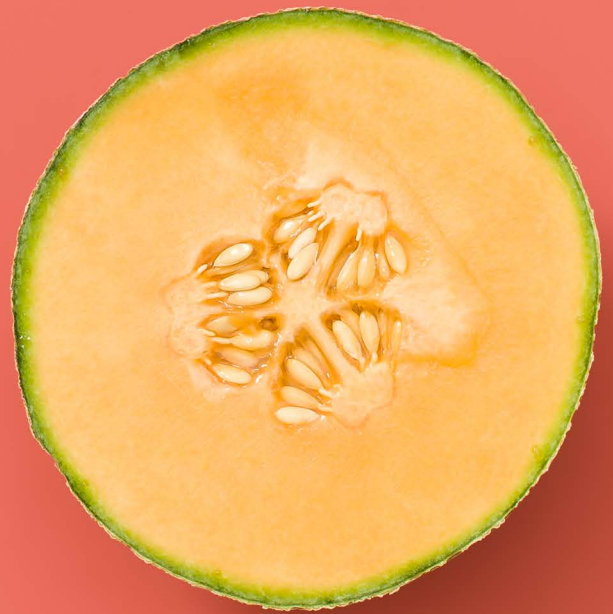


# Annual Report 2019/20



EHA has continued to  
deliver outstanding service  
during a global pandemic.



## Message from the Chairperson

Cr Peter Cornish

The Eastern Health Authority (EHA) has continued to deliver outstanding service during a global pandemic.

The residents and ratepayers of its five Constituent Councils (the Cities of Burnside, Campbelltown, Norwood, Payneham and St Peters, Prospect and the Town of Walkerville) have continued to benefit directly and indirectly from the operations of EHA.

It has been a challenging year for us all, more so in the public health sector and our local businesses. The novel coronavirus (COVID-19) and the restrictions that the Government of South Australia progressively applied and revised has been challenging for many to navigate, implement and monitor.

I have welcomed the leadership and the support from EHA's Constituent Councils to ensure the operations and management of EHA were augmented to continue all of its statutory functions during the restrictions. EHA was able to continue to deliver the inspections of food premises, supported residential facilities, hairdressers and swimming pools and vaccination programs.

The *South Australian Public Health Act 2011* recognises the functions of councils in protecting and promoting public health and preventing public health risks. EHA Environmental Health Officers have played an active role as physical distancing officers to protect the health and wellbeing of individuals and the community from the spread of COVID-19 (flatten the curve) through education, surveillance and support. EHA is also well placed to play a part in assisting our communities with any required response once a COVID-19 vaccination program becomes available.

EHA and its Constituent Councils approved a revised Regional Public Health Plan, it has been a collaborative approach with some amazing outcomes. It builds on

regional strengths, addresses regional challenges and considers priority populations identified in South Australia's State Public Health Plan 2019-2024.

# It has been a challenging year for us all, more so in the public health sector and our local businesses.

Hoarding and squalor continues to be an issue within our community. The ongoing management is complex with multiple layers of issues and many organisations, state and local government agencies.

This year EHA also changed its external auditor, which provided a thorough unmodified audit. The Audit Committee has also seen a new independent member appointed.

I am delighted to bring the 2019-20 Annual Report for your consideration.

Cr Peter Cornish

Chairperson







## About Eastern Health Authority

Eastern Health Authority (EHA) has a proud history of promoting and enforcing public health standards in Adelaide's eastern and inner northern suburbs.

Continuing in the tradition of the East Torrens Council Board, which operated from 1899, the present day regional subsidiary protects the health and wellbeing of about 160,000 residents plus visitors. EHA is an excellent example of council shared service delivery.

Established under the *Local Government Act 1999*, EHA works across our Constituent Council areas to improve public and environmental health standards.

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City of Burnside

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Campbelltown City Council

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City of Norwood Payneham and St Peters (NPSP)

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City of Prospect

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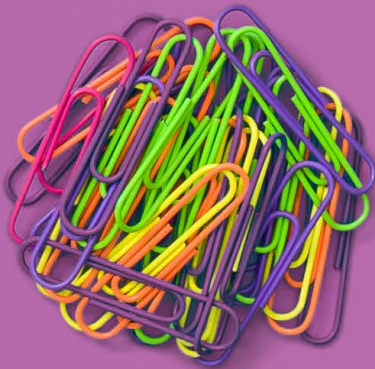
The Corporation of the Town of Walkerville

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With a single focus and highly specialised and experienced staff, EHA is well-equipped to deal with the increasing diversity and complexity of public and environmental health.

During 2019-20 EHA discharged the environmental health responsibilities of its five Constituent Councils under the *South Australian (SA) Public Health Act 2011*, *Food Act 2001*, and *Supported Residential Facilities Act 1992*.

Services include the provision of immunisation services, hygiene and sanitation control, licensing and monitoring of supported residential facilities and monitoring of food safety standards, including inspection of food premises.





## Chief Executive Officer's Report

Michael Livori

When we look back on the last financial year it is extremely hard not to focus on the COVID-19 pandemic which has seemingly paralysed the world. Most of us have not lived in a time with such an incredible amount of disruption in our daily lives. It is certainly a period in our lives that I think we will look back and reflect on.

The pandemic puts a spotlight on the importance of having a robust public health system to protect our community. Comparing the infection rates in South Australia with vast areas of the world indicates that our system has served us very well.

While it has been a challenging period, the resilience of our staff has been outstanding. As an essential service we did not have the option of having our staff work from home. Within a short period, we needed to develop and implement a different structure of working.

Recognising the risk to employees and the public during any face-to-face interactions, guidance tools for staff were developed for both office based and ongoing field work. The tools were continually updated to recognise the ever changing directives issued by the Government.

As many food businesses were not operating at full capacity for an extended period we focused on 'high risk' priority areas within the business. Concentrating on critical areas such as hand washing, sanitising and food processing at the peak of outbreak ensured appropriate food safety standards were being maintained but minimised the impact on businesses during this stressful time.

Many aged care facilities prevented access to their facilities which made conducting food auditing challenging. Our Auditors arranged for records that required to be audited to be delivered to our offices and conducted 'virtual' assessments of the premises as a successful short term alternative.

# The resilience of our staff has been outstanding.

In the interests of public health, we continued to provide immunisation services right through the pandemic. To do this safely we needed to ensure physical distancing and other safety and hygiene requirements related to COVID-19 were put in place to protect the community and our staff.

To assist with this all public clinics normally conducted at our Constituent Council venues were relocated to our St Peters office. The clinics were all converted to an appointment only basis which our bespoke booking system facilitated very smoothly.

With the appropriate measures in place we also continued to deliver the extremely important school immunisation program with a minimum of disruption. Additional absentee specific clinics were provided at our St Peters offices to accommodate students who may not have been attending schools when we visited. It is extremely pleasing to see that the vaccine completion rates at the schools located in our area continue to be above the state average.

Early in the pandemic the Chief Public Health Officer circulated communications in relation to limiting the spread (flattening the curve) of COVID-19 through physical distancing and prohibiting non-essential mass gatherings. Our Environmental Health Officers (EHOs) immediately set a plan to identify and effectively communicate, educate and monitor the businesses and local community within the Constituent Council areas that we generally have contact with.

Due to Local Governments' role in public health and the enormity of the task, both EHA and its Constituent Councils agreed to act on a regional basis to monitor and enforce physical distancing and other government imposed requirements relating to the COVID-19 crisis to assist SAPOL and the State and Commonwealth Governments.

Both EHA and Council staff monitored these requirements

with a focus on education of business and the community in the first instance. EHA took on the role of further monitoring and enforcement where required, with serious matters referred to SAPOL.

The Eastern Health Authority and its Constituent Councils developed and adopted the second iteration of the Regional Public Health and Wellbeing Plan, Better Living Better Health 2020 – 2025. The plan is presented in an easily digestible trifold format (with supplementary material) and focuses on regional activities that require collaboration between the councils and community partners, builds on regional strengths and addresses regional challenges.

As always, it has been an extremely busy year with the added element of the disruption caused by the pandemic. I would like to thank all of our hardworking staff for their commitment and efforts during this interesting year. Thanks also to the Board of Management for their continued interest in public health and support to both myself and our staff.

Michael Livori

Chief Executive Officer



# Governance

## Board of Management 2020

EHA is a body corporate, governed by a Board of Management comprised of two elected members from each Constituent Council. The Board met six times during the year to consider EHA’s business.

Member	Meetings Attended
Cr Peter Cornish (Chair)	● ● ● ● ● ○
Cr Jane Davey	● ● ● ● ● ●
Cr Sue Whittington (Deputy Chair)	● ● ● ● ● ○
Cr Garry Knoblauch	● ● ● ● ● ○
Andreea Caddy	● ● ● ● ● ○
Cr Jennifer Joshi	● ● ● ● ● ●
Cr John Kennedy	● ● ● ● ● ○
Michelle Hammond	● ● ● ● ● ○
Cr Kristina Barnett	● ● ● ● ● ●
Nathan Cunningham	● ● ● ● ● ●

## City of Burnside



**Cr Peter Cornish  
(Chair)**



**Cr Jane Davey**

## Campbelltown City Council



**Cr John Kennedy**



**Michelle Hammond**

## City of Norwood Payneham & St Peters



**Cr Sue Whittington  
(Deputy Chair)**



**Cr Garry Knoblauch**

## City of Prospect



**Cr Kristina Barnett**



**Nathan Cunningham**

## Corporation of the Town of Walkerville



**Andreea Caddy**



**Cr Jennifer Joshi**

## Finance Audit Committee

In accordance with the requirements of the Local Government Act 1999, EHA has established an Audit Committee (The Committee).

Functions of the Committee include: liaising with external auditors, reviewing annual financial statements, reviewing the adequacy of accounting, reporting and other financial management system including numerous financial and governance policies.

Lisa Scinto served as Presiding Member until February 2020 when her term of appointment expired. We thank Lisa for her service over a number of years on the Committee. Claudia Goldsmith continued as an Independent Member of the Committee during the reporting period and has now been appointed as the Presiding Member of the Committee. Cr Peter Cornish continued in his role as Board Appointed Member. The Committee held three meetings during the reporting period.

## Annual Business Plan

EHA develops an Annual Business Plan to establish strategic directions and measures to assess its performance. The core activities are undertaken to deliver the objectives of the plan as detailed in this report.

## Structure and Staffing

EHA comprises three functional areas – environmental health, immunisation and administration. The administration team, led by the Chief Executive Officer, supports the activities of the environmental health and immunisation teams. The Team Leader - Environmental Health and Team Leader - Administration and Immunisation have responsibilities for achieving the Annual Business Plan objectives relevant to their functional area.

Staffing as at 30 June 2020 comprised a total of 27 employees (18 FTE).

## Financial Statements

The Audited Financial Statements for the year ending 30 June 2020 are provided on page 34. They show an operating deficit of \$13,401. The budgeted operating result was a \$28,000 deficit. The result was negatively impacted by the application of AASB Standard 16 Leases by \$35,910.





## Immunisation

EHA provides a comprehensive, specialised, and convenient immunisation service by way of public immunisation clinics, school immunisation program and workplace immunisation programs to the residents of our Constituent Councils.

As demonstrated in Figure 1, March through to June is the period of peak demand for immunisation services due to the timing of the Influenza and School Immunisation Programs.

### Public Immunisation Clinics

With the large media focus and high demand for influenza vaccines created by the alarming nature of COVID-19 the demand for immunisation at EHA public clinics was extremely high during March to June. As a result, clinics were booked out for several months in advance.

To ensure the safest possible environment for our clients and to effectively manage COVID-19 restrictions, all public clinics were moved to EHA's offices at St Peters on an appointment only basis.

SMS and email messages were sent out to all clients with prebooked appointments regarding venue changes and special instructions prior to attending their appointments. Information on safe practices and physical distancing

procedures were also distributed to clients before attendance.

The immunisation pages of our website have been continually modified to reflect the evolving changes to our service delivery and relevant COVID-19 requirements and have been popular with clients.

The online booking system on the website continues to be well utilised with 1,503 confirmed bookings online.

There was a strong focus on improving the customer experience of our online appointment system. New email confirmations and reminders prior to appointments are now being sent, together with the ability for clients to cancel their own appointments.

Despite the extremely high demand, the change to appointment-based clinics only (as opposed to providing a number of drop-in clinics) has impacted the total number of clients that were able to be serviced.

A total of 4,873 clients were provided with 8,819



vaccinations, a decrease of 839 clients (15%) in comparison to 2018 (Figure 2). The long term trend however, sees an increase when considering a longer period.

The decrease was also influenced by the completion of the catch-up programs for two vaccines which

commenced in July and October 2018. These were the single dose Meningococcal ACWY vaccine and the two dose Meningococcal B vaccine. The catch-up programs were completed in December 2019 and February 2020 respectively.

**Figure 1 – The combined demand for all immunisation services over the last year**

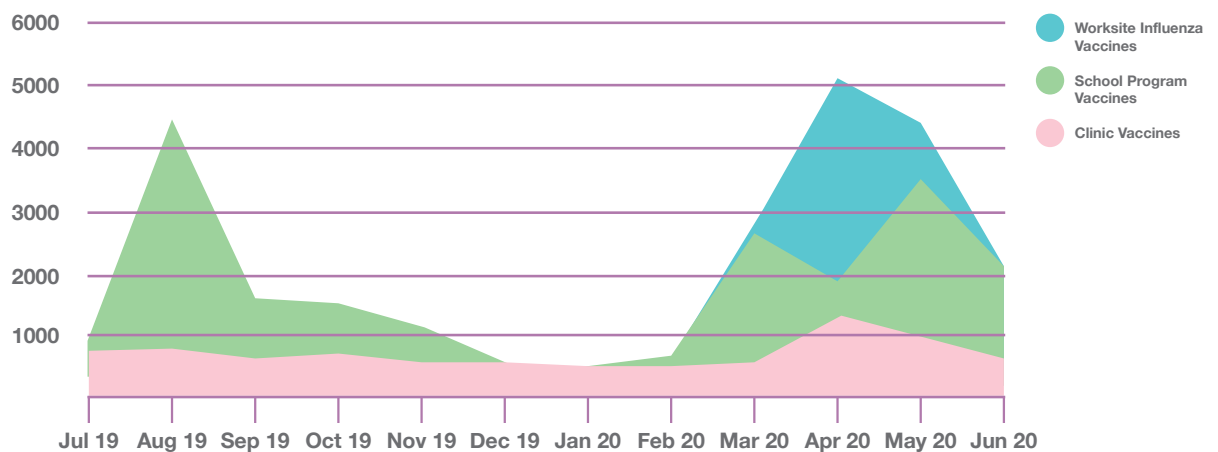


Figure 2 – Client attendance at public immunisation clinics for the last 3 years

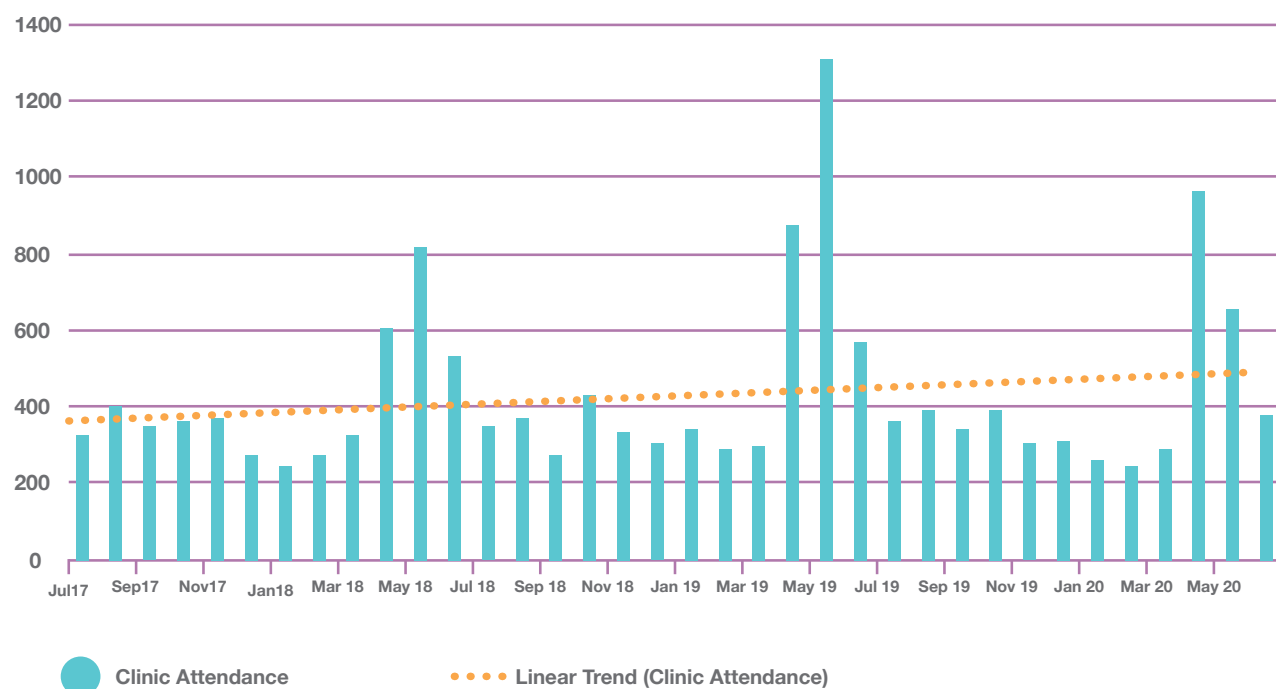


Figure 3 – The number of vaccines administered at public clinics for the last 3 years.



Table 1 – The number of clients per council area and their choice of clinic venue

Where clients come from (Council Area)	Number of clients from Council Area	Where clients attend (Clinic Venue by %)					
		Burnside	Campbelltown	NPSP	Prospect	Walkerville	Unley
Burnside	1,111	17%	4%	70%	0%	2%	7%
Campbelltown	1,251	3%	17%	76%	0%	2%	2%
NPSP	1,336	3%	3%	89%	0%	2%	3%
Prospect*	289	2%	1%	86%	5%	4%	2%
Walkerville	264	2%	0%	84%	1%	7%	6%
Unley**	333	5%	1%	46%	0%	1%	47%
Other	289	5%	2%	74%	1%	2%	16%
<b>Total Number of Clients</b>	<b>4,873</b>						

\*Prospect clinics were only operational between January – March 2020 due to redevelopment.

\*\*Unley clinics ceased December 2019.

Table 1 shows which of the five clinic venue locations the residents from our Constituent Councils choose to be vaccinated at. It should be noted that the numbers have been impacted by the centralisation of clinics to St Peter's in March 2020. Residents will attend the site that best suits their needs which is often not in their own council area. This demonstrates the benefit of our councils' collective approach to immunisation service provision.

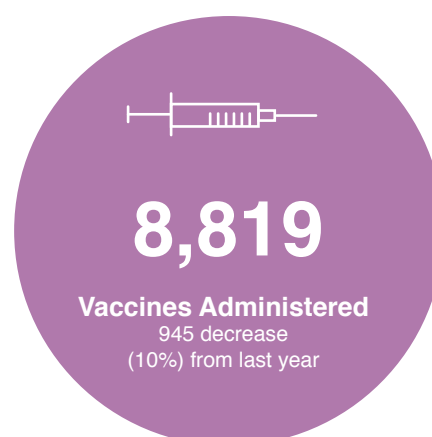
## School Immunisation – 2019 Program

During 2019, EHA completed 19 high school immunisation visits to deliver the annual School Immunisation Programme (SIP). A total of 14,747 vaccines were administered to Year 8, 10 and 11 students (Table 2).

The amount of vaccines administered has increased by 6,247 when compared to the same period in 2018. This increase was due to the expansion of the school program in 2019 to include a Meningococcal B catch-up program for Year 11 students together with the introduction of Meningococcal B and ACWY for Year 10 students.

SA Health compiles data in relation to student immunisations each year to measure the success of the SIP program. EHA vaccine coverage rates continue to be higher than the state average for each vaccine delivered:

- dTpa Yr 8: EHA 89.35% (State 85.86%),
- HPV Yr 8 dose 1: EHA 89% (State 84.76%),
- HPV Yr8 dose 2: EHA 82.79% (State 74.81%)
- Meningococcal B Yr 10 dose 1: EHA 80.45% (State 79.39%)
- Meningococcal B Yr 10 dose 2: EHA 73.89% (State 70.17%)
- Meningococcal B Yr 11 dose 1: EHA 78.64% (State 73.76%)
- Meningococcal B Yr 11 dose 2: EHA 72.86% (State 64.04%)
- Meningococcal ACWY: EHA 80.29% (State 74.85%)



A new SMS reminder system for school absentees was introduced.



Table 2: School vaccinations for calendar year to date – January to December 2019

Council	Human Papillovavirus	Diphtheria Tetnus and Pertussis	Meningococca   B	Meningococca   ACWY	Total
Burnside	1,254	653	2,213	602	4,722
Campbelltown	930	478	1,456	641	3,505
NPSP	857	557	1,976	444	3,834
Prospect	190	97	389	107	783
Walkerville	160	83	288	63	594
Unley	327	169	652	161	1,309
<b>Total</b>	<b>3,718</b>	<b>2,037</b>	<b>6,974</b>	<b>2,018</b>	<b>14,747</b>

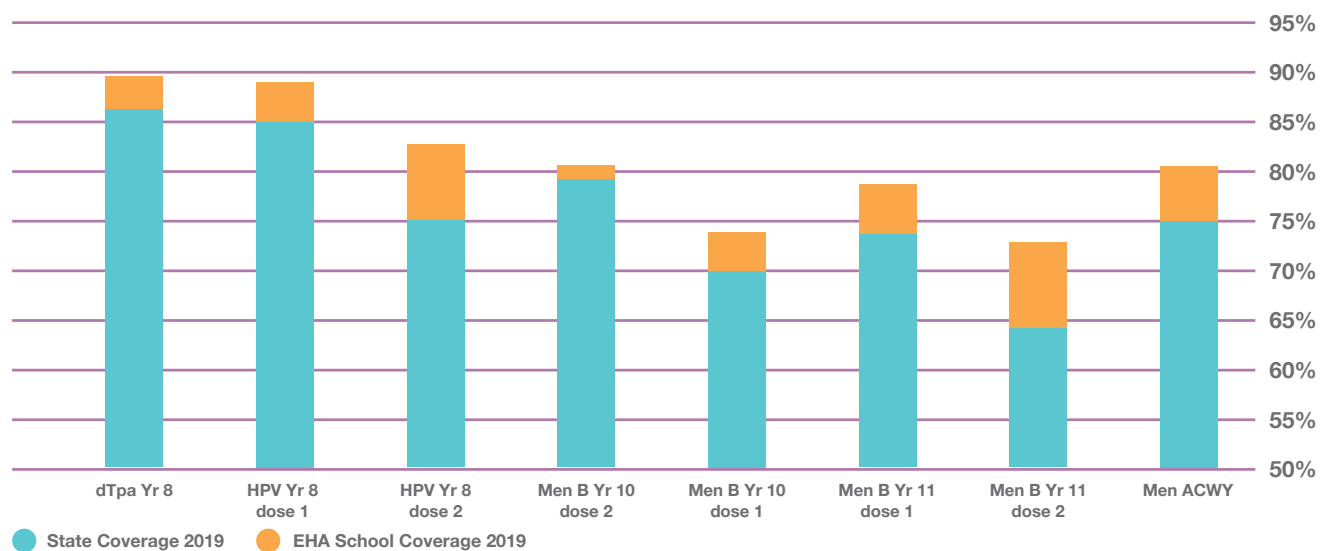
A new SMS reminder system for school absentees was introduced. Additional reminders sent at the end of the yearly program has proven to provide a better response rate from parents versus posting absentee slips. This has

contributed to the ongoing success of EHA's SIP program, evidenced by the results detailed above.

Figure 4 demonstrates how the SIP vaccine coverage rates compared to the State average in 2019.



Figure 4 – EHA vaccine coverage rates compared with the SA State coverage rates across all vaccines administered.



## Workplace Immunisation Program

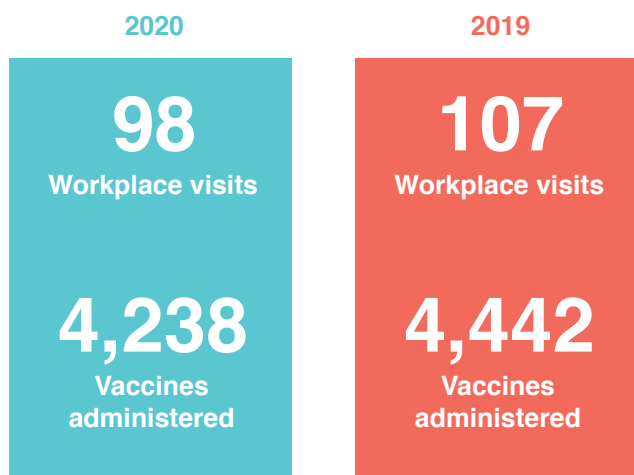
The 2020 Workplace Influenza Program which assists business in protecting their staff from highly contagious respiratory illnesses caused by Influenza A and B commenced in March 2020, resulting in 4,238 vaccines being provided across 98 worksites.

Throughout the challenging time that resulted from the COVID-19 pandemic EHA worked extremely hard with businesses to ensure all scheduled visits could proceed where possible. Successful bookings were also conducted on-site at EHA offices at St Peters and a single on-site drive through clinic was highly successful for a client to ensure their original booking could be honoured.

With COVID-19 providing a challenging environment for workplaces to enable visits, EHA did experience several cancellations due to companies operating with staff working from home. These challenges resulting in a minor decrease (-5%) of workplaces visited and vaccines administered in 2020 compared to the same period in 2019.

EHA staff are reviewing promotional opportunities for the program prior to the upcoming flu season with consideration of COVID-19 when planning for alternative options in conducting future workplace visits.

Upgrades continue to be made to our unique online workplace booking system which continues to be a success with workplaces booking our services.



Despite COVID-19 proving a challenging environment, EHA worked extremely hard with businesses to ensure all scheduled visits could proceed where possible.





## Public and Environmental Health

Environmental health is the branch of public health that focuses on the interrelationships between people and their environment, promotes human health and well-being, and fosters healthy and safe communities. [website: NEHA Environmental health](https://www.neha.sa.gov.au/environmental-health)

The *SA Public Health Act 2011* and Regulations are mechanisms employed by EHA to fulfil its duty of care on behalf of the Constituent Councils with the following public health issues: prevention and management of domestic squalor and hoarding; surveillance of swimming pools and spa pools; high risk manufactured water systems (cooling towers and warm water systems); assessment of personal care and body art premises; approval and inspection of waste control systems and prevention and control of notifiable diseases.

This year Environmental Health Officers' responsibilities under the *SA Public Health Act 2011* has extended to encompass duties to assist with controlling of the COVID-19 pandemic spread within South Australia. On 22 March 2020 the State Coordinator, Commissioner Grant Stevens made a Declaration of a Major Emergency under the *Emergency Management Act 2004*. The State restrictions based on the Prime Ministers' recommendations were enacted through a suite of enforceable Directions.

Whilst vaccines and therapeutics are not available, EHOs' role to monitor, educate and where required enforce the required physical distancing measures and restrictions to stop individual chains of transmission has played a valuable role in preventing further outbreaks and in limiting further spread of COVID-19.

### Complaints and Referrals

We received 213 public health related complaints/referrals from the public or State Government agencies during 2019-20. This was a significant increase (+23%) compared to the previous year.

Figure 5 shows the category of complaint issue types by proportion required to administer the *SA Public Health Act* during 2019-20. As shown in Figure 5 vector control relating to rodents, pigeons and mosquitoes (93) and sanitation (39) accounted for a large proportion of public health complaints.

[EHA] played an active role in protecting the health and wellbeing of individuals and the community from the spread of COVID-19 through surveillance, education and support.

On the 24 March 2020 the Chief Public Health Officer communicated the intent to limit the spread (flatten the curve) of COVID-19 through physical distancing and prohibiting non-essential mass gatherings imposed by the Federal Government and State Police Commissioner.

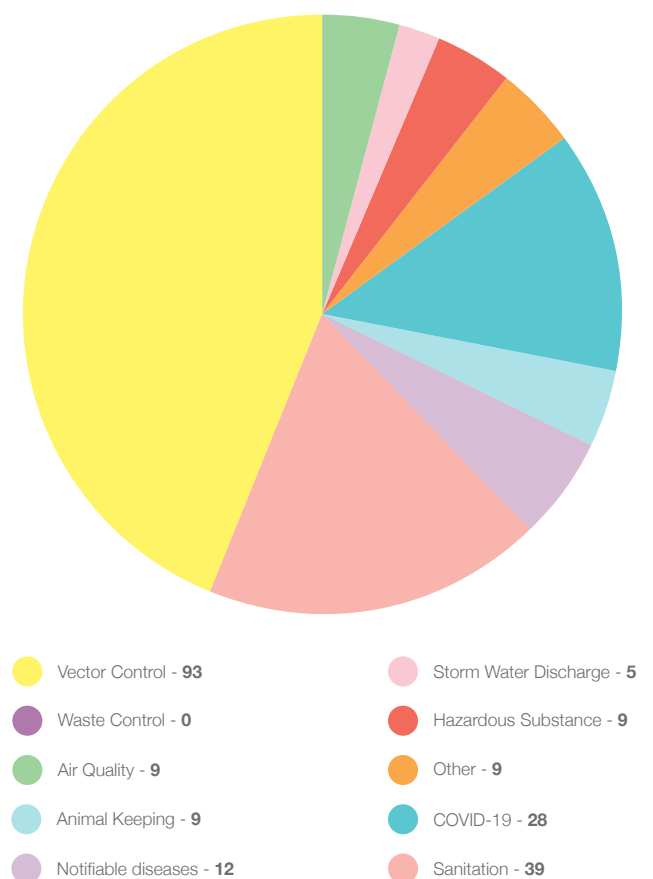
The *SA Public Health Act 2011* (the Act) recognises the functions of councils (s. 37) in protecting and promoting public health and preventing public health risks. EHOs are Authorised Officers under the Act and played an active role in protecting the health and wellbeing of individuals and the community from the spread of COVID-19 through surveillance, education and support.

Officers were proactive in educating businesses and shopping centres in the lead up to significant public events (i.e. Easter, Mothers Day) to ensure the requirements were adequately managed.

We were required to rapidly change and quickly adapt to our new roles and responsibilities. Authorised Officers undertook a total of 277 social distancing observation inspections which we estimate to cover more than 1,000 premises.

A total of 28 physical distancing complaints were received and investigated (Figure 5). These complaints accounted for 13% of the total complaints received for the year. This is a considerable proportion of complaints received within a condensed timeframe.

**Figure 5– Category of complaint issue types by proportion required to administer the *SA Public Health Act 2011* during 2019-20.**



**Table 3 – A three year comparison of the type of public health complaints received.**

	2017-18	2018-19	2019-20
Animal Keeping	3	4	9
Notifiable Disease	12	13	12
Sanitation	38	41	39
Vector Control	108	73	93
Waste Control	2	0	0
Air Quality	0	9	9
Water Quality	0	5	5
Hazardous Substances	9	5	9
Other	13	0	9
Total	185	150	185

Hoarding and squalor complaints made up 48% of sanitation complaints during 2019-20 (Table 3). The number of squalor investigations decreased when compared to the previous year, with the number of hoarding investigations remaining the same (Table 4). These matters are often complex and sensitive and require a holistic approach to achieve the best outcomes. EHA is committed to facilitating where possible a multi-disciplinary coordinated approach with other Government and non-Government agencies. This is to ensure public health risks are addressed in addition to the individual(s) living in inappropriate conditions receiving appropriate support.

EHA adopts where possible an informal (non-legislative) approach when addressing matters relating to hoarding and squalor.

**Table 4 – A three year comparison of the total number of sanitation complaints and severe domestic squalor and hoarding complaints**

	2017-18	2018-19	2019-20
Total number of Sanitation Complaints	38	44	39
Severe Domestic Squalor	6	15	11
Hoarding	6	8	8

EHA adopts where possible an informal (non-legislative) approach when addressing matters relating to hoarding and squalor. Where there is no serious and imminent risk to public health individual(s) are encouraged to address conditions pertaining to hoarding and squalor within their living environment. If these options do not achieve compliance or there is a serious risk to public health, without legal direction enforcement action is taken under the *SA Public Health Act 2011*. During 2019-20 two domestic squalor matters were determined to be a breach of the General Duty under the *SA Public Health Act 2011*. Compliance Notices were also issued under Section 92 of the *SA Public Health Act 2011* to both residential properties.

EHA continues to lead the Eastern Hoarding and Squalor Group (the Group). The Group continued into its seventh successful year and met four times. This collaborative forum for EHOs and representatives from Government and non-Government agencies allows for proactive discussion and information sharing on hoarding and squalor, as well as services and resources available to help resolve these issues.

A total of nine hazardous waste complaints required investigation during the year involving the collection of syringes and the investigation of asbestos and clandestine drug laboratories. The increase in the number of hazardous waste complaints compared to the previous year was attributed to the request for the collection of used discarded syringes. The investigation of two separate Category C Clandestine Drug Laboratories resulted in the issue of a Compliance Notice under Section 92(1) of the *SA Public Health 2011*.

The *SA Public Health Act 2011* prescribes a list of diseases that are notifiable. Notification of these diseases allows for surveillance and investigation to be undertaken to protect the community from the risk of infectious disease.

*Campylobacter* is the most commonly notified cause of gastroenteritis in Australia<sup>1</sup>. Foodborne illness caused by *Salmonella* has been significantly increasing over the past 20 years and has one of the highest rates when compared to similar countries. <sup>1</sup> Australia's Foodborne Illness Reduction Strategy 2018-2021+,

Food Regulation Secretariat, 2018

**Table 5 – The number of reported notifiable diseases for 2019-20**

	2019-20
<i>Campylobacter</i>	267
<i>Salmonella</i>	79
<i>Legionellosis</i>	5
<i>Cryptosporidiosis</i>	5
Hepatitis A	1
Rotavirus	47

*Salmonella* and *Campylobacter* continue to be the most frequently reported food borne disease within EHA's five Constituent Councils (Table 5). The reporting period saw 267 confirmed cases of *Campylobacter* and 79 confirmed cases of *Salmonella* (Table 5).

SA Health requested an investigation at an early learning centre and primary school in relation to confirmed cases of *Salmonella* allegedly involving animal hatching program. The investigating Officer ensured that appropriate infection control measures were implemented and appropriate and educational material was provided. Outcomes of the inspections were provided to SA Health.

## Monitoring and Surveillance Cooling Towers and Warm Water Systems

A total of 30 high-risk manufactured water systems (HRMWS) were registered at 16 sites within EHA under the SA Public Health (*Legionella*) Regulations 2013. All HRMWS systems were inspected at least once throughout the year with a total of 30 routine inspections undertaken at 12 cooling tower and four warm water system sites (Table 6). No follow-up inspections were required.

Water samples were taken from all warm water systems and cooling towers sites during routine inspections. Testing of the samples resulted in two detections of *Legionella* at two separate sites.

Authorised Officers worked closely with the facilities that reported detections of *Legionella* to ensure the systems were shut down and decontaminations were promptly undertaken as required by the Regulations.

Four *Legionella* disease notifications were received from SA Health during the year. Three required investigation. No potential sources were identified.

**Table 6 - The number of registered high risk manufactured water systems and the number of routine and follow-up inspections undertaken and *Legionella* high count test results**

	2019-20
Number of sites	16
Total number HRMWS registered	30
Number of system inspections	30
Number of follow-ups	0
Notices issued to HRMWS	0
Expiation Notices issued to HRMWS	0
Detections of <i>Legionella</i>	2
Investigation of <i>Legionella</i> disease notifications from CDCB	4

## Public Swimming Pools and Spas

A total of 71 routine inspections at 27 swimming pool and spa sites was undertaken, which was comparable to the previous year (Table 7). Despite the COVID-19 State Directions requiring the closure of public pools and spas for a period of time, all swimming, spa and hydrotherapy pools were assessed at least once during the year against the standards prescribed in the SA Public Health (General) Regulations 2013.

There was a 39% decrease in the number of follow up inspections conducted when compared to the previous year (Table 7). High combined chlorine and free chlorine, pH and alkalinity not within the required parameters required additional inspections to ensure compliance with the General Regulations.

**Table 7 – A three year comparison of the number of routine and follow-up inspections conducted at spas, swimming and hydrotherapy pools.**

	2017-18	2018-19	2019-20
Number of Sites	28	28	27
Number of Pools/Spas	44	43	42
Inspections of Pools/Spas	58	69	71
Follow-ups of Pools/Spas	24	36	22
Voluntary Temporary Closures	4	5	4
Complaints	2	1	1

Three sites closed voluntarily: two to rectify high combined chlorine levels and one due to high pH and alkalinity. One site was issued with a Compliance Notice under Section 92 of the *SA Public Health Act 2011* as a result of inadequate chlorine levels to disinfect the pool, inadequate record keeping, failure to operate the filtration

system to the pool and spa and accessibility to the public. The pool operators were instructed to close the pool and spa to the public and undertake the necessary corrective actions.

## Personal Care and Body Art (PCBA)

Assessments of high-risk personal care and body art (PCBA) premises involving high risk skin penetration practices such as tattooing, permanent make-up, microdermabrasion, derma-rolling and piercing with reusable needles were undertaken during the year. These activities were assessed against the standards prescribed in the SA Public Health (General) Regulations, 2013.

During the year 2019-20 all 10 tattoo premises involving high risk skin penetration practice were assessed. No follow-up inspections were required.

Six beauty premises undertaking high risk treatment processes were assessed. This was 20 less inspections than the previous year. The decrease in the number of inspections was influenced by the COVID-19 State Directions which resulted in the closure of a beauty premises for a period of time.

One complaint was received during the year involving cleanliness and inappropriate hygiene practices during a microdermabrasion procedure at a beauty premises. Education and recommendations on the safe and hygienic practice of skin penetration was provided and no further follow up was required.

## Waste Control Systems

A small area within EHA's catchment is not connected to SA Water Sewer or a Community Wastewater Management Scheme, requiring the installation of an approved onsite wastewater system.

During the year EHA assessed six wastewater applications for waste water works approval and two pending applications carried over from the previous reporting period in accordance with the requirements of the SA Public Health (Wastewater) Regulations 2013.

Following the assessment of the applications and onsite inspections seven applications were granted works approval. One application was refused approval and is still pending further information.

No complaint investigations were undertaken during the reporting period.





## Food Safety

EHA administers the *Food Act 2001* in conjunction with the Food Safety Standards to protect the public from food-borne illness and associated risks.

Illnesses caused by the sale or consumption of unsafe food are preventable through education and intervention from EHOs during regular inspections and audits, investigation of complaints and where required, enforcement.

### Food Safety Inspections, Complaints, Audits and Enforcement

As at 30 June 2020, a total of 1,174 known food premises were operating within our jurisdiction, a small decrease (7.5%) compared to the previous year. This decrease is a result of temporary and permanent closures resulting from the COVID-19 pandemic.

Food businesses are classified on the basis of food safety risk, using the South Australian Food Business Risk Classification (FBRC) profiling framework (the Framework). The FBRC allows for the monitoring and enforcement to be aligned with the inherent food safety risk of the business, taking into account the business' performance during inspections.

The majority of food businesses are risk classified as P1 (Figure 6). P4 food businesses selling shelf stable and pre-packaged food are considered 'low risk' and are only inspected if there has been a change in activity or a complaint has been received.

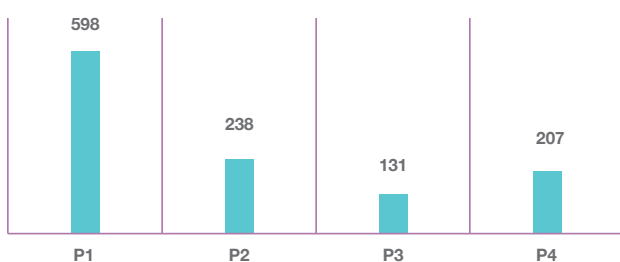
EHA's food safety practice is to conduct thorough routine inspections and follow-up inspections to ensure



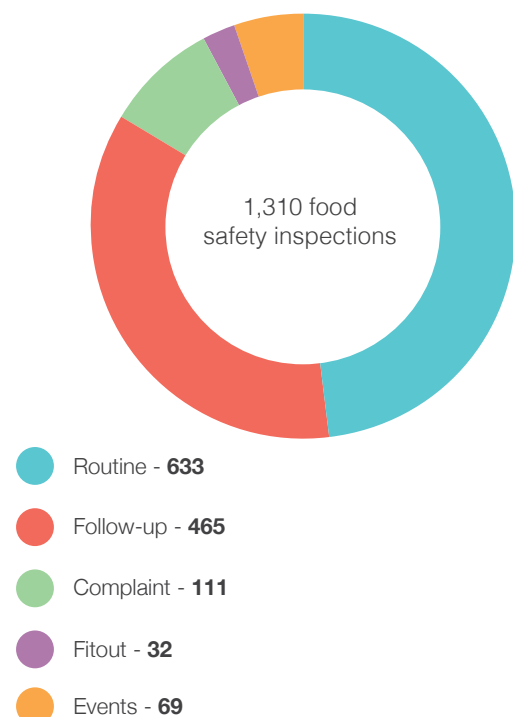
non-compliances are rectified and appropriate food safety standards are maintained. Routine and follow-up inspections are opportunities for EHOs to provide advice and information and for businesses to demonstrate improved systems or processes.

During the year EHOs undertook a total of 1,310 food safety inspections (Figure 7). As shown in Figure 7 a large proportion of inspections undertaken during 2019-20 accounted for routine food inspections (633) and follow-up inspections (465).

**Figure 6 – Number of food businesses per risk classification**



**Figure 7 – Type of food safety inspections undertaken during 2019-20**



A total of 633 scheduled routine inspections were undertaken during 2019-20. The decrease in scheduled food inspections was a product of the increasing public health concerns surrounding COVID-19. A significant number of food businesses closed and EHOs quickly had to adapt to their new roles and primary responsibility as Physical Distancing Officers following the restrictions imposed by the Federal Government and State Police Commissioner.

The impacts of the pandemic and state restrictions resulted in either the temporary or permanent closure and limited or altered hospitality services provided by food businesses. Despite these changes EHA identified that the continuation of scheduled inspections was important to ensure food was prepared in a safe and suitable manner. Following the announcement on 24 March 2020 from the State Police Commissioner EHA implemented the following changes to the scheduled inspections:

- food inspection assessment forms were changed to reflect COVID-19. As most businesses were not operating at full capacity there was a focus on 'high risk' priority areas during inspections, i.e. hand washing, sanitising and food processing
- physical distancing restrictions and requirements were monitored

To assist food businesses knowledge and interpretation of the ever-changing state physical distancing requirements regular electronic emails, website updates, monitoring and face to face visits were provided.

**Table 8 – The percentage number of follow up inspections conducted based on the number of routine inspections**

2019-20	
<b>Routine inspections</b>	633
<b>Total number of follow-up inspections</b>	465
<b>Number of businesses requiring a follow-up inspection</b>	305
<b>% of routine inspections requiring a follow-up inspection</b>	48%

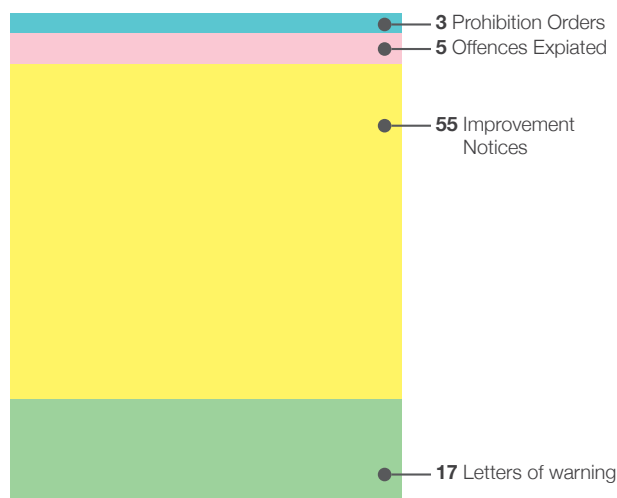
A total of 465 follow-up inspections were conducted during the year (Table 8). As shown in Table 8 48% of inspected businesses required at least one follow-up inspection. This is reflective of the commitment to ensure non-compliances are rectified within an appropriate timeframe.

If repeated non-compliance continues, EHA's enforcement policy requires a graduated and proportionate response to be applied to either recurring or very serious food safety breaches.

Figure 8 demonstrates the graduated responses to enforcement. Legal action may be taken to repeat offenders in the form of written warnings, Improvement Notices, Prohibition Orders, Expiations or Prosecutions.

EHA identified that the continuation of scheduled inspections was important at the height of the pandemic restrictions to ensure food was prepared in a safe and suitable manner.

Figure 8 – The graduated response to enforcement under the *Food Act 2001*

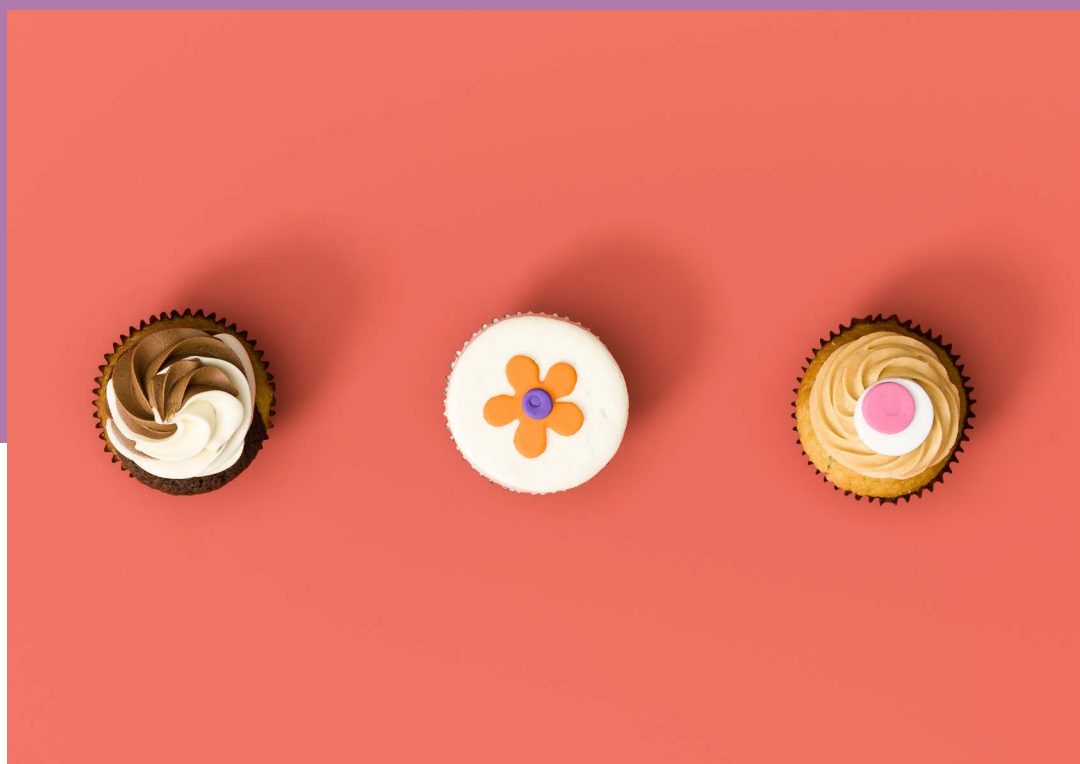


The majority of food businesses requiring legal action are P1 high risk businesses (Table 9). Enforcement action is however not limited to high risk businesses with Improvement Notices also issued to moderate risk P2 food businesses (Table 9).

Table 9 – Summary of enforcement action taken as per risk classification

	P1	P2	P3
Warning Letter	16	0	1
Improvement Notices	50	5	0
Offences Expiated	5	0	0
Prohibition Orders	3	0	0





Improvement Notices continue to account for the majority of enforcement action taken, with a total of 55 Improvement Notices issued to 41 food businesses (Table 10). A total of 13 businesses received more than one Improvement Notice during the year with one business receiving three Improvement Notices.

**Table 10 - The percentage of Improvement Notices issued based on the number of routine inspections**

	2019-20
<b>Routine inspections</b>	633
<b>Total number of Improvement Notices issued</b>	55
<b>Number of businesses issued with Improvement Notices</b>	41
<b>Number of businesses issued with multiple Improvement Notices</b>	13
<b>% of routine inspections resulting in the issue of an Improvement Notice</b>	6.5%

In 2019-20, five businesses were expiated for five offences committed under the *Food Act 2001* (Figure 8). Offences included failure to comply with an Improvement Notice and failure to clean and sanitise.

Three Prohibition Orders were issued (Figure 8), five less than the previous year. The Prohibition Orders were issued to a bakery, restaurant and takeaway food business for serious offences relating to significant build-up of mould in a cool room, extremely poor standards of cleanliness and

unsafe food processing practices and inadequate structural suitability.

EHA inspected 69 food stalls (Figure 7) at nine major special events held within the Constituent Councils. Several major council events were cancelled during the event season due to COVID-19. Food handlers were assessed on their application of food safety and hygiene practices. EHOs also considered the structure and fit out of each stall to ensure food was stored, prepared and displayed appropriately and safely.

Food safety training videos were developed and made available on the EHA website for free public access. These training videos aim to educate food handlers or the public in general on improving food safety practices through clear demonstrations and statements/instructions and symbols. The available videos focus on handwashing, safe storage practices and temperature measuring devices.

During 2019-20 EHA featured in the FSANA Food Safety Culture Connections Autumn Newsletter. The article titled 'Culture changers: Celebrating food safety champions' highlighted a food business that worked with our officers to take steps to improve their food safety culture.

The article highlighted the importance of the balance of an EHO's guidance/education with regulatory responses to encourage and affirm the importance of food safety, the food business' will improve and identify individual's potential as a food safety champion.

# Safety training videos were developed and made available for free public access.

## Audits

Food businesses serving food to vulnerable populations, including hospitals, aged care facilities, child care centres and delivered meal organisations are captured under Food Safety Standard 3.3.1. This Standard requires food businesses to comply with Food Safety Standard 3.2.1, and the implementation of a documented and audited Food Safety Program.

Despite the declaration of a major emergency relating to COVID-19, SA Health required food safety auditors to conduct the audits on-site. However, many aged care facilities prevented access to their facilities to protect the public safety of their residents. To enable these facilities to be audited EHA arranged for records to be delivered to EHA offices and a 'virtual' assessment of the site to be conducted. Whilst is not common practice, the solution allowed for the statutory requirements of the business to be fulfilled whilst minimising the risk to not only the employees of EHA and the businesses but most importantly to the aged residents.

As shown in Table 11, a total of 73 scheduled food safety audits and five follow-up audits were conducted within EHA's jurisdiction during the year. There was an increase in the number of audits conducted outside of EHA's jurisdiction when compared to the previous year. During the year EHA secured an agreement to audit the food safety plan at 18 aged care sites across Adelaide. This agreement along with other new sites with EHA's jurisdiction contributed to an increase in audits conducted during the reporting period.

**Table 11 - A three year comparison of the number of audits and follow-up audits conducted in our five Constituent Councils and other council areas**

	2017-18		2018-19		2019-20	
	EHA	Other Council Areas	EHA	Other Council Areas	EHA	Other Council Areas
<b>No. of Audits</b>	60	37	64	46	73	73
<b>No. of Follow-up Audits</b>	5	1	6	3	5	2

## Complaints

As shown in Table 12 EHA received a total of 111 food related complaints, a 34% increase when compared to the previous two years.

As depicted in Table 12 there was a significant increase in the number of complaints relating to poor personal hygiene or poor food handling practices, a significant proportion of these complaints (45%) were received between March and June 2020. This may be attributed to the increased public awareness of COVID-19 and focus on health and hygiene made readily available through media and websites during this time.

**Table 12 – Total number of complaints received 2019-20.**

Type of Complaints Received	Total number of complaints received		
	2017-18	2018-19	2019-20
Food unsuitable/unsafe due to foreign matter	10	5	12
Food unsuitable/unsafe due to microbial contamination/growth	9	9	15
Food unsuitable/unsafe due to presence of unapproved or excessive chemical residues	0	3	1
Alleged food poisoning	14	12	17
Unclean premises	5	17	8
Poor personal hygiene or poor food handling practices	21	13	31
Rodent/insects/pests observed in premises	5	5	7
Refuse storage	9	10	13
Labelling issues	1	2	4
Other	8	7	3
<b>Total</b>	<b>82</b>	<b>83</b>	<b>111</b>



# Health Care and Community Services

## Supported Residential Facilities

EHA is the licensing authority for all Supported Residential Facilities (SRFs) within the Constituent Councils. A total of five facilities are licensed, with two Pension Only and three retirement Village /Dual License Facilities.

## Licensing, Monitoring and Complaints

EHOs conduct unannounced routine audits and, where required, follow-up inspections and complaint investigations.

During 2019-20 we conducted three unannounced routine audits and two follow-up visits. COVID-19 impacted the auditing process scheduled for the first half of 2020. The *COVID-19 Emergency Response Act 2020* prohibited Authorised Officers from entering SRFs and as a result audits by EHA and were not conducted at the three dual-licensed facilities. Alternatively, documentation audits were performed for these facilities.

Both onsite structural audits and documentation audits were conducted at the two pension only facilities. The follow-up inspection for one pension-only facility was not able to be performed due to the restrictions.

The criteria assessed to determine compliance with the *Supported Residential Facilities Act 1992*, the Supported Residential Facilities Regulations 2009 and the Supported Residential Facilities Guidelines and Standards 2011, included the following:

- adequacy of documentation and suitability of service plans
- level of staffing and appropriate qualifications
- nutritional quality and variety of the food provided to the residents
- solvency of the business
- public liability insurance
- structural condition of the premises
- financial management
- general amenity and cleanliness of the facility
- medication management
- privacy, dignity and respect of residents
- evidence of an up to date Visitors' Book

Of the audits performed, the majority of non-conformances identified related to structural maintenance and documentation management. A limited number of non-conformances related to standards of care including nutrition and medication management.

Fire safety inspections were also impacted by COVID-19. Council Fire Safety Officers could not conduct onsite inspections. Instead, correspondence was received from the Building Fire Safety Committees from each Council to indicate that there are no outstanding building fire safety matters that would prevent the licensing of these facilities. Building fire safety inspections are expected to be conducted at all facilities in the 2020-21 financial year.

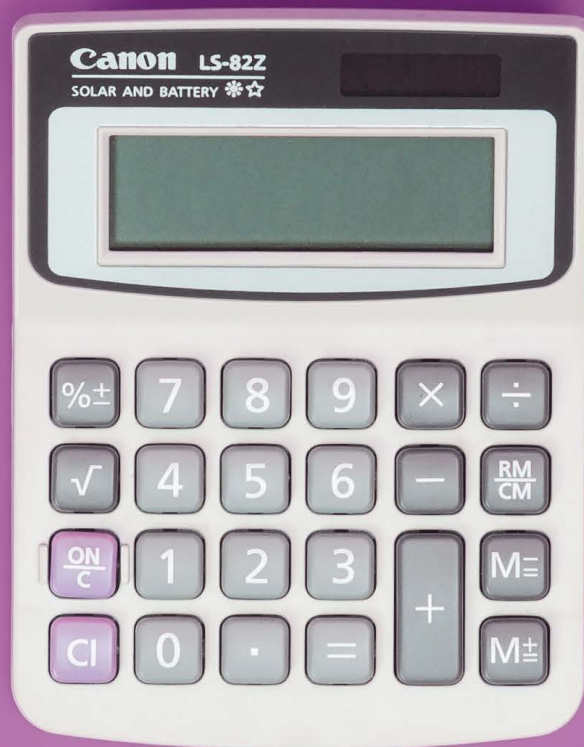
Two complaints were received and investigated during the reporting year. The numbers of complaints received was comparable to the previous year. Complaints related to access to the facility and residents by an NDIS service provider and the nutritional value of food served. Relevant action was taken by the facilities where required to resolve the matters.

Where audits were not performed, reduced term licenses were issued for four of the facilities. As with other years, where there were significant or persistent issues identified during the auditing process, conditions were imposed on the facility's next license. All facilities were given the condition to maintain all Essential Fire Safety Provisions. Three facilities were issued licences for six months with a condition. One facility was issued a licence for three months with conditions. One facility was issued a license for one year with conditions.

## SRF Manager and Acting Manager approvals

One acting manager application was approved by EHA's Chief Executive Officer under delegated authority.

# The General Purpose Financial Reports for the year ended 30 June 2020



# Eastern Health Authority

## General Purpose Financial Reports

### for the year ended 30 June 2020

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**EASTERN HEALTH AUTHORITY**

**ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020**

**CERTIFICATION OF FINANCIAL STATEMENTS**

We have been authorised by Eastern Health Authority (EHA) to certify the financial statements in their final form. In our opinion:

- the accompanying financial statements comply with the *Local Government Act 1999*, *Local Government (Financial Management) Regulations 2011* and Australian Accounting Standards.
- the financial statements present a true and fair view of EHA's financial position at 30 June 2020 and the results of its operations and cash flows for the financial year.
- internal controls implemented by the Council provide a reasonable assurance that the Council's financial records are complete, accurate and reliable and were effective throughout the financial year.
- the financial statements accurately reflect the Council's accounting and other records.

Michael Livori  
CHIEF EXECUTIVE OFFICER

Cr Peter Cornish  
CHAIRPERSON  
EHA BOARD OF MANAGEMENT

Date: 2 September 2020

**Eastern Health Authority**  
**Statement of Comprehensive Income**  
**for the year ended 30 June 2020**

	Notes	2020 \$	2019 \$
<b>INCOME</b>			
Council contributions	2	1,803,571	1,723,013
Statutory charges	2	72,447	150,360
User charges	2	330,134	394,577
Grants, subsidies and contributions	2	245,618	257,814
Investment income	2	8,183	16,316
Other income	2	4,031	15,841
<b>Total Income</b>		<b>2,463,984</b>	<b>2,557,921</b>
<b>EXPENSES</b>			
Employee costs	3	1,636,215	1,767,577
Materials, contracts & other expenses	3	594,507	716,069
Depreciation, amortisation & impairment	3	190,358	37,355
Finance costs	3	56,305	12,811
<b>Total Expenses</b>		<b>2,477,385</b>	<b>2,533,812</b>
<b>OPERATING (DEFICIT) / SURPLUS</b>		<b>(13,401)</b>	<b>24,109</b>
<b>Other Comprehensive Income</b>			
<b>Total Other Comprehensive Income</b>		<b>-</b>	<b>-</b>
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>(13,401)</b>	<b>24,109</b>

This Statement is to be read in conjunction with the attached Notes.

**Eastern Health Authority**  
**Statement of Financial Position**  
**as at 30 June 2020**

		2020	2019
	Notes	\$	\$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	4	721,310	743,272
Trade & other receivables	4	155,650	168,200
<b>Total Current Assets</b>		<u>876,960</u>	<u>911,472</u>
<b>Non-current Assets</b>			
Infrastructure, property, plant & equipment	5	1,491,511	324,192
<b>Total Non-current Assets</b>		<u>1,491,511</u>	<u>324,192</u>
<b>Total Assets</b>		<u>2,368,471</u>	<u>1,235,664</u>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade & other payables	6	157,719	149,195
Borrowings	6	262,051	64,393
Provisions	6	307,885	322,578
<b>Total Current Liabilities</b>		<u>727,655</u>	<u>536,166</u>
<b>Non-current Liabilities</b>			
Borrowings	6	1,143,669	186,350
Provisions	6	22,268	24,868
<b>Total Non-current Liabilities</b>		<u>1,165,937</u>	<u>211,218</u>
<b>Total Liabilities</b>		<u>1,893,592</u>	<u>747,384</u>
<b>NET ASSETS</b>		<u>474,879</u>	<u>488,280</u>
<b>EQUITY</b>			
Accumulated Surplus		474,879	488,280
<b>TOTAL EQUITY</b>		<u>474,879</u>	<u>488,280</u>

This Statement is to be read in conjunction with the attached Notes.

**Eastern Health Authority**  
**Statement of Changes in Equity**  
**for the year ended 30 June 2020**

		Acc'd Surplus	TOTAL EQUITY
	Notes	\$	\$
<b>2020</b>			
Balance at end of previous reporting period		488,280	488,280
<b>Net (Deficit) for Year</b>		(13,401)	(13,401)
<b>Balance at end of period</b>		<u>474,879</u>	<u>474,879</u>
<b>2019</b>			
Balance at end of previous reporting period		464,171	464,171
<b>Net Surplus for Year</b>		24,109	24,109
<b>Balance at end of period</b>		<u>488,280</u>	<u>488,280</u>

This Statement is to be read in conjunction with the attached Notes

**Eastern Health Authority**  
**Statement of Cash Flows**  
**for the year ended 30 June 2020**

		2020	2019
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	Notes	\$	\$
<b>Receipts:</b>			
Council contributions		1,983,928	1,895,314
Fees & other charges		72,447	157,878
User charges		373,345	372,381
Investment receipts		7,234	16,316
Grants utilised for operating purposes		245,618	257,814
Other revenues		4,031	18,497
<b>Payments:</b>			
Employee costs		(1,645,676)	(1,779,142)
Materials, contracts & other expenses		(802,416)	(974,102)
Finance payments		(57,773)	(14,213)
<b>Net Cash provided by (or used in) Operating Activities</b>	7 (b)	<b>180,738</b>	<b>(49,257)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>Payments:</b>			
Expenditure on renewal/replacement of assets		(24,677)	(19,633)
<b>Net Cash used in Investing Activities</b>		<b>(24,677)</b>	<b>(19,633)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>Payments:</b>			
Repayments of borrowings		(67,488)	(64,392)
Repayment of lease liabilities		(110,535)	-
<b>Net Cash or used in Financing Activities</b>		<b>(178,023)</b>	<b>(64,392)</b>
<b>Net (Decrease) in cash held</b>		<b>(21,962)</b>	<b>(133,282)</b>
Cash & cash equivalents at beginning of period	7	743,272	876,554
<b>Cash &amp; cash equivalents at end of period</b>	7	<b>721,310</b>	<b>743,272</b>

This Statement is to be read in conjunction with the attached Notes

**Eastern Health Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**  
**Note 1 - SIGNIFICANT ACCOUNTING POLICIES**

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

**1 Basis of Preparation**

**1.1 Compliance with Australian Accounting Standards**

This general purpose financial report has been prepared in accordance with Australian Accounting Standards as they apply to not-for-profit entities, other authoritative pronouncements of the Australian Accounting Standards Board, Interpretations and relevant South Australian legislation.

The financial report was authorised for issue by certificate under regulation 14 of the *Local Government (Financial Management) Regulations 2011*.

**1.2 Historical Cost Convention**

Except as stated below, these financial statements have been prepared in accordance with the historical cost convention.

**1.3 Critical Accounting Estimates**

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates, and requires management to exercise its judgement in applying the Eastern Health Authority's (EHA) accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are specifically referred to in the relevant sections of this Note.

**1.4 Rounding**

All amounts in the financial statements have been rounded to the nearest dollar (\$).

**2 The Local Government Reporting Entity**

Eastern Health Authority is incorporated under the SA Local Government Act 1999 and has its principal place of business at 101 Payneham Road, St Peters, SA 5069. These financial statements include EHA's direct operations and all entities through which EHA controls resources to carry on its functions. In the process of reporting on EHA as a single unit, all transactions and balances between activity areas and controlled entities have been eliminated.

**3 Income recognition**

EHA recognises revenue under AASB 1058 Income of Not-for-Profit Entities (AASB 1058) or AASB 15 Revenue from Contracts with Customers (AASB 15) when appropriate.

In cases where there is an 'enforceable' contract with a customer with 'sufficiently specific' performance obligations, the transaction is accounted for under AASB 15 where income is recognised when (or as) the performance obligations are satisfied (i.e. when it transfers control of a product or service to a customer). Revenue is measured based on the consideration to which EHA expects to be entitled in a contract with a customer.

In other cases, AASB 1058 applies when a not-for-profit (NFP) entity enters into transactions where the consideration to acquire an asset is significantly less than the fair value of the asset principally to enable the entity to further its objectives. The excess of the asset recognised (at fair value) over any 'related amounts' is recognised as income immediately, except in the case where a financial asset has been received to enable the authority to acquire or construct a recognisable non-financial asset that is to be controlled by the authority. In this case, the authority recognises the excess as a liability that is recognised over time in profit and loss when (or as) the entity satisfies its obligations under the transfer.

**4 Cash, Cash Equivalents and other Financial Instruments**

Cash Assets include all amounts readily convertible to cash on hand at EHA's option with an insignificant risk of changes in value with a maturity of three months or less from the date of acquisition.

All receivables are reviewed as at the reporting date and adequate allowance made for amounts the receipt of which is considered doubtful.

All financial instruments are recognised at fair value at the date of recognition. A detailed statement of the accounting policies applied to financial instruments also form part of Note 8.

## **5 Property, Plant & Equipment**

### **5.1 Initial Recognition**

All assets are initially recognised at cost. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition.

### **5.2 Materiality**

Assets with an economic life in excess of one year are only capitalised where the cost of acquisition exceeds materiality thresholds established by EHA for each type of asset. In determining (and in annually reviewing) such thresholds, regard is had to the nature of the asset and its estimated service life. Examples of capitalisation thresholds applied during the year are given in Note 5.

### **5.3 Depreciation of Non-Current Assets**

All property, plant and equipment assets recognised are systematically depreciated over their useful lives on a straight-line basis which, in the opinion of EHA, best reflects the consumption of the service potential embodied in those assets.

Depreciation methods, useful lives and residual values of classes of assets are reviewed annually.

### **5.4 Impairment**

Assets that have an indefinite useful life are not subject to depreciation and are reviewed annually for impairment. Assets carried at fair value whose future economic benefits are not dependent on the ability to generate cash flows, and where the future economic benefits would be replaced if EHA were deprived thereof, are not assessed for impairment.

Other assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount (which is the higher of the present value of future cash outflows or value in use).

Where an asset that has been revalued is subsequently impaired, the impairment is first offset against such amount as stands to the credit of that class of assets in Asset Revaluation Reserve, any excess being recognised as an expense.

### **5.5 Borrowing Costs**

Borrowing costs in relation to qualifying assets (net of offsetting investment revenue) have been capitalised in accordance with AASB 123 "Borrowing Costs". The amounts of borrowing costs recognised as an expense or as part of the carrying amount of qualifying assets are disclosed in Note 3, and the amount (if any) of interest revenue offset against borrowing costs in Note 2.

## **6 Payables**

### **6.1 Goods & Services**

Creditors are amounts due to external parties for the supply of goods and services and are recognised as liabilities when the goods and services are received. Creditors are normally paid 30 days after the month of invoice. No interest is payable on these amounts.

### **6.2 Payments Received in Advance & Deposits**

Amounts received from external parties in advance of service delivery, and security deposits held against possible damage to EHA assets, are recognised as liabilities until the service is delivered or damage reinstated, or the amount is refunded as the case may be.

## 7 Borrowings

Loans are carried at their principal amounts which represent the present value of future cash flows associated with servicing the debt. Interest is accrued over the period to which it relates and is recorded as part of "Payables".

### 7.1 Salaries, Wages & Compensated Absences

Liabilities for employees' entitlements to salaries, wages and compensated absences expected to be paid or settled within 12 months of reporting date are accrued at nominal amounts (including payroll based on costs) measured in accordance with AASB 119.

Liabilities for employee benefits not expected to be paid or settled within 12 months are measured as the present value of the estimated future cash outflows (including payroll based on costs) to be made in respect of services provided by employees up to the reporting date. Present values are calculated using government guaranteed securities rates with similar maturity terms.

No accrual is made for sick leave as EHA experience indicates that, on average, sick leave taken in each reporting period is less than the entitlement accruing in that period, and this experience is expected to recur in future reporting periods. EHA does not make payment for untaken sick leave.

#### *Superannuation*

EHA makes employer superannuation contributions in respect of its employees to the Local Government Superannuation Scheme. The Scheme has two types of membership, each of which is funded differently. No changes in accounting policy have occurred during either the current or previous reporting periods. Details of the accounting policies applied and EHA's involvement with the schemes are reported in Note 11.

## 8 Leases

### Accounting Policy applicable for the year ending 30 June 2019 (comparatives):

Lease arrangements have been accounted for in accordance with Australian Accounting Standard AASB 117.

In respect of finance leases, where EHA substantially carries the entire risks incident to ownership, the leased items are initially recognised as assets and liabilities equal in amount to the present value of the minimum lease payments. The assets are disclosed within the appropriate asset class and are amortised to expense over the period during which EHA is expected to benefit from the use of the leased assets. Lease payments are allocated between interest expense and reduction of the lease liability, according to the interest rate implicit in the lease.

In respect of operating leases, where the lessor substantially retains all of the risks and benefits incident to ownership of the leased items, lease payments are charged to expense over the lease term.

### Accounting policy applicable from 01 July 2019:

EHA 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.

#### EHA as a lessee

EHA recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

#### i) Right-of-use assets

EHA recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received and the estimate of costs to be incurred to restore the leased asset. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (5.4) Impairment of non-financial assets.

#### ii) Lease liabilities

At the commencement date of the lease, EHA recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, EHA uses its incremental borrowing rate or the interest rate implicit in the lease.

#### iii) Short-term leases and leases of low-value assets

EHA applies the short-term lease recognition exemption to its short-term leases of equipment (i.e. those leases that have a lease term of 12 months or less from the commencement date).

It also applies the low-value assets recognition exemption to leases of 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.

## 9 GST Implications

In accordance with UIG Abstract 1031 “Accounting for the Goods & Services Tax”

- Receivables and Creditors include GST receivable and payable.
- Except in relation to input taxed activities, revenues and operating expenditures exclude GST receivable and payable.
- Non-current assets and capital expenditures include GST net of any recoupment.
- Amounts included in the Statement of Cash Flows are disclosed on a gross basis.

## 10 New and amended standards and interpretations

*Adoption of AASB 15 Revenue from Contracts with Customers and AASB 1058 Income of Not-for-Profit Entities:*

EHA applied AASB 15 and AASB 1058, for the first time from 1 July 2019. AASB 1058 clarifies and simplifies the income recognition requirements that apply to not-for-profit (NFP) entities, in conjunction with AASB 15. These Standards supersede the NFP income recognition requirements previously in AASB 1004 Contributions (with the exception of certain matters relating to public sector NFP entities) as well as current revenue recognition guidance including AASB 118 Revenue, AASB 111 Construction Contracts and the related Interpretations. The timing of income recognition depends on whether such a transaction gives rise to a liability or other performance obligation (a promise to transfer a good or service). Details of the accounting policy adopted for these standards can be found in section 10 of this note. EHA has elected to adopt the modified retrospective method on transition to the new standards with an initial application date of 1 July 2019. The cumulative effect of initially applying AASB 15 and AASB 1058 is recognised at the date of initial application as an adjustment to the opening balance of Accumulated Surplus. Therefore, the comparative information was not restated and continues to be reported under AASB 111, AASB 118, AASB 1004 and related Interpretations.

The impact of adopting the new standards as at 1 July 2019 was an increase to liabilities of nil and a decrease to Accumulated Surplus of nil.

*Adoption of AASB 16 Leases (AASB 16)*

EHA applied AASB 16 for the first time from 1 July 2019. AASB 16 supersedes AASB 117 Leases, Interpretation 4 Determining whether an Arrangement contains a Lease and other related Interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet under a single on-balance sheet model. EHA has lease contracts for a building and some equipment. Before the adoption of AASB 16, EHA classified each of its leases (as lessee) at the inception date as either a finance lease or an operating lease.

EHA adopted AASB 16 using the modified retrospective method of adoption. Under this method, the standard has been applied retrospectively with the cumulative effect of initially applying the standard recognised as an adjustment to the opening balance of Accumulated Surplus as at 1 July 2019 and comparatives have not been restated.

EHA recognised right-of-use assets and lease liabilities for those leases previously classified as operating leases, except for short-term leases with lease terms that end within 12 months of the date of initial application and leases of low-value assets. The right-of-use assets for all leases were recognised based on the amount equal to the lease liabilities. No adjustments were needed for any previously recognised prepaid or accrued lease expenses as there were none. Lease liabilities were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.

The effect of adoption AASB 16 as at 1 July 2019 (increase/(decrease)) is, as follows:

	2020	2021	2022	2023	2024
	\$	\$	\$	\$	\$
Income Statement					
Interest expense	46,655	42,786	38,525	34,934	32,063
Depreciation	146,445	151,278	119,277	100,833	100,833
Lease expense	(157,190)	(164,067)	(141,414)	(117,175)	(113,543)
Profit or loss impact	35,910	29,998	16,388	18,593	19,354
Balance Sheet					
Right of use asset	1,186,555	1,035,277	916,833	816,000	715,167
Lease liability	(1,222,465)	(1,031,146)	(988,227)	(916,261)	(834,787)

**Eastern Health Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 2 - INCOME**

	Notes	2020 \$	2019 \$
<b>COUNCIL CONTRIBUTIONS</b>			
City of Burnside		437,022	444,498
Campbelltown City Council		426,994	403,854
City of Norwood, Payneham & St Peters		559,954	523,301
City of Prospect		230,650	237,123
Town of Walkerville		102,500	114,237
Public Health Plan/Service Review (equal constituent share)		46,451	-
		<b>1,803,571</b>	<b>1,723,013</b>
<b>STATUTORY CHARGES</b>			
Inspection Fees: Food		53,213	108,095
Inspection Fees: Legionella		8,603	9,795
SRF Licences		1,520	2,200
Fines & Expiation Fees		9,111	30,270
		<b>72,447</b>	<b>150,360</b>
<b>USER CHARGES</b>			
Immunisation: Clinic Vaccines		87,341	116,097
Immunisation: Worksite Vaccines		98,799	98,419
Food Auditing		84,428	79,538
City of Unley		59,566	100,523
		<b>330,134</b>	<b>394,577</b>
<b>INVESTMENT INCOME</b>			
Interest on investments:			
Local Government Finance Authority		8,183	16,316
		<b>8,183</b>	<b>16,316</b>
<b>OTHER INCOME</b>			
Motor Vehicle Reimbursements		1,627	10,597
Sundry Income		2,404	5,244
		<b>4,031</b>	<b>15,841</b>
<b>GRANTS, SUBSIDIES, CONTRIBUTIONS</b>			
Other grants, subsidies and contributions			
Immunisation: School Programme		220,308	169,874
Meningoccal B Study		-	59,644
Immunisation: AIR		25,310	28,296
		<b>245,618</b>	<b>257,814</b>

**Eastern Health Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 3 - EXPENSE**

	Notes	2020 \$	2019 \$
<b>EMPLOYEE COSTS</b>			
Salaries and Wages		1,453,727	1,521,123
Employee leave expense		9,091	38,321
Superannuation - defined contribution plan contributions	11	124,020	117,126
Superannuation - defined benefit plan contributions	11	12,212	24,653
Workers' Compensation Insurance		18,441	16,470
Other - Agency staff and Consultant Medical Officer		18,724	49,884
<b>Total Operating Employee Costs</b>		<b>1,636,215</b>	<b>1,767,577</b>
<b>Total Number of Employees</b>		<b>15</b>	<b>18</b>
<i>(Full time equivalent at end of reporting period)</i>			
<b>MATERIALS, CONTRACTS &amp; OTHER EXPENSES</b>			
<u>Prescribed Expenses</u>			
Auditor's Remuneration			
- Auditing the financial reports		7,494	7,210
Bad and Doubtful Debts		1,227	1,532
Governance expenses		11,144	15,946
Lease Expenses - short term leases	10	6,000	60,708
Subtotal - Prescribed Expenses		<b>25,865</b>	<b>85,396</b>
<u>Other Materials, Contracts &amp; Expenses</u>			
Accounting		5,473	5,971
Contractors		26,466	26,506
Energy		10,808	10,967
Fringe benefit tax		12,447	17,165
Human resources		18,983	11,742
Income protection		24,177	22,430
Insurance		28,817	27,248
IT licencing & support		161,608	136,462
Legal Expenses		13,605	17,484
Motor vehicle expenses		14,250	26,293
Office rent		-	104,829
Parts, accessories & consumables		181,373	130,593
Printing & stationery		15,088	17,557
Staff training		6,843	13,254
Sundry		21,889	33,703
Telephone		18,923	17,638
Work health & safety consultancy		7,892	10,831
Subtotal - Other Materials, Contracts & Expenses		<b>568,642</b>	<b>630,673</b>
<b>Total Materials, Contracts &amp; Expenses</b>		<b>594,507</b>	<b>716,069</b>

**Eastern Health Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 3 - EXPENSE (cont.)**

		2020	2019
	Notes	\$	\$
<b>DEPRECIATION, AMORTISATION &amp; IMPAIRMENT</b>			
<b>Depreciation</b>			
Buildings & Other Structures		23,642	23,642
Office Equipment, Furniture & Fittings		20,271	13,713
Right of Use Assets	10	146,445	-
		<u>190,358</u>	<u>37,355</u>
<b>FINANCE COSTS</b>			
Interest on Loans		9,650	12,811
Interest on Leases	10	46,655	-
		<u>56,305</u>	<u>12,811</u>

**Eastern Health Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 4 - CURRENT ASSETS**

	2020	2019
<b>CASH &amp; EQUIVALENT ASSETS</b>	<b>\$</b>	<b>\$</b>
Cash on Hand and at Bank	<b>168,947</b>	158,728
Deposits at Call	<b>552,363</b>	584,544
	<b><u>721,310</u></b>	<b><u>743,272</u></b>
 <b>TRADE &amp; OTHER RECEIVABLES</b>		
Accrued Revenues	<b>949</b>	-
Debtors - general	<b>154,701</b>	168,200
Total	<b>155,650</b>	168,200
Less: Allowance for Doubtful Debts	<b>-</b>	-
	<b><u>155,650</u></b>	<b><u>168,200</u></b>

*Amounts included in receivables that are not expected to be received within 12 months of reporting date.*

**Eastern Health Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 5 - PROPERTY, PLANT & EQUIPMENT (PP&E)**

	2019				2020			
	\$				\$			
	Fair Value	Cost	Acc' Dep'n	Carrying Amount	Fair Value	Cost	Acc' Dep'n	Carrying Amount
Buildings & Other Structures	-	472,846	(188,328)	284,518	-	<b>472,846</b>	<b>(211,970)</b>	<b>260,876</b>
Office Equipment, Furniture & Fittings	-	239,509	(199,835)	39,674	-	<b>264,186</b>	<b>(220,106)</b>	<b>44,080</b>
Right of Use Assets	-	-	-	-	-	<b>1,333,000</b>	<b>(146,445)</b>	<b>1,186,555</b>
<b>Total PP&amp;E</b>	-	712,355	(388,163)	324,192	-	<b>2,070,032</b>	<b>(578,521)</b>	<b>1,491,511</b>
<b>Comparatives</b>	-	<b>809,838</b>	<b>(467,924)</b>	<b>341,914</b>	-	<b>712,355</b>	<b>(388,163)</b>	<b>324,192</b>

	2019	CARRYING AMOUNT MOVEMENTS DURING YEAR						2020
	\$	\$						\$
	Carrying Amount	Net Adjust AASB 16	Additions		Disposals	Dep'n	Impair't	Carrying
			New / Upgrade	Renewals				
Buildings & Other Structures	284,518	-	-	-	-	(23,642)	-	260,876
Office Equipment, Furniture & Fittings	39,674	-	-	24,677	-	(20,271)	-	44,080
Right of Use Assets	-	1,333,000	-	-	-	(146,445)	-	1,186,555
<b>Total PP&amp;E</b>	<b>324,192</b>	<b>1,333,000</b>	-	<b>24,677</b>	-	<b>(190,358)</b>	-	<b>1,491,511</b>
<b>Comparatives</b>	<b>341,914</b>	-	-	<b>19,633</b>	-	<b>(37,355)</b>	-	<b>324,192</b>

*This note continues on the following pages.*

**Eastern Health Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 6 - LIABILITIES**

		2020		2019	
		\$		\$	
<b>TRADE &amp; OTHER PAYABLES</b>	<b>Notes</b>	<b>Current</b>	<b>Non-current</b>	<b>Current</b>	<b>Non-current</b>
Goods & Services		108,316	-	111,829	-
Accrued expenses - employee entitlements		39,736	-	31,904	-
Accrued expenses - other		3,994	-	5,462	-
GST Payable		5,673	-	-	-
		<b>157,719</b>	<b>-</b>	<b>149,195</b>	<b>-</b>

*Amounts included in trade & other payables that are not expected to be settled within 12 months of reporting date.*

**BORROWINGS**

Loans		70,732	112,523	64,393	186,350
Leases Liabilities	10	191,319	1,031,146	-	-
		<b>262,051</b>	<b>1,143,669</b>	<b>64,393</b>	<b>186,350</b>

*All interest bearing liabilities are secured over the future revenues of EHA.*

**PROVISIONS**

Employee entitlements (including oncosts)		307,885	22,268	322,578	24,868
		<b>307,885</b>	<b>22,268</b>	<b>322,578</b>	<b>24,868</b>

*Amounts included in provisions that are not expected to be settled within 12 months of reporting date.*

**Eastern Health Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 7 - RECONCILIATION TO CASH FLOW STATEMENT**

**(a) Reconciliation of Cash**

Cash Assets comprise highly liquid investments with short periods to maturity subject to insignificant risk of changes of value. Cash at the end of the reporting period as shown in the Cash Flow Statement is reconciled to the related items in the Balance Sheet as follows:

	<b>Notes</b>	<b>2020</b> <b>\$</b>	<b>2019</b> <b>\$</b>
Total cash & equivalent assets	4	<b>721,310</b>	743,272
Balances per Cash Flow Statement		<b>721,310</b>	743,272

**(b) Reconciliation of Change in Net Assets to Cash from Operating Activities**

Net (Deficit) Surplus	<b>(13,401)</b>	24,109
Non-cash items in Income Statement		
Depreciation, amortisation & impairment	<b>190,358</b>	37,355
Net (decrease) in unpaid employee benefits	<b>(9,461)</b>	(11,565)
	<b>167,496</b>	49,899
Add (Less): Changes in Net Current Assets		
Net decrease (increase) in receivables	<b>12,550</b>	(45,871)
Net increase (decrease) in trade & other payables	<b>692</b>	(53,285)
<b>Net Cash provided by (or used in) operations</b>	<b>180,738</b>	(49,257)

**(c) Financing Arrangements**

Unrestricted access was available at balance date to the following lines of credit:

Corporate Credit Cards	<b>5,000</b>	5,000
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# Eastern Health Authority

## Notes to and forming part of the Financial Statements

### for the year ended 30 June 2020

#### Note 8 - FINANCIAL INSTRUMENTS

All financial instruments are categorised as *loans and receivables*.

#### Accounting Policies - Recognised Financial Instruments

<b>Bank, Deposits at Call, Short Term Deposits</b>	<p><b>Accounting Policy:</b> initially recognised at fair value and subsequently measured at amortised cost, interest is recognised when earned</p> <p><b>Terms &amp; conditions:</b> Deposits are returning fixed interest rates 0.45% (2019: 1.25%).</p> <p><b>Carrying amount:</b> approximates fair value due to the short term to maturity.</p>
<b>Receivables - Fees &amp; other charges</b>	<p><b>Accounting Policy:</b> initially recognised at fair value and subsequently measured at amortised cost. An impairment provision is recognised using the expected credit loss method</p> <p><b>Terms &amp; conditions:</b> Unsecured, and do not bear interest. Although EHA is not materially exposed to any individual debtor, credit risk exposure is concentrated within the EHA's boundaries.</p> <p><b>Carrying amount:</b> approximates fair value (after deduction of any allowance).</p>
<b>Receivables - other levels of government</b>	<p><b>Accounting Policy:</b> initially recognised at fair value and subsequently measured at amortised cost. An impairment provision is recognised using the expected credit loss method.</p> <p><b>Terms &amp; conditions:</b> Amounts due have been calculated in accordance with the terms and conditions of the respective programs following advice of approvals, and do not bear interest. All amounts are due by Departments and Agencies of State and Federal Governments.</p> <p><b>Carrying amount:</b> approximates fair value.</p>
<b>Liabilities - Creditors and Accruals</b>	<p><b>Accounting Policy:</b> Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to EHA.</p> <p><b>Terms &amp; conditions:</b> Liabilities are normally settled on 30 day terms.</p> <p><b>Carrying amount:</b> approximates fair value.</p>
<b>Liabilities - Interest Bearing Borrowings</b>	<p><b>Accounting Policy:</b> initially recognised at fair value and subsequently at amortised cost, interest is charged as an expense using the effective interest rate</p> <p><b>Terms &amp; conditions:</b> secured over future revenues, borrowings are repayable (describe basis); interest is charged at fixed (or variable - describe) rates between 4% and 5% (2019: 4% and 5%)</p> <p><b>Carrying amount:</b> approximates fair value.</p>
<b>Liabilities - Finance Leases</b>	<p><b>Accounting Policy:</b> accounted for in accordance with AASB 16</p>

**Eastern Health Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 8 - FINANCIAL INSTRUMENTS (cont.)**

**Liquidity Analysis**

<b>2020</b>	Due < 1 year	Due > 1 year ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
<b><u>Financial Assets</u></b>	\$	\$	\$	\$	\$
Cash & Equivalents	<b>721,310</b>			<b>721,310</b>	<b>721,310</b>
Receivables	<b>155,650</b>	-	-	<b>155,650</b>	<b>155,650</b>
<b>Total</b>	<b>876,960</b>	-	-	<b>876,960</b>	<b>876,960</b>
<b><u>Financial Liabilities</u></b>					
Payables	<b>157,719</b>	-	-	<b>157,719</b>	<b>157,719</b>
Current Borrowings	<b>70,732</b>	-	-	<b>70,732</b>	<b>70,732</b>
Lease Liabilities	<b>121,280</b>	<b>386,361</b>	<b>714,824</b>	<b>1,222,465</b>	<b>1,222,465</b>
Non-Current Borrowings	-	<b>112,523</b>	-	<b>112,523</b>	<b>112,523</b>
<b>Total</b>	<b>349,731</b>	<b>498,884</b>	<b>714,824</b>	<b>1,563,439</b>	<b>1,563,439</b>

<b>2019</b>	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
<b><u>Financial Assets</u></b>	\$	\$	\$	\$	\$
Cash & Equivalents	743,272			743,272	743,272
Receivables	168,200	-	-	168,200	168,200
<b>Total</b>	<b>911,472</b>	-	-	<b>911,472</b>	<b>911,472</b>
<b><u>Financial Liabilities</u></b>					
Payables	149,195	-	-	149,195	149,195
Current Borrowings	64,393	-	-	64,393	64,393
Non-Current Borrowings	-	186,350	-	186,350	186,350
<b>Total</b>	<b>213,588</b>	<b>186,350</b>	-	<b>399,938</b>	<b>399,938</b>

The following interest rates were applicable to EHA's borrowings at balance date:

	<b>30 June 2020</b>		<b>30 June 2019</b>	
	Weighted Average Interest Rate	Carrying Value	Weighted Average Interest Rate	Carrying Value
	%	\$	%	\$
Fixed Interest Rates	<b>4.75</b>	<b>183,255</b>	4.75	690,438
		<b>183,255</b>		<b>690,438</b>

**Eastern Health Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 8 - FINANCIAL INSTRUMENTS (cont.)**

**Net Fair Value**

All carrying values approximate fair value for all recognised financial instruments. There is no recognised market for the financial assets of EHA.

Risk Exposures:

Credit Risk represents the loss that would be recognised if counterparties fail to perform as contracted. The maximum credit risk on financial assets of EHA is the carrying amount, net of any impairment. All EHA investments are made with the SA Local Government Finance Authority and are guaranteed by the SA Government. Except as detailed in Notes 4 in relation to individual classes of receivables, exposure is concentrated within EHA's boundaries, and there is no material exposure to any individual debtor.

Market Risk is the risk that fair values of financial assets will fluctuate as a result of changes in market prices. All of EHA's financial assets are denominated in Australian dollars and are not traded on any market, and hence neither market risk nor currency risk apply.

Liquidity Risk is the risk that EHA will encounter difficulty in meeting obligations with financial liabilities. In accordance with the model Treasury Management Policy (LGA Information Paper 15), liabilities have a range of maturity dates. EHA also has available a range of bank overdraft and standby borrowing facilities that it can access.

Interest Rate Risk is the risk that future cash flows will fluctuate because of changes in market interest rates. EHA has a balance of both fixed and variable interest rate borrowings and investments. Cash flow fluctuations are managed holistically in seeking to minimise interest costs over the longer term in a risk averse manner.

**Eastern Health Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 9 - UNIFORM PRESENTATION OF FINANCES**

The following is a high level summary of both operating and capital investment activities of EHA prepared on a simplified Uniform Presentation Framework basis.

All Councils in South Australia have agreed to summarise annual budgets and long-term financial plans on the same basis.

The arrangements ensure that all Councils provide a common 'core' of financial information, which enables meaningful comparisons of each Council's finances

	<b>2020</b>	2019
	<b>\$</b>	<b>\$</b>
Income	<b>2,463,984</b>	2,557,921
Expenses	<b>(2,477,385)</b>	(2,533,812)
<b>Operating Surplus / (Deficit)</b>	<b>(13,401)</b>	24,109
 <b>Net Outlays on Existing Assets</b>		
Capital Expenditure on renewal and replacement of Existing Assets	<b>(24,677)</b>	(19,633)
Add back Depreciation, Amortisation and Impairment	<b>190,358</b>	37,355
	<b>165,681</b>	17,722
 <b>Net Lending / (Borrowing) for Financial Year</b>	<b>152,280</b>	41,831

**Eastern Health Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 10 - OPERATING LEASES**

***EHA as a Lessee***

**Operating Lease Commitments**

EHA leases various plant and equipment under finance leases expiring within 1 to 4 years. At expiry, EHA may re-lease, or return or acquire the leased assets.

Some leases provide for the payment of contingent rentals depending on actual use of the equipment. Contingent rental payments made are disclosed in Note 3.

Commitments under operating leases at the reporting date are as follows:

	<b>2020</b>	2019
	\$	\$
Not later than one year	<b>191,319</b>	<b>64,188</b>
Later than one year and not later than 5 years	<b>42,919</b>	<b>73,861</b>
Later than 5 years	<b>988,227</b>	-
Minimum lease payments	<b>1,222,465</b>	<b>138,049</b>
Less: future finance charges	-	<b>(45,644)</b>
<b>Net Lease Liability</b>	<b>1,222,465</b>	92,405

***Right of Use Asset***

**Office Buildings & Motor Vehicles**

Set out below are the carrying amounts (written down value) of right of use assets recognised within Property, Plant & Equipment

<b>Carrying Value</b>	<b>Building &amp; Structures</b>	<b>Motor Vehicles</b>
At 1 July 2019	<b>1,200,000</b>	<b>133,000</b>
Depreciation Charge	<b>(96,000)</b>	<b>(50,445)</b>
<b>At 30 June 2020</b>	<b>1,104,000</b>	<b>82,555</b>
Depreciation expense right of use asset	96,000	50,445
Interest expense on lease liabilities	42,000	4,655
<b>Total amount recognised in profit and loss</b>	<b>144,000</b>	<b>55,100</b>

**Eastern Health Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 11 – SUPERANNUATION**

EHA makes employer superannuation contributions in respect of its employees to Statewide Super (formerly Local Government Superannuation Scheme). There are two types of membership, each of which is funded differently. Permanent and contract employees of the South Australian Local Government sector with Salarylink benefits prior to 24 November 2009 have the option to contribute to the Accumulation section and/or Salarylink. All other employees (including casuals) have all contributions allocated to the Accumulation section.

**Accumulation only Members**

Accumulation only members receive both employer and employee contributions on a progressive basis. Employer contributions are based on a fixed percentage of ordinary time earnings in accordance with superannuation guarantee legislation (9.50% in 2018-19; 9.50% in 2019-20). No further liability accrues to EHA as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

**Salarylink (Defined Benefit Fund) Members**

Salarylink is a defined benefit scheme where the benefit payable is based on a formula determined by the member's contribution rate, number of years and level of contribution and final average salary. EHA makes employer contributions to Salarylink as determined by the Fund's Trustee based on advice from the appointed Actuary. The rate is currently 6.3% (6.3% in 2018-19) of "superannuation" salary.

In addition, EHA makes a separate contribution of 3% of ordinary time earnings for Salarylink members to their Accumulation account. Employees also make member contributions to the Salarylink section of the Fund. As such, assets accumulate in the Salarylink section of the Fund to meet the member's benefits, as defined in the Trust Deed, as they accrue.

The Salarylink section is a multi-employer sponsored plan. As the Salarylink section's assets and liabilities are pooled and are not allocated by each employer, and employees may transfer to another employer within the local government sector and retain membership of the Fund, the Actuary is unable to allocate benefit liabilities, assets and costs between employers. As provided by AASB 119.32(b), EHA does not use defined benefit accounting for these contributions.

The most recent actuarial investigation was conducted by the Fund's actuary, Louise Campbell, FIAA, of Willie Towers Watson as at 30 June 2020. The Trustee has determined that the current funding arrangements are adequate for the expected Salarylink liabilities. However, future financial and economic circumstances may require changes to EHA's contribution rates at some future time.

**Contributions to Other Superannuation Schemes**

EHA also makes contributions to other superannuation schemes selected by employees under the "choice of fund" legislation. All such schemes are of the accumulation type, where the superannuation benefits accruing to the employee are represented by their share of the net assets of the scheme, and no further liability attaches to EHA.

**Eastern Health Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 12 – CONTINGENT ASSETS AND CONTINGENT LIABILITIES**

There are no contingencies, asset or liabilities not recognised in the financial statements for the year ended 30 June 2020.

**Note 13 – EVENTS OCCURRING AFTER REPORTING DATE**

There are no events subsequent to 30 June 2020 that need to be disclosed in the financial statements.

**Eastern Health Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 14 - RELATED PARTY DISCLOSURES**

**KEY MANAGEMENT PERSONNEL**

The Key Management Personnel of EHA include the Chairperson, Board Members, CEO and certain prescribed officers under section 112 of the Local Government Act 1999. In all, the Key Management Personnel were paid the following total compensation:

	<b>2020</b>	2019
	<b>\$</b>	<b>\$</b>
Salaries, allowances & other short term benefits	182,847	182,054
<b>TOTAL</b>	<b>182,847</b>	182,054

Amounts received from Related Parties during the financial year:

	<b>2020</b>	2019
	<b>\$</b>	<b>\$</b>
City of Burnside	437,022	444,498
Campbelltown City Council	426,994	403,854
City of Norwood, Payneham & St Peters	559,954	523,301
City of Prospect	230,650	237,123
Town of Walkerville	102,500	114,237
Public Health Plan/Service Review (equal constituent share)	46,451	-
<b>TOTAL</b>	<b>1,803,571</b>	1,723,013

Amounts paid to Related Parties during the financial year:

	<b>2020</b>	2019
	<b>\$</b>	<b>\$</b>
City of Norwood, Payneham & St Peters	106,978	104,829
<b>TOTAL</b>	<b>106,978</b>	<b>104,829</b>

**Description of Services provided to all related parties above:**

Assist the Constituent Councils to meet their legislative responsibilities in accordance with the SA Public Health Act 2011, the Food Act 2001 (SA), the Supported Residential Facilities Act 1992 (SA), the Expiation of Offences Act 1996 (SA), (or any successor legislation to these Acts) and any other legislation regulating similar matters that the Constituent Councils determine is appropriate within the purposes of EHA; Take action to preserve, protect and promote public and environmental health within the area of the Constituent Councils.

**Eastern Health Authority  
Annual Financial Statements  
for the year ended 30 June 2020**

**CERTIFICATION OF AUDITOR INDEPENDENCE**

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Eastern Health Authority for the year ended 30 June 2020, the Auditor, Bentleys SA Audit Partnership, has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

This statement is prepared in accordance with the requirements of Regulation 22(3) *Local Government (Financial Management) Regulations 2011*.



Michael Livori  
CHIEF EXECUTIVE OFFICER



PRESIDING MEMBER  
AUDIT COMMITTEE

Date: 28/8/2020



**Bentleys SA Audit Partnership**

Level 5  
63 Pirie Street  
Adelaide SA 5000

GPO Box 939  
Adelaide SA 5001

ABN 43 877 091 903

T +61 8 8372 7900  
F +61 8 8372 7999

admin@adel.bentleys.com.au  
bentleys.com.au

**Certification of Auditor Independence**

I confirm that, for the audit of the financial statements of Eastern Health Authority Inc for the year ended 30 June 2020, I have maintained my independence in accordance with the requirements of APES 110 – Code of Ethics for Professional Accountants, Section 290, published by the Accounting Professional and Ethical Standards Board, in accordance with the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011 made under that Act.

This statement is prepared in accordance with the requirements of Regulation 22 (5) Local Government (Financial Management) Regulations 2011.

**Bentleys SA Audit Partnership**

David Francis  
Partner

**Dated at Adelaide this 2<sup>nd</sup> September 2020**



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- ▶ Advisors
- ▶ Accountants
- ▶ Auditors



EASTERN HEALTH AUTHORITY

**ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020**

**CERTIFICATION OF AUDITOR INDEPENDENCE**

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This statement is prepared in accordance with the requirements of Regulation 22(3) *Local Government (Financial Management) Regulations 2011*.

A handwritten signature in blue ink, appearing to read 'Chris Cowley', is positioned above a horizontal dotted line.

Chris Cowley  
CHIEF EXECUTIVE OFFICER  
CITY OF BURNSIDE

Date:

4/9/20.



**EASTERN HEALTH AUTHORITY**

**ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020**

**CERTIFICATION OF AUDITOR INDEPENDENCE**

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This statement is prepared in accordance with the requirements of Regulation 22(3) *Local Government (Financial Management) Regulations 2011*.

.....  
Paul Di Iulio  
**CHIEF EXECUTIVE OFFICER**  
**Campbelltown City Council**

Date: 2.9.2020



EASTERN HEALTH AUTHORITY

**ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020**

**CERTIFICATION OF AUDITOR INDEPENDENCE**

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This statement is prepared in accordance with the requirements of Regulation 22(3) *Local Government (Financial Management) Regulations 2011*.



.....  
Mario Barone

CHIEF EXECUTIVE OFFICER  
CITY OF NORWOOD, PAYNEHAM & ST PETERS

Date: 03. 09. 2020.



EASTERN HEALTH AUTHORITY

**ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020**

**CERTIFICATION OF AUDITOR INDEPENDENCE**

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This statement is prepared in accordance with the requirements of Regulation 22(3) *Local Government (Financial Management) Regulations 2011*.



.....  
Nigel McBride  
**CHIEF EXECUTIVE OFFICER**  
City of Prospect

8/9/2020  
Date:



EASTERN HEALTH AUTHORITY

**ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020**

**CERTIFICATION OF AUDITOR INDEPENDENCE**

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Eastern Health Authority for the year ended 30 June 2020, the Auditor, Bentleys SA Audit Partnership, has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

This statement is prepared in accordance with the requirements of Regulation 22(3) *Local Government (Financial Management) Regulations 2011*.

Kiki Cristol  
**CHIEF EXECUTIVE OFFICER**  
Town of Walkerville

Date: 2 September 2020



local councils working together to protect the health of the community