obligations for these services are satisfied by transferring the promised services to its respective customers. Prices are determined by the Ministry of Health and billed once services have been provided. 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.

Refer to Note 30 for the disclosure of the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied (or partially unsatisfied) at the end of the reporting period, and when the consolidated entity expects to recognise the unsatisfied portion as revenue.

Ministry of Health

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

9. Investment revenue

	Consolidated 2024 \$000	Consolidated 2023 \$000	Parent 2024 \$000	Parent 2023 \$000
Interest income from financial assets at amortised cost	103,123	63,750	18,606	3,875
Finance income on the net investment in the lease	2,230	2,176	-	-
Net gain / (loss) from TCorpIM Funds measured at fair value through profit or loss	7,856	7,249	-	-
Royalties	25	42	-	-
Dividends	171	22	-	-
Other	229	-	-	-
	113,634	73,239	18,606	3,875

Recognition and Measurement

Finance income on the net investment in the lease

Finance income on the net investment in the lease relates to finance income recognised from the accounting of finance leases as a lessor. Finance income arising from finance leases is recognised over the lease term, based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease.

Net gain / (loss) from TCorpIM Funds measured at fair value through profit or loss

Net gain / (loss) from TCorpIM Funds measured at fair value through profit or loss includes distributions received as well as movements in the fair value.

Ministry of Health

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

10. Grants and other contributions

	Consolidated 2024 \$000	Consolidated 2023 \$000	Parent 2024 \$000	Parent 2023 \$000
Grants to acquire / construct a recognisable non-financial asset to be controlled by the entity				
Grants to acquire / construct non-financial asset	25,203	27,562	47	-
Grants with sufficiently specific performance obligations				
Commonwealth National Health Reform Funding	7,106,916	6,325,492	7,106,916	6,325,492
Commonwealth National Partnership Agreement on COVID-19 Response / Priority Groups COVID-19 Testing and Vaccination				
- Hospital services payment	-	418,294	-	418,294
- State public health / PCR testing payment	40,111	245,993	40,111	245,993
- Vaccination dose delivery payment	58	2,404	58	2,404
Commonwealth Government grants for community based services	82,822	83,897	-	-
Commonwealth Government grants - other	41,281	35,680	7,937	6,179
Clinical drug trials and research grants	89,543	85,832	-	-
Grants from entities controlled by the ultimate parent	10,428	7,270	-	1,950
Other grants	93,436	84,611	1,407	1,899
Grants without specific performance obligations				
Commonwealth National Health Reform Funding	1,232,659	1,199,831	1,232,659	1,199,831
Commonwealth Government COVID-19 vaccines	2,104	2,011	-	-
Commonwealth Government grants - other	289,743	259,544	215,185	177,795
Clinical drug trials and research grants	15,126	14,616	-	-
Grants from entities controlled by the ultimate parent	153,026	182,418	101,629	105,378
Other grants	78,554	71,711	11,190	41,322
Donations				
Donations	81,282	65,105	-	-
	9,342,292	9,112,271	8,717,139	8,526,537

Commonwealth National Health Reform Funding and Commonwealth National Partnership Agreement on COVID-19 Response revenue includes adjustments from the reconciliation of the prior year activity performed by the National Health Funding Pool Administrator as required under Section 238(1)(a) of the *National Health Reform Act 2011*. The adjustments included additional revenue of \$33.1 million (2023: an increase of \$317.8 million) recognised under the 'National Partnership Agreement on COVID-19 Response' and a reduction of \$6.5 million (2023: a reduction of \$317.8 million) under the 'Commonwealth National Health Funding Reform Funding'.

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Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

10. Grants and other contributions (continued)

Recognition and Measurement

Income from grants to acquire / construct a recognisable non-financial asset to be controlled by the consolidated entity is recognised when the consolidated entity satisfies its obligations under the transfer. The consolidated entity 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 consolidated entity satisfies a performance obligation by transferring the promised goods or services.

The consolidated entity typically receives grants in respect of:

- Commonwealth government funded grant under the National Health Reform Agreement to improve the state's health outcomes and ensure sustainability of the health system;
- Commonwealth government funded grant under the National Partnership Agreement on COVID-19 Response which provides stability and certainty of funding while responding to the COVID-19 pandemic;
- Commonwealth government funded grant under the National Partnership Agreement for Priority Groups COVID-19 Testing and Vaccination to deliver testing and vaccination programs to protect priority populations groups from COVID-19;
- Commonwealth government funded vaccinations, including COVID-19 vaccinations which are provided free of charge to the community; and
- Other various grants in respect of research, clinical drug trials and other community, health and wellbeing related projects.

The consolidated entity 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 set up in the contract. Revenue is recognised as follows:

- Commonwealth National Health Reform - consists of Activity Based Funding, Public Health Funding and Block Funding. Activity Based Funding is recognised under AASB 15 *Revenue from Contracts with Customers* (AASB 15), while Public Health and Block Funding is recognised under AASB 1058 *Income of Not-for-Profit Entities* (AASB 1058) due to lack of specific performance obligations. Revenue for Activity Based Funding is recognised when the hospital activities are performed. The revenue is calculated by the activity multiplied by the agreed National Weighted Activity Unit price. The Commonwealth undertakes an annual reconciliation of reported activity (revenue) against funding payments made for that year. Any differences arising from the reported activity (revenue) in previous years, is adjusted in the current year annual reconciliation.
- Commonwealth National Partnership Agreement on COVID-19 Response (ended 31 December 2022) - consisted of four financial arrangements:

Schedule A - The Commonwealth shared the funding equally (paid for 50 per cent of costs) with the state government for hospitals and state public health authorities to assess, diagnose, treat and contain COVID-19. Revenue was recognised when the actual costs were incurred as either a hospital services payment or a state public health payment depending on the related activities.

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Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

10. Grants and other contributions (continued)

Recognition and Measurement (continued)

Schedule B - The Commonwealth shared the funding equally (paid for 50 per cent of costs) with the state government to purchase private hospital service activities as needed and the Commonwealth provided 100 per cent of the funding for viability payments to identified private hospitals to ensure the state had access to private hospital beds, staffing and resources to support their ongoing response to the pandemic. Revenue was recognised when the actual costs were incurred for services purchased from private hospitals as a hospital service payment and viability payments as a state public health payment.

Schedule C - The Commonwealth government provided states and territories two payments for COVID-19 vaccinations, a fixed upfront payment to ensure funds were available to setup up state-run vaccination clinics regardless of the amount of vaccination activity delivered and a vaccination dose delivery payment of a 50 per cent contribution to the agreed price per vaccination dose delivered. Revenue was recognised when actual vaccines are delivered except for the fixed upfront vaccination payment which was recognised under AASB 1058 due to lack of specific performance obligations.

Schedule D - The Commonwealth provided 100 per cent of the funding to support aged care preparedness and response during COVID-19. This funding was targeted to ensure prevention, preparedness and response activities were in place to address outbreaks of COVID-19 in residential aged care facilities and to provide additional targeted training. Revenue was recognised when the actual costs were incurred as a state public health payment.

- Commonwealth National Partnership Agreement for Priority Groups COVID-19 Testing and Vaccination (1 January 2023 to 31 December 2023) - consisted of two financial arrangements:

PCR Testing Payment - The Commonwealth shared the funding equally (pays for 50 per cent of costs) with the state government for costs incurred by states and territories for PCR testing for COVID-19. Revenue was recognised when the actual testing cost was incurred as a PCR testing payment.

Vaccination Dose Delivery Payment - The Commonwealth government provided states and territories a 50 per cent contribution to the agreed price per COVID-19 vaccine dose delivered. Revenue was recognised when the vaccine doses were delivered as a vaccination dose delivery payment.

- Other grants and contributions - consist of various types of grants and contributions received. The performance obligations are typically satisfied when the specified activities / milestones agreed in the grant contract are completed/met. Where there are no specific performance obligations, revenue is recognised on receipt of funding under AASB 1058. The payments are typically made in advance or based on an agreed timetable.

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 30 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 consolidated entity obtains control over the granted assets (e.g. cash).

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Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

11. 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 or other government entities:

	Consolidated 2024 \$000	Consolidated 2023 \$000	Parent 2024 \$000	Parent 2023 \$000
Superannuation - defined benefit plan	40,405	55,731	514	697
Long service leave provision	549,535	364,626	10,136	7,298
Payroll tax	31	38	31	38
	589,971	420,395	10,681	8,033

12. Other income

	Consolidated 2024 \$000	Consolidated 2023 \$000	Parent 2024 \$000	Parent 2023 \$000
Commissions	1,953	2,209	2	-
Discounts	2,648	3,198	-	-
Insurance refunds	10,635	9,424	32	922
Rental income				
- rental income from subleasing right-of-use assets	27	17	-	-
- other rental income	41,402	37,856	12,902	12,197
Revenue related to service concession arrangements	9,903	9,903	-	-
Other	34,293	13,024	6,982	5,718
	100,861	75,631	19,918	18,837

Recognition and Measurement

Insurance refunds

Insurance activities are conducted through the NSW Treasury Managed Fund (TMF) Scheme of self insurance for Government entities. Insurance refunds are recognised when TMF accepts the insurance claim.

Rental income

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

Revenue related to service concession arrangements

Revenue reflects the progressive unwinding of the 'grant of right to operate liability' (Note 33) over the remaining period of the arrangement. Refer to Note 23 for further details on service concession arrangements.

Ministry of Health

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

13. Gains / (losses) on disposal

	Consolidated 2024 \$000	Consolidated 2023 \$000	Parent 2024 \$000	Parent 2023 \$000
Gains / (losses) on disposal of:				
Property, plant and equipment				
Written down value of assets disposed	15,682	45,625	5	6,433
Less: Proceeds from disposal	5,333	20,378	-	6,428
Net gains / (losses) on disposal	(10,349)	(25,247)	(5)	(5)
Right-of-use assets				
Written down value of assets disposed	13,377	19,537	-	16,766
Less: lease liabilities extinguished	14,104	19,409	-	16,582
Net gains / (losses) on disposal	727	(128)	-	(184)
Intangible assets				
Written down value of assets disposed	2,125	1,993	-	-
Net gains / (losses) on disposal	(2,125)	(1,993)	-	-
Assets held for sale				
Written down value of assets disposed	-	4,972	-	-
Less: Proceeds from disposal	-	4,911	-	-
Net gains / (losses) on disposal	-	(61)	-	-
Financial assets				
Written down value of financial assets	36,581	9,334	-	-
Less: Proceeds from sale of financial assets	36,581	9,334	-	-
Net gains / (losses) on disposal	-	-	-	-
Total gains / (losses) on disposal	(11,747)	(27,429)	(5)	(189)

Ministry of Health

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

14. Other gains / (losses)

	Consolidated 2024 \$000	Consolidated 2023 \$000	Parent 2024 \$000	Parent 2023 \$000
Inventory write down				
- Medical and surgical supplies	(84,987)	(164,955)	-	-
- Drug supplies	(7,101)	(520)	-	-
Gains / (losses) on derivative financial instruments at fair value through profit or loss	77	1,795	-	-
Foreign exchange gains / (losses)	55	(356)	(47)	(41)
Onerous contract costs	(166)	-	-	-
	(92,122)	(164,036)	(47)	(41)

Recognition and Measurement

Impairment losses on non-financial assets

Impairment losses may arise on non-financial assets held by the entity 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 their respective notes.

15. Conditions on restrictions on income of not-for-profit entities

The consolidated entity receives various types of grants and donations from different grantors / donors, some of which may not have enforceable performance obligations. The consolidated entity 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 28 Restricted assets.

Ministry of Health

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

16. Disaggregated disclosure statements of the consolidated entity

	Service area 1 *		Service area 2 *		Service area 3 *		Service area 4 *		Service area 5 *		Service area 6 *		Not Attributable **		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
CONSOLIDATED ENTITY EXPENSES AND INCOME																
Continuing operations																
Expenses excluding losses	624,009	575,294	4,549,021	4,172,811	2,895,424	2,596,191	10,092,346	9,197,198	463,636	402,123	276,797	248,388	-	-	18,901,233	17,192,005
Employee related expenses	490,861	561,391	1,981,882	2,077,919	1,173,446	1,184,700	4,953,270	4,896,012	170,155	159,484	88,699	89,712	-	-	8,858,313	8,969,218
Operating expenses	41,788	39,370	384,742	360,231	243,187	226,781	771,690	717,222	22,349	20,838	14,098	13,164	-	-	1,477,854	1,377,606
Depreciation and amortisation	52,961	177,902	733,312	694,597	95,012	94,302	792,998	749,746	45,037	40,661	122,873	114,853	-	-	1,842,193	1,872,061
Grants and subsidies	2,695	2,559	35,103	33,784	20,530	16,764	62,817	60,319	3,376	3,268	1,993	1,930	-	-	126,514	118,624
Finance costs																
Total expenses excluding losses	1,121,314	1,356,516	7,684,060	7,339,342	4,427,599	4,118,738	16,673,121	15,620,497	704,553	626,374	504,460	468,047	-	-	31,206,107	29,529,514
Revenue																
Appropriations **	-	-	-	-	-	-	-	-	-	-	-	-	-	-	19,138,955	17,588,577
Acceptance by the Crown of employee benefits and other liabilities	22,618	17,092	156,345	114,174	84,379	56,193	303,660	216,842	13,873	9,259	9,096	6,835	-	-	589,971	420,395
Sale of goods and services from contracts with customers	14,258	11,569	837,459	862,196	187,014	165,214	1,950,496	1,863,319	9,933	8,987	-	-	-	-	2,999,160	2,911,285
Investment revenue	3,207	2,066	27,036	17,425	10,120	6,523	69,422	44,744	3,849	2,481	-	-	-	-	113,634	73,239
Grants and other contributions	286,038	482,401	1,814,964	1,728,029	1,031,396	965,459	5,836,339	5,574,644	276,324	266,266	97,231	95,472	-	-	9,342,292	9,112,271
Other income	2,839	2,131	23,928	17,964	8,957	6,722	61,731	46,254	3,406	2,559	-	1	-	-	100,861	75,631
Total revenue	328,960	515,259	2,859,732	2,739,788	1,321,866	1,200,111	8,221,648	7,745,803	307,385	289,552	106,327	102,308	19,138,955	17,588,577	32,284,873	30,181,398
Gains / (losses) on disposal	-	-	-	-	-	-	-	-	-	-	-	-	-	(11,747)	(27,429)	(27,429)
Impairment losses on financial assets	-	-	-	-	-	-	-	-	-	-	-	-	-	(84,680)	(84,680)	(84,680)
Other gains / (losses)	-	-	-	-	-	-	-	-	-	-	-	-	-	(92,122)	(92,122)	(164,036)
Net result from continuing operations	(883,354)	(841,257)	(4,824,328)	(4,599,554)	(3,105,733)	(2,918,627)	(8,451,473)	(7,874,694)	(397,168)	(336,822)	(398,133)	(365,739)	18,950,406	17,340,025	890,217	403,332
Net result from discontinued operations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net result	(883,354)	(841,257)	(4,824,328)	(4,599,554)	(3,105,733)	(2,918,627)	(8,451,473)	(7,874,694)	(397,168)	(336,822)	(398,133)	(365,739)	18,950,406	17,340,025	890,217	403,332
Other comprehensive income																
Items that will not be reclassified to net result in subsequent periods																
Changes in revaluation surplus of property, plant and equipment	33,663	39,780	309,912	363,978	195,889	229,140	621,601	724,682	18,002	21,054	11,356	13,300	-	-	1,190,421	1,391,934
Total other comprehensive income	33,663	39,780	309,912	363,978	195,889	229,140	621,601	724,682	18,002	21,054	11,356	13,300	-	-	1,190,421	1,391,934
Total other comprehensive income	(849,691)	(801,477)	(4,514,416)	(4,235,576)	(2,909,844)	(2,689,487)	(7,829,872)	(7,150,012)	(379,166)	(315,768)	(386,777)	(352,439)	18,950,406	17,340,025	2,080,638	1,795,266

* The name and purpose of each service area is summarised in Note 16 (e).

** Appropriations are made on an entity basis and not to individual service area. Consequently, appropriations are included in the 'Not Attributable' column.

Ministry of Health

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

16. Disaggregated disclosure statements of the consolidated entity (continued)

CONSOLIDATED ENTITY ASSETS AND LIABILITIES	Service area 1 *		Service area 2 *		Service area 3 *		Service area 4 *		Service area 5 *		Service area 6 *		Not Attributable		Total		
	2024 \$000	2023 \$000	2024 \$000	2023 \$000	2024 \$000	2023 \$000	2024 \$000	2023 \$000	2024 \$000	2023 \$000	2024 \$000	2023 \$000	2024 \$000	2023 \$000	2024 \$000	2023 \$000	
ASSETS																	
Current assets																	
Cash and cash equivalents	108,046	113,709	684,832	615,214	394,604	345,250	1,485,970	1,309,376	62,792	52,505	44,959	39,234	-	-	2,781,203	2,475,288	
Receivables	6,026	4,578	353,924	341,236	79,035	65,388	824,313	737,455	4,198	3,557	-	-	-	-	1,267,496	1,152,214	
Contract assets	12	10	748	669	167	128	1,741	1,446	9	7	-	-	-	-	2,677	2,260	
Inventories	18,011	28,268	72,721	104,628	43,057	59,652	181,749	246,526	6,243	8,030	3,255	4,517	-	-	325,036	451,621	
Financial assets at fair value	2,662	4,471	16,872	24,189	9,722	13,574	36,610	51,481	1,547	2,064	1,108	1,543	-	-	68,521	97,322	
Other financial assets	-	3	-	11	-	6	-	-	-	-	-	-	-	-	-	-	46
Non-current assets held for sale	8	9	79	79	50	50	159	158	5	5	3	3	-	-	304	304	
Total current assets	134,765	151,048	1,129,176	1,086,026	526,635	484,048	2,530,542	2,346,466	74,794	66,169	49,325	45,298	-	-	4,445,237	4,179,055	
Non-current assets																	
Receivables	575	597	33,766	44,500	7,540	8,527	78,643	96,171	400	464	-	-	-	-	120,924	150,259	
Financial assets at fair value	247	420	1,564	2,274	901	1,276	3,393	4,839	143	194	103	145	-	-	6,351	9,148	
Other financial assets	3,527	4,068	22,351	22,006	12,879	12,350	48,498	46,836	2,049	1,878	1,467	1,403	-	-	90,771	88,541	
Property, plant and equipment	790,204	744,183	7,275,365	6,809,151	4,598,601	4,286,664	14,592,436	13,557,058	422,610	393,878	266,586	248,819	-	-	27,945,803	26,039,753	
- Land and buildings	45,810	43,480	421,782	397,831	266,599	250,452	845,982	792,084	24,500	23,013	15,455	14,537	-	-	1,620,131	1,521,397	
- Plant and equipment	24,075	25,196	221,661	230,547	140,107	145,140	444,593	459,021	12,876	13,336	8,122	8,425	-	-	851,435	881,665	
- Infrastructure systems	20,895	17,911	192,376	163,890	121,597	103,170	385,855	326,286	11,175	9,480	7,049	5,988	-	-	738,947	626,715	
Right-of-use assets	27,874	20,921	256,628	191,423	162,209	120,509	514,728	381,125	14,907	11,073	9,403	6,995	-	-	985,749	732,046	
Intangible assets	913,207	856,776	8,425,493	7,861,612	5,310,433	4,928,088	16,914,128	15,663,420	488,660	453,316	308,185	286,312	-	-	32,360,111	30,049,524	
Total non-current assets	1,047,972	1,007,824	9,554,669	8,947,638	5,837,068	5,412,136	19,444,670	18,009,886	563,454	519,485	357,510	331,610	-	-	36,805,348	34,228,579	
TOTAL ASSETS																	
LIABILITIES																	
Current liabilities																	
Payables	115,518	121,516	466,416	449,778	276,159	256,436	1,165,703	1,059,772	40,044	34,521	20,875	19,419	-	-	2,084,717	1,941,442	
Contract liabilities	1,127	3,019	7,146	10,815	4,061	6,043	22,980	34,890	1,088	1,666	383	598	-	-	36,785	57,031	
Borrowings	7,260	8,297	46,015	44,892	26,514	25,193	99,846	95,545	4,219	3,831	3,021	2,863	-	-	186,875	180,621	
Provisions	114,542	110,016	835,007	797,982	531,477	496,479	1,852,527	1,758,814	85,104	76,899	50,808	47,500	-	-	3,469,465	3,287,690	
Other current liabilities	3,992	5,521	25,302	29,873	14,579	16,765	54,901	63,580	2,320	2,550	1,661	1,905	-	-	102,755	120,194	
Total current liabilities	242,439	248,369	1,379,886	1,333,340	852,790	800,916	3,195,957	3,012,601	132,775	119,467	76,748	72,285	-	-	5,880,597	5,586,978	
Non-current liabilities																	
Payables	5,896	-	23,804	-	14,094	-	59,493	-	2,044	-	1,065	-	-	-	106,396	-	
Contract liabilities	6	30	38	105	22	59	124	340	6	16	2	6	-	-	198	556	
Borrowings	60,637	67,974	384,330	367,771	221,453	206,388	833,932	782,736	35,239	31,367	25,231	23,454	-	-	1,560,822	1,479,710	
Provisions	2,567	1,817	18,719	13,185	11,914	8,203	41,529	29,060	1,908	1,271	1,139	785	-	-	77,776	54,321	
Other non-current liabilities	12,062	14,636	76,459	79,187	44,056	44,439	165,904	168,535	7,011	6,758	5,020	5,050	-	-	310,512	318,605	
Total non-current liabilities	81,168	84,457	503,350	460,248	291,539	259,089	1,100,982	980,671	46,208	39,432	32,457	29,295	-	-	2,055,704	1,853,192	
TOTAL LIABILITIES	323,607	332,826	1,883,236	1,793,588	1,144,329	1,060,005	4,296,939	3,993,272	178,983	158,899	109,205	101,580	-	-	7,936,301	7,440,170	
NET ASSETS	724,365	674,998	7,671,433	7,154,050	4,692,739	4,352,131	15,147,731	14,016,614	384,471	360,586	248,305	230,030	-	-	28,869,047	26,788,409	

* The name and purpose of each service area is summarised in Note 16 (a).

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for the year ended 30 June 2024

16. Disaggregated disclosure statements of the consolidated entity (continued)

(a) Disaggregated disclosure name and purpose of the consolidated entity

Disaggregated information presented are on the same basis as 2022-23. Names of outcome have been changed to service areas.

Service area	Purpose
Service area 1 - Population health services	Population health services reflects preventive and population health and is critical to keeping people healthier. It covers a range of functions NSW Health is responsible for including to protect and promote public health, control infectious diseases, reduce preventive diseases and death, help people manage their own health, and promote equitable health outcomes in the community.
Service area 2 - Community health services	Community health services reflects that healthcare extends beyond the hospital and needs to connect across settings to reduce the burden of chronic disease, assist people with conditions to live well and avoid complications, support people to recover from illness and injury, and prevent avoidable hospitalisations. NSW Health services funded to achieve this outcome include non-admitted and community-based services, sub-acute services, hospital in the home, and dental services.
Service area 3 - Emergency services	NSW Health often provides the first point of contact for those needing access to emergency healthcare and is responsible for managing and administering ambulance and emergency services.
Service area 4 - Admitted health services	Admitted health service reflect the state's responsibility to manage and administer public hospitals. When people are admitted to a hospital in NSW, they can expect world-class medical and surgical care within clinically recommended timeframes.
Service area 5 - Teaching and training	Teaching and training reflects the requirement that a skilled workforce with access to world leading education and training is essential to deliver safe, reliable person-centred care driving the best outcomes and experiences.
Service area 6 - Health and medical research	Health and medical research reflects the requirement that clinical service delivery continues to transform through health and medical research, digital technologies, and data analytics.

Ministry of Health

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

17. Cash and cash equivalents

	Consolidated 2024 \$000	Consolidated 2023 \$000	Parent 2024 \$000	Parent 2023 \$000
Cash at bank and on hand	2,781,203	2,475,288	572,108	426,486
Cash at bank - held by HealthShare NSW	-	-	111,453	-
	2,781,203	2,475,288	683,561	426,486

Cash at bank - held by HealthShare NSW represents the balance of cash held by HealthShare NSW in a central bank account, on behalf of the parent entity for its operating and investing activities. It is an operational bank account that earns interest on daily bank balances.

Refer to Note 42 for details regarding credit risk and market risk arising from financial instruments.

HealthShare NSW, a controlled entity of the parent entity manages accounts payable and employee related payments on behalf of the parent entity for payments to suppliers and employees. HealthShare NSW makes payments after the parent has submitted correctly rendered invoices and exception based approved payroll reports are received. These payments are reported as expenditures and cash outflows in the financial statements of the parent.

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Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

18. Receivables

	Consolidated 2024 \$000	Consolidated 2023 \$000	Parent 2024 \$000	Parent 2023 \$000
Current				
Trade receivables from contracts with customers	874,190	768,201	215,006	156,351
Receivables from controlled health entities	-	-	76,766	15,539
Goods and Services Tax	139,068	169,314	12,652	18,050
Other receivables	106,498	136,199	11,297	24,714
	1,119,756	1,073,714	315,721	214,654
Less: allowance for expected credit losses*				
- Trade receivables from contracts with customers	(127,816)	(147,761)	-	(127)
- Other receivables	(4,489)	(4,640)	(468)	(468)
	987,451	921,313	315,253	214,059
Prepayments	280,045	230,901	3,646	3,721
Total current receivables	1,267,496	1,152,214	318,899	217,780
Non-current				
Trade receivables from contracts with customers	142	112	-	-
Other receivables	6,163	258	5,903	-
	6,305	370	5,903	-
Less: allowance for expected credit losses*				
- Trade receivables from contracts with customers	(142)	(112)	-	-
- Other receivables	(6)	(23)	-	-
	6,157	235	5,903	-
Prepayments	114,767	150,024	-	-
Total non-current receivables	120,924	150,259	5,903	-

* Movement in the allowance for expected credit losses

Trade receivables from contracts with customers and other receivables

	Consolidated 2024 \$000	Consolidated 2023 \$000	Parent 2024 \$000	Parent 2023 \$000
Balance at the beginning of the year	(152,536)	(135,561)	(595)	-
Amounts written off during the year	104,763	40,112	7	-
(Increase) / decrease in allowance recognised in net result ¹	(84,680)	(57,087)	120	(595)
Balance at the end of the year	(132,453)	(152,536)	(468)	(595)

¹ Includes impairment loss recognised of \$80.18 million (2023: \$54.56 million) in the consolidated entity and \$Nil (2023: \$0.13 million) in the parent entity on trade receivables from contracts with customers.

Details regarding credit risk of receivables that are neither past due nor impaired, are disclosed in Note 42.

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for the year ended 30 June 2024

18. Receivables (continued)

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

19. Contract assets

	Consolidated 2024 \$000	Consolidated 2023 \$000	Parent 2024 \$000	Parent 2023 \$000
Current				
Contract assets	2,677	2,260	636	460
	2,677	2,260	636	460

The contract asset balance has increased in the consolidated and parent entity during the year due to the varying billing arrangements from contracts existing at different reporting dates.

	Consolidated 2024 \$000	Consolidated 2023 \$000	Parent 2024 \$000	Parent 2023 \$000
Contract receivables (included in Note 18)	874,332	768,313	291,772	171,890
	874,332	768,313	291,772	171,890

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for the year ended 30 June 2024

20. Inventories

	Consolidated 2024 \$000	Consolidated 2023 \$000	Parent 2024 \$000	Parent 2023 \$000
Current				
Held-for-distribution				
Drug supplies	166,298	152,754	37,369	31,749
Medical and surgical supplies	192,114	575,720	1,439	1,840
Food and hotel supplies	3,072	2,950	-	-
Other	7,351	5,995	-	-
	368,835	737,419	38,808	33,589
Less: Allowance for impairment				
- Drug supplies	(6,457)	-	-	-
- Medical and surgical supplies	(37,342)	(285,798)	-	-
	325,036	451,621	38,808	33,589

The majority of the inventory held-for-distribution is held for consumption in the ordinary activities of the consolidated entity and upon consumption, are expensed in food supplies, medical and surgical supplies and pharmaceutical supplies (Note 3).

Recognition and Measurement

All inventories are held for distribution (consumed in the ordinary activities of the consolidated entity). 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. Costs are assigned to individual items of stock mainly on the basis of weighted average costs.

In 2024, the consolidated entity wrote off \$334.09 million of inventories. Following the write-off, the allowance for impairment was reassessed and a reduction in impairment of \$242.00 million was recognised mainly due to large write-off of expired inventory items. The write-off and additional allowance for impairment expensed under other gains / (losses) (Note 14) is \$92.09 million.

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 consolidated entity 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.

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Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

21. Financial assets at fair value

	Consolidated 2024 \$000	Consolidated 2023 \$000	Parent 2024 \$000	Parent 2023 \$000
Current				
Derivatives	2,447	2,522	-	-
TCorpIM Funds Investment facilities	66,074	94,800	-	-
	68,521	97,322	-	-
Non-current				
Derivatives	6,351	9,148	-	-
	6,351	9,148	-	-

Refer to Note 42 for further information regarding fair value measurement, credit risk, and market risk arising from financial instruments.

Recognition and Measurement

Classification and measurement

The consolidated entity's financial assets at fair value are classified, at initial recognition, at fair value through profit or loss.

Transaction costs of financial assets carried at fair value through profit or loss are expensed in net results.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value under AASB 9 *Financial Instruments* (AASB 9).

Financial assets are held for trading if acquired for the purpose of selling or repurchasing in the near term. Derivatives are economic hedges classified as fair value through profit or loss unless they are designated as effective hedging instruments.

Derivative contracts are carried as financial assets when their fair value at the reporting date is positive. Derivative contracts maturing less than 12 months are classified as current and all other contracts as non-current.

The consolidated entity has elected not to apply hedge accounting to the economic hedges.

Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. TCorpIM Funds are managed and their performance is evaluated on a fair value basis and therefore the business model is neither to hold to collect contractual cash flows or sell the financial asset. Hence these investments are mandatorily required to be measured at fair value through profit or loss.

Notwithstanding the criteria to be classified at amortised cost or at fair value through other comprehensive income, financial assets may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

A gain or loss on a financial asset that is subsequently measured at fair value through profit or loss is recognised in net results and presented net within other gains / (losses), except for TCorpIM Funds that are presented in 'investment revenue' in the period in which it arises.

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for the year ended 30 June 2024

22. Other financial assets

	Consolidated 2024 \$000	Consolidated 2023 \$000	Parent 2024 \$000	Parent 2023 \$000
Current				
Receivables on finance leases as lessor (Note 24)	-	46	-	-
Intra health loans receivable	-	-	281,133	206,553
	-	46	281,133	206,553
Non-current				
Receivables on finance leases as lessor (Note 24)	90,771	88,541	-	-
	90,771	88,541	-	-

The current intra health loans receivable balance within the parent entity includes \$281.13 million (2023: \$203.04 million) of cash advances provided to HealthShare NSW to make all payments to employees and most payments to suppliers of goods and services and grants and subsidies on behalf of the controlled entities.

Refer to Note 42 for further information regarding fair value measurement, credit risk, and market risk arising from financial instruments.

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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

CONSOLIDATED

	Land and Buildings \$000	Plant and Equipment \$000	Infrastructure systems \$000	Total \$000
At 1 July 2022 - fair value				
Gross carrying amount	35,667,258	3,241,263	1,331,840	40,240,361
Less: accumulated depreciation and impairment	(11,514,971)	(1,756,465)	(620,074)	(13,891,510)
Net carrying amount	24,152,287	1,484,798	711,766	26,348,851
Year ended 30 June 2023				
Net carrying amount at beginning of year	24,152,287	1,484,798	711,766	26,348,851
Additions	1,518,412	345,291	1,430	1,865,133
Reclassifications to intangibles	-	(3,360)	-	(3,360)
Reclassification from inventory	-	6,394	-	6,394
Reclassification from right-of-use assets	891	-	-	891
Reclassification to assets held for sale	(1,972)	-	-	(1,972)
Disposals	(27,733)	(17,869)	(23)	(45,625)
Equity transfers out (Note 34 (a))	(9,404)	-	-	(9,404)
Net revaluation increment less revaluation decrements	1,351,128	-	40,806	1,391,934
Depreciation expense	(812,353)	(260,267)	(37,407)	(1,110,027)
Other reclassifications within property, plant and equipment	(131,503)	(33,590)	165,093	-
Net carrying amount at end of year	26,039,753	1,521,397	881,665	28,442,815

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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)

CONSOLIDATED

	Land and Buildings \$000	Plant and Equipment \$000	Infrastructure systems \$000	Total \$000
At 1 July 2023 - fair value				
Gross carrying amount	38,802,773	3,369,330	1,539,535	43,711,638
Less: accumulated depreciation and impairment	(12,763,020)	(1,847,933)	(657,870)	(15,268,823)
Net carrying amount	26,039,753	1,521,397	881,665	28,442,815
Year ended 30 June 2024				
Net carrying amount at beginning of year	26,039,753	1,521,397	881,665	28,442,815
Additions	1,587,613	412,507	97	2,000,217
Reclassifications to intangibles	-	(2,640)	-	(2,640)
Reclassification to inventory	-	(3,228)	-	(3,228)
Disposals	(5,026)	(10,656)	-	(15,682)
Net revaluation increment less revaluation decrements	1,159,175	205	31,041	1,190,421
Depreciation expense	(883,909)	(272,030)	(38,595)	(1,194,534)
Other reclassifications within property, plant and equipment	48,197	(25,424)	(22,773)	-
Net carrying amount at end of year	27,945,803	1,620,131	851,435	30,417,369
At 30 June 2024 - fair value				
Gross carrying amount	41,765,112	3,577,809	1,553,942	46,896,863
Less: accumulated depreciation and impairment	(13,819,309)	(1,957,678)	(702,507)	(16,479,494)
Net carrying amount	27,945,803	1,620,131	851,435	30,417,369

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 \$804.72 million (2023: \$831.6 million)
- plant and equipment \$16.18 million (2023: \$20.8 million)
- infrastructure systems \$26.34 million (2023: \$25.67 million)

During the current period, the net carrying amount of \$Nil (2023: \$0.08 million) for existing assets of the consolidated entity has been reclassified as service concession assets.

Further details regarding fair value measurement of property, plant and equipment are disclosed in Note 27(b).

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for the year ended 30 June 2024

23. Property, plant and equipment (continued)

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

CONSOLIDATED

	Land and Buildings \$000	Plant and Equipment \$000	Infrastructure systems \$000	Total \$000
At 1 July 2022 - fair value				
Gross carrying amount	35,279,171	3,241,263	1,331,310	39,851,744
Less: accumulated depreciation and impairment	(11,336,088)	(1,756,465)	(619,775)	(13,712,328)
Net carrying amount	23,943,083	1,484,798	711,535	26,139,416
Year ended 30 June 2023				
Net carrying amount at beginning of year	23,943,083	1,484,798	711,535	26,139,416
Additions	1,518,390	345,291	1,430	1,865,111
Reclassifications to intangibles	-	(3,360)	-	(3,360)
Reclassification from inventory	-	6,394	-	6,394
Reclassification from right-of-use assets	891	-	-	891
Reclassification to assets held for sale	(1,972)	-	-	(1,972)
Disposals	(25,040)	(17,869)	(23)	(42,932)
Equity transfers out (Note 34 (a))	(9,404)	-	-	(9,404)
Net revaluation increment less revaluation decrements	1,345,033	-	40,793	1,385,826
Depreciation expense	(802,256)	(260,267)	(37,395)	(1,099,918)
Other reclassifications within property, plant and equipment	(134,172)	(33,590)	165,093	(2,669)
Net carrying amount at end of year	25,834,553	1,521,397	881,433	28,237,383
At 1 July 2023 - fair value				
Gross carrying amount	38,413,521	3,369,330	1,538,973	43,321,824
Less: accumulated depreciation and impairment	(12,578,968)	(1,847,933)	(657,540)	(15,084,441)
Net carrying amount	25,834,553	1,521,397	881,433	28,237,383
Year ended 30 June 2024				
Net carrying amount at beginning of year	25,834,553	1,521,397	881,433	28,237,383
Additions	1,586,863	412,507	97	1,999,467
Reclassifications to intangibles	-	(2,640)	-	(2,640)
Reclassification to inventory	-	(3,228)	-	(3,228)
Disposals	(2,714)	(10,656)	-	(13,370)
Net revaluation increment less revaluation decrements	1,147,330	205	31,030	1,178,565
Depreciation expense	(873,876)	(272,030)	(38,582)	(1,184,488)
Other reclassifications within property, plant and equipment	51,429	(25,424)	(22,773)	3,232
Net carrying amount at end of year	27,743,585	1,620,131	851,205	30,214,921
At 30 June 2024 - fair value				
Gross carrying amount	41,376,763	3,577,809	1,553,352	46,507,924
Less: accumulated depreciation and impairment	(13,633,178)	(1,957,678)	(702,147)	(16,293,003)
Net carrying amount	27,743,585	1,620,131	851,205	30,214,921

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for the year ended 30 June 2024

23. Property, plant and equipment (continued)

(c) Property, plant and equipment where the consolidated entity is the lessor under operating leases

CONSOLIDATED

	Land and Buildings \$000	Plant and Equipment \$000	Infrastructure systems \$000	Total \$000
At 1 July 2022 - fair value				
Gross carrying amount	388,087	-	530	388,617
Less: accumulated depreciation and impairment	(178,883)	-	(299)	(179,182)
Net carrying amount	209,204	-	231	209,435
Year ended 30 June 2023				
Net carrying amount at beginning of year	209,204	-	231	209,435
Additions	22	-	-	22
Disposals	(2,693)	-	-	(2,693)
Net revaluation increment less revaluation decrements	6,095	-	13	6,108
Depreciation expense	(10,097)	-	(12)	(10,109)
Other reclassifications within property, plant and equipment	2,669	-	-	2,669
Net carrying amount at end of year	205,200	-	232	205,432
At 1 July 2023 - fair value				
Gross carrying amount	389,252	-	562	389,814
Less: accumulated depreciation and impairment	(184,052)	-	(330)	(184,382)
Net carrying amount	205,200	-	232	205,432
Year ended 30 June 2024				
Net carrying amount at beginning of year	205,200	-	232	205,432
Additions	750	-	-	750
Disposals	(2,312)	-	-	(2,312)
Net revaluation increment less revaluation decrements	11,845	-	11	11,856
Depreciation expense	(10,033)	-	(13)	(10,046)
Other reclassifications within property, plant and equipment	(3,232)	-	-	(3,232)
Net carrying amount at end of year	202,218	-	230	202,448
At 30 June 2024 - fair value				
Gross carrying amount	388,349	-	590	388,939
Less: accumulated depreciation and impairment	(186,131)	-	(360)	(186,491)
Net carrying amount	202,218	-	230	202,448

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for the year ended 30 June 2024

23. Property, plant and equipment (continued)

(a) Total property, plant and equipment

PARENT

	Land and Buildings \$000	Plant and Equipment \$000	Infrastructure systems \$000	Total \$000
At 1 July 2022 - fair value				
Gross carrying amount	328,942	30,136	4,554	363,632
Less: accumulated depreciation and impairment	(156,654)	(3,914)	(3,566)	(164,134)
Net carrying amount	172,288	26,222	988	199,498
Year ended 30 June 2023				
Net carrying amount at beginning of year	172,288	26,222	988	199,498
Additions	-	2,458	-	2,458
Disposals	(6,428)	(5)	-	(6,433)
Transfers to NSW Health entities	-	(7,789)	-	(7,789)
Equity transfers out (Note 34 (a))	6,428	-	-	6,428
Net revaluation increment less revaluation decrements	4,519	-	67	4,586
Depreciation expense	(9,012)	(1,149)	(114)	(10,275)
Other reclassifications within property, plant and equipment	1,596	(1,596)	-	-
Net carrying amount at end of year	169,391	18,141	941	188,473
At 1 July 2023 - fair value				
Gross carrying amount	347,575	23,184	4,901	375,660
Less: accumulated depreciation and impairment	(178,184)	(5,043)	(3,960)	(187,187)
Net carrying amount	169,391	18,141	941	188,473
Year ended 30 June 2024				
Net carrying amount at beginning of year	169,391	18,141	941	188,473
Additions	330	262	-	592
Disposals	-	(5)	-	(5)
Transfers from NSW Health entities	-	4	-	4
Net revaluation increment less revaluation decrements	5,638	-	35	5,673
Depreciation expense	(9,414)	(1,247)	(123)	(10,784)
Net carrying amount at end of year	165,945	17,155	853	183,953
As at 30 June 2024				
Gross carrying amount	361,589	22,494	5,107	389,190
Less: accumulated depreciation and impairment	(195,644)	(5,339)	(4,254)	(205,237)
Net carrying amount	165,945	17,155	853	183,953

The parent entity does not have any service concession assets for the periods ended 30 June 2024 and 30 June 2023.

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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 parent entity

PARENT

	Land and Buildings \$000	Plant and Equipment \$000	Infrastructure systems \$000	Total \$000
At 1 July 2022 - fair value				
Gross carrying amount	207,095	30,136	4,554	241,785
Less: accumulated depreciation and impairment	(72,824)	(3,914)	(3,566)	(80,304)
Net carrying amount	134,271	26,222	988	161,481
Year ended 30 June 2023				
Net carrying amount at beginning of year	134,271	26,222	988	161,481
Additions	-	2,458	-	2,458
Disposals	(6,428)	(5)	-	(6,433)
Transfers to NSW Health entities	-	(7,789)	-	(7,789)
Equity transfers out (Note 34 (a))	6,428	-	-	6,428
Net revaluation increment less revaluation decrements	3,351	-	67	3,418
Depreciation expense	(6,387)	(1,149)	(114)	(7,650)
Other reclassifications within property, plant and equipment	4,284	(1,596)	-	2,688
Net carrying amount at end of year	135,519	18,141	941	154,601
At 1 July 2023 - fair value				
Gross carrying amount	223,048	23,184	4,901	251,133
Less: accumulated depreciation and impairment	(87,529)	(5,043)	(3,960)	(96,532)
Net carrying amount	135,519	18,141	941	154,601
Year ended 30 June 2024				
Net carrying amount at beginning of year	135,519	18,141	941	154,601
Additions	97	262	-	359
Disposals	-	(5)	-	(5)
Transfers from NSW Health entities	-	4	-	4
Net revaluation increment less revaluation decrements	1,060	-	35	1,095
Depreciation expense	(7,605)	(1,247)	(123)	(8,975)
Other reclassifications within property, plant and equipment	7,088	-	-	7,088
Net carrying amount at end of year	136,159	17,155	853	154,167
At 30 June 2024 - fair value				
Gross carrying amount	265,425	22,494	5,107	293,026
Less: accumulated depreciation and impairment	(129,266)	(5,339)	(4,254)	(138,859)
Net carrying amount	136,159	17,155	853	154,167

Ministry of Health

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for the year ended 30 June 2024

23. Property, plant and equipment (continued)

(c) Property, plant and equipment where the parent entity is the lessor under operating leases

PARENT

	Land and Buildings \$000	Plant and Equipment \$000	Infrastructure systems \$000	Total \$000
At 1 July 2022 - fair value				
Gross carrying amount	121,847	-	-	121,847
Less: accumulated depreciation and impairment	(83,830)	-	-	(83,830)
Net carrying amount	38,017	-	-	38,017
Year ended 30 June 2023				
Net carrying amount at beginning of year	38,017	-	-	38,017
Net revaluation increment less revaluation decrements	1,168	-	-	1,168
Depreciation expense	(2,625)	-	-	(2,625)
Other reclassifications within property, plant and equipment	(2,688)	-	-	(2,688)
Net carrying amount at end of year	33,872	-	-	33,872
At 1 July 2023 - fair value				
Gross carrying amount	124,527	-	-	124,527
Less: accumulated depreciation and impairment	(90,655)	-	-	(90,655)
Net carrying amount	33,872	-	-	33,872
Year ended 30 June 2024				
Net carrying amount at beginning of year	33,872	-	-	33,872
Additions	233	-	-	233
Net revaluation increment less revaluation decrements	4,578	-	-	4,578
Depreciation expense	(1,809)	-	-	(1,809)
Other reclassifications within property, plant and equipment	(7,088)	-	-	(7,088)
Net carrying amount at end of year	29,786	-	-	29,786
At 30 June 2024 - fair value				
Gross carrying amount	96,164	-	-	96,164
Less: accumulated depreciation and impairment	(66,378)	-	-	(66,378)
Net carrying amount	29,786	-	-	29,786

Ministry of Health

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

23. Property, plant and equipment (continued)

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.

Assets acquired at no cost, or for nominal consideration, are initially recognised at their fair value at the date of acquisition (see also assets transferred as a result of an equity transfer in Note 34).

Land and buildings which are owned by the Health Administration Corporation or the State and operated by the parent or its controlled entities are deemed to be controlled by the parent and its controlled entities and are recognised as such in the financial statements.

Capitalisation thresholds

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

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 consolidated entity.

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

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 useful lives initially applied for major asset categories are as follows:

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

From 1 July 2019, AASB 16 *Leases* (AASB 16) requires a lessee to recognise a right-of-use asset for most leases. The consolidated entity has elected to present right-of-use assets separately in the Statement of Financial Position.

Further information on leases is contained at 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.

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

Ministry of Health

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

23. Property, plant and equipment (continued)

Recognition and Measurement (continued)

Service concession assets (continued)

Description	Public Hospitals						
Name and description of the SCA	Northern Beaches Hospital and Hawkesbury Hospital are two public hospitals built under two separate Public Private Partnership (PPP) arrangements that are now treated as part of service concession arrangements.						
Period of arrangement	<table border="0"> <tr> <td>Northern Beaches Public Hospital</td> <td>20 years (2018 - 2038)</td> </tr> <tr> <td>Northern Beaches Car Park</td> <td>40 years (2018 - 2058)</td> </tr> <tr> <td>Hawkesbury Hospital</td> <td>29 years (1994 - 2024)</td> </tr> </table>	Northern Beaches Public Hospital	20 years (2018 - 2038)	Northern Beaches Car Park	40 years (2018 - 2058)	Hawkesbury Hospital	29 years (1994 - 2024)
Northern Beaches Public Hospital	20 years (2018 - 2038)						
Northern Beaches Car Park	40 years (2018 - 2058)						
Hawkesbury Hospital	29 years (1994 - 2024)						
Terms of the arrangement	The consolidated entity contracted HealthScope (Operator for Northern Beaches Hospital) and St John of God Health Care (Operator for Hawkesbury Hospital) to build, operate and manage the hospitals and the car park for the duration of the arrangement. The construction of both hospitals was funded by the consolidated entity. Northern Beaches Hospital was paid upfront on completion of the construction works, while Hawkesbury Hospital was paid over time under a financing arrangement with the Operator. There are no remaining future construction payments. The Operator has fully funded the Northern Beaches car park, and the consolidated entity has granted rights to the Operator to operate and generate revenue from that car park. Annual service level agreements are entered into for the delivery of public health services at both hospitals with the Operator, which is funded by the consolidated entity, paid on a monthly basis.						
Rights and obligations	The consolidated entity is obligated to provide both operators access to the hospital and the carpark. The operators are responsible for the delivery of health services to public patients at the hospital which the consolidated entity is obligated to pay for under the annual service agreements. At the end of the arrangement, the operators are obligated to return all assets back to the consolidated entity. For Northern Beaches Hospital, the consolidated entity will be sharing a portion of the hospital facilities with the private operator for an additional term of 20 years after the expiry of the concession period. The consolidated entity is required to issue a notice outlining what shared services will be provided by different parties. The consolidated entity has the right to extend the Northern Beaches Hospital arrangement for up to five years, by way of giving three years notice to the operator. For Hawkesbury Hospital, a temporary extension to 30 June 2024 has been agreed, following which the operation will be managed by the consolidated entity.						
Changes in arrangement occurring during 2023	Nil						
Changes in arrangement occurring during 2024	From 1 July 2024, the operation and management of Hawkesbury Hospital has transitioned from St John of God Health Care to Nepean Blue Mountains Local Health District. The assets continue to be reflected as SCA in the current financial statements and will be transferred out in 2024-25. No changes to other arrangements.						

Ministry of Health

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

23. Property, plant and equipment (continued)

Recognition and Measurement (continued)

Service concession assets (continued)

Carrying amounts of public hospital service concession assets

	Land and buildings	Plant and equipment	Infrastructure Systems	Total
	2023	2023	2023	2023
	\$000	\$000	\$000	\$000
Year ended 30 June 2023				
Northern Beaches Public Hospital	588,878	18,433	24,866	632,177
Northern Beaches Car Park	55,902	-	-	55,902
Hawkesbury Hospital	60,139	2,371	755	63,265
Net carrying amount	704,919	20,804	25,621	751,344

	Land and buildings	Plant and equipment	Infrastructure Systems	Total
	2024	2024	2024	2024
	\$000	\$000	\$000	\$000
Year ended 30 June 2024				
Northern Beaches Public Hospital	596,424	14,261	25,309	635,994
Northern Beaches Car Park	57,356	-	-	57,356
Hawkesbury Hospital	81,520	1,916	980	84,416
Net carrying amount	735,300	16,177	26,289	777,766

Ministry of Health

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

23. Property, plant and equipment (continued)

Recognition and Measurement (continued)

Service concession assets (continued)

Description	Hospital car parks								
Name and description of the SCA	<p>Consist of three arrangements:</p> <ul style="list-style-type: none"> - Multi-storey carparks at Royal North Shore Hospital, RNSH P1 and RNSH P2 - Prince of Wales Hospital car parks - St George Hospital car parks 								
Period of arrangement	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">RNSH P1 car park</td> <td style="text-align: right;">26.5 years (2010 - 2036)</td> </tr> <tr> <td>RNSH P2 car park</td> <td style="text-align: right;">22 years (2014 - 2036)</td> </tr> <tr> <td>Prince of Wales hospital car park</td> <td style="text-align: right;">26 years (1997 - 2023)</td> </tr> <tr> <td>St George hospital car park</td> <td style="text-align: right;">25 years (1999 - 2024)</td> </tr> </table>	RNSH P1 car park	26.5 years (2010 - 2036)	RNSH P2 car park	22 years (2014 - 2036)	Prince of Wales hospital car park	26 years (1997 - 2023)	St George hospital car park	25 years (1999 - 2024)
RNSH P1 car park	26.5 years (2010 - 2036)								
RNSH P2 car park	22 years (2014 - 2036)								
Prince of Wales hospital car park	26 years (1997 - 2023)								
St George hospital car park	25 years (1999 - 2024)								
Terms of the arrangement	<p>The consolidated entity contracted Infrashore (Operator) to build RNSH P2 car park and manage both RNSH P1 and P2 car parks for the duration of the arrangement. The construction of the RNSH P2 car park is funded by the consolidated entity, paid in instalments under a financing arrangement for the duration of the term. RNSH P1 car park was an existing carpark of the consolidated entity. The other two car parks (Prince of Wales hospital car park and St George hospital car park) were funded by the International Parking Group (Operator) which was contracted by the consolidated entity to build, manage and operate both car parks for the duration of the arrangement. For all these car parks, the consolidated entity has granted rights to the Operator to operate and generate revenue from the car parks. Upon grant of this right, the Operator has paid an upfront license fee to the consolidated entity.</p>								
Rights and obligations	<p>The consolidated entity is obliged to provide the operators with access to the carparks and obligated to pay for the construction of the RNSH P2 car park under the financing arrangement with the Operator. The operators are responsible for operating the car parks and at the end of the arrangement, return all assets back to the consolidated entity. There are currently no provisions for extension of the term in the existing contract.</p>								
Changes in arrangement occurring during 2023	Nil								
Changes in arrangement occurring during 2024	Prince of Wales hospital car park arrangement has concluded, with assets transferred out of service concession arrangements.								

Ministry of Health

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

23. Property, plant and equipment (continued)

Recognition and Measurement (continued)

Service concession assets (continued)

Carrying amounts of hospital car park service concession assets

	Land and buildings	Plant and equipment	Infrastructure Systems	Total
	2023	2023	2023	2023
	\$000	\$000	\$000	\$000
Year ended 30 June 2023				
RNSH P1 Car Park	24,649	-	-	24,649
RNSH P2 Car Park	24,394	-	-	24,394
St George Hospital Car Park	10,378	-	-	10,378
Prince of Wales Hospital Car Park	52,302	-	-	52,302
Net carrying amount	111,723	-	-	111,723

	Land and buildings	Plant and equipment	Infrastructure Systems	Total
	2024	2024	2024	2024
	\$000	\$000	\$000	\$000
Year ended 30 June 2024				
RNSH P1 Car Park	24,469	-	-	24,469
RNSH P2 Car Park	24,909	-	-	24,909
St George Hospital Car Park	10,230	-	-	10,230
Net carrying amount	59,608	-	-	59,608

Ministry of Health

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

23. Property, plant and equipment (continued)

Recognition and Measurement (continued)

Service concession assets (continued)

Description	Hospital facilities				
<p>Name and description of the SCA</p>	<p>Consist of two arrangements:</p> <p>Mental Health Recovery Centre - 10 bed residential Mental Health Sub-Acute Unit in Broken Hill that provides services to people across the Far West Local Health District. The Far West Mental Health Recovery Centre (Centre) is owned by the consolidated entity and operated by Neami Limited under a service agreement.</p> <p>Mercy Care Centre Young - 26 bed purpose-built sub-acute rehabilitation and palliative care unit in Young that provides services to the people of Young and surrounding regions. The Mercy Care Centre Young is owned by the consolidated entity and operated by Mercy Health under a 20 year lease agreement and annual service agreements.</p>				
<p>Period of arrangement</p>	<table border="0"> <tr> <td>Mental Health Recovery Centre</td> <td style="text-align: right;">5 years (2019 to 2023)</td> </tr> <tr> <td>Mercy Care Centre Young</td> <td style="text-align: right;">20 years (2004 to 2024)</td> </tr> </table>	Mental Health Recovery Centre	5 years (2019 to 2023)	Mercy Care Centre Young	20 years (2004 to 2024)
Mental Health Recovery Centre	5 years (2019 to 2023)				
Mercy Care Centre Young	20 years (2004 to 2024)				
<p>Terms of the arrangement</p>	<p>The consolidated entity has separately contracted Neami Limited (Operator for Mental Health Recovery Centre) and Mercy Health (Operator for Mercy Care Centre Young) to manage respective facilities for the duration of the arrangement. Separate funding arrangements have also been agreed to compensate the respective operators for managing the facilities. The capital assets associated with the arrangement have been provided by the consolidated entity to the operators.</p>				
<p>Rights and obligations</p>	<p>The consolidated entity is obligated to provide both operators with access to the respective facilities. The operators are responsible for the delivery of specified services to patients at the respective facilities. The consolidated entity is obligated to pay for those services under the funding agreements. At the end of the arrangement, the operators are obliged to return all assets back to the consolidated entity. There is no provision for an extension of the terms, however they can be separately negotiated.</p>				
<p>Changes in arrangement occurring during 2023</p>	<p>Nil</p>				
<p>Changes in arrangement occurring during 2024</p>	<p>Mental Health Recovery Centre arrangement has ended on 31 March 2024, with assets transferred out of service concession arrangements.</p> <p>The lease arrangement for Mercy Care Centre Young has expired in June 2024. The arrangement is currently continuing on a month to month basis, while negotiations are being undertaken to renew the lease.</p>				

Ministry of Health

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

23. Property, plant and equipment (continued)

Recognition and Measurement (continued)

Service concession assets (continued)

Carrying amounts of hospital facility service concession assets

	Land and buildings	Plant and equipment	Infrastructure Systems	Total
	2023	2023	2023	2023
	\$000	\$000	\$000	\$000
Year ended 30 June 2023				
Mental Health Recovery Centre	5,275	-	-	5,275
Mercy Care Centre Young	9,684	-	50	9,734
Net carrying amount	14,959	-	50	15,009

	Land and buildings	Plant and equipment	Infrastructure Systems	Total
	2024	2024	2024	2024
	\$000	\$000	\$000	\$000
Year ended 30 June 2024				
Mercy Care Centre Young	9,815	-	50	9,865
Net carrying amount	9,815	-	50	9,865

Ministry of Health

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

23. Property, plant and equipment (continued)

Recognition and Measurement (continued)

Revaluations of property, plant and equipment

Physical non-current assets are valued in accordance with the 'Valuation of Physical Non-Current Assets at Fair Value' Policy and Guidelines Paper (TPP 21-09) and Treasurer's Direction, 'Valuation of Physical Non-Current Assets at Fair Value' (TD 21-05). TD 21-05 and TPP 21-09 adopt fair value in accordance with AASB 13 *Fair Value Measurement* and AASB 116 *Property, Plant and Equipment*.

Property, plant and equipment is measured at the highest and best use by market participants that is physically possible, legally permissible and financially feasible. The highest and best use must be available at a period that is not remote and takes into account the characteristics of the asset being measured, including any socio-political restrictions imposed by government. In most cases, after taking into account these considerations, the highest and best use is the existing use. In limited circumstances, the highest and best use may be a feasible alternative use, where there are no restrictions on use or where there is a feasible higher restricted alternative use.

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 consolidated entity conducts a comprehensive revaluation at least every three years on a rotational basis for its land and buildings and infrastructure. Interim desktop revaluations are conducted between comprehensive revaluations for those assets, where cumulative changes to indicators suggest fair value may differ materially from carrying value. The consolidated entity uses an independent professionally qualified valuer for such revaluations.

The last comprehensive revaluation for the parent entity was completed on 31 December 2021 and was based on an independent assessment.

Comprehensive revaluations are conducted in December for the controlled entities on a rolling basis and are based on an independent assessment. A schedule of revaluations has been developed which rolls over every three years. Interim or out of schedule revaluations are conducted where cumulative changes to indicators suggest fair value may differ materially from the carrying value.

Indices obtained from external professionally qualified valuers in 2024 and 2023 indicated a material cumulative increase in market prices for land and a material increase in construction and labour costs for building and infrastructure from the last comprehensive revaluation. Management has applied these indices to perform an interim revaluation and has recognised the resulting revaluation increment for land, building and infrastructure.

Non-specialised assets with short useful lives are measured at depreciated historical cost, as an approximation of fair value. The consolidated entity 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 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.

Revaluation increments are recognised in other comprehensive income and credited to revaluation surplus in equity. However, to the extent that an increment reverses a revaluation decrement in respect of the same class of asset previously recognised as a loss in the net result, the increment is recognised immediately as a gain in the net result.

Revaluation decrements are recognised immediately as a loss in the net result, except to the extent that it offsets an existing revaluation surplus on the same class of assets, in which case, the decrement is debited directly to the revaluation surplus.

As a not-for-profit entity, revaluation increments and decrements are offset against one another within a class of non-current assets, but not otherwise.

Ministry of Health

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

24. Leases

(a) Entity as a lessee

The consolidated entity leases various property, equipment and motor vehicles. Lease contracts are typically made for fixed periods of 1 to 40 years (parent entity: 1 to 4 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 consolidated entity 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 consolidated entity 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). Potential future cash outflows of \$141.78 million (2023: \$264.39 million) (parent entity: \$Nil, 2023: \$Nil) have not been included in the lease liability because it is not reasonably certain that the leases will be extended (or not terminated). The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the lessee. During the current financial year, the financial effect of revising lease terms to reflect the effect of exercising extensions and termination options was an increase in recognised lease liabilities and right-of-use assets of \$108.04 million (2023: \$7.51 million) (parent entity: \$Nil, 2023: \$Nil).

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

The consolidated entity 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.

All occupancy agreements entered into by the consolidated entity with Property and Development NSW (PDNSW), an entity of the ultimate parent, have a 'substitution right' clause added to the occupancy arrangements providing PDNSW with a substantive substitution right to relocate the consolidated entity during the term of the agreement. As a result of this clause, those agreements are not accounted for as a lease within the scope of AASB 16. These leases are recognised as an expense in Note 3 under 'occupancy agreement expenses - Property and Development NSW' when incurred over the agreement duration.

Under the occupancy agreements with PDNSW, the consolidated entity continues to carry the responsibility to make good, and to control the fit-out during the occupancy period as the consolidated entity receives the economic benefits via using the fit-out or expected compensation from PDNSW upon relocation. Therefore, the consolidated entity recognises any make-good provision and fit-out costs in the financial statements arising from these occupancy agreements.

The consolidated entity continues to carry the responsibility to make good, and to control the fit-out during the remaining occupancy period as the entity receives the economic benefits via using the fit-out or expected compensation from PDNSW upon relocation. Therefore, the consolidated entity's accounting treatment for make-good provision and fit-out costs in relation to the relevant accommodation and warehouses remains unchanged.

Right-of-use assets under leases

The following table presents right-of-use assets that do not meet the definition of investment property. There are no right-of-use assets that meet the definition of investment property.

Ministry of Health

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)

CONSOLIDATED

	Land and Buildings \$000	Plant and Equipment \$000	Total \$000
Balance at 1 July 2023	322,619	304,096	626,715
Additions	33,974	132,904	166,878
Reassessments	73,012	56,792	129,804
Disposals	(12,227)	(1,150)	(13,377)
Depreciation expense	(74,286)	(96,787)	(171,073)
Balance at 30 June 2024	343,092	395,855	738,947
Balance at 1 July 2022	293,514	319,217	612,731
Additions	96,156	70,971	167,127
Reassessments	23,527	4,987	28,514
Disposals	(17,713)	(1,824)	(19,537)
Depreciation expense	(71,974)	(89,255)	(161,229)
Reclassifications from property, plant and equipment	(891)	-	(891)
Balance at 30 June 2023	322,619	304,096	626,715

PARENT

	Land and Buildings \$000	Plant and Equipment \$000	Total \$000
Balance at 1 July 2023	677	99	776
Additions	-	44	44
Reassessments	-	(3)	(3)
Depreciation expense	(133)	(45)	(178)
Balance at 30 June 2024	544	95	639
Balance at 1 July 2022	17,574	97	17,671
Additions	-	47	47
Reassessments	(1)	-	(1)
Disposals	(16,766)	-	(16,766)
Depreciation expense	(130)	(45)	(175)
Balance at 30 June 2023	677	99	776

Ministry of Health

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:

	Consolidated 2024 \$000	Consolidated 2023 \$000	Parent 2024 \$000	Parent 2023 \$000
Balance at 1 July	639,926	624,017	785	17,489
Additions	166,878	166,913	44	47
Interest expenses	22,856	16,893	17	13
Payments	(186,296)	(177,002)	(187)	(181)
Terminations / derecognition	(14,104)	(19,409)	-	(16,582)
Other adjustments	129,804	28,514	(3)	(1)
Balance at 30 June	759,064	639,926	656	785

Other adjustments in 2024 for the consolidated entity includes \$108.0 million of lease extensions recognised for aeromedical leases.

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

	Consolidated 2024 \$000	Consolidated 2023 \$000	Parent 2024 \$000	Parent 2023 \$000
Depreciation expense of right-of-use assets	171,074	161,229	178	175
Interest expense on lease liabilities	22,856	16,893	17	13
Expenses relating to short-term leases	47,719	41,361	13	15
Expenses relating to leases of low-value assets	21,152	20,325	924	293
Income from subleasing right-of-use assets	(27)	(17)	-	-
(Gains) / losses on disposal	(727)	128	-	184
Total amount recognised in the statement of comprehensive income	262,047	239,919	1,132	680

The consolidated entity had total cash outflows for leases of \$255.17 million (parent entity: \$1.12 million) for the year ending 30 June 2024 (2023: \$238.69 million (parent entity: \$0.49 million)).

Ministry of Health

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)

Leases at significantly below market terms and conditions principally to enable the entity to further its objectives

The consolidated entity entered into a number of leases, with lease terms ranging from 1 to 99 years with various organisations, including local councils, health charities, Catholic churches and other NSW State entities for the use of various community health buildings. There are also some leases for the use of various helipads across the state. These contracts generally specify lease payments of \$Nil or negligible amounts per annum, and the leased premises are used by the consolidated entity to provide different community health services and access to helipads. These community health buildings and helipads account for a small portion of similar assets used by the consolidated entity for the purposes of providing health services. Therefore, these lease arrangements do not have a significant impact on the consolidated entity's operations.

Recognition and measurement

The consolidated entity assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The consolidated entity recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets, except for short-term leases and leases of low-value assets.

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
Land and buildings	1 to 40 years
Plant and machinery	1 to 15 years
Motor vehicles	1 to 5 years
Aeromedical	1 to 15 years

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 consolidated entity does not borrow funds in the market. Instead it receives 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 consolidated entity is using TCorp rates as its incremental borrowing rate. These rates are published by NSW Treasury on a regular basis.

ii. Short-term leases and leases of low-value assets

The consolidated entity 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 expense on a straight-line basis over the lease term.

iii. Leases that have significantly below-market terms and conditions principally to enable the entity to further its objectives

The initial and subsequent measurement of right-of-use assets under leases at significantly below-market terms and conditions that are entered into principally to enable the consolidated entity to further its objectives is the same as normal right-of-use assets. They are measured at cost, subject to impairment.

Ministry of Health

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

24. Leases (continued)

(b) Entity as a lessor

Recognition and measurement

The consolidated entity leases some retail spaces located within the hospital precincts under operating leases with rental payable monthly. Lease payments generally contain uplift clauses to align to the market conditions.

The consolidated entity also leases land and buildings to non-government organisations (NGO's) and universities under operating leases arrangements. Generally there are no rental payments as the consolidated entity provides market rental assistance grants which offset the rental payments.

The consolidated entity also leases out certain areas and floors within its buildings on a long term basis, which are treated as finance leases. All lease payments are generally paid upfront and the asset gets derecognised from non-current assets.

Lessor for finance leases

Future minimum rentals receivable (undiscounted) under non-cancellable finance leases as at 30 June are, as follows:

	Consolidated 2024 \$000	Consolidated 2023 \$000	Parent 2024 \$000	Parent 2023 \$000
Within one year	-	47	-	-
Total (excluding GST)	-	47	-	-

Reconciliation of net investment in leases

	Consolidated 2024 \$000	Consolidated 2023 \$000	Parent 2024 \$000	Parent 2023 \$000
Future undiscounted rentals receivable	-	47	-	-
Unguaranteed residual amounts - undiscounted	313,686	313,686	-	-
Less: unearned finance income	(222,915)	(225,146)	-	-
Net investment in finance lease	90,771	88,587	-	-

Lessor for operating leases

Future minimum rental receivables (undiscounted) under non-cancellable operating leases as at 30 June are as follows:

	Consolidated 2024 \$000	Consolidated 2023 \$000	Parent 2024 \$000	Parent 2023 \$000
Within one year	12,462	13,122	1,360	1,257
One to two years	10,996	11,172	1,322	1,377
Two to three years	10,185	10,670	1,372	1,304
Three to four years	9,446	9,931	1,358	1,121
Four to five years	9,214	9,469	1,320	1,047
Later than five years	97,171	108,619	8,036	7,954
Total (excluding GST)	149,474	162,983	14,768	14,060

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Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

25. Intangible assets

CONSOLIDATED

	Software \$000	Total \$000
At 1 July 2022		
Cost (gross carrying amount)	1,363,369	1,363,369
Less: accumulated amortisation and impairment	(666,152)	(666,152)
Net carrying amount	697,217	697,217
Year ended 30 June 2023		
Net carrying amount at beginning of year	697,217	697,217
Additions	139,812	139,812
Reclassifications from property, plant and equipment	3,360	3,360
Disposals	(1,993)	(1,993)
Amortisation (recognised in depreciation and amortisation)	(106,350)	(106,350)
Net carrying amount at the end of the year	732,046	732,046
At 1 July 2023		
Cost (gross carrying amount)	1,495,526	1,495,526
Less: accumulated amortisation and impairment	(763,480)	(763,480)
Net carrying amount	732,046	732,046
Year ended 30 June 2024		
Net carrying amount at beginning of year	732,046	732,046
Additions	365,435	365,435
Reclassifications from property, plant and equipment	2,640	2,640
Disposals	(2,125)	(2,125)
Amortisation (recognised in depreciation and amortisation)	(112,247)	(112,247)
Net carrying amount at the end of the year	985,749	985,749
At 30 June 2024		
Cost (gross carrying amount)	1,821,333	1,821,333
Less: accumulated amortisation and impairment	(835,584)	(835,584)
Net carrying amount	985,749	985,749

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for the year ended 30 June 2024

25. Intangible assets (continued)

PARENT

	Software \$000	Total \$000
At 1 July 2022		
Cost (gross carrying amount)	4,750	4,750
Less: accumulated amortisation and impairment	(1,542)	(1,542)
Net carrying amount	3,208	3,208
Year ended 30 June 2023		
Net carrying amount at beginning of year	3,208	3,208
Additions	4,317	4,317
Amortisation (recognised in depreciation and amortisation)	(453)	(453)
Net carrying amount at the end of the year	7,072	7,072
At 1 July 2023		
Cost (gross carrying amount)	8,362	8,362
Less: accumulated amortisation and impairment	(1,290)	(1,290)
Net carrying amount	7,072	7,072
Year ended 30 June 2024		
Net carrying amount at beginning of year	7,072	7,072
Additions	3,135	3,135
Amortisation (recognised in depreciation and amortisation)	(458)	(458)
Net carrying amount at the end of the year	9,749	9,749
At 30 June 2024		
Cost (gross carrying amount)	11,496	11,496
Less: accumulated amortisation and impairment	(1,747)	(1,747)
Net carrying amount	9,749	9,749

Recognition and Measurement

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

The consolidated entity's intangible assets are amortised using the straight-line method over a period of four to twenty years. Computer software developed or acquired by the consolidated entity are recognised as intangible assets.

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

26. Non-current assets held for sale

	Consolidated 2024 \$000	Consolidated 2023 \$000	Parent 2024 \$000	Parent 2023 \$000
Assets held for sale				
Land and buildings	304	304	-	-
	304	304	-	-

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for the year ended 30 June 2024

27. Fair value measurement of non-financial assets

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 consolidated entity 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 consolidated entity 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

CONSOLIDATED	Level 1	Level 2	Level 3	Total Fair
	\$000	\$000	\$000	Value \$000
2024				
Land and buildings ⁽ⁱ⁾	-	813,815	23,167,955	23,981,770
Infrastructure systems ⁽ⁱ⁾	-	228	834,619	834,847
Non-current assets held for sale (Note 26)	-	304	-	304
	-	814,347	24,002,574	24,816,921
2023				
Land and buildings ⁽ⁱ⁾	-	843,232	21,932,830	22,776,062
Infrastructure systems ⁽ⁱ⁾	-	295	865,130	865,425
Non-current assets held for sale (Note 26)	-	304	-	304
	-	843,831	22,797,960	23,641,791

(i) Leasehold improvements, work in progress and newly completed buildings are carried at cost, therefore excluded from figures above and as a result the balances in Note 23 will not reconcile with balances disclosed above.

There were no transfers between Level 1 and 2 during the year ended 30 June 2024 and 2023.

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Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

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

(a) Fair value hierarchy (continued)

PARENT	Level 1	Level 2	Level 3	Total Fair
	\$000	\$000	\$000	Value \$000
2024				
Land and buildings	-	-	165,945	165,945
Infrastructure systems	-	-	853	853
	-	-	166,798	166,798
2023				
Land and buildings	-	-	169,391	169,391
Infrastructure systems	-	-	941	941
	-	-	170,332	170,332

There were no transfers between Level 1 and 2 during the year ended 30 June 2024 and 2023.

(b) Valuation techniques, inputs and processes

The consolidated entity obtains independent valuations for its non-financial assets at least every three years. The valuer used by the consolidated entity is independent of the respective entities.

At the end of each reporting period, the consolidated entity updates its assessment of the fair value of each category of non-financial assets, taking into account the most recent independent valuations. The best evidence of fair value is current prices in an active market for similar assets. Where such information is not available, the consolidated entity considers information from other sources, such as the indices provided by independent external valuers. These fair value adjustments are reflected in Note 23 Total property, plant and equipment - reconciliation.

The valuations techniques used maximise the use of observable inputs where available and rely as little as possible on entity or asset specific estimates. The level in the fair value hierarchy is determined on the basis of the lowest level input that is significant to the measurement in its entirety. If significant inputs required to measure fair value of an asset are observable, the asset is included in level 2 of the fair value hierarchy. If one or more of the significant inputs is not based on observable market data, the asset is included in level 3 of the fair value hierarchy. All resulting fair value estimates for non-financial assets are included in level 3 with the exception of some land and buildings and non-current assets held for sale included in level 2.

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for the year ended 30 June 2024

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

(b) Valuation techniques, inputs and processes (continued)

The non-financial assets categorised in (a) above have been measured based on the following valuation techniques and inputs:

- **For land**, the valuation by the valuers is made on a market approach, comparing similar assets (not identical) and observable inputs. The most significant input is price per square metre. All 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. The majority 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 systems**, many assets are of a specialised nature or use, 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, residential and commercial properties are valued on a market approach and are included in level 2.
- **Non-current assets held for sale** are a non-recurring item that is measured at the lesser of its carrying amount or fair value less cost to sell. These assets are categorised as level 2 except when an asset was a level 3 asset prior to transfer to non-current assets held for sale, and continues to be recognised as a level 3 asset where the carrying amount is less than the fair value (less cost) to sell.

Level 3 disclosures:

The fair value of buildings computed by suitably qualified independent valuers using a methodology known as the depreciated replacement cost valuation technique. The following table highlights the key unobservable (level 3) inputs assessed during the valuation process, the relationship to the estimated fair value and the sensitivity to changes in unobservable inputs.

Assets	Valuation	
	Techniques	Valuation Inputs
Land under specialised building(s)	Market approach	This valuation method involves comparing the subject property to comparable sale prices in similar location on a rate per square metre basis, adjusted for restrictions specific for the property (e.g. mandated use and / or zoning).
Specialised Buildings	Depreciated replacement cost approach	This valuation method involves establishing the current replacement cost of the modern equivalent asset for each type of building on a rate per square metre basis; depreciated to reflect the building's remaining useful life which is determined by a number of factors including asset condition and asset life.
Non-Specialised Buildings	Depreciated replacement cost approach	This valuation method involves establishing the current replacement cost of the modern equivalent asset for each type of building on a rate per square metre basis; depreciated to reflect the building's remaining useful life.
Infrastructure systems	Depreciated replacement cost approach	This valuation method involves establishing the current replacement cost of the modern equivalent infrastructure asset on a rate per square metre basis; depreciated to reflect the assets remaining useful life.

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for the year ended 30 June 2024

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

(c) Reconciliation of recurring Level 3 fair value measurements

CONSOLIDATED

	Land and Buildings \$000	Infrastructure Systems \$000	Total Level 3 Recurring \$000
2024			
Fair value as at 1 July 2023	21,932,830	865,130	22,797,960
Additions*	976,078	22,572	998,650
Revaluation increments / decrements recognised in other comprehensive income – included in line item 'Changes in revaluation surplus of property, plant and equipment'	1,130,265	30,952	1,161,217
Transfers from Level 2	6,855	63	6,918
Transfers to Level 2	(72,500)	-	(72,500)
Disposals	(5,608)	-	(5,608)
Depreciation expense	(844,081)	(37,728)	(881,809)
Reclassification	44,116	(46,370)	(2,254)
Fair value as at 30 June 2024	23,167,955	834,619	24,002,574

* 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.

CONSOLIDATED

	Land and Buildings \$000	Infrastructure Systems \$000	Total Level 3 Recurring \$000
2023			
Fair value as at 1 July 2022	19,556,547	712,356	20,268,903
Additions*	1,841,603	147,073	1,988,676
Revaluation increments / decrements recognised in other comprehensive income – included in line item 'Changes in revaluation surplus of property, plant and equipment'	1,327,571	41,149	1,368,720
Transfers from Level 2	2,156	-	2,156
Transfers to Level 2	(4,054)	-	(4,054)
Disposals	(5,284)	-	(5,284)
Depreciation expense	(778,102)	(35,930)	(814,032)
Equity transfers in/(out) - Note 36 (a)	(9,403)	-	(9,403)
Reclassification	1,796	482	2,278
Fair value as at 30 June 2023	21,932,830	865,130	22,797,960

* 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.

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for the year ended 30 June 2024

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

(c) Reconciliation of recurring Level 3 fair value measurements (continued)

PARENT

	Land and Buildings \$000	Infrastructure Systems \$000	Total Level 3 Recurring \$000
2024			
Fair value as at 1 July 2023	169,391	941	170,332
Additions	330	-	330
Revaluation increments / decrements recognised in other comprehensive income – included in line item 'Changes in revaluation surplus of property, plant and equipment'	5,638	35	5,673
Depreciation expense	(9,414)	(123)	(9,537)
Fair value as at 30 June 2024	165,945	853	166,798

PARENT

	Land and Buildings \$000	Infrastructure Systems \$000	Total Level 3 Recurring \$000
2023			
Fair value as at 1 July 2022	172,288	988	173,276
Additions	1,596	-	1,596
Revaluation increments / decrements recognised in other comprehensive income – included in line item 'Changes in revaluation surplus of property, plant and equipment'	4,519	67	4,586
Depreciation expense	(9,012)	(114)	(9,126)
Fair value as at 30 June 2023	169,391	941	170,332

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Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

28. Restricted assets

The financial statements include the following assets which are restricted 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.

CONSOLIDATED	1 July 2023		30 June 2024	
	Opening equity	Revenue	Expense	Closing equity
	\$000	\$000	\$000	\$000
Category				
Community welfare	19,555	33,026	(25,163)	27,418
Facility improvements	819,372	168,311	(189,701)	797,982
Hold Funds in Perpetuity	14,748	107	(10)	14,845
Patient welfare	96,391	39,988	(25,789)	110,590
Private practice disbursements (No.2 Accounts)	526,765	110,406	(82,277)	554,894
Public contributions	61,604	15,829	(16,187)	61,246
Clinical trials	51,102	38,851	(27,042)	62,911
Research	238,328	83,036	(79,566)	241,798
Section 19(2) primary care - exemption initiative	4,520	2,522	(2,005)	5,037
Staff welfare	24,568	5,019	(3,961)	25,626
Training and education including conferences	96,225	19,435	(19,325)	96,335
Other	8,851	525	(3)	9,373
Total Restricted Assets	1,962,029	517,055	(471,029)	2,008,055

PARENT	1 July 2023		30 June 2024	
	Opening equity	Revenue	Expense	Closing equity
	\$000	\$000	\$000	\$000
Category				
Facility improvements	77,065	10,734	(2,600)	85,199
Research	29,032	1,380	(4,042)	26,370
Total Restricted Assets	106,097	12,114	(6,642)	111,569

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Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

28. Restricted assets (continued)

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.
Hold 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' privacy and dignity.
Private practice disbursements	Staff specialists' private practice arrangements to improve the level of clinical services provided (No. 2 Accounts).
Public contributions	Donations, gifts, bequests or legacies received without any donor-specified conditions as to its use. Such contributions are restricted as a result of the requirements of the Accounts and Audit Determination for Public Health Entities in NSW.
Clinical trials	A study designed to test the safety and effectiveness of a treatment.
Research	Research to gain knowledge, understanding and insight.
Section 19(2) primary care - exemption initiative	Improving access to primary care in rural and remote areas under the Council of Australian Governments (COAG) s19(2) Exemptions Initiative.
Staff welfare	Staff benefits such as staff recognition awards, functions and staff amenity improvements.
Training and education including conferences	Professional training, education and conferences.
Other	This does not meet the definition of any of the above categories.

Unclaimed monies

All money and personal effects of patients which are left in the custody of the consolidated entity by any patient who is discharged or dies in 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 respective health entity.

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.

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Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

29. Payables

	Consolidated 2024 \$000	Consolidated 2023 \$000	Parent 2024 \$000	Parent 2023 \$000
Current				
Accrued salaries, wages and on-costs	445,309	319,679	4,253	2,944
Salaries and wages deductions	111,648	101,926	3	18
Payroll tax and fringe benefits tax	1,802	1,710	1,251	1,143
Trade operating creditors	1,301,257	1,349,137	316,222	296,919
Other creditors				
- Capital works	217,538	163,651	-	-
- Payables to controlled health entities	-	-	363,546	259,092
- Other	7,163	5,339	-	-
	2,084,717	1,941,442	685,275	560,116
Non-current				
Other creditors				
- Capital works	106,396	-	-	-
	106,396	-	-	-

Details regarding liquidity risk, including a maturity analysis of the above payables are disclosed in Note 42.

The entire non-current payables relate to the purchase of EPIC software license for the Single Digital Patient Record program, which is payable over 5 years. Amounts payable after 12 months has been included as non-current payable.

Recognition and Measurement

Payables represent liabilities for goods and services provided to the consolidated entity and other amounts. Short-term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

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Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

30. Contract liabilities

	Consolidated 2024 \$000	Consolidated 2023 \$000	Parent 2024 \$000	Parent 2023 \$000
Current				
Contract liabilities	36,785	57,031	647	545
	36,785	57,031	647	545
Non-current				
Contract liabilities	198	556	-	-
	198	556	-	-

Recognition and Measurement

Contract liabilities are in respect of consideration received in advance from the sale of goods and services from contracts with customers and grants and other contributions.

The current contract liability balance has decreased in the consolidated entity and increased in the parent entity during the year due to the timing of meeting the specific performance obligations within the contracts.

	Consolidated 2024 \$000	Consolidated 2023 \$000	Parent 2024 \$000	Parent 2023 \$000
Revenue recognised that was included in the contract liability balance at the beginning of the year	56,360	55,696	29	1,670
Revenue recognised from performance obligations satisfied in previous periods	3,828	4,334	-	-
Transaction price allocated to the remaining performance obligations from contracts with customers	131,074	133,210	982	2,448

The transaction price allocated to the remaining performance obligations relates to the following revenue classes and is expected to be recognised as follows:

CONSOLIDATED	2025	2026	2027	≥ 2028	Total
Specific revenue class	\$000	\$000	\$000	\$000	\$000
Sales of goods and services from contracts with customers	32,677	1,096	839	679	35,291
Grants and other contributions	75,589	15,821	2,485	1,888	95,783
	108,266	16,917	3,324	2,567	131,074
PARENT	2025	2026	2027	≥ 2028	Total
Specific revenue class	\$000	\$000	\$000	\$000	\$000
Grants and other contributions	982	-	-	-	982
	982	-	-	-	982

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for the year ended 30 June 2024

31. Borrowings

	Consolidated 2024 \$000	Consolidated 2023 \$000	Parent 2024 \$000	Parent 2023 \$000
Current				
Derivatives	679	624	-	-
Other loans and deposits	7,304	7,321	-	-
Lease liabilities (see Note 24)	148,498	148,156	171	156
Service concession financial liabilities	1,655	1,557	-	-
Public, private partnerships (PPP)				
Long Bay Forensic Hospital	3,632	3,283	-	-
Calvary Mater Newcastle Hospital	3,451	2,983	-	-
Orange Hospital & Associated Health Services	5,164	4,271	-	-
Royal North Shore Hospital Redevelopment	16,492	12,426	-	-
	186,875	180,621	171	156
Non-Current				
Derivatives	37	-	-	-
Other loans and deposits	23,522	30,850	-	-
Lease liabilities (see Note 24)	610,566	491,770	485	629
Service concession financial liabilities	26,400	28,055	-	-
Public, private partnerships (PPP)				
Long Bay Forensic Hospital	54,408	58,040	-	-
Calvary Mater Newcastle Hospital	55,932	59,382	-	-
Orange Hospital & Associated Health Services	140,979	146,144	-	-
Royal North Shore Hospital Redevelopment	648,978	665,469	-	-
	1,560,822	1,479,710	485	629

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 42.

Borrowings represents interest bearing liabilities mainly through NSW Treasury Corporation, lease liabilities, service concessions arrangement liabilities, other interest bearing liabilities and derivatives.

The consolidated entity has entered into various public, private partnership (PPP) financing arrangements with the private sector for the provision of service-enabling infrastructure that includes private sector delivering a combination of design, construction, financing, maintenance, operations and delivery of clinical and non-clinical services. Payments are made by the consolidated entity to the private sector entities on the basis of delivery of assets, service delivery or by granting a right to the operator to generate revenue by charging customers. The arrangements are based on consumer price index (CPI)-linked finance and fixed finance.

Assets under the PPP arrangements are either classified as property, plant and equipment (PP&E) or service concession assets (SCA) under Note 23. Liabilities under these arrangements are classified as either a PPP liability or service concession financial liability (SCFL) under Note 31 or grant of right to operate liability under service concessions (GORTO) under Note 33.

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for the year ended 30 June 2024

31. Borrowings (continued)

List of all such arrangements is as follows:

Name of arrangement	Type of Asset	Type of Liability
Orange Hospital & Associated Health Services PPP	PP&E (Note 23)	PPP Liability (Note 31)
Long Bay Forensic Hospital PPP	PP&E (Note 23)	PPP Liability (Note 31)
Calvary Mater Newcastle Hospital PPP	PP&E (Note 23)	PPP Liability (Note 31)
Royal North Shore Hospital Redevelopment PPP		
- Royal North Shore Hospital	PP&E (Note 23)	PPP Liability (Note 31)
- Royal North Shore Hospital Car Park No.1	SCA (Note 23)	GORTO (Note 33)
- Royal North Shore Hospital Car Park No.2	SCA (Note 23)	SCFL (Note 31)
Northern Beaches Hospital PPP		
- Northern Beaches Public Hospital	SCA (Note 23)	Nil
- Northern Beaches Hospital - Shared portion	SCA (Note 23)	GORTO (Note 33)
- Northern Beaches Hospital Car Park	SCA (Note 23)	GORTO (Note 33)
Hawkesbury Hospital PPP	SCA (Note 23)	Nil
St George Hospital Car Park	SCA (Note 23)	GORTO (Note 33)

The consolidated entity has also entered into other arrangements, similar to PPP arrangements, with the private sector for the provision of public services, however the arrangement does not require the construction of assets by the private sector. The assets are provided by the consolidated entity to the private operator which are the existing assets of the consolidated entity and meets the definition of service concession assets. Details of these arrangements are as follows:

Name of arrangement	Type of Asset	Type of Liability
Mercy Care Centre Young	SCA (Note 23)	Nil

Recognition and Measurement

Financial liabilities at amortised cost

Borrowings classified as financial liabilities at amortised cost are initially measured at fair value, net of directly attributable transaction costs. These are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in the net result when the liabilities are derecognised as well as through the amortisation process.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held-for-trading such as derivative financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held-for-trading if they are incurred for the purpose of repurchasing in the near term or on initial recognition are part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking. Derivatives are economic hedges classified as at fair value through profit or loss unless they are designated as effective hedging instruments.

Derivatives are carried as financial liabilities when the fair value is negative. Gains or losses on derivative liabilities are recognised in the net result as the consolidated entity has elected not to apply hedge accounting.

The consolidated entity has not designated any financial liability as at fair value through profit or loss.

The consolidated and parent entity has not granted any financial guarantees.

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for the year ended 30 June 2024

31. Borrowings (continued)

Changes in liabilities arising from financing activities

CONSOLIDATED

	Derivatives \$000	Other loans and deposits \$000	Leases \$000	Service concession arrangements \$000	Total \$000
1 July 2022	-	1,015,980	624,017	31,076	1,671,073
Cash flows	(11)	(25,811)	(160,109)	(1,464)	(187,395)
New leases	-	-	166,913	-	166,913
Lease terminations	-	-	(19,409)	-	(19,409)
Lease reassessments	-	-	28,514	-	28,514
Non-cash changes other	635	-	-	-	635
30 June 2023	624	990,169	639,926	29,612	1,660,331
1 July 2023	624	990,169	639,926	29,612	1,660,331
Cash flows	(1,198)	(30,307)	(163,440)	(1,557)	(196,502)
New leases	-	-	166,878	-	166,878
Lease terminations	-	-	(14,104)	-	(14,104)
Lease reassessments	-	-	129,804	-	129,804
Non-cash changes other	1,290	-	-	-	1,290
30 June 2024	716	959,862	759,064	28,055	1,747,697

Cash flows from derivatives in the above table will not reconcile to the Statement of Cash Flows as the Statement of Cash Flows presents a net cash movement of financial assets and liabilities.

PARENT

	Leases \$000	Total \$000
1 July 2022	17,489	17,489
Cash flows	(168)	(168)
New leases	47	47
Lease terminations	(16,582)	(16,582)
Lease reassessments	(1)	(1)
30 June 2023	785	785
1 July 2023	785	785
Cash flows	(170)	(170)
New leases	44	44
Lease reassessments	(3)	(3)
30 June 2024	656	656

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Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

32. 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	1,765,660	1,591,399	18,398	15,910
Obligations expected to be settled after 12 months	900,622	948,405	7,553	7,396
Long service leave consequential on-costs				
Obligations expected to be settled within 12 months	45,954	35,783	848	568
Obligations expected to be settled after 12 months	451,733	413,360	7,546	6,717
Allocated days off	85,769	87,243	-	-
Sick leave	130	149	-	-
Parental leave				
Obligations expected to be settled within 12 months	111,703	117,484	1,525	-
	3,361,571	3,193,823	35,870	30,591
Other Provisions				
Restoration costs	13,734	13,913	-	-
Other	94,160	79,954	66,904	50,600
	107,894	93,867	66,904	50,600
Total current provisions	3,469,465	3,287,690	102,774	81,191
Non-current				
Employee benefits and related on-costs				
Long service leave consequential on-costs	55,116	44,265	933	720
	55,116	44,265	933	720
Other Provisions				
Restoration costs	16,757	10,056	-	-
Other	5,903	-	5,903	-
	22,660	10,056	5,903	-
Total non-current provisions	77,776	54,321	6,836	720
Aggregate employee benefits and related on-costs				
Provisions - current	3,361,571	3,193,823	35,870	30,591
Provisions - non-current	55,116	44,265	933	720
Accrued salaries, wages and on-costs and salaries and wages deductions (Note 29)	556,957	421,605	4,256	2,962
	3,973,644	3,659,693	41,059	34,273

Ministry of Health

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

32. Provisions (continued)

Movements in provisions (other than employee benefits)

Movements in each class of provision during the financial year, other than employee benefits, are set out below:

Restoration costs

	Consolidated 2024 \$000	Consolidated 2023 \$000	Parent 2024 \$000	Parent 2023 \$000
Carrying amount at beginning of year	23,969	27,779	-	-
- Additional provisions recognised	8,474	4,090	-	-
- Amounts used	(1,722)	(7,336)	-	-
- Unused amounts reversed	(230)	(564)	-	-
Carrying amount at end of year	30,491	23,969	-	-

The majority of 'restoration costs' represent the expected cost to restore a leased asset at the end of the lease term. Lease end dates vary across the consolidated entity's lease portfolio and therefore the timing of the payments to restore the leased asset at the end of the term will vary. The majority of the 'restoration cost' provision is as per the lease contracts.

Other

	Consolidated 2024 \$000	Consolidated 2023 \$000	Parent 2024 \$000	Parent 2023 \$000
Carrying amount at beginning of year	79,954	137,174	50,600	11,404
- Additional provisions recognised	60,960	57,706	22,499	50,600
- Amounts used	(37,922)	(101,187)	(292)	(11,404)
- Unused amounts reversed	(2,929)	(13,739)	-	-
Carrying amount at end of year	100,063	79,954	72,807	50,600

The majority of the 'other' provision represent various contractual related obligations. The consolidated and parent entity has recognised the provision amount by taking into consideration all available information at the reporting date and making the best management estimation of the obligation. The timing of the payments will vary for each contractual related obligations.

Recognition and Measurement

Employee benefits and related on-costs

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

Salaries and wages (including non-monetary benefits) and paid sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the service are recognised and measured at the undiscounted amounts of the benefits.

Annual leave, ADOs and parental leave are not expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service. As such, it is required to be measured at present value in accordance with AASB 119 *Employee Benefits* (although short-cut methods are permitted).

Ministry of Health

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

32. Provisions (continued)

Recognition and Measurement (continued)

Employee benefits and related on-costs (continued)

Actuarial advice obtained by NSW Treasury, an entity controlled by the ultimate parent, has confirmed that using the nominal annual leave balance plus the annual leave entitlements accrued while taking annual leave (calculated using 8.4% to 14.03% of nominal value of annual leave) can be used to approximate the present value of the annual leave liability. The consolidated entity has assessed the actuarial advice based on the consolidated entity's circumstances to annual leave, ADOs and parental leave and has determined that the effect of discounting is immaterial. All annual leave is classified as a current liability even where the consolidated entity does not expect to settle the liability within 12 months as the consolidated entity does not have an unconditional right to defer settlement.

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 consolidated entity's liability for long service leave and defined benefit superannuation are assumed by The Crown in right of the State of New South Wales. The consolidated entity 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 and other liabilities'.

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 consolidated entity.

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 an 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 formula specified in the NSW Treasury's, an entity controlled by the ultimate parent entity, Directions. The expense for certain superannuation schemes (i.e. Basic Benefit and Aware Super) is calculated as a percentage of the employees' salary. For other superannuation schemes (i.e. State Superannuation Scheme and State Authorities Superannuation Scheme), the expense is calculated as a multiple of the employees' 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 payroll tax, workers' compensation insurance premiums and fringe benefits tax.

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Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

33. Other liabilities

	Consolidated 2024 \$000	Consolidated 2023 \$000	Parent 2024 \$000	Parent 2023 \$000
Current				
Unearned revenue	78,383	76,476	-	-
Grant of right to operate liability under service concessions*	9,646	9,903	-	-
Liabilities under transfer to acquire or construct non-financial assets to be controlled by the entity	14,726	33,815	187	3,000
	102,755	120,194	187	3,000
Non-current				
Unearned revenue	100,372	97,888	-	-
Grant of right to operate liability under service concessions*	155,673	165,319	-	-
Liabilities under transfer to acquire or construct non-financial assets to be controlled by the entity	54,432	55,185	2,766	-
Other	35	213	-	-
	310,512	318,605	2,766	-

* This is the unearned revenue portion of the revenue from exchange of assets and is progressively reduced over the period of the arrangement. Refer to Note 12 and Note 23 for further information on service concession arrangements.

Reconciliation of financial assets and corresponding liabilities arising from transfers to acquire or construct non-financial assets:

	Consolidated 2024 \$000	Consolidated 2023 \$000	Parent 2024 \$'000	Parent 2023 \$'000
Opening balance of liabilities arising from transfers to acquire / construct non-financial assets to be controlled by the entity	89,000	90,765	3,000	3,000
Add: receipt of cash during the financial year	5,361	25,797	-	-
Less: income recognised during the financial year	(25,203)	(27,562)	(47)	-
Closing balance of liabilities arising from transfers to acquire / construct non-financial assets to be controlled by the entity	69,158	89,000	2,953	3,000

Refer to Note 10 for a description of the consolidated and parent entity's obligations under transfers received to acquire or construct non-financial assets to be controlled by the consolidated and parent entity.

The consolidated and parent entity expects to recognise as income any liability for unsatisfied obligations as at the end of the reporting period evenly during the next 1 to 2 financial years, as the related asset(s) are constructed. There are also some liabilities in relation to future replacement of capital assets, the timing of revenue recognition is mostly unknown at this stage.

Ministry of Health

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

34. Equity

Increase / (decrease) in net assets from equity transfer

		Consolidated	Consolidated	Parent	Parent
		2024	2023	2024	2023
		\$000	\$000	\$000	\$000
Transfer of property, plant and equipment	(a)	-	(9,404)	-	6,428
		-	(9,404)	-	6,428

(a) Transfer of property, plant and equipment

		Consolidated	Consolidated	Parent	Parent
		2024	2023	2024	2023
		\$000	\$000	\$000	\$000
Carrying amount at transfer date					
Land & buildings		-	(9,404)	-	6,428
Fair value at transfer date		-	(9,404)	-	6,428

CONSOLIDATED

In 2023, The *Greater Sydney Parklands Trust Act 2022* came into effect on 1 July 2022, which amended the *Paramatta Park Trust Act 2001* to provide for Wistaria Gardens to be vested in the Parramatta Park Trust, an entity controlled by the ultimate parent. The transfer of Wistaria Gardens to the Parramatta Park Trust was completed on the 1 July 2022 and was treated as an equity transfer. The Wistaria Garden assets were carried at fair value, the carrying amount of the assets prior to the transfer was \$9.4 million.

PARENT

In 2023, in accordance with the Real Property Disposal Framework, the following assets were transferred from Ambulance Service of NSW and Northern Sydney Local Health District, controlled entities of the Ministry of Health, at fair value of the asset: Yass ambulance station, 88 Meehan Street Yass \$0.4 million and 10 Kooloora Avenue Freshwater \$6.0 million.

35. Commitments

(a) Capital commitments

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

	Consolidated	Consolidated	Parent	Parent
	2024	2023	2024	2023
	\$000	\$000	\$000	\$000
Within one year	1,761,845	1,575,788	-	-
Later than one year and not later than five years	1,156,330	1,515,715	-	-
Later than five years	2,272	518	-	-
Total (including GST)	2,920,447	3,092,021	-	-

(b) Input tax receivable related to capital commitments for expenditure

The total of capital 'commitments' payable, i.e. \$2,920 million as at 30 June 2024, includes input tax credits of \$265.50 million that are expected to be recoverable from the Australian Taxation Office (2023: \$281.10 million).

Output tax payable related to commitments for revenue

The total of 'commitments' receivable, i.e. \$164 million as at 30 June 2024, includes input tax of \$14.90 million that is expected to be payable to the Australian Taxation Office (2023: \$16.30 million).

Ministry of Health

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

36. Trust funds

CONSOLIDATED

The consolidated entity holds money in trust in relation to patient trusts, refundable deposits, private patient trust funds and third party funds. As the consolidated entity performs only a custodial role in respect of trust monies, they are excluded from the financial statements as the consolidated entity cannot use them for the achievement of its own objectives. The following is a summary of the transactions in the trust account.

2024	Opening Cash	Add:	Less:	Closing Cash
	Balance	Receipts	Expenditure	Balance
	\$000	\$000	\$000	\$000
Patient Trust	5,414	2,570	(3,318)	4,666
Refundable Deposits	10,440	1,536	(5,421)	6,555
Private Patient Trust Funds	3,923	579,888	(581,118)	2,693
Third Party Funds	66,018	194,370	(202,966)	57,422
Total trust funds	85,795	778,364	(792,823)	71,336

2023	Opening Cash	Add:	Less:	Closing Cash
	Balance	Receipts	Expenditure	Balance
	\$000	\$000	\$000	\$000
Patient Trust	4,696	5,901	(5,183)	5,414
Refundable Deposits	13,798	4,202	(7,560)	10,440
Private Patient Trust Funds	5,700	551,275	(553,052)	3,923
Third Party Funds	41,175	156,723	(131,880)	66,018
Total trust funds	65,369	718,101	(697,675)	85,795

PARENT

2024	Opening Cash	Add:	Less:	Closing Cash
	Balance	Receipts	Expenditure	Balance
	\$000	\$000	\$000	\$000
Third Party Funds	26,040	24,850	(33,430)	17,460
Total trust funds	26,040	24,850	(33,430)	17,460

2023	Opening Cash	Add:	Less:	Closing Cash
	Balance	Receipts	Expenditure	Balance
	\$000	\$000	\$000	\$000
Third Party Funds	11,225	71,040	(56,225)	26,040
Total trust funds	11,225	71,040	(56,225)	26,040

Ministry of Health

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

36. Trust funds (continued)

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

Category	Purpose
Patient Trust	The safe custody of patients' valuables including monies.
Refundable Deposits	A sum of money held in trust as a security deposit.
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.

37. Contingent liabilities and contingent assets

CONSOLIDATED AND PARENT

a) Contingent liabilities

A compensation appeal proceedings is underway for a compulsory property acquisition matter, where the claimant's compensation amount differs from the Valuer General's determined amount. The consolidated entity is defending the action.

b) Contingent assets

The consolidated entity is not aware of any contingent assets which would have a material effect on the disclosures in these financial statements.

Ministry of Health

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

38. Interests in other entities

a) Interests in associates

Set out below are the associates of Hunter New England Local Health District (HNELHD) and Illawarra Shoalhaven Local Health District (ISLHD) as at 30 June 2024. The proportion of ownership interest held by the group equals the voting rights held by the group.

Name of entity	Place of business and country of incorporation	Class of shares	Ownership interest		Reporting Period	Measurement method	Carrying amount	
			2024 %	2023 %			2024 \$000	2023 \$000
Hunter Medical Research Institute	Australia	Not applicable	25	25	31 December	Equity method	-	-
Keira Institute of Health and Medical Research Limited	Australia	Not applicable	50	-	30 June	Equity method	-	-

Hunter Medical Research Institute is a company limited by guarantee, whose constitution prohibits the distribution of funds to its members. Accordingly the carrying amount has been equity accounted at \$Nil value and as such no financial information has been disclosed.

Keira Institute of Health and Medical Research Limited is a company limited by guarantee, whose constitution prohibits the distribution of funds to its members. Accordingly the carrying amount has been equity accounted at \$nil value and as such no financial information has been disclosed. The Keira Institute of Health and Medical Research has a 30 June reporting period.

b) Interests in joint control

Central Coast Local Health District has entered into an agreement called Affiliation Agreement for the Central Coast Research Institute (CCRI) with the University of Newcastle, to undertake research.

The agreement requires equal appointment of directors to the CCRI's Governance Board, which will be managing the relevant activities of the CCRI. Both parties have direct rights to the assets of the CCRI and are jointly and severally liable for the liabilities incurred. CCRI is therefore classified as a joint operation and Central Coast Local Health District recognises its direct right to the jointly held assets, liabilities, revenues and expenses and its share of any jointly held or incurred assets, liabilities, revenues and expenses. These have been incorporated in the financial statements under the appropriate headings.

Ministry of Health

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

39. 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	2,703,436	1,947,626	335,552	(484,920)
Depreciation and amortisation expense	(1,477,854)	(1,377,606)	(11,420)	(10,903)
Allowance for impairment	(176,768)	(222,562)	120	(595)
Effects of exchange rate changes	198	(46)	-	-
(Increase) / decrease in other liabilities	25,354	(13,671)	47	-
Decrease / (increase) in provisions	(205,231)	200,874	(27,700)	(38,533)
Increase / (decrease) in inventory	(37,726)	(221,586)	5,218	(6,309)
Increase / (decrease) in prepayments and other assets	124,714	(256,806)	107,168	(430,004)
Increase / (decrease) in contract assets	418	953	175	97
Decrease / (increase) in payables	(86,385)	363,909	(125,423)	314,876
Decrease / (increase) in contract liabilities	20,604	(476)	(102)	1,125
Increase / (decrease) in financial instruments at fair value	7,933	9,044	-	-
Net gain / (loss) on sale of property, plant and equipment	(12,474)	(27,301)	(5)	(5)
Net gain / (loss) on disposal of right-of-use assets	727	(128)	-	(184)
Assets donated or brought to account (Note 40)	2,314	839	4	(7,789)
Other	957	269	1	-
Net result	890,217	403,332	283,635	(663,144)

40. Non-cash financing and investing activities

	Consolidated 2024 \$000	Consolidated 2023 \$000	Parent 2024 \$000	Parent 2023 \$000
Assets donated or brought to account	2,314	839	4	(7,789)
Property, plant and equipment acquired by a lease	166,878	167,127	44	47
	169,192	167,966	48	(7,742)

Ministry of Health

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

41. Budget Review - Consolidated

The budgeted amounts are drawn from the original budgeted financial statements presented to Parliament in respect of the reporting period. Subsequent amendments to the original budget (e.g. adjustment for transfer of functions between entities as a result of Administrative Arrangements Orders) are not reflected in the budgeted amounts. Major variances between the original budgeted amounts and the actual amounts disclosed in the financial statements are explained below.

NET RESULT

The actual net result (surplus of \$890 million) is lower than the budgeted net result (surplus of \$1,662 million) by \$772 million for the year ended 30 June 2024. A reconciliation of the movements between the actual and budgeted net result is presented below:

	\$000
Net result - actual	890,217
Employee related expenses were lower than budgeted due to the timing of recruitment. However, this was largely offset by the long service leave consequential on-costs and other employee on-costs provision movements due to changes in the triennial on-cost factors.	(428)
Operating expenses exceeded the budget due to increased costs for specialised health services and outsourced patient care which was driven by efforts to reduce the elective surgery waitlists throughout the year.	192,321
Depreciation and amortisation were higher than budget due to the timing of new capital projects coming into service and the impact of the prior and current year comprehensive revaluations of land, buildings and infrastructure.	78,763
Grants and subsidies expenses were lower than expected with lower than anticipated donations provided in-kind to other NSW Government agencies and external parties.	(11,925)
Finance costs were lower than budget from the timing of interest in connection with lease liabilities.	(4,431)
Appropriations were lower than budget primarily driven by lower than expected spend against the capital program.	473,707
Acceptance by the Crown of employee benefits and other liabilities was higher than budget due to the actuarial valuation to long service leave benefits assumed by the Crown.	(59,446)
Revenue from the sale of goods and services from contracts with customers surpassed the budget, driven by higher fees for inpatient revenue and veteran affairs contributions.	(126,173)
Investment revenue exceed budget as a result of higher interest rates on financial assets at amortised cost and higher unit price increases on TCorpIM fund investments.	(38,612)
Grants and other contributions revenue was higher than budget resulting from higher than expected in-kind COVID therapeutics received free of charge from the Commonwealth and additional grants recognised as part of the Commonwealth Vaccination Program.	(200,033)
Other income were lower than budget due to varying arrangements not occurring throughout the year.	10,392
Gains / (losses) on disposal exceeded budget due to the disposal of various items of property, plant and equipment below the written down value and other gains / (losses) exceeded budget from increased write-off of and impairment of medical and surgical supplies.	372,736
Impairment losses on financial assets were higher than expected.	84,681
Net result - budget	1,661,769

Ministry of Health

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

41. Budget Review - Consolidated (continued)

ASSETS AND LIABILITIES

The actual net assets (\$28,869 million) is lower than the budgeted net assets (\$29,357 million) by \$488 million as at 30 June 2024.

A reconciliation of the movements between significant assets and liabilities is presented below:

	\$000
Net assets - actual	28,869,047
Cash and cash equivalents were higher than expected resulting from the timing of year end creditor and payroll payments, the divestment of TCorp investments into cash holdings and higher restricted financial asset holdings.	(609,144)
Receivables were higher than budget under trade receivables from contract with customers as a result of increased debtor balances for patient fees and motor accident third party insurance claims.	(298,403)
Inventories were lower than budget due to higher consumption rates of medical and surgical supplies and a larger write-off than anticipated due to items expiring before they could be used.	91,996
Financial assets at fair value were less than budget primarily as a result of the divestment of a number of medium and long term TCorpIM fund investments into cash holdings and there were no new financial assets entered into throughout the financial year.	35,826
Property, plant and equipment was lower than expected primarily due to the timing of capital projects being delivered and lower than expected revaluation adjustments. Higher than budgeted depreciation from large revaluations in prior years also contributed to the position.	812,444
Right-of-use assets were higher than budget due to lease remeasurements and additional aeromedical and property leases.	(115,885)
Intangibles were higher than original budget primarily resulting from increased capital spend.	(97,089)
Payables were higher than expected due to increases in accrued salaries, wages and on-costs and other capital works payables due to the timing differences of payment.	259,762
Contract liabilities were lower than budget due to the timing of meeting the specific performance obligations within the contracts.	(20,604)
Borrowings were higher than expected resulting from the additional recognition of leases.	119,991
Provisions were higher than expected primarily resulting from changes to on-cost factors for annual leave, long service leave consequential on-costs and increases to contractual non employee provisions.	379,276
Other liabilities were lower than budget due primarily to the decrease of liabilities under transfer to acquire or construct non-financial assets to be controlled by the entity.	(3,732)
Net movement across several asset classes due to other minor variations.	(65,992)
Net assets - budget	29,357,493

Ministry of Health

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

41. Budget Review - Consolidated (continued)

CASH FLOWS

Operating activities net cash inflows were lower than budget by \$312 million attributable to receipts being lower than budget for appropriations, but slightly offset by higher receipts for sale of goods and services and grants and other contributions. Similar to receipts, payments were lower than budget due mainly to lower employee related expenses and suppliers for goods and services.

Investing activities net cash outflows were lower than budget by \$940 million attributable to decreases in purchases of property, plant and equipment and intangibles and proceeds from the sale of property, plant and equipment and intangibles and increases in financial assets sales.

Financing net cash outflows were higher than expected by \$17 million. This was attributable primarily to higher payments of the principal portion of lease liabilities than budgeted.

Ministry of Health

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

42. Financial instruments

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

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

The Secretary of NSW Health 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 consolidated and parent entities, to set risk limits and controls and to monitor risks. Compliance with policies is reviewed on a continuous basis.

(a) Financial instrument categories

CONSOLIDATED

Class	Note	Category	Carrying amount	
			2024 \$000	2023 \$000
Financial Assets				
Cash and cash equivalents	17	Amortised cost	2,781,203	2,475,288
Receivables ¹	18	Amortised cost	854,540	752,234
Contract assets ²	19	Amortised cost	2,677	2,260
Financial assets at fair value	21	Fair value through profit or loss - mandatory classification	74,872	106,470
Other financial assets	22	Amortised cost	90,771	88,587
Total financial assets			3,804,063	3,424,839
Financial Liabilities				
Payables ³	29	Financial Liabilities (at amortised cost)	2,189,311	1,939,732
Borrowings	31	Financial Liabilities (at amortised cost)	1,746,981	1,659,707
	31	Fair value through profit or loss - mandatory classification	716	624
Other liabilities ³	33	Financial Liabilities (at amortised cost)	35	213
Total financial liabilities			3,937,043	3,600,276

Notes

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

² While contract assets are also not financial assets, they are explicitly included in the scope of AASB 7 Financial Instruments: Disclosures for the purpose of the credit risk disclosures.

³ Excludes statutory payables and unearned revenue (i.e. not within scope of AASB 7 Financial Instruments: Disclosures).

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for the year ended 30 June 2024

42. Financial instruments (continued)

(a) Financial instrument categories (continued)

PARENT

Class	Note	Category	Carrying amount	
			2024 \$000	2023 \$000
Financial Assets				
Cash and cash equivalents	17	Amortised cost	683,561	426,486
Receivables ¹	18	Amortised cost	308,504	196,009
Contract assets ²	19	Amortised cost	636	460
Other financial assets	22	Amortised cost	281,133	206,553
Total financial assets			1,273,834	829,508
Financial Liabilities				
Payables ³	29	Financial Liabilities (at amortised cost)	684,024	558,973
Borrowings	31	Financial Liabilities (at amortised cost)	656	785
Total financial liabilities			684,680	559,758

Notes

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

² While contract assets are also not financial assets, they are explicitly included in the scope of AASB 7 Financial Instruments: Disclosures for the purpose of the credit risk disclosures.

³ Excludes statutory payables and unearned revenue (i.e. not within scope of AASB 7 Financial Instruments: Disclosures).

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

When the consolidated entity 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 consolidated entity 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 consolidated entity continuing involvement in the asset. In that case, the consolidated entity 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 entity 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 consolidated entity could be required to repay.

Ministry of Health

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

42. Financial instruments (continued)

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

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 risks

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 consolidated entity. The maximum exposure to credit risk is generally represented by the carrying amount of the financial assets (net of any allowance for credit losses or allowance for impairment).

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

Credit risk associated with the consolidated entity's financial assets, other than receivables, is managed through the selection of counterparties and establishment of minimum credit rating standards.

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

Cash and cash equivalents

Cash comprises cash on hand and bank balances within the NSW Treasury Banking System. Interest is earned on daily bank balances at the monthly average NSW Treasury Corporation (TCorp) 11am unofficial cash rate, adjusted for a management fee to NSW Treasury. The TCorp IM Funds cash facility is discussed in market risk below.

Accounting policy for impairment of trade receivables and other financial assets

Receivables - trade receivables, other receivables, contract assets and lease receivables

Collectability of trade receivables, other receivables, contract assets and lease receivables is reviewed on an ongoing basis. Procedures as established in the Treasurer's Directions are followed to recover outstanding amounts, including letters of demand.

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

To measure the expected credit losses, trade receivables, other receivables, contract assets and lease receivables 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 consolidated entity has not identified any relevant factors, and accordingly has not adjusted the historical loss rates.

Ministry of Health

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

42. Financial instruments (continued)

(d) Financial risks (continued)

i. Credit risk (continued)

Trade receivables, other receivables, contract assets and lease receivables 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.

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

CONSOLIDATED

	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	1.58%	5.64%	6.82%	15.66%	41.53%	12.26%
Estimated total gross carrying amount ¹	633,239	67,600	84,755	37,043	257,804	1,080,441
Expected credit loss	9,998	3,812	5,784	5,800	107,059	132,453
30 June 2023	\$000	\$000	\$000	\$000	\$000	\$000
Expected credit loss rate	1.51%	5.91%	15.69%	23.99%	37.47%	15.32%
Estimated total gross carrying amount ¹	546,785	50,704	24,504	18,872	354,752	995,617
Expected credit loss	8,250	2,998	3,845	4,527	132,916	152,536

PARENT

	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	0.00%	0.00%	0.00%	0.00%	0.85%	0.20%
Estimated total gross carrying amount ^{1,2}	99,923	13,040	52,331	12,792	54,756	232,842
Expected credit loss	-	-	-	-	468	468
30 June 2023	\$000	\$000	\$000	\$000	\$000	\$000
Expected credit loss rate	0.03%	2.43%	98.11%	0.00%	0.46%	0.33%
Estimated total gross carrying amount ^{1,2}	74,343	1,068	53	35	106,026	181,525
Expected credit loss	26	26	52	-	491	595

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 18 and the contract assets total in Note 19.

² The estimated total gross carrying amount for the parent entity also excludes receivables from controlled health entities.

The consolidated entity 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.

Ministry of Health

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

42. Financial instruments (continued)

(d) Financial risks (continued)

ii. Liquidity risk

Liquidity risk is the risk that the consolidated entity will be unable to meet its payment obligations when they fall due. The consolidated entity 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 effective management of cash, investments and liquid assets and liabilities.

The consolidated entity has negotiated no loan outside of arrangements with the Crown. During the current and prior year, there were no defaults of loans payable. No assets have been pledged as collateral.

Liquidity risk is minimised by the use of service agreements between the Secretary of NSW Health and controlled health entities. The annual service agreements, requires controlled entities to manage their financial liquidity and in particular, meet benchmarks for the payment of creditors. Where the controlled entities fail to meet service agreement performance standards, the parent as the state manager can take action in accordance with annual performance framework requirements, including providing financial support and increased management interaction.

Liabilities are recognised for amounts due to be paid in the future for goods or services received, whether or not invoiced. For a supplier, that has 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 effected 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.

Ministry of Health

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

42. Financial instruments (continued)

(c Financial risks (continued))

ii. Liquidity risk (continued)

The following table summarises the maturity profile of the consolidated entity's financial liabilities together with the interest rate exposure.

Maturity analysis and interest rate exposure of financial liabilities:

	EIR ³ %	Nominal Amount ¹ \$000	Interest Rate Exposure			Maturity Dates		
			Fixed Interest Rate \$000	Variable Interest Rate \$000	Non - Interest Bearing \$000	< 1 Year \$000	1-5 Years \$000	> 5 Years \$000
CONSOLIDATED								
2024								
Payables ²		2,197,114	144,462	-	2,052,652	2,082,915	114,199	-
Borrowings:								
- Other loans and deposits	2.51	32,609	32,609	-	-	7,981	21,379	3,249
- Lease liabilities	3.93	872,048	872,048	-	-	176,189	458,910	236,949
- Service concession financial liabilities	2.42	32,670	32,670	-	-	2,316	9,881	20,473
- PPP	10.85	1,770,153	92,231	1,677,922	-	131,157	556,491	1,082,505
		4,904,594	1,174,020	1,677,922	2,052,652	2,400,558	1,160,860	1,343,176
2023								
Payables ²		1,939,732	-	-	1,939,732	1,939,732	-	-
Borrowings:								
- Other loans and deposits	2.52	40,822	40,822	-	-	8,186	27,203	5,433
- Lease liabilities	2.84	709,575	709,575	-	-	166,800	401,665	141,110
- Service concession financial liabilities	2.42	34,927	34,927	-	-	2,257	9,631	23,039
- PPP	10.39	1,894,976	100,828	1,794,148	-	127,830	542,748	1,224,398
		4,620,032	886,152	1,794,148	1,939,732	2,244,805	981,247	1,393,980

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 consolidated entity can be required to pay. The tables include both interest and principal cash flows and therefore will not agree 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).

Ministry of Health

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

42. Financial instruments (continued)

(c Financial risks (continued))

ii. Liquidity risk (continued)

Maturity analysis and interest rate exposure of financial liabilities:

	EIR ³ %	Nominal Amount ¹ \$000	Interest Rate Exposure			Maturity Dates		
			Fixed Interest Rate \$000	Variable Interest Rate \$000	Non - Interest Bearing \$000	< 1 Year \$000	1-5 Years \$000	> 5 Years \$000
PARENT								
2024								
Payables ²		684,024	-	-	684,024	684,024	-	-
Borrowings:								
- Lease liabilities	2.16	681	681	-	-	184	497	-
		684,705	681	-	684,024	684,208	497	-
2023								
Payables ²		558,973	-	-	558,973	558,973	-	-
Borrowings:								
- Lease liabilities	1.78	1,022	1,022	-	-	304	718	-
		559,995	1,022	-	558,973	559,277	718	-

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 consolidated entity can be required to pay. The tables include both interest and principal cash flows and therefore will not agree 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).

Ministry of Health

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

42. Financial instruments (continued)

(d) Financial risks (continued)

ii. Liquidity risk (continued)

The following table summarises the maturity profile of the consolidated entity's derivative financial instruments. The maturity profile of the cash flows are matched to the anticipated settlement of the commercial contracts as forecasted by the consolidated entity.

Maturity analysis of derivative financial assets at fair value through profit and loss that are hedging foreign currency

	Maturity Dates			
	Fair Value \$000	< 1 Year \$000	1-5 Years \$000	> 5 Years \$000
CONSOLIDATED				
2024				
Financial assets:				
- Derivatives - inflows	8,798	58,837	39,483	20,110
- Derivatives - outflows		(56,153)	(34,749)	(17,685)
	8,798	2,684	4,734	2,425
Financial liabilities:				
- Derivatives - inflows	(716)	26,238	31,743	-
- Derivatives - outflows		(26,828)	(31,648)	-
	(716)	(590)	95	-
2023				
Financial assets:				
- Derivatives - inflows	11,670	43,837	81,887	28,687
- Derivatives - outflows		(41,115)	(75,572)	(25,098)
	11,670	2,722	6,315	3,589
Financial liabilities:				
- Derivatives - inflows	(624)	44,226	-	-
- Derivatives - outflows		(44,607)	-	-
	(624)	(381)	-	-

Notes

Cash outflows in foreign currencies are translated at prevailing spot rates on reporting dates.

The parent entity had no derivative financial assets or liabilities at fair value for the year ended 30 June 2024 or 2023.

Ministry of Health

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

42. Financial instruments (continued)

(d) Financial risks (continued)

iii. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The consolidated entity's exposures to market risk are primarily through interest rate risk on the consolidated entity's borrowings, foreign currency risk and other price risks associated with the movement in the unit price of the Hour Glass Investment Facilities. The consolidated entity 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, foreign currency 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 consolidated entity 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 reporting date. The analysis was performed on the same basis 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 consolidated entity's interest bearing liabilities.

However, controlled entities are not permitted to borrow external to the Ministry of Health (energy loans which are negotiated through NSW Treasury are excepted).

Both NSW Treasury and Ministry of Health loans are set at fixed rates and therefore are generally not affected by fluctuations in market rates. The consolidated entity 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 of 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 RBA 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.

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

CONSOLIDATED	2024		2023	
	-1%	1%	-1%	1%
		\$'000		\$'000
Net result	(17,933)	17,933	(14,555)	14,555
Equity	(17,933)	17,933	(14,555)	14,555
		\$'000		\$'000
	-1%	1%	-1%	1%
PARENT		2024		2023
		\$'000		\$'000
Net result	(6,836)	6,836	(4,265)	4,265
Equity	(6,836)	6,836	(4,265)	4,265

Ministry of Health

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

42. Financial instruments (continued)

(d) Financial risks (continued)

iii. Market risk (continued)

Foreign exchange risk

Exposure to foreign exchange risk arises primarily through the contractual commercial transactions denominated in a foreign currency. The risk is measured using sensitivity analysis and cash flow forecasting.

The consolidated entity manages its foreign exchange risk by maintaining foreign currency denominated bank accounts or buying foreign currency from TCorp at the time of purchase commitment, or enters into derivative economic hedges with TCorp in accordance with the consolidated entity's risk management policies.

At year end, the consolidated entity did not hold any material foreign currency denominated monetary assets and monetary liabilities, except for cash held in a US dollar denominated bank account. All funds held at year end in foreign currency are expected to be used to settle existing purchase commitments that are denominated in US currency.

The consolidated entity has outstanding forward foreign exchange contracts entered with TCorp to hedge foreign currency risks. The forward foreign exchange contracts enable the consolidated entity to exchange fixed foreign currency for fixed AUD at specified future date, enabling cash flow certainty.

The consolidated entity is exposed to foreign exchange risks associated with commercial contracts payments denominated in foreign currency. The consolidated entity's risk management strategy is to hedge foreign currency risks by maintaining foreign currency denominated bank accounts, buying foreign currencies from TCorp at the time of purchase commitment or entering into foreign exchange derivative contracts as approved within internal policies and guidelines set out under NSW Health's Procurement Policy and broader framework under *NSW Government Financial Risk Management Policy* (TPP21-04). The forward foreign exchange derivative contracts are economic hedges which enables the consolidated entity to exchange a fixed amount of foreign currency for fixed AUD amount at a specified future settlement date, ensuring cash flow certainty.

A sensitivity analysis has been disclosed for the cash held in foreign currency bank account and outstanding derivative contracts at year end. A sensitivity of 10% movement in the exchange rates has been selected for use in the sensitivity analysis at the reporting date, as this is considered reasonable, based on the current Australian dollar level and the historical volatility of the Australian dollar against the US currency. Based on the value of the Australian dollar at the reporting date as compared with the currencies below, adverse or favourable movements in the foreign exchange rates would result in an increase or decrease in the Australian dollar fair value respectively.

CONSOLIDATED

2024	+10%		-10%		
	Net result \$000	Equity \$000	Net result \$000	Equity \$000	
Denominated US Dollars	4,662	(424)	(424)	518	518
Derivatives	8,082	(14,609)	(14,609)	17,856	17,856
2023	+10%		-10%		
	Net result \$000	Equity \$000	Net result \$000	Equity \$000	
Denominated US Dollars	3,442	(313)	(313)	382	382
Derivatives	11,046	(16,545)	(16,545)	20,222	20,222

Ministry of Health

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

42. Financial instruments (continued)

(d) Financial risks (continued)

iii. Market risk (continued)

Other price risk - TCorpIM Funds

Exposure to 'other price risk' primarily arises through the investment in the TCorpIM Funds, which are held for strategic rather than trading purposes. The consolidated entity has no direct equity investments. The consolidated entity holds units in the following TCorpIM Funds trusts:

Facility	Investment Sectors	Investment Horizon	2024 \$000	2023 \$000
TCorpIM Medium Term Growth Fund	Cash and fixed income, credit, equities, alternative assets and real assets	3 years to 7 years	29,729	49,868
TCorpIM Long Term Growth Fund	Cash and fixed income, credit, equities, alternative assets and real assets	7 years and over	36,345	44,932

The unit price of each facility is equal to the total fair value of net assets held by the facility divided by the total number of units on issue for that facility. Unit prices are calculated and published daily. TCorp as trustee for each of the above facilities is required to act in the best interest of the unit holders and to administer the trusts in accordance with the trust deeds. As trustee, TCorp has appointed external managers to manage the performance and risk of each facility in accordance with a mandate agreed by the parties. A significant portion of the administration of the facilities is outsourced to an external custodian.

Investment in the TCorpIM Funds facilities limits the consolidated entity's exposure to risk, as it allows diversification across a pool of funds with different investment horizons and a mix of investments.

TCorp provides sensitivity analysis information for each of the Investment facilities, which is used to demonstrate the impact on the funds' net assets as a result of a change in the unit price. This impact is based on a sensitivity rate of 10%, multiplied by the redemption value as at 30 June each year for each facility (balance from TCorpIM Funds statement). Actual movements in the price risk variables may differ to the sensitivity rate used due to a number of factors. The TCorpIM Funds are measured at fair value through profit or loss and therefore any change in unit price impacts directly on net results / equity.

	Impact on net result / equity			
	Change in unit price			
	2024 %	2023 %	2024 \$000	2023 \$000
TCorpIM Medium Term Growth Fund	+/- 10%	+/- 10%	2,973	4,987
TCorpIM Long Term Growth Fund	+/- 10%	+/- 10%	3,635	4,493

Ministry of Health

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

42. Financial instruments (continued)

(e) Fair value measurement

i. Fair value compared to carrying amount

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability.

The consolidated entity's fair value does not differ from the carrying amount.

ii. Fair value recognised in the Statement of Financial Position

Derivative economic hedges and TCorpIM Funds Investment Facilities are measured at fair value. Management assessed that cash and short-term deposits, trade receivables, trade payables and other current liabilities approximate their fair values, largely due to the short-term maturities of these instruments.

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 consolidated entity 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
- Level 3 – inputs that are not based on observable market data (unobservable inputs).

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

	Level 1	Level 2	Level 3	Total
2024	\$000	\$000	\$000	\$000
Financial assets at fair value				
Derivatives	-	8,798	-	8,798
TCorpIM Funds Investment Facility	-	66,074	-	66,074
Financial liabilities at fair value				
Derivatives	-	716	-	716
	Level 1	Level 2	Level 3	Total
2023	\$000	\$000	\$000	\$000
Financial assets at fair value				
Derivatives	-	11,670	-	11,670
TCorpIM Funds Investment Facility	-	94,800	-	94,800
Financial liabilities at fair value				
Derivatives	-	624	-	624

The parent entity had no financial assets or liabilities at fair value in the Statement of Financial Position for the year ended 30 June 2024 or 2023.

There were no transfers between Level 1, 2 or 3 during the year ended 30 June 2024 (2023: \$Nil).

Ministry of Health

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

42. Financial instruments (continued)

(e) Fair value measurement (continued)

ii. Fair value recognised in the Statement of Financial Position (continued)

The value of the TCorpIM Funds Investments is based on the consolidated entity's share of the value of the underlying assets of the facility, based on the market value. All of the TCorpIM Funds Investment facilities are valued using 'redemption' pricing.

The fair values of derivative economic hedges are determined using standard valuation technique based on the applicable market observable rates including spot rate and forward points.

43. Related party disclosures

(a) Key management personnel compensation

Key management personnel compensation is as follows:

	Consolidated 2024 \$000	Consolidated 2023 \$000	Parent 2024 \$000	Parent 2023 \$000
Short-term employee benefits	4,306	4,110	4,306	4,110
Post-employment benefits	164	133	164	133
	4,470	4,243	4,470	4,243

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.

(b) Transactions and outstanding balances with key management personnel of the consolidated entity and its parent during the financial year

There were no material transactions or outstanding balances with key management personnel of the consolidated entity and its parent during the financial year.

(c) Transactions the consolidated entity had with government related entities during the financial year

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

Operating expenses incurred as follows:

- Payroll and fringe benefits taxes
- Audit of the statutory financial statements
- Cost for mobile radio network services
- Utilities, including electricity, gas and water expenses
- Property occupancy and maintenance expenses
- Insurance costs
- Legal and consultancy costs
- Records storage and retrieval expenses
- Grants and subsidies to health cluster agencies
- Personal protective equipment and rapid antigen tests granted to entities controlled by the ultimate parent
- Revenue collection services
- Project management and advisory costs for capital works projects
- Traineeship program contributions
- Various grants and other contributions.

Ministry of Health

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

43. Related party disclosures (continued)

(c) Transactions the consolidated entity had with government related entities during the financial year (continued)

Revenue earned as follows:

- Appropriations as per the Appropriations Act received from Consolidated Fund
- Motor Accident Third Party revenue is received from State Insurance Regulatory Authority and Lifetime Care and Support Authority of New South Wales
- Clinical services revenue was received from the NSW Police Force, Transport for NSW and Resilience NSW
- Various grants and other contributions
- Interest income on restricted financial assets from the Crown
- Interest income and unit price movements on TCorpIM Funds Investment facilities
- Motor vehicle rebates
- Contract revenue for the construction works
- Insurance refunds
- Revenue from acceptance of long service leave liabilities and defined benefit superannuation.

Assets and Liabilities as follows:

- Receivables / payables in respect of the above noted related party revenue and expense transactions
- Some sale proceeds for non-current property, plant and equipment assets
- Right-of-use assets with Department of Customer Service
- Some funds are invested in TCorpIM Funds Investment facilities
- Forward foreign exchange derivative contracts are purchased through NSW Treasury Corporation
- Energy Efficient Government Program loans are held with the Crown.

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

Further to the above transactions entered into by the consolidated entity, the parent entity entered into the following transactions within the normal course of business with entities it controlled which are consolidated as part of these financial statements:

Operating expenses incurred as follows:

- Grants and subsidies provided to health entities
- Information technology service charges.

Revenue earned as follows:

- Interest for loans made to health entities
- Revenue from short term lease arrangements
- Recovery of outgoings from short term lease arrangements.

Assets and Liabilities as follows:

- Intra-health receivables and payables
- Receivable for loans and advances made to health entities.

Ministry of Health

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

43. Related party disclosures (continued)

(e) Individually significant transactions with Government-related entities

Peppercorn Lease 1: Doonside Lease

NSW Land & Housing Corporation (LHC), an entity controlled by the ultimate parent, entered into a lease agreement with Western Sydney Local Health District (WSLHD) for the lease of the land at 32 Birdside Avenue, Doonside for a 99 year period commencing on 2 December 1991 and ending on 1 December 2090. WSLHD pay a lease rental of \$1 per year to the LHC.

Peppercorn Lease 2: Mt Druitt Lease

Department of Planning, Housing and Infrastructure (DPHI), an entity controlled by the ultimate parent, has entered into a lease agreement with Western Sydney Local Health District (WSLHD) for lease of the land located at Lots 29 and 30 in Rooty Hill, Cumberland County for a 77 year period commencing from 4 November 1973 to 31 December 2050. WSLHD will pay \$1 per year to the DPHI.

44. 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

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