

**Albury Wodonga
Health Specialty
Purpose Service
Entity**

Financial Statements

for the year ended 30 June 2018



INDEPENDENT AUDITOR'S REPORT

Albury Wodonga Health NSW Employment Division

To Members of the New South Wales Parliament

Opinion

I have audited the accompanying financial statements of Albury Wodonga Health NSW Employment Division (the Division), which comprise the Statement of Comprehensive Income for the year ended 30 June 2018, the Statement of Financial Position as at 30 June 2018, the Statement of Changes in Equity and the Statement of Cash Flows, for the year then ended, notes comprising a Statement of significant accounting policies and other explanatory information.

In my opinion, the financial statements:

- give a true and fair view of the financial position of the Division as at 30 June 2018, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards
- are in accordance with section 45E of the *Public Finance and Audit Act 1983* (PF&A Act) and the Public Finance and Audit Regulation 2015.

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

Basis for Opinion

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

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

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

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

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

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

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

Secretary's Responsibilities for the Financial Statements

The Secretary is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards and the PF&A Act, and for such internal control as the Secretary determines is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Secretary is responsible for assessing the Division's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting except where the Division's operations will cease as a result of an administrative restructure.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

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

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements.

Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

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

My opinion does not provide assurance:

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



Dominika Ryan
Director, Financial Audit Services

24 September 2018
SYDNEY

Albury Wodonga Health NSW Employment Division
Certification of financial statements
for the year ended 30 June 2018

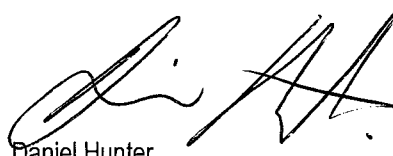
We state, pursuant to Section 45F of the *Public Finance and Audit Act 1983*:

- 1) The financial statements of Albury Wodonga Health NSW Employment Division (the Division) for the year ended 30 June 2018 have been prepared in accordance with:
 - a) Australian Accounting Standards (which include Australian Accounting Interpretations);
 - b) the requirements of the *Public Finance and Audit Act 1983*, the *Public Finance and Audit Regulation 2015*; and
 - c) the financial reporting directions mandated by the Treasurer.
- 2) The financial statements exhibit a true and fair view of the financial position and the financial performance of the Division; and
- 3) We are not aware of any circumstances which would render any particulars in the financial statements to be misleading or inaccurate.



Elizabeth Koff
Secretary, NSW Health

17 September 2018



Daniel Hunter
Deputy Secretary, Finance and Asset
Management and Chief Financial Officer,
NSW Health

17 September 2018

Albury Wodonga Health NSW Employment Division
Statement of Comprehensive Income for the year ended 30 June 2018

	Notes	Actual 2018 \$'000	Actual 2017 \$'000
Expenses			
Employee related expenses	2	2,354	1,097
Total expenses		2,354	1,097
Revenue			
Acceptance by the Crown Entity of employee benefits and other liabilities	3	2,115	1,081
Total revenue		2,115	1,081
Net result		(239)	(16)
Total comprehensive loss		(239)	(16)

The accompanying notes form part of these financial statements.

Albury Wodonga Health NSW Employment Division
Statement of Financial Position as at 30 June 2018

	Notes	Actual 2018 \$'000	Actual 2017 \$'000
Assets			
Current assets		-	-
Non-current assets		-	-
		<hr/>	<hr/>
Total assets		<hr/> -	<hr/> -
Liabilities			
Current liabilities			
Provisions	4	1,202	982
Total current liabilities		<hr/> 1,202	<hr/> 982
Non-current liabilities			
Provisions	4	104	85
Total non-current liabilities		<hr/> 104	<hr/> 85
Total liabilities		<hr/> 1,306	<hr/> 1,067
Net liabilities		<hr/> (1,306)	<hr/> (1,067)
Equity			
Accumulated deficit		<hr/> (1,306)	<hr/> (1,067)
Total equity		<hr/> (1,306)	<hr/> (1,067)

The accompanying notes form part of these financial statements.

Albury Wodonga Health NSW Employment Division
Statement of Changes in Equity for the year ended 30 June 2018

	Accumulated Deficit \$'000	Total \$'000
Balance at 1 July 2017	(1,067)	(1,067)
Net result for the year	(239)	(239)
Total comprehensive loss for the year	(239)	(239)
Balance at 30 June 2018	(1,306)	(1,306)
Balance at 1 July 2016	(1,051)	(1,051)
Net result for the year	(16)	(16)
Total comprehensive loss for the year	(16)	(16)
Balance at 30 June 2017	(1,067)	(1,067)

The accompanying notes form part of these financial statements.

Albury Wodonga Health NSW Employment Division
Statement of Cash Flows for the year ended 30 June 2018

	Actual 2018 \$'000	Actual 2017 \$'000
Net cash flows from operating activities	-	-
Net cash flows from investing activities	-	-
Net cash flows from financing activities	-	-
Net increase / (decrease) in cash and cash equivalents	-	-
Opening cash and cash equivalents	-	-
Closing cash and cash equivalents	-	-

The accompanying notes form part of these financial statements.

Albury Wodonga Health NSW Employment Division
Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

1. Statement of significant accounting policies

a) Reporting entity

The Albury Wodonga Health NSW Employment Division (the Division) is a Division of the Government Service, established pursuant to section 116(4) of the *Health Services Act 1997*.

The Division is a NSW Government entity and is controlled by the NSW Ministry of Health, which is the immediate parent. The Division is also controlled by the State of New South Wales (and is consolidated as part of the NSW Total State Sector Accounts), which is the ultimate parent. The Division is a not-for-profit entity (as profit is not its principal objective).

The creation of the Division enabled the staff primarily employed in connection with the Albury Base Hospital to be transferred from the former Greater Southern Area Health Service (GSAHS) to the Division. The employees of the Division have been seconded to Albury Wodonga Health, a Victorian Government entity appointed to run the Albury Base Hospital as part of an inter governmental agreement. This has resulted in this Division carrying only the long service leave of the NSW staff seconded to Albury Wodonga Health.

These financial statements for the year ended 30 June 2018 have been authorised for issue by the Secretary, NSW Health on 17 September 2018.

b) Basis of Preparation

The Division's financial statements are general purpose financial statements which have been prepared on an accrual basis and in accordance with applicable Australian Accounting Standards (which include Australian Accounting Interpretations), the requirements of the *Public Finance and Audit Act 1983* and *Public Finance and Audit Regulation 2015*, and financial reporting directions mandated by the Treasurer.

Financial statement items are prepared in accordance with the historical cost convention except where specified otherwise.

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

All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency which is the Division's presentation and functional currency.

A letter of support has been issued by the NSW Ministry of Health to the Division to ensure that sufficient funding will be made available to enable the Division to pay its liabilities as and when they fall due.

c) Comparative Information

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

Albury Wodonga Health NSW Employment Division
Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

1. Summary of significant accounting policies (continued)

d) Statement of Compliance

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

e) Provisions

(i) Long Service Leave

The Division's liability for long service leave is assumed by the Crown Entity, which is an entity controlled by the ultimate parent. The Division accounts for the liability as having been extinguished resulting in the amount assumed being shown as part of the non-monetary revenue item described as 'Acceptance by the Crown Entity of employee benefits and other liabilities'.

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

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

f) Income recognition

Income is measured at the fair value of the consideration or contribution received or receivable.

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

(i) Effective for the first time in 2017/18

The accounting policies applied in 2017/18 are consistent with those of the previous financial year. No new or revised Australian Accounting Standards have been applied for the first time that have a material impact on the financial statements.

(ii) Issued but not yet effective

NSW public sector entities are not permitted to early adopt new Australian Accounting Standards, unless NSW Treasury determines otherwise. The Division has assessed the potential impact of new standards and interpretations issued but not yet effective and they are unlikely to have a material impact on the financial statements of the Division.

Albury Wodonga Health NSW Employment Division
Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

	Actual 2018 \$'000	Actual 2017 \$'000
2. Employee related expenses		
Long service leave assumed by the Crown Entity, an entity controlled by the ultimate parent	2,115	1,081
Long service leave on-costs recognised by Division	239	16
	2,354	1,097
3. Acceptance by the Crown Entity of employee benefits and other liabilities		
The following liabilities and / or expenses have been assumed by the Crown Entity:		
Long service leave	2,115	1,081
Total current provisions	2,115	1,081
4. Provisions		
Current		
Long service leave consequential on-costs	1,202	982
Total current provisions	1,202	982
Non-current		
Long service leave consequential on-costs	104	85
Total non-current provisions	104	85
5. Commitments, contingent liabilities and assets		
At reporting date there are no known contingent liabilities, contingent assets or commitments.		

Albury Wodonga Health NSW Employment Division
Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

6. Related party transactions

Key management personnel compensation

Compensation for the Minister for Health is paid by the Legislature and is not reimbursed by the NSW Ministry of Health and its controlled entities. The compensation of the Minister for Health is disclosed in the financial statements of the ultimate parent.

Compensation for the Secretary, NSW Health (the Secretary) is paid by the NSW Ministry of Health and is not reimbursed by the Division. The compensation of the Secretary is disclosed in the financial statements of the immediate parent.

Transactions with key management personnel and their close family members

There were no transactions between the Division and key management personnel or their close family members during the reporting period.

Other related party transactions

There were no other individually or in aggregate significant related party transactions during the year.
There were no transactions with the ultimate parent during the year.

7. Events after the reporting period

There were no events subsequent to the reporting period requiring disclosure that would require these financial statements to be amended.

End of audited financial statements

