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To the Chair, Governing Board Central Adelaide Local Health Network Incorporated

Opinion

I have audited the financial report of the Central Adelaide Local Health Network Incorporated and the consolidated entity comprising the Central Adelaide Local Health Network Incorporated and its controlled entities for the financial year ended 30 June 2026.

In my opinion, the accompanying financial report gives a true and fair view of the financial position of the Central Adelaide Local Health Network Incorporated and its controlled entities as at 30 June 2026, their financial performance and their cash flows for the year then ended in accordance with relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and section 36(2) of the *Health Care Act 2008*.

The financial report comprises:

- a Statement of Comprehensive Income for the year ended 30 June 2026
- a Statement of Financial Position as at 30 June 2026
- a Statement of Changes in Equity for the year ended 30 June 2026
- a Statement of Cash Flows for the year ended 30 June 2026
- notes, comprising material accounting policy information and other explanatory information
- a Certificate from the Chair, CALHN Governing Board, the Chief Executive Officer and the Executive Director, Finance and Business Services.

Basis for opinion

I conducted the audit in accordance with the *Public Finance and Audit Act 1987* and Australian Auditing Standards. My responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial report' section of my report. I am independent of the Central Adelaide Local Health Network Incorporated and its controlled entities. The *Public Finance and Audit Act 1987* establishes the independence of the Auditor-General. In conducting the audit, the relevant ethical requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* have been met.

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

Responsibilities of the Chief Executive Officer and the Governing Board for the financial report

The Chief Executive Officer is responsible for the preparation of the financial report that gives a true and fair view in accordance with relevant Treasurer's Instructions issues under the provisions of the *Public Finance and Audit Act 1987* and the Australian Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Chief Executive Officer is responsible for assessing the entity's and consolidated entity's ability to continue as a going concern, taking into account any policy or funding decisions the government has made which affect the continued existence of the entity. The Chief Executive Officer is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the assessment indicates that it is not appropriate.

The Governing Board is responsible for overseeing the entity's financial reporting process.

Auditor's responsibilities for the audit of the financial report

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987* and section 36(2) of the *Health Care Act 2008*, I have audited the financial report of the Central Adelaide Local Health Network Incorporated and its controlled entities for the financial year ended 30 June 2026.

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Central Adelaide Local Health Network Incorporated's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Chief Executive Officer
- conclude on the appropriateness of the Chief Executive Officer's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify the opinion. My conclusion is based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation
- plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial report. I am responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. I remain solely responsible for my audit opinion.

My report refers only to the financial report described above and does not provide assurance over the integrity of electronic publication by the entity on any website nor does it provide an opinion on other information which may have been hyperlinked to/from the report.

I communicate with the Chief Executive Officer and the Governing Board about, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during the audit.



Andrew Blaskett
Auditor-General

23 September 2026

CENTRAL ADELAIDE LOCAL HEALTH NETWORK
STATEMENT OF COMPREHENSIVE INCOME
For the year ended 30 June 2026

		Consolidated		Parent	
	Note	2026	2025	2026	2025
		\$'000	\$'000	\$'000	\$'000
Income					
Revenues from SA Government	2	2,761,444	2,565,574	2,761,444	2,565,574
Fees and charges	3	617,957	571,811	598,320	552,518
Grants and contributions	4	355,744	325,272	356,085	326,062
Interest	5	7,057	7,101	6,963	7,075
Resources received free of charge	6	19,951	17,275	19,951	17,275
Other revenues/income	8	126,762	123,763	123,909	116,814
Total income		3,888,915	3,610,796	3,866,672	3,585,318
Expenses					
Staff related expenses	9	2,151,386	1,945,225	2,135,723	1,930,227
Supplies and services	10	1,400,332	1,269,414	1,399,390	1,267,819
Depreciation and amortisation	19,20	142,429	136,193	141,391	135,105
Grants and subsidies	11	2,088	1,744	527	536
Borrowing costs	23	190,385	200,425	190,342	200,391
Net loss from disposal of non-current and other assets	7	483	693	483	692
Impairment loss on receivables	14.1	3,041	1,944	3,023	1,716
Other expenses	12	14,159	14,872	12,628	14,184
Total expenses		3,904,303	3,570,510	3,883,507	3,550,670
Net result		(15,388)	40,286	(16,835)	34,648
Other Comprehensive Income					
Items that will not be reclassified to net result					
Changes in property, plant and equipment asset revaluation surplus		153,302	(143)	153,302	(143)
Total other comprehensive income		153,302	(143)	153,302	(143)
Total comprehensive result		137,914	40,143	136,467	34,505

The accompanying notes form part of these financial statements. The net result and total comprehensive result are attributable to the SA Government as owner.

CENTRAL ADELAIDE LOCAL HEALTH NETWORK
STATEMENT OF FINANCIAL POSITION
As at 30 June 2026

		Consolidated		Parent	
	Note	2026	2025	2026	2025
		\$'000	\$'000	\$'000	\$'000
Current assets					
Cash and cash equivalents	13	290,641	237,227	285,282	229,957
Receivables	14	104,685	102,434	101,382	99,219
Other financial assets	15	8,605	6,686	-	-
Inventories	16	27,630	26,540	27,312	26,272
Contract assets	17	1,070	294	1,070	294
Non-current assets classified as held for sale	18	9,600	-	-	-
Total current assets		442,231	373,181	415,046	355,742
Non-current assets					
Receivables	14	10,562	10,974	10,562	10,974
Other financial assets	15	4,648	5,396	1,150	1,150
Property, plant and equipment	18,19	3,452,606	3,375,060	3,449,032	3,372,981
Investment property	18,19	-	8,600	-	-
Intangible assets	18,20	2,335	5,919	2,335	5,919
Total non-current assets		3,470,151	3,405,949	3,463,079	3,391,024
Total assets		3,912,382	3,779,130	3,878,125	3,746,766
Current liabilities					
Payables	22	105,847	98,618	105,453	98,139
Financial liabilities	23	74,993	74,742	74,486	74,673
Staff related liabilities	24	356,566	316,369	354,951	314,464
Provisions	25	13,613	12,657	13,613	12,657
Contract liabilities and other liabilities	26	4,131	3,363	1,331	928
Total current liabilities		555,150	505,749	549,834	500,861
Non-current liabilities					
Financial liabilities	23	2,271,392	2,346,315	2,270,911	2,345,858
Staff related liabilities	24	334,765	317,445	334,664	317,338
Provisions	25	50,110	46,597	50,110	46,597
Contract liabilities and other liabilities	26	27	-	27	-
Total non-current liabilities		2,656,294	2,710,357	2,655,712	2,709,793
Total liabilities		3,211,444	3,216,106	3,205,546	3,210,654
Net assets		700,938	563,024	672,579	536,112
Equity					
Retained earnings		367,695	382,445	339,336	355,533
Asset revaluation surplus		333,243	180,579	333,243	180,579
Total equity		700,938	563,024	672,579	536,112

The accompanying notes form part of these financial statements. The total equity is attributable to the SA Government as owner.

CENTRAL ADELAIDE LOCAL HEALTH NETWORK
STATEMENT OF CHANGES IN EQUITY
For the year ended 30 June 2026

CONSOLIDATED

	Note	Asset revaluation surplus \$ '000	Retained earnings \$ '000	Total equity \$ '000
Balance at 30 June 2024		181,053	342,470	523,523
Prior period adjustment	1.8	-	1,440	1,440
Net result for 2024-25		-	40,286	40,286
Gain/(loss) on revaluation of land and buildings		(143)	-	(143)
Total comprehensive result for 2024-25		(143)	40,286	40,143
Transfer between equity components		(331)	331	-
Net assets received from an administrative restructure		-	(2,082)	(2,082)
Balance at 30 June 2025		180,579	382,445	563,024
Net result for 2025-26		-	(15,388)	(15,388)
Gain/(loss) on revaluation of land and buildings		153,302	-	153,302
Total comprehensive result for 2025-26		153,302	(15,388)	137,914
Transfer between equity components		(638)	638	-
Balance at 30 June 2026		333,243	367,695	700,938

PARENT

	Note	Asset revaluation surplus \$ '000	Retained earnings \$ '000	Total equity \$ '000
Balance at 30 June 2024		181,053	321,196	502,249
Prior period adjustment	1.8	-	1,440	1,440
Net result for 2024-25		-	34,648	34,648
Gain/(loss) on revaluation of land and buildings		(143)	-	(143)
Total comprehensive result for 2024-25		(143)	34,648	34,505
Transfer between equity components		(331)	331	-
Net assets received from an administrative restructure		-	(2,082)	(2,082)
Balance at 30 June 2025		180,579	355,533	536,112
Net result for 2025-26		-	(16,835)	(16,835)
Gain/(loss) on revaluation of land and buildings		153,302	-	153,302
Total comprehensive result for 2025-26		153,302	(16,835)	136,467
Transfer between equity components		(638)	638	-
Balance at 30 June 2026		333,243	339,336	672,579

The accompanying notes form part of these financial statements. All changes in equity are attributable to the SA Government as owner.

CENTRAL ADELAIDE LOCAL HEALTH NETWORK
STATEMENT OF CASH FLOWS
For the year ended 30 June 2026

		Consolidated		Parent	
	Note	2026	2025	2026	2025
		\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities					
Cash inflows					
Receipts from SA Government		2,937,317	2,686,047	2,937,317	2,686,047
Fees and charges		381,582	361,500	361,977	341,558
Grants and contributions		364,862	335,034	365,203	335,824
Interest received		7,057	7,101	6,963	7,075
GST recovered from ATO		107,234	98,422	107,234	98,422
Other receipts		17,033	15,280	13,473	11,392
Cash outflows					
Staff benefits payments		(2,087,139)	(1,911,007)	(2,071,180)	(1,896,623)
Payments for supplies and services		(1,328,109)	(1,212,300)	(1,326,858)	(1,208,967)
Payments of grants and subsidies		(2,143)	(1,806)	(582)	(598)
Interest paid		(193,334)	(193,196)	(193,291)	(193,162)
Other payments		(24,982)	(25,190)	(23,451)	(24,689)
Net cash from operating activities	27	179,378	159,885	176,805	156,279
Cash flows from investing activities					
Cash inflows					
Proceeds from sale of property, plant and equipment		15	-	15	-
Proceeds from sale/maturities of investments		3,951	5,531	-	-
Cash outflows					
Purchase of property, plant and equipment		(47,088)	(51,287)	(45,429)	(51,037)
Purchase of intangible assets		-	(267)	-	(267)
Purchase of investments		(6,364)	(5,774)	-	-
Net cash from/(used in) investing activities		(49,486)	(51,797)	(45,414)	(51,304)
Cash flows from financing activities					
Cash outflows					
Repayment of lease liabilities		(76,478)	(78,513)	(76,066)	(78,060)
Net cash from/(used in) financing activities		(76,478)	(78,513)	(76,066)	(78,060)
Net increase/(decrease) in cash and cash equivalents		53,414	29,575	55,325	26,915
Cash and cash equivalents at the beginning of the period		237,227	207,652	229,957	203,042
Cash and cash equivalents at the end of the period	13	290,641	237,227	285,282	229,957

The accompanying notes form part of these financial statements.

CENTRAL ADELAIDE LOCAL HEALTH NETWORK
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30 June 2026

1. About Central Adelaide Local Health Network

The Central Adelaide Local Health Network Incorporated (the Hospital) is a not-for-profit incorporated hospital under the *Health Care Act 2008*. The financial statements and accompanying notes include all controlled activities of the Hospital, this includes the Hospital and AusHealth Corporate Pty Ltd (AusHealth).

The consolidated financial statements have been prepared in accordance with AASB 10 *Consolidated Financial Statements*. Consistent accounting policies have been applied and all inter-entity balances and transactions arising within the consolidated entity have been eliminated in full. Information on the consolidated entity's interest in other entities is at note 34.

Administered Items

The Hospital has administered activities and resources. Transactions and balances relating to administered resources are presented separately and are disclosed in the Schedules of Administered Items – refer to note 36. Except as otherwise disclosed, administered items are accounted for on the same basis and using the same accounting policies as for the Hospital's transactions.

1.1 Objectives and activities

The Hospital is committed to protecting and improving the health of all South Australians by delivering a system that balances the provision of safe, high-quality and accessible services that are sustainable and reflective of local values, needs and priorities with strategic system leadership, regulatory responsibilities and an increased focus on wellbeing, illness prevention, early intervention and quality care.

The Hospital is part of the SA Health portfolio providing health services for Central Adelaide, including those managed on a State-wide basis.

The Hospital is structured to contribute to the outcomes for which the portfolio is responsible by providing hospital-based tertiary and quaternary care including medical, surgical and other acute services, rehabilitation, mental health and palliative care, dental, breast screening and other community health services to veterans and other persons living within the central Adelaide metropolitan area and Statewide as appropriate.

The Hospital is governed by a Board, which is responsible for providing strategic oversight and monitoring the Hospital's financial and operational performance. The Board must comply with any direction of the Minister for Health and Wellbeing (Minister) or Chief Executive of the Department for Health and Wellbeing (Department).

The Chief Executive Officer is responsible for managing the operations and affairs of the Hospital and is accountable to, and subject to the direction of, the Board in undertaking that function.

The Hospital is comprised of four main sites:

- Royal Adelaide Hospital (RAH)
- The Queen Elizabeth Hospital (TQEH)
- Hampstead Rehabilitation Centre (HRC)
- Glenside Health Service (GHS)

It also has responsibility for the provision and/or coordination of the following statewide services:

- Statewide Clinical Support Services including SA Pathology, SA Medical Imaging, SA Pharmacy, SA Dental and BreastScreen SA
- Aged Care Assessment Program (ACAS)
- Donate Life SA
- Adelaide Sexual Health Centre
- Pregnancy Advisory Centre
- South Australian Prison Health Service
- Statewide Rehabilitation Services – Spinal Cord Injury Service and South Australian Brain Injury Rehabilitation Services
- Adult CAR-T Cell Therapy
- Adult Burns Service
- Oral and Maxillofacial Surgery
- Central Northern Adelaide Renal and Transplant Service
- Nationally Funded Centres Program
- Pelvic Mesh Service
- Trauma Service
- Paediatric Radiation Oncology Services
- Total Body Irradiation

CENTRAL ADELAIDE LOCAL HEALTH NETWORK
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30 June 2026

- Total Body Electron Irradiation
- Adult Genetics Service
- Brachytherapy service (with exception of low dose rate seed implantation for prostate cancer)
- Haemophilia
- Blood Safe Service
- Head and Neck Radiation Oncology
- Allogeneic Stem Cell Transplant Service
- Theronostics Service (nuclear medicine lutate and PMA/prostate)
- South Australian Adult Cystic Fibrosis Service
- South Australian Lung Transplant Service
- South Australian Tuberculosis Service
- Clinical Toxicology Service
- Mental Health Triage Service

1.2 Basis of preparation

These financial statements are general purpose financial statements prepared in accordance with:

- section 23 of the *Public Finance and Audit Act 1987*;
- Treasurer's Instructions and Accounting Policy Statements issued by the Treasurer under the *Public Finance and Audit Act 1987*; and
- relevant Australian Accounting Standards.

The financial statements have been prepared based on a 12 month period and presented in Australian currency. All amounts in the financial statements and accompanying notes have been rounded to the nearest thousand dollars (\$'000). Any transactions in foreign currency are translated into Australian dollars at the exchange rates at the date the transaction occurs. The historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured.

Assets and liabilities that are to be sold, consumed or realised as part of the normal operating cycle have been classified as current assets or current liabilities. All other assets and liabilities are classified as non-current.

Material accounting policy information is set out below or throughout the notes.

1.3 Taxation

The Hospital is not subject to income tax. The Hospital is liable for fringe benefits tax (FBT) and goods and services tax (GST).

Income, expenses and assets are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods or services is not recoverable from the Australian Taxation Office (ATO), in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item applicable; and
- receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the Statement of Financial Position.

Cash flows are included in the Statement of Cash Flows on a gross basis, and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the ATO, is classified as part of operating cash flows.

1.4 Continuity of Operations

As at 30 June 2026, the Hospital had a working capital deficiency of \$112.939 million (\$132.568 million deficiency). The SA Government is committed and has consistently demonstrated a commitment to the ongoing funding of the Hospital to enable it to perform its functions. This ongoing commitment is ultimately outlined in the annually produced and published *State Budget Papers* which presents the SA Government's current and estimated future economic performance, including forward estimates of revenue, expenses and performance by Agency.

1.5 Equity

The asset revaluation surplus is used to record increments and decrements in the fair value of land, buildings and plant and equipment to the extent that they offset one another. Relevant amounts are transferred to retained earnings when an asset is derecognised.

CENTRAL ADELAIDE LOCAL HEALTH NETWORK
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30 June 2026

1.6 Changes to the Hospital

2025-26

There were no functions transferred in or out in 2025-26.

2024-25

In response to the Commonwealth Government's introduction of a new single assessment aged care system across all State and Territory jurisdictions, the South Australian Health Chief Executives Council (HCEC), on 2 July 2024, approved the proposal to transition Local Health Network based assessment services into a statewide Aged Care Assessment Service (ACAS), to be implemented by the Central Adelaide Local Health Network (CALHN) by 1 July 2025. During April to June 2025, the transition of 77 staff to the statewide ACAS in CALHN was completed, with effective dates ranging from 22 March 2025 to 17 May 2025. Staff related liabilities of \$2.082 million were transferred into the Hospital.

1.7 Change in accounting policy

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

1.8 Prior period adjustments

During the reporting period the Hospital identified that a heritage full body monitor and other items, which had been located in the CALHN Museum for multiple years, had not been accurately recognised in the asset register. Independent valuations were subsequently confirmed, and the plant and equipment assets were added to the balance sheet during the reporting period, with a carrying value of \$1.440 million.

In addition, there was an adjustment made retrospectively to derecognise \$2.400 million of right-of-use assets, and related lease liability, for the lease incentive details incorrectly recognised during 2024-25.

Restatement of 2024-25 comparative information	2025 reported	Prior period adjustment	2025 restated
Consolidated	\$'000	\$'000	\$'000
Statement of Financial Position			
Assets: Property, plant and equipment – note 19	3,384,620	(960)	3,383,660
Liabilities: Financial liabilities - non-current - note 23	2,423,457	(2,400)	2,421,057
Reconciliation of property, plant and equipment - note 19			
Right-of-use buildings: Additions	23,953	(2,400)	21,553
Right-of-use buildings: Carrying amount at the end of the period	2,292,106	(2,400)	2,289,706
Other plant and equipment: Carrying amount at the beginning of the period	7,513	1,440	8,953
Other plant and equipment: Carrying amount at the end of the period	6,117	1,440	7,557
Statement of Changes in Equity - balance at 30 June 2025			
Equity: Retained Earnings	381,005	1,440	382,445

CENTRAL ADELAIDE LOCAL HEALTH NETWORK
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30 June 2026

2. Revenues from SA Government

	Consolidated		Parent	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Capital projects funding	28,953	66,166	28,953	66,166
Operational funding	2,732,491	2,499,408	2,732,491	2,499,408
Total revenues from SA Government	2,761,444	2,565,574	2,761,444	2,565,574

The Department provides recurrent and capital funding under a service agreement to the Hospital for the provision of general health services. Contributions from the Department are recognised when the Hospital obtains control over the funding. Control over the funding is normally obtained upon receipt.

3. Fees and charges

	Consolidated		Parent	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Ambulance transport	85	101	85	101
Car parking revenue	10,077	9,721	10,077	9,721
Commissions revenue	30	37	30	37
Fines, fees and penalties	119	122	119	122
Interstate patient transfers	80	-	80	-
Patient and client fees	525,892	485,303	506,255	466,010
Private practice fees	49,789	44,784	49,789	44,784
Fees for health services	10,423	11,345	10,423	11,345
Royalty income	140	268	140	268
Sale of goods - medical supplies	151	357	151	357
Training revenue	115	40	115	40
Other user charges and fees	21,056	19,733	21,056	19,733
Total fees and charges	617,957	571,811	598,320	552,518

The Hospital measures revenue based on the consideration specified in a major contract with a customer and excludes amounts collected on behalf of third parties. Revenue is recognised either at a point in time or over time, when (or as) the Hospital satisfies performance obligations by transferring the promised goods or services to its customers.

All revenue from fees and charges is revenue recognised from contracts with customers except for fines, fees and penalties.

CENTRAL ADELAIDE LOCAL HEALTH NETWORK
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30 June 2026

Consolidated

Contracts with Customers disaggregated by pattern of revenue recognition and type of customer	2026	2026	2025	2025
	Goods/Services transferred at a point in time	Goods/Services transferred over a period of time	Goods/Services transferred at a point in time	Goods/Services transferred over a period of time
	\$'000	\$'000	\$'000	\$'000
Ambulance transport	24	-	31	-
Car parking revenue	6,117	3,960	5,861	3,860
Commissions revenue	30	-	37	-
Interstate patient transfers	80	-	-	-
Patient and client fees	251,518	-	240,014	-
Private practice fees	49,789	-	44,784	-
Fees for health services	10,045	-	10,687	-
Royalty income	140	-	268	-
Sale of goods - medical supplies	56	-	67	-
Training revenue	115	-	32	-
Other user charges and fees	20,447	-	19,069	8
Total contracts with external customers	338,361	3,960	320,850	3,868
Ambulance transport	61	-	70	-
Patient and client fees	274,374	-	245,289	-
Fees for health services	378	-	658	-
Sale of goods - medical supplies	95	-	290	-
Training revenue	-	-	8	-
Other user charges and fees	609	-	656	-
Total contracts with SA Government customers	275,517	-	246,971	-
Total contracts with customers	613,878	3,960	567,821	3,868

The Hospital recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities (refer to note 26). Similarly, if the Hospital satisfies a performance obligation before it receives the consideration, the Hospital recognises either a contract asset or a receivable, depending on whether something other than the passage of time is required before the consideration is due (refer to note 14 and 17).

The Hospital recognises revenue (contract with customers) from the following major sources:

Patient and Client Fees

Public health care is free for medicare eligible customers with the exception of co-payments for Pharmaceutical Benefits Scheme drugs. Non-medicare eligible customers pay in arrears to stay overnight in a public hospital and to receive medical assessment, advice, treatment and care from a health professional. These charges may include medical, surgical, anaesthetic, theatre, pathology, radiology services etc. Statewide Clinical Support Services also receive revenue from other SA Health Local Health Networks for pathology and imaging services performed in public hospitals. Revenue from these services is recognised on a time-and-material basis as services are provided. Any amounts remaining unpaid at the end of the reporting period are treated as an accounts receivable.

Private practice fees

SA Health allows SA Health employed salaried medical consultants the ability to provide billable medical services relating to the assessment, treatment and care of privately referred outpatients or private inpatients in SA Health sites. Fees derived from undertaking private practice is income derived in the hands of the specialist. The specialist appoints the Hospital as an agent in the rendering and recovery of accounts of the specialist private practice. SA Health disburses amounts it collects on behalf of the specialist to the specialist via payroll (fortnightly) or accounts payable (monthly) depending on the rights of private practice scheme. Revenue from these services is recognised as it is collected as per the Rights of Private Practice Agreement.

4. Grants and contributions

	Consolidated		Parent	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Commonwealth grants and donations	1,744	1,744	1,744	1,744
Pharmaceutical Benefits Scheme Commonwealth subsidy	313,763	289,271	313,763	289,271
SA Government capital contributions	3,079	-	3,079	-
Other SA Government grants and contributions	6	80	347	805
Private sector capital contributions	284	-	284	-
Private sector grants and contributions	36,868	34,177	36,868	34,242
Total grants and contributions	355,744	325,272	356,085	326,062

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The grants received are usually subject to terms and conditions set out in the contract, correspondence, or by legislation.

Of the \$355.744 million (\$325.272 million) received in 2025-26, \$33.255 million (\$25.595 million) was provided for specific purposes, including State and Commonwealth Health initiatives - Health reforms, research and other associated activities.

5. Interest

	Consolidated		Parent	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Interest on operating accounts	94	26	-	-
Interest on Special Purpose Funds	6,963	7,075	6,963	7,075
Total interest	7,057	7,101	6,963	7,075

6. Resources received free of charge

	Consolidated		Parent	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Plant and equipment	938	240	938	240
Services	19,013	17,035	19,013	17,035
Total resources received free of charge	19,951	17,275	19,951	17,275

Resources received free of charge include plant and equipment and are recorded at their fair value.

Contributions of services are recognised only when a fair value can be determined reliably, and the services would be purchased if they had not been donated. The services the Hospital receives includes Financial Accounting, Taxation, Payroll, Accounts Payable and Accounts Receivable services from Shared Services SA free of charge valued at \$12.971 million (\$12.062 million), and ICT services valued at \$4.680 million (\$4.566 million) from the Department of Treasury and Finance following Cabinet's approval to cease intra-government charging.

The Hospital received audit services from the Audit Office of South Australia free of charge valued at \$0.372 million (\$0.407 million).

In addition, although not recognised the Hospital received volunteer services from the Royal Adelaide Hospital Lavender Lads and Ladies, Royal Adelaide Hospital Auxiliary, Friends of the Queen Elizabeth Hospital, Hampstead Rehabilitation Centre Volunteers and country based SA Pathology couriers. There are 407 volunteers who provide patient and staff support services to individuals using the Hospital's services. The services include but not limited to: Emergency Department support, guide service, laundry service, RAH gift shop and a volunteer support team.

7. Net gain/(loss) from disposal of non-current and other assets

	Consolidated		Parent	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Land and buildings	(15)	(122)	(15)	(122)
Plant and equipment	(468)	(571)	(468)	(570)
Total net gain/(loss) from disposal of non-current and other assets	(483)	(693)	(483)	(692)

Gains or losses on disposal are recognised at the date control of the asset is passed from the Hospital and are determined after deducting the carrying amount of the asset from the proceeds at that time. When revalued assets are disposed, the revaluation surplus is transferred to retained earnings.

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8. Other revenues/income

	Consolidated		Parent	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Dividend revenue	204	185	-	-
Donations	9,841	7,118	9,237	7,118
Gain on revaluation of investment property	1,000	-	-	-
Health recoveries	109,058	104,503	109,058	104,503
Insurance recoveries	1,747	869	1,747	869
Other	4,912	11,088	3,867	4,324
Total other revenues/income	126,762	123,763	123,909	116,814

9. Staff related expenses

	Consolidated		Parent	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Salaries and wages	1,688,656	1,538,231	1,675,811	1,525,573
Targeted voluntary separation packages	74	285	74	285
Long service leave	44,899	39,504	44,783	39,541
Annual leave	173,758	151,296	172,871	150,490
Skills and experience retention leave	8,364	7,540	8,364	7,540
Superannuation	215,987	193,126	214,503	191,807
Workers compensation	16,491	11,856	16,358	11,756
Board and committee fees	521	507	365	373
Other staff related expenses	2,636	2,880	2,594	2,862
Total staff related expenses	2,151,386	1,945,225	2,135,723	1,930,227

Superannuation expense represents the Hospital's contribution to superannuation plans in respect of current services of staff.

Refer to note 24 for further discussion on long service leave movement.

9.1 Key Management Personnel

Key management personnel (KMP) of the Hospital includes the Minister, the seven members of the governing board, the Chief Executive of the Department, Chief Executive Officer of the Hospital and the 10 (12) members of the Executive Management Group.

The compensation detailed below excludes salaries and other benefits received by:

- The Minister. The Minister's remuneration and allowances are set by the *Parliamentary Remuneration Act 1990* and the Remuneration Tribunal of SA respectively and are payable from the Consolidated Account (via DTF) under section 6 of the *Parliamentary Remuneration Act 1990*; and
- The Chief Executive of the Department. The Chief Executive is compensated by the Department and there is no requirement for the Hospital to reimburse those expenses.

Compensation

	Consolidated		Parent	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Salaries and other short term employee benefits	4,125	3,870	4,125	3,870
Post-employment benefits	825	550	825	550
Termination benefits	-	5	-	5
Total	4,950	4,425	4,950	4,425

Apart from the remuneration for key management personnel, the Hospital did not have any material transactions with key management personnel, their close family members and/or their controlled or jointly controlled entities in 2024-25 and 2025-26.

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9.2 Remuneration of boards and committee members

	2026	2025
	No. of	No. of
	Members	Members
\$0	645	565
\$1 - \$20,000	62	79
\$20,001 - \$40,000	11	9
\$40,001 - \$60,000	1	1
\$60,001 - \$80,000	1	1
Total	720	655

The total remuneration received or receivable by members was \$0.578 million (\$0.542 million). Remuneration of members reflects all costs of performing board/committee member duties including sitting fees, superannuation contributions, salary sacrifice benefits and any related fringe benefits and related fringe benefits tax. In accordance with the Premier and Cabinet Circular No. 016, government employees did not receive any remuneration for board/committee duties during the financial year.

Unless otherwise disclosed, transactions between members are on conditions no more favourable than those that it is reasonable to expect the entity would have adopted if dealing with the related party at arm's length in the same circumstances.

Refer to note 35 for members of boards/committees that served for all or part of the financial year and were entitled to receive income from membership in accordance with APS 124.B.

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9.3 Staff remuneration

Remuneration of employees	Consolidated		Parent	
	2026 Total Number	2025 Total Number	2026 Total Number	2025 Total Number
The number of staff whose remuneration received or receivable falls within the following bands:				
\$171,001-\$177,000*	n/a	103	n/a	102
\$177,001-\$197,000	319	280	318	279
\$197,001-\$217,000	225	174	222	174
\$217,001-\$237,000	161	105	161	105
\$237,001-\$257,000	85	80	84	80
\$257,001-\$277,000	71	91	71	90
\$277,001-\$297,000	83	69	83	69
\$297,001-\$317,000	58	52	58	52
\$317,001-\$337,000	48	40	48	40
\$337,001-\$357,000	49	43	49	43
\$357,001-\$377,000	42	32	42	32
\$377,001-\$397,000	35	39	35	39
\$397,001-\$417,000	30	19	30	19
\$417,001-\$437,000	32	34	32	33
\$437,001-\$457,000	28	37	27	37
\$457,001-\$477,000	29	24	29	24
\$477,001-\$497,000	36	33	36	33
\$497,001-\$517,000	39	27	39	27
\$517,001-\$537,000	25	25	25	25
\$537,001-\$557,000	24	28	24	28
\$557,001-\$577,000	20	25	20	25
\$577,001-\$597,000	27	16	27	16
\$597,001-\$617,000	16	6	16	6
\$617,001-\$637,000	11	18	11	18
\$637,001-\$657,000	20	11	20	11
\$657,001-\$677,000	13	11	13	11
\$677,001-\$697,000	11	17	11	17
\$697,001-\$717,000	14	8	14	8
\$717,001-\$737,000	8	11	8	11
\$737,001-\$757,000	15	7	15	7
\$757,001-\$777,000	9	4	9	4
\$777,001-\$797,000	5	2	5	2
\$797,001-\$817,000	4	1	4	1
\$817,001-\$837,000	1	2	1	2
\$837,001-\$857,000	2	-	2	-
\$857,001-\$877,000	2	1	2	1
\$897,001-\$917,000	4	1	4	1
\$937,001-\$957,000	2	1	2	1
\$957,001-\$977,000	-	2	-	2
\$977,001-\$997,000	-	1	-	1
\$1,017,001-\$1,037,000	-	1	-	-
\$1,037,001-\$1,057,000	1	1	1	1
\$1,177,001-\$1,197,000	2	-	2	-
\$1,617,001-\$1,637,000	1	-	1	-
\$1,657,001-\$1,677,000	-	1	-	1
Total number of staff	1,607	1,483	1,601	1,478

* This band has been included for the purposes of reporting comparative figures based on the executive base level remuneration rate for 2024-25.

The table includes all staff who received remuneration equal to or greater than the base executive remuneration level during the year. Remuneration of staff reflects all costs of employment including salaries and wages, payments in lieu of leave, superannuation contributions, salary sacrifice benefits, fringe benefits and any related fringe benefits tax.

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9.4 Staff remuneration by classification

The total remuneration received by staff included in note 9.3:

	Consolidated				Parent			
	2026		2025		2026		2025	
	No.	\$'000	No.	\$'000	No.	\$'000	No.	\$'000
Executive	37	10,050	35	10,080	31	8,566	30	8,023
Medical (excluding Nursing)	1,341	474,489	1,240	422,785	1,341	474,489	1,240	422,785
Non-medical (i.e. administration)	86	17,258	82	15,963	86	17,258	82	15,963
Nursing	143	28,130	126	23,992	143	28,130	126	23,992
Total	1,607	529,927	1,483	472,820	1,601	528,443	1,478	470,763

9.5 Targeted voluntary separation packages (TVSP)

	Consolidated		Parent	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Amount paid/payable to separated staff:				
Targeted voluntary separation packages	74	285	74	285
Leave paid/payable to separated employees	7	86	7	86
Net cost to the Hospital	81	371	81	371

The number of staff who accepted a TVSP during the reporting period	1	3	1	3
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10. Supplies and services

	Consolidated		Parent	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Administration	3,115	3,367	8,188	7,725
Advertising	1,555	1,394	1,113	896
Communication	7,458	7,408	7,234	7,302
Computing	49,433	42,432	48,247	41,146
Consultants	5,720	3,688	5,636	3,659
Contract of services	34,443	19,451	34,443	19,451
Contractors	7,063	7,119	7,063	7,037
Contractors - agency staff	57,208	50,329	57,208	50,329
Cost of goods sold	1,526	1,584	-	-
Drug supplies	390,895	361,493	390,895	361,493
Electricity, gas and fuel	18,361	17,525	18,296	17,461
Fee for service	98,937	107,897	98,937	107,897
Food supplies	11,342	10,431	11,342	10,431
Housekeeping	37,950	33,468	37,696	33,259
Insurance	18,471	16,982	18,352	16,855
Internal SA Health SLA payments	27,731	26,643	27,731	26,643
Interstate patient transfers	142	141	142	141
Legal	1,652	1,675	1,448	1,449
Medical, surgical and laboratory supplies	276,983	233,295	276,983	233,295
Minor equipment	13,283	14,404	13,164	14,310
Motor vehicle expenses	3,174	2,294	3,174	2,294
Occupancy rent and rates	13,586	10,007	13,491	9,914
Patient transport	13,042	13,385	13,042	13,385
Postage	11,008	10,170	10,928	10,106
Printing and stationery	5,234	4,942	5,150	4,892
Public Private Partnership operating expenses	136,892	123,414	136,892	123,414
Repairs and maintenance	48,767	42,514	48,632	42,210
Security	28,259	30,817	28,259	30,817
Services from Shared Services SA	13,272	12,304	13,272	12,304
Short term lease expense	-	1	-	1
Training and development	19,645	18,946	19,459	18,838
Travel expenses	13,660	13,943	13,084	13,319
Other supplies and services	30,525	25,951	29,889	25,546
Total supplies and services	1,400,332	1,269,414	1,399,390	1,267,819

*Accommodation – a part of the Hospital's accommodation is provided by the Department for Infrastructure and Transport (DIT) under MoAA issued in accordance with Government wide accommodation policies. These arrangements do not meet the definition of a lease and accordingly are expensed (disclosed within Occupancy rent and rates).

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The Hospital recognises lease payments associated with short term leases (12 months or less) and leases for which the underlying asset is low value (less than \$15,000) as an expense on a straight line basis over the lease term. Lease commitments for short term leases is similar to short term lease expenses disclosed.

11. Grants and subsidies

	Consolidated		Parent	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Subsidies	1,561	1,208	-	-
Funding to non-government organisations	527	536	527	536
Total grants and subsidies	2,088	1,744	527	536

The grants given are usually subject to terms and conditions set out in the contract, correspondence, or by legislation.

12. Other expenses

	Consolidated		Parent	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Debts written off	1,040	1,726	1,020	1,726
Bank fees and charges	249	208	103	54
Donated assets expense	323	2,794	323	2,794
Net loss on revaluation of investments	926	-	-	-
Net loss on sale of investments	-	249	-	-
Write-down of inventory	790	635	790	635
Rights of Private Practice Payover amounts paid to the Department	6,706	5,803	6,706	5,803
* Other	4,125	3,457	3,686	3,172
Total other expenses	14,159	14,872	12,628	14,184

Donated assets expense includes transfer of plant and equipment and is recorded as expenditure at their fair value.

* Included in other expenses is audit fees paid or payable to BDO Australia for audit services for AusHealth of \$0.071 million (\$0.059 million).

13. Cash and cash equivalents

	Consolidated		Parent	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Cash at bank or on hand	10,324	11,713	4,965	4,443
Deposits with Treasurer: general operating	80,362	54,150	80,362	54,150
Deposits with Treasurer: special purpose funds	199,955	171,364	199,955	171,364
Total cash and cash equivalents in the Statement of Financial Position	290,641	237,227	285,282	229,957
Total cash and cash equivalents in the Statement of Cash Flows	290,641	237,227	285,282	229,957

Cash is measured at nominal amounts. The Hospital earns interest on the special purpose deposit account and the operating accounts held by AusHealth.

The Hospital receives specific purpose funds from various sources including government, private sector and individuals. The amounts are controlled by the Hospital, and are used to help achieve the Hospital's objectives, notwithstanding that specific uses can be determined by the grantor or donor. Accordingly, the amounts are treated as revenue at the time they are earned or at the time control passes to the Hospital.

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14. Receivables

	Consolidated		Parent	
	2026 \$'000	2025 \$'000	2026 \$'000	2025 \$'000
Current				
Patient/client fees: compensable	10,621	11,833	10,621	11,833
Patient/client fees: other	51,619	44,825	51,619	44,825
Debtors	17,633	21,049	14,600	18,042
Less: allowance for impairment loss on receivables	(11,294)	(8,287)	(11,182)	(8,159)
Prepayments	3,321	3,602	2,808	3,307
Grants	1,378	95	1,378	95
Workers compensation provision recoverable	2,846	2,778	2,846	2,778
Sundry receivables and accrued revenue	28,235	26,270	28,236	26,143
GST input tax recoverable	326	269	456	355
Total current receivables	104,685	102,434	101,382	99,219
Non-current				
Debtors	1,065	1,090	1,065	1,090
Workers compensation provision recoverable	9,497	9,884	9,497	9,884
Total non-current receivables	10,562	10,974	10,562	10,974
Total receivables	115,247	113,408	111,944	110,193

Receivables arise in the normal course of selling goods and services to other agencies and to the public. The Hospital's trading terms for receivables are generally 30 days after the issue of an invoice or the goods/services have been provided under a contractual arrangement. Receivables, prepayments and accrued revenues are non-interest bearing. Receivables are held with the objective of collecting the contractual cash flows and they are measured at amortised cost.

Other than as recognised in the allowance for impairment loss on receivables, it is not anticipated that counterparties will fail to discharge their obligations. The carrying amount of receivables approximates net fair value due to being receivable on demand. There is no concentration of credit risk.

14.1 Impairment of receivables

The Hospital has adopted the simplified impairment approach under *AASB 9 Financial Instruments* and measured lifetime expected credit losses on all trade receivables using an allowance matrix as a practical expedient to measure the impairment provision.

Movement in the allowance for impairment loss on receivables:

	Consolidated		Parent	
	2026 \$'000	2025 \$'000	2026 \$'000	2025 \$'000
Carrying amount at the beginning of the period	8,287	6,621	8,159	6,443
Increase/(Decrease) in allowance recognised in profit or loss	3,007	1,666	3,023	1,716
Carrying amount at the end of the period	11,294	8,287	11,182	8,159

Impairment losses relate to receivables arising from contracts with customers that are external to SA Government. Refer to note 32 for details relating to credit risk and the methodology for determining impairment.

15. Other financial assets

	Consolidated		Parent	
	2026 \$'000	2025 \$'000	2026 \$'000	2025 \$'000
Current				
Other investments at fair value through profit and loss	8,605	6,686	-	-
Total current investments	8,605	6,686	-	-
Non-current				
Interest in wholly owned subsidiary	-	-	1,150	1,150
Other investments at fair value through other comprehensive income	4,648	5,396	-	-
Total non-current investments	4,648	5,396	1,150	1,150
Total investments	13,253	12,082	1,150	1,150

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The Hospital measures term deposits at amortised cost, listed equities and other investments are measured as fair value represented by market value.

Other investments at fair value through profit and loss include: shares in other corporations; floating rate notes and fixed income mutual funds; listed securities and other mutual funds; and Simple Agreement for Future Equity (SAFE) or convertible notes at fair value.

Other investments at fair value through other comprehensive income include equity investments which AusHealth intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition. AusHealth, on behalf of the Hospital, holds shares in investee companies, each of which, either raised substantial equity capital from external sources through the issue of new ordinary shares during the year ended 30 June 2026 or had no material changes since the capital raise. The investments have been valued at the same price as these recent share issues. Any changes in the valuation of these investments have been recorded in other comprehensive income.

There is no impairment on other financial assets. Refer to note 33 for further information on risk management.

16. Inventories

	Consolidated		Parent	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Drug supplies	18,626	17,902	18,626	17,902
Inventory imprest stock	8,533	8,229	8,533	8,229
Other	471	409	153	141
Total current inventories - held for distribution	27,630	26,540	27,312	26,272

Inventories are held for distribution at no or nominal consideration and are measured at the lower of average weighted cost and replacement cost.

The amount of any inventory write-down to net realisable value/replacement cost or inventory losses are recognised as an expense in the period the write-down or loss occurred. Any write-down reversals are also recognised as an expense reduction.

17. Contract assets

	Consolidated		Parent	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Contract assets	1,070	294	1,070	294
Total contract assets	1,070	294	1,070	294

Contract assets primarily relate to the Hospital's rights to consideration for work completed but not yet billable at the reporting date. The Hospital has recognised revenue for pathology services provided but not yet processed through the billing system. Payments for pathology services are not due from the customer until the pathology services are correctly coded and therefore a contract asset is recognised over the period in which pathology services are performed to represent the Hospital's right to consideration for the services transferred to date. Any amounts previously recognised as a contract asset are transferred to receivables when the rights become unconditional (i.e. at the point at which it is invoiced to the customer).

No impairment losses were recognised in relation to contract assets during the year.

18. Property, plant and equipment, investment property and intangible assets

18.1 Acquisition and recognition

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

The Hospital capitalises all owned property, plant and equipment valued at or greater than \$10,000. Assets recorded as works in progress represent projects physically incomplete as at the reporting date. Componentisation of complex assets is generally performed when the complex asset's fair value at the time of acquisition is equal to or greater than \$5 million for infrastructure assets and \$1.5 million for other assets.

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18.2 Depreciation and amortisation

The residual values, useful lives, depreciation and amortisation methods of all major assets held by the Hospital are reviewed and adjusted if appropriate on an annual basis. Changes in expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for prospectively by changing the time period or method, as appropriate.

Depreciation and amortisation is calculated on a straight line basis. Property, plant and equipment and intangible assets depreciation and amortisation are calculated over the estimated useful life as follows:

<u>Class of asset</u>	<u>Useful life (years)</u>
Buildings and improvements	5 - 200
Right-of-use buildings	1 - 20
Accommodation and Leasehold improvements	2 - 60
Plant and equipment:	
• Medical, surgical, dental and biomedical equipment and furniture	4 - 15
• Computing equipment	3 - 10
• Vehicles	3 - 15
• Other plant and equipment	1 - 29
Right-of-use plant and equipment	4 - 6
Intangible assets	3 - 10

18.3 Revaluation

All non-current tangible assets are subsequently measured at fair value after allowing for accumulated depreciation (written down current cost).

Revaluation of non-current assets or a group of assets owned by the Hospital is only performed when the asset's fair value at the time of acquisition is greater than \$1.5 million and the estimated useful life exceeds three years. Revaluations are undertaken on a regular cycle. Non-current tangible assets that are acquired between revaluations are held at cost until the next valuation, where they are revalued to fair-value. If at any time management considers that the carrying amount of an asset greater than \$1.5 million materially differs from its fair value, then the asset will be revalued regardless of when the last revaluation took place.

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amounts of the assets and the net amounts are restated to the revalued amounts of the asset. Upon disposal or derecognition, any asset revaluation surplus relating to that asset is transferred to retained earnings.

18.4 Impairment

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

There were no indications of impairment for property, plant and equipment, intangibles, or investment properties as at 30 June 2026.

18.5 Intangible assets

Intangible assets are initially measured at cost and are tested for indications of impairment at each reporting date. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

The amortisation period and the amortisation method for intangible assets with finite useful lives are reviewed on an annual basis. The Hospital has intangibles with indefinite useful lives, amortisation is not recognised against these intangible assets

The acquisition of, or internal development of software is capitalised only when the expenditure meets the definition criteria and recognition criteria, and when the amount of expenditure is greater than or equal to \$10,000. Capitalised software is amortised over the useful life of the asset.

18.6 Land and building

An independent valuation of owned land and buildings owned by the Hospital, was performed from March to June 2024 by Certified Practising Valuers from Marsh Pty Ltd, as at 1 June 2024, within the regular valuation cycle. Consistent with Treasurer's Instructions, a public authority must at least every 6 years obtain a valuation appraisal from a qualified valuer. To ensure compliance with AASB 116 Property, Plant and Equipment, an annual review of land and buildings fair values was undertaken effective 1 May 2026, including assessment using indices supplied by the Office of the Valuer-General for estimated cost and market values based on location. It was determined that carrying amounts of land and buildings should be increased to better reflect fair value based on changes in replacement cost and market conditions. The Office of the Valuer-General indices were considered appropriate for this purpose.

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Fair value of unrestricted land was determined using the market approach. The valuation was based on recent market transactions for similar land and buildings (non-specialised) in the area and includes adjustment for factors specific to the land and buildings being valued such as size, location and current use. For land classified as restricted in use, fair value was determined by applying an adjustment to reflect the restriction.

Fair value of buildings and other land was determined using depreciated replacement cost, due to there not being an active market. The depreciated replacement cost considered the need for ongoing provision of government services; specialised nature and restricted use of the assets; their size, condition and location. The valuation was based on a combination of internal records, specialised knowledge and the acquisition/transfer costs.

18.7 Plant and equipment

The Hospital's plant and equipment assets with a fair value greater than \$1.5 million or with an estimated useful life of greater than three years were revalued using the fair value methodology, as at 1 June 2024, based on an independent valuation performed by Certified Practising Valuers from Marsh Pty Ltd. The value of all other plant and equipment has not been revalued, this is in accordance with APS 116D, the carrying value of these items is deemed to approximate fair value. These assets are classified in Level 3 as there have been no subsequent adjustments to their value, except for management assumptions about the asset condition and remaining useful life.

18.8 Investment property

Subsequent to initial recognition at cost, investment properties are revalued to fair value with changes in the fair value recognised as income or expense in the period that they arise. The properties are not depreciated and are not tested for impairment.

During the reporting period, the investment property located at Dalglish Street, Thebarton was classified as held for sale. The fair value of the property at 30 June 2026 was determined by reference to the executed heads of agreement entered into prior to year end. The agreed sales price under the deed was assessed as representing the best evidence of fair value and accordingly the property was recorded at the net amount of \$9.600 million at reporting date.

Changes in the carrying amount arising on revaluation of the investment property are recognised in profit or loss.

The property was actively marketed for sale prior to year end and the sale is considered to be highly probable. It is expected that the sale will be completed within twelve months of the reporting date, subject to customary contractual and settlement processes.

Amounts recognised in profit or loss

The Hospital recognised rental income from investment property during the period of \$0.548 million (\$0.537 million).

18.9 Leased property, plant and equipment

Right-of-use assets (including concessional arrangements) leased by the Hospital as lessee are measured at cost, and there were no indications for impairment. Additions to right-of-use assets during 2025-26 were \$4.919 million (\$22.544 million). Short-term leases of 12 months or less and low value leases, where the underlying asset value is less than \$15,000 are not recognised as right-of-use assets. The associated lease payments are recognised as an expense and disclosed in note 10.

The Hospital has a number of lease agreements. Lease terms vary in length from 1 to 20 years. Major lease activities include the use of:

- Properties – SA Pathology collection centres, primary health, dental clinics and non-DIT provided office accommodation are generally leased from the private sector. Generally property leases are non-cancellable with many having the right of renewal. Prior to renewal, most lease arrangements undergo a formal rent review linked to market appraisals or independent valuers.
- Health Facilities – lease includes the Royal Adelaide Hospital.
The Royal Adelaide Hospital (RAH) lease commenced in June 2011, achieved commercial acceptance in June 2017, and is for 35 years. The SA Health Partnership Consortium trading as Celsus entered into an arrangement to finance, design, build, operate and maintain the new RAH. Under the arrangement, Celsus will maintain and provide non-medical support services including facilities management by Downer and information and communication technology (ICT) support and maintenance by DXC Technology for the duration of the contract. The arrangement is referred to as a Public Private Partnership (PPP). At the conclusion of the contract in 2046, the Hospital will take full ownership of the RAH. Celsus have an obligation to deliver the RAH in a condition fit for its intended purpose and fully maintained in accordance with the agreed asset management plan.

The Hospital has not committed to any lease arrangements that have not commenced. The Hospital has not entered into any sub-lease arrangements outside of SA Health.

The lease liabilities related to the right-of-use assets (and the maturity analysis) are disclosed at note 23. Expenses related to right-of-use assets including depreciation and interest expense are disclosed at note 19 and 23. Cash outflows related to right-of-use assets are disclosed at note 27.

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19. Reconciliation of property, plant and equipment and investment property

The following table shows the movement:

Consolidated

2025-26	Land and buildings:				Plant and equipment:						
	Land \$'000	Buildings \$'000	Right-of- use buildings \$'000	Capital works in progress land and buildings \$'000	Accommo- dation and Leasehold improve- ments \$'000	Medical/ surgical/ dental/ biomedical \$'000	Other plant and equipment \$'000	Right-of- use plant and equipment \$'000	Capital works in progress plant and equipment \$'000	Investment property \$'000	Total \$'000
Carrying amount at the beginning of the period	138,700	533,910	2,289,706	69,682	17,117	106,530	7,557	188,576	23,282	8,600	3,383,660
Additions	1,522	-	4,732	26,885	-	13,377	-	187	16,333	-	63,036
Assets received free of charge	-	-	-	-	-	938	-	-	-	-	938
Disposals	-	(15)	(281)	-	-	(343)	(40)	(7)	(101)	-	(787)
Donated assets disposal	-	-	-	(318)	-	(5)	-	-	-	-	(323)
Transfers between asset classes	6,585	58,168	902	(67,255)	2,622	8,053	269	-	(9,344)	-	-
Reclassified to held for sale	-	-	-	-	-	-	-	-	-	(9,600)	(9,600)
Remeasurement	-	-	225	-	-	-	-	-	-	-	225
Subtotal:	146,807	592,063	2,295,284	28,994	19,739	128,550	7,786	188,756	30,170	(1,000)	3,437,149
Gains/(losses) for the period recognised in net result:											
Depreciation and amortisation	-	(33,077)	(58,138)	-	(1,986)	(34,074)	(2,671)	(8,899)	-	-	(138,845)
Revaluation increment / (decrement)	-	-	-	-	-	-	-	-	-	1,000	1,000
Subtotal:	-	(33,077)	(58,138)	-	(1,986)	(34,074)	(2,671)	(8,899)	-	1,000	(137,845)
Gains/(losses) for the period recognised in other comprehensive income:											
Revaluation increment / (decrement)	25,389	128,669	-	-	(756)	-	-	-	-	-	153,302
Subtotal:	25,389	128,669	-	-	(756)	-	-	-	-	-	153,302
Carrying amount at the end of the period*	172,196	687,655	2,237,146	28,994	16,997	94,476	5,115	179,857	30,170	-	3,452,606
Gross carrying amount											
Gross carrying amount	172,196	751,223	2,699,280	28,994	37,914	323,528	26,041	258,248	30,170	-	4,327,594
Accumulated depreciation / amortisation	-	(63,568)	(462,134)	-	(20,917)	(229,052)	(20,926)	(78,391)	-	-	(874,988)
Carrying amount at the end of the period	172,196	687,655	2,237,146	28,994	16,997	94,476	5,115	179,857	30,170	-	3,452,606

*All property, plant and equipment are classified in the level 3 fair value hierarchy except for capital works in progress (not classified). Refer to note 23 for details about the lease liability for right-of-use assets.

* Prior period adjustments have been made to the opening balances for Right-of-use buildings (\$2.400 million decrease), and Other plant and equipment (\$1.440 million increase). Refer to note 1.8.

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Consolidated

2024-25	Land and buildings:				Plant and equipment:						Total \$'000
	Land \$'000	Buildings \$'000	Right-of- use buildings \$'000	Capital works in progress land and buildings \$'000	Accommo- dation and Leasehold improve- ments \$'000	Medical/ surgical/ dental/ biomedical \$'000	Other plant and equipment \$'000	Right-of- use plant and equipment \$'000	Capital works in progress plant and equipment \$'000	Investment property \$'000	
Carrying amount at the beginning of the period	138,700	304,868	2,328,153	290,500	17,215	90,265	8,953	198,779	18,658	8,600	3,404,691
Additions	-	-	21,553	53,331	-	16,907	115	991	23,086	-	115,983
Assets received free of charge	-	-	-	-	-	240	-	-	-	-	240
Disposals	-	-	-	(122)	-	(508)	(64)	(1,529)	-	-	(2,223)
Donated assets disposal	-	-	-	(2,794)	-	-	-	-	-	-	(2,794)
Transfers between asset classes	-	255,069	458	(271,233)	1,406	30,924	1,879	-	(18,462)	-	41
Remeasurement	-	-	317	-	-	-	-	-	-	-	317
Subtotal:	138,700	559,937	2,350,481	69,682	18,621	137,828	10,883	198,241	23,282	8,600	3,516,255
Gains/(losses) for the period recognised in net result:											
Depreciation and amortisation	-	(25,884)	(60,775)	-	(1,504)	(31,298)	(3,326)	(9,665)	-	-	(132,452)
Subtotal:	-	(25,884)	(60,775)	-	(1,504)	(31,298)	(3,326)	(9,665)	-	-	(132,452)
Gains/(losses) for the period recognised in other comprehensive income:											
Revaluation increment / (decrement)	-	(143)	-	-	-	-	-	-	-	-	(143)
Subtotal:	-	(143)	-	-	-	-	-	-	-	-	(143)
Carrying amount at the end of the period*	138,700	533,910	2,289,706	69,682	17,117	106,530	7,557	188,576	23,282	8,600	3,383,660
Gross carrying amount											
Gross carrying amount	138,700	564,409	2,700,824	69,682	36,048	326,835	26,598	258,194	23,282	8,600	4,153,172
Accumulated depreciation / amortisation	-	(30,499)	(411,118)	-	(18,931)	(220,305)	(19,041)	(69,618)	-	-	(769,512)
Carrying amount at the end of the period	138,700	533,910	2,289,706	69,682	17,117	106,530	7,557	188,576	23,282	8,600	3,383,660

*All property, plant and equipment are classified in the level 3 fair value hierarchy except for investment properties valued at \$8.600 million (\$8.600 million) (classified as level 2) and capital works in progress (not classified). Refer to note 23 for details about the lease liability for right-of-use assets.

* Prior period adjustments have been made to the additions for Right-of-use buildings (\$2.400 million decrease) relating to a lease incentive for the fit out of 260 Currie Street, Adelaide lease incorrectly included in Right-of-use asset totals, and the opening balance for Other plant and equipment (\$1.440 million increase) refer to note 1.8.

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Parent 2025-26	Land and buildings:				Plant and equipment:						
				Capital works in progress land and buildings	Accommo- dation and Leasehold improve- ments	Medical/ surgical/ dental/ biomedical	Other plant and equipment	Right-of- use plant and equipment	Capital works in progress plant and equipment	Investment property	Total
	Land \$'000	Buildings \$'000	Right-of- use buildings \$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount at the beginning of the period	138,700	533,910	2,289,244	69,682	17,117	106,530	6,037	188,576	23,185	-	3,372,981
Additions	-	-	3,858	26,885	-	13,377	-	187	16,196	-	60,503
Assets received free of charge	-	-	-	-	-	938	-	-	-	-	938
Disposals	-	(15)	(281)	-	-	(343)	(40)	(7)	(101)	-	(787)
Donated assets disposal	-	-	-	(318)	-	(5)	-	-	-	-	(323)
Transfers between asset classes	6,585	58,168	902	(67,255)	2,622	8,053	91	-	(9,166)	-	-
Remeasurement	-	-	225	-	-	-	-	-	-	-	225
Subtotal:	145,285	592,063	2,293,948	28,994	19,739	128,550	6,088	188,756	30,114	-	3,433,537
Gains/(losses) for the period recognised in net result:											
Depreciation and amortisation	-	(33,077)	(57,724)	-	(1,986)	(34,074)	(2,047)	(8,899)	-	-	(137,807)
Subtotal:	-	(33,077)	(57,724)	-	(1,986)	(34,074)	(2,047)	(8,899)	-	-	(137,807)
Gains/(losses) for the period recognised in other comprehensive income:											
Revaluation increment / (decrement)	25,389	128,669	-	-	(756)	-	-	-	-	-	153,302
Subtotal:	25,389	128,669	-	-	(756)	-	-	-	-	-	153,302
Carrying amount at the end of the period*	170,674	687,655	2,236,224	28,994	16,997	94,476	4,041	179,857	30,114	-	3,449,032
Gross carrying amount											
Gross carrying amount	170,674	751,223	2,696,542	28,994	37,914	323,528	22,055	258,248	30,114	-	4,319,292
Accumulated depreciation / amortisation	-	(63,568)	(460,318)	-	(20,917)	(229,052)	(18,014)	(78,391)	-	-	(870,260)
Carrying amount at the end of the period	170,674	687,655	2,236,224	28,994	16,997	94,476	4,041	179,857	30,114	-	3,449,032

*All property, plant and equipment are classified in the level 3 fair value hierarchy except for capital works in progress (not classified). Refer to note 23 for details about the lease liability for right-of-use assets.

* Prior period adjustments have been made to the opening balances for Right-of-use buildings (\$2.400 million decrease), and Other plant and equipment (\$1.440 million increase). Refer to note 1.8.

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Parent											
2024-25											
	Land and buildings:				Plant and equipment:						
	Land	Buildings	Right-of-use	Capital	Accommo-	Medical/	Other	Right-of-	Capital	Investment	Total
	\$'000	\$'000	buildings	works in	dation and	surgical/	plant and	use plant	works in	property	\$'000
	\$'000	\$'000	\$'000	land and	Leasehold	dental/	equipment	and	plant and	\$'000	\$'000
	\$'000	\$'000	\$'000	buildings	improve-	biomedical	\$'000	\$'000	\$'000	\$'000	\$'000
	\$'000	\$'000	\$'000	\$'000	ments	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount at the beginning of the period	138,700	304,868	2,327,260	290,500	17,215	90,265	7,603	198,779	17,982	-	3,393,172
Additions	-	-	21,553	53,331	-	16,907	-	991	22,951	-	115,733
Assets received free of charge	-	-	-	-	-	240	-	-	-	-	240
Disposals	-	-	-	(122)	-	(508)	(62)	(1,529)	-	-	(2,221)
Donated assets disposal	-	-	-	(2,794)	-	-	-	-	-	-	(2,794)
Transfers between asset classes	-	255,069	458	(271,233)	1,406	30,924	1,165	-	(17,748)	-	41
Remeasurement	-	-	317	-	-	-	-	-	-	-	317
Subtotal:	138,700	559,937	2,349,588	69,682	18,621	137,828	8,706	198,241	23,185	-	3,504,488
Gains/(losses) for the period recognised in net result:											
Depreciation and amortisation	-	(25,884)	(60,344)	-	(1,504)	(31,298)	(2,669)	(9,665)	-	-	(131,364)
Subtotal:	-	(25,884)	(60,344)	-	(1,504)	(31,298)	(2,669)	(9,665)	-	-	(131,364)
Gains/(losses) for the period recognised in other comprehensive income:											
Revaluation increment / (decrement)	-	(143)	-	-	-	-	-	-	-	-	(143)
Subtotal:	-	(143)	-	-	-	-	-	-	-	-	(143)
Carrying amount at the end of the period*	138,700	533,910	2,289,244	69,682	17,117	106,530	6,037	188,576	23,185	-	3,372,981
Gross carrying amount											
Gross carrying amount	138,700	564,409	2,698,734	69,682	36,048	326,835	22,790	258,194	23,185	-	4,138,577
Accumulated depreciation / amortisation	-	(30,499)	(409,490)	-	(18,931)	(220,305)	(16,753)	(69,618)	-	-	(765,596)
Carrying amount at the end of the period	138,700	533,910	2,289,244	69,682	17,117	106,530	6,037	188,576	23,185	-	3,372,981

*All property, plant and equipment are classified in the level 3 fair value hierarchy except for capital works in progress (not classified). Refer to note 23 for details about the lease liability for right-of-use assets.

* Prior period adjustments have been made to the additions for Right-of-use buildings (\$2.400 million decrease) relating to a lease incentive for the fit out of 260 Currie Street, Adelaide lease incorrectly included in Right-of-use asset totals, and the opening balance for Other plant and equipment (\$1.440 million increase) refer to note 1.8.

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20. Reconciliation of intangible assets

The following table shows the movement:

Consolidated

	Computer software \$'000	2025-26 Capital works in progress intangibles \$'000	Total \$'000	Computer software \$'000	2024-25 Capital works in progress intangibles \$'000	Total \$'000
Carrying amount at the beginning of the period	5,795	124	5,919	9,049	385	9,434
Additions	-	-	-	215	52	267
Amortisation	(3,584)	-	(3,584)	(3,741)	-	(3,741)
Transfers between asset classes	124	(124)	-	272	(313)	(41)
Carrying amount at the end of the period	2,335	-	2,335	5,795	124	5,919

Gross carrying amount

Gross carrying amount	78,307	-	78,307	78,182	124	78,306
Accumulated amortisation	(75,972)	-	(75,972)	(72,387)	-	(72,387)
Carrying amount at the end of the period	2,335	-	2,335	5,795	124	5,919

Parent

Carrying amount at the beginning of the period	5,795	124	5,919	9,049	385	9,434
Additions	-	-	-	215	52	267
Amortisation	(3,584)	-	(3,584)	(3,741)	-	(3,741)
Transfers between asset classes	124	(124)	-	272	(313)	(41)
Carrying amount at the end of the period	2,335	-	2,335	5,795	124	5,919

Gross carrying amount

Gross carrying amount	78,307	-	78,307	78,182	124	78,306
Accumulated amortisation	(75,972)	-	(75,972)	(72,387)	-	(72,387)
Carrying amount at the end of the period	2,335	-	2,335	5,795	124	5,919

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21. Fair value measurement

The Hospital classifies fair value measurement using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements, based on the data and assumptions used in the most recent revaluation:

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

The Hospital's current use is the highest and best use of the asset unless other factors suggest an alternative use. As the Hospital did not identify any factors to suggest an alternative use, fair value measurement was based on current use.

The carrying amount of non-financial assets owned by the Hospital with a fair value at the time of acquisition that was less than \$1.5 million or an estimated useful life that was less than three years are deemed to approximate fair value.

Refer to notes 19 and 21.2 for disclosure regarding fair value measurement techniques and inputs used to develop fair value measurements for non-financial assets.

21.1 Fair value hierarchy

The fair value of non-financial assets must be estimated for recognition and measurement or for disclosure purposes. The Hospital categorises non-financial assets measured at fair value into hierarchy based on the level of inputs used in measurement as follows:

Fair value measurements at 30 June 2026

	Consolidated			Parent		
	Level 2	Level 3	Total	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Recurring fair value measurements						
Land	129,437	42,759	172,196	129,437	41,237	170,674
Buildings and improvements	63,209	624,446	687,655	63,209	624,446	687,655
Leasehold improvements	-	16,997	16,997	-	16,997	16,997
Plant and equipment	-	99,591	99,591	-	98,517	98,517
Total recurring fair value measurements	192,646	783,793	976,439	192,646	781,197	973,843
Non-recurring fair value measurements						
Assets classified as held for sale	9,600	-	9,600	-	-	-
Total non-recurring fair value measurements	9,600	-	9,600	-	-	-
Total fair value measurements	202,246	783,793	986,039	192,646	781,197	973,843

Fair value measurements at 30 June 2025

	Consolidated			Parent		
	Level 2	Level 3	Total	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Recurring fair value measurements						
Land	104,700	34,000	138,700	104,700	34,000	138,700
Buildings and improvements	14,332	519,578	533,910	14,332	519,578	533,910
Leasehold improvements	-	17,117	17,117	-	17,117	17,117
Plant and equipment	-	114,087	114,087	-	112,567	112,567
Investment property	8,600	-	8,600	-	-	-
Total recurring fair value measurements	127,632	684,782	812,414	119,032	683,262	802,294

The Hospital's policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting period.

During 2026 and 2025, the Hospital had no valuations categorised into Level 1, there were no transfers of assets between Level 1 and 2 fair value hierarchy levels in 2025-26.

21.2 Valuation techniques and inputs

Land fair values were derived by using the market approach, being recent sales transactions of other similar land holdings within the region, adjusted for differences in key attributes such as property size, zoning and any restrictions on use, and then adjusted with a discount factor.

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Due to the predominantly specialised nature of health service assets, the majority of building and plant and equipment valuations have been undertaken using a cost approach (depreciated replacement cost), an accepted valuation methodology under *AASB 13 Fair Value Measurement*. The extent of unobservable inputs and professional judgement required in valuing these assets is significant, and as such they are deemed to have been valued using Level 3 valuation inputs.

Unobservable inputs used to arrive at final valuation figures included:

- Estimated remaining useful life, which is an economic estimate and by definition, is subject to economic influences;
- Cost rate, which is the estimated cost to replace an asset with the same service potential as the asset undergoing valuation (allowing for over-capacity), and based on a combination of internal records including: refurbishment and upgrade costs, historical construction costs, functional utility users, industry construction guides, specialised knowledge and estimated acquisition/transfer costs;
- Characteristics of the asset, including condition, location, any restrictions on sale or use and the need for ongoing provision of Government services;
- Effective life, being the expected life of the asset assuming general maintenance is undertaken to enable functionality but no upgrades are incorporated which extend the technical life or functional capacity of the asset; and
- Depreciation methodology, noting that AASB 13 dictates that regardless of the depreciation methodology adopted, the exit price should remain unchanged.

22. Payables

	Consolidated		Parent	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Current				
Creditors and accrued expenses	97,727	91,597	97,333	91,118
Paid Parental Leave Scheme	302	327	302	327
Other payables	7,818	6,694	7,818	6,694
Total current payables	105,847	98,618	105,453	98,139
Total payables	105,847	98,618	105,453	98,139

Payables are measured at nominal amounts. Creditors and accruals are recognised for all amounts owed and unpaid. Contractual payables are normally settled within 15 days from the date the invoice is first received. Staff on-costs are settled when the respective staff benefits that they relate to are discharged. All payables are non-interest bearing. The carrying amount of payables approximates net fair value due to their short term nature.

The Paid Parental Leave Scheme payable represents amounts which the Hospital has received from the Commonwealth Government to forward onto eligible staff via the Hospital's standard payroll processes. That is, the Hospital is acting as a conduit through which the payment to eligible staff is made on behalf of the Family Assistance Office.

Refer to note 32 for information on risk management.

23. Financial liabilities

	Consolidated		Parent	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Current				
Lease liabilities	74,993	74,742	74,486	74,673
Total current financial liabilities	74,993	74,742	74,486	74,673
Non-current				
Lease liabilities	2,271,392	2,346,315	2,270,911	2,345,858
Total non-current financial liabilities	2,271,392	2,346,315	2,270,911	2,345,858
Total financial liabilities	2,346,385	2,421,057	2,345,397	2,420,531

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Lease liabilities have been measured via discounting lease payments using either the interest rate implicit in the lease (where it is readily determined) or Treasury's incremental borrowing rate. Borrowing costs of \$190.385 million (\$200.425 million) relate to interest on lease liabilities. Included in these borrowing costs is a reduction in contingent rental amounts of \$164.185 million (\$180.459 million). There were no defaults or breaches on any of the above liabilities throughout the year.

* Comparative figures have been adjusted to reflect the reduction in the lease liability amount of \$2.400 million relating to a lease incentive for the 260 Currie Street, Adelaide lease. Refer to note 1.8.

Refer to note 32 for information on risk management.

Refer to notes 18 and 19 for details about the right-of-use assets (including depreciation).

23.1 Concessional lease arrangements for right-of-use assets

The Hospital has concessional lease arrangements for right-of-use assets, as lessee, within the SA Health economic entity, with SA government entities, with other government entities (e.g. local councils, universities and the Commonwealth government), and with not-for-profit entities.

Right-of-use asset	Nature of arrangements	Details
Buildings and improvements	Terms are up to 36 years Payments range from \$0 to \$1 pa	Concessional building arrangements include the use of premises for dental services, pathology collection, Breastscreen services, community health services and vacant land.

23.2 Maturity analysis

A maturity analysis of lease liabilities based on undiscounted gross cash flows is reported in the table below:

	Consolidated		Parent	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Lease Liabilities				
Within one year	298,157	305,811	297,573	305,589
Later than one year but not longer than five years	1,140,209	1,146,739	1,139,681	1,146,435
Later than five years	3,637,118	3,925,266	3,637,118	3,925,266
Total lease liabilities (undiscounted)	5,075,484	5,377,816	5,074,372	5,377,290

24. Staff related liabilities

	Consolidated		Parent	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Current				
Accrued salaries and wages	61,718	51,564	61,718	50,485
Annual leave	214,648	191,925	214,015	191,375
Long service leave	29,522	27,861	29,132	27,624
Skills and experience retention leave	13,873	13,129	13,873	13,129
Staff on-costs	36,775	31,869	36,183	31,830
Other	30	21	30	21
Total current staff related liabilities	356,566	316,369	354,951	314,464
Non-current				
Long service leave	316,549	300,172	316,448	300,065
Staff on-costs	18,216	17,273	18,216	17,273
Total non-current staff related liabilities	334,765	317,445	334,664	317,338
Total staff related liabilities	691,331	633,814	689,615	631,802

Staff related liabilities accrue as a result of services provided up to the reporting date that remain unpaid. Non-current staff related liabilities are measured at present value and current staff related liabilities are measured at nominal amounts.

24.1 Salaries and wages, annual leave, skills and experience retention leave and sick leave

The liability for salary and wages is measured as the amount unpaid at the reporting date, at remuneration rates current at the reporting date.

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The annual leave liability and the skills and experience retention leave liability are expected to be payable within 12 months and are measured at the undiscounted amounts expected to be paid. In the unusual event where salary and wages, annual leave and skills and experience retention leave liability are payable later than 12 months, the liability will be measured at present value. As a result of the actuarial assessment performed by DTF, the salary inflation rate has increased from the 2025 rate (3.2%) to 3.5% for annual leave and skills, experience and retention leave liability. As a result, there is an increase in the staff related liability and staff related expenses of \$0.660 million.

No provision has been made for sick leave, as all sick leave is non-vesting, and the average sick leave taken in future years by staff is estimated to be less than the annual entitlement for sick leave.

24.2 Long service leave - measurement

The liability for long service leave is measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The expected timing and amount of long service leave payments is determined through whole-of-government actuarial calculations which are based on actuarial assumptions on expected future salary and wage levels, experience of employee departures and periods of service. These assumptions are based on employee data over SA Government entities and the health sector across government. The split of long service leave between current and non-current is based on the best estimate of the amount to be paid based on leave taken in prior years.

The discount rate used in measuring the liability is reflective of the yield on long-term Commonwealth Government bonds. The yield on long-term Commonwealth Government bonds has increased from the 2025 rate (4.25%) to 4.75%. This increase in the bond yield, which is used as the rate to discount future long service leave cash flows, results in a decrease in the reported long service leave liability.

The net financial effect of the changes to actuarial assumptions in the current financial year is a decrease in the long service leave liability of \$10.982 million, staff on-costs of \$0.620 million and staff related expense of \$11.602 million. The impact on future periods is impracticable to estimate as the long service leave liability is calculated using a number of demographical and financial assumptions – including the long-term discount rate.

The actuarial assessment performed by DTF left the salary inflation rate unchanged from 2025 at 3.5% for long service leave liability.

24.3 Staff on-costs

Staff on-costs include payroll tax, fringe benefits tax, ReturnToWorkSA levies and superannuation contributions and are settled when the respective staff related liability that they relate to are discharged. These on-costs primarily relate to the balance of leave owing to staff. Estimates as to the proportion of long service leave estimate to be taken as leave, rather than paid on termination, affects whether certain on-costs are recognized as a consequence of long service leave liabilities.

24.4 Superannuation funds

The Hospital makes contributions to several State Government and externally managed superannuation schemes. These contributions are treated as an expense when they occur. There is no liability for payments to beneficiaries as they have been assumed by the respective superannuation schemes. The only liability outstanding at reporting date relates to any contributions due but not yet paid to the South Australian Superannuation Board and externally managed superannuation schemes.

As a result of an actuarial assessment performed by DTF, the portion of long service leave taken as leave has remained unchanged from 2025 at 47% and the average factor for the calculation of employer superannuation on-costs has remained unchanged from the 2025 rate of 12.0%. These rates are used in the staff on-cost calculation. The net financial effect of the changes in the current financial year is an increase in the staff on-cost and staff related expense of \$0.001 million. The estimated impact on future periods is impracticable to estimate as the long service leave liability is calculated using a number of assumptions.

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25. Provisions

Provisions represent workers compensation

Reconciliation of workers compensation (statutory and non-statutory)

	Consolidated		Parent	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Carrying amount at the beginning of the period	59,254	59,302	59,254	59,302
Additions	14,344	14,225	14,344	14,225
Payments	(8,521)	(8,742)	(8,521)	(8,742)
Remeasurement	(1,354)	(5,531)	(1,354)	(5,531)
Carrying amount at the end of the period	63,723	59,254	63,723	59,254

The amount of the provision considered to be current is \$13.613 million (\$12.657 million). The amount of the provision considered to be non-current is \$50.110 million (\$46.597 million).

Workers compensation provision (statutory and additional compensation schemes)

The Hospital is responsible for the management of workers rehabilitation and compensation and is directly responsible for meeting the cost of workers' compensation claims and the implementation and funding of preventive programs.

Accordingly, a liability has been reported to reflect unsettled workers compensation claims (statutory and additional compensation schemes). The workers compensation provision is based on an actuarial estimate of the outstanding liability as at 30 June 2026 provided by a consulting actuary engaged through the Office of the Commissioner for Public Sector Employment.

The additional compensation provision provides continuing benefits to workers who have suffered eligible work-related injuries and whose entitlements have ceased under the statutory workers compensation scheme. Eligible injuries are non-serious injuries sustained in circumstances which involved, or appeared to involve, the commission of a criminal offence, or which arose from a dangerous situation.

There is a significant degree of uncertainty associated with estimating future claim and expense payments, and also around the timing of future payments due to the variety of factors involved. The liability is impacted by agency claim experience relative to other agencies, average claim sizes and other economic and actuarial assumptions.

26. Contract liabilities and other liabilities

	Consolidated		Parent	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Current				
Unclaimed monies	17	14	17	14
Unearned revenue	742	611	742	511
Contract liabilities	468	376	468	376
Other	2,904	2,362	104	27
Total current contract liabilities and other liabilities	4,131	3,363	1,331	928
Non-current				
Unearned revenue	27	-	27	-
Total non-current other liabilities	27	-	27	-
Total contract liabilities and other liabilities	4,158	3,363	1,358	928

A contract liability is recognised for revenue relating to SA Dental co-payments and grant funded projects /programs received in advance and is realised as agreed milestones have been achieved.

All performance obligations from these existing contracts (deferred service income) will be satisfied during the next reporting period and accordingly all amounts will be recognised as revenue.

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27. Cash flow reconciliation

	Consolidated		Parent	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Reconciliation of net cash provided by operating activities to net result:				
Net cash provided by (used in) operating activities	179,378	159,885	176,805	156,279
Add/less non-cash items				
Asset donated free of charge	(323)	(2,794)	(323)	(2,794)
Capital revenues	11,012	42,152	11,012	42,152
Capitalised interest expense on finance lease	2,949	(7,229)	2,949	(7,229)
Depreciation and amortisation expense of non-current assets	(142,429)	(136,193)	(141,391)	(135,105)
Gain/(loss) on sale or disposal of non-current assets	(483)	(693)	(483)	(692)
Increments/(decrements) on revaluation of non-current assets	1,000	-	-	-
Resources received free of charge	938	240	938	240
Revaluation of investments	(1,242)	5,209	-	-
Movement in assets/liabilities				
Increase/(decrease) in contract assets	776	68	776	68
Increase/(decrease) in inventories	1,090	959	1,040	891
Increase/(decrease) in receivables	1,940	8,281	1,852	9,096
(Increase)/decrease in other liabilities	(795)	(2,747)	(430)	(324)
(Increase)/decrease in payables and provisions	(11,682)	4,781	(11,767)	3,085
(Increase)/decrease in staff benefits	(57,517)	(31,633)	(57,813)	(31,019)
Net result	(15,388)	40,286	(16,835)	34,648

Total cash outflows for leases is \$269.812 million (\$271.709 million) for the consolidated entity, and \$269.357 million (\$271.222 million) for the parent entity.

28. Unrecognised contractual commitments

Commitments include operating, capital and outsourcing arrangements arising from contractual or statutory sources, and are disclosed at their nominal value.

28.1 Capital and Expenditure commitments

28.1.1 Contractual commitments to acquire property, plant and equipment

	Consolidated		Parent	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Within one year	13,622	8,177	13,622	8,177
Total capital commitments	13,622	8,177	13,622	8,177

The Hospital's capital commitments are for plant and equipment ordered but not received and capital works. Capital commitments for major infrastructure works are recognised in the Department for Infrastructure and Transport financial statements.

28.1.2 Other contractual commitments

	Consolidated		Parent	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Within one year	182,994	132,623	182,994	132,623
Later than one year but not longer than five years	398,862	392,504	398,862	392,504
Later than five years	1,790,227	1,890,089	1,790,227	1,890,089
Total other expenditure commitments	2,372,083	2,415,216	2,372,083	2,415,216
Less contingent rentals	(1,040,244)	(1,066,251)	(1,040,244)	(1,066,251)
Net other contractual commitments	1,331,839	1,348,965	1,331,839	1,348,965

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The Hospital's expenditure commitments are for agreements for goods and services ordered but not received; and administrative arrangements with DIT for accommodation.

Included in other expenditure commitments above is \$2,265.407 million (\$2,353.580 million), including contingent rentals, which relates directly to the PPP operations and maintenance commitments.

The Hospital also has commitments to provide funding to various non-government organisations in accordance with negotiated service agreements. The value of these commitments as at 30 June 2026 have not been quantified.

28.2 Expected rental income from lessor arrangements

	Consolidated		Parent	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Within one year	604	539	-	-
Later than one year but not longer than five years	-	629	-	-
Total operating lease revenue commitments	604	1,168	-	-

The operating lease revenue commitments relates to property owned by the Hospital and leased to external parties. The table above sets out a maturity analysis of operating lease payments receivable, showing undiscounted lease payments to be received after the reporting date. These amounts are not recognised as assets.

29. Trust funds

The Hospital holds money in trust on behalf of consumers that reside in CALHN facilities whilst the consumer is receiving residential mental health services. As the Hospital only performs a custodial role in respect of trust monies, they are excluded from the financial statements as the Hospital cannot use these funds to achieve its objectives.

	Consolidated		Parent	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Carrying amount at the beginning of period	33	23	33	23
Client trust receipts	20	24	20	24
Client trust payments	(28)	(14)	(28)	(14)
Carrying amount at the end of the period	25	33	25	33

30. Contingent assets and liabilities

Contingent assets and contingent liabilities are not recognised in the Statement of Financial Position, but are disclosed within this note and, if quantifiable are measured at nominal value.

30.1 Contingent Assets

The RAH is being delivered under a public-private partnership agreement with Celsus. The RAH PPP agreement contains a number of indexation elements which relate to adjustments to certain service payments i.e. interest rate and refinancing service payment adjustments. Where the indexation element is closely related to a lease contract, such as the interest rate payment adjustment, it is not required to be separately accounted for as a derivative. The change in interest rate is accounted for as a contingent rental and expensed in the period incurred.

Like the interest rate service payment adjustment, the refinancing element is an embedded derivative. However, the economic characteristics and risks of this embedded derivative are not closely related to the lease contract and are required to be accounted for separately in the financial statements. The refinancing element could be considered akin to a purchase option in that the Hospital benefits from a portion of gains without exposure to any of the losses. The valuation of this derivative would be derived via the present value of the estimated future cash flows over the life of the project based on observable interest yield curves, basis spread, credit spreads and option pricing models, as appropriate, adjusted for Celsus's credit risk, (i.e. forward curve of credit risk margin).

The estimated value of the contingent asset is unable to be fully determined because of the following uncertain future events that will have an impact on Celsus's credit margin:

- Celsus's credit risk profiling and the number of times Celsus will refinance during the term of the PPP arrangement.
- The type of finance Celsus sources e.g. short term debt from the banking market vs longer term debt potentially sourced via a private placement.
- Uncertainty around the margin negotiated and whether it will be higher or lower than those assumed margins in the financial modelling.

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- Whether the State Government will make a Capital Contribution during the first or any refinancing points.
- The lodgment and resolution of any claims under the PPP Agreement.

30.1.2 The Hospital is pursuing a reimbursement from insurance claims for the Medicare equivalent portion for services supplied to publicly referred patients to Icon Cancer Centre over the period July 2024-August 2024. The claim is related to the break down of Brainlab equipment, and is estimated to be \$0.123 million. This receivable has not been accounted for in the financial statements as it is considered probable but not certain.

30.1.3 The Hospital is seeking workers compensation recovery for a CALHN injured worker whose compensable injuries arose out of a work related motor vehicle accident. The insurer for the compulsory 3rd party, AAMI, has agreed to indemnify the Hospital for a portion of its claim costs. It is not possible to estimate the dollar effect of this claim at this stage.

30.2 Contingent Liabilities

30.2.1 On 1 August 2017, Hansen Yuncken Pty Ltd and CBP Contractors Pty Ltd (formerly known as Leighton Contractors Pty Ltd) filed legal proceedings in the Federal Court of Australia against Celsus Pty Ltd (formerly known as SA Health Partnership Nominees Pty Ltd), independent certifier Donald Cant Watts Corke Pty Ltd and the Crown in right of the State of South Australia for alleged breaches of contract in relation to the construction of the new Royal Adelaide Hospital. In December 2017 the respondents to the builder's Federal Court proceedings successfully obtained a stay of the proceedings pending the outcome of an arbitration process. At the time of this Report, the arbitration process was still in progress. It is not possible to estimate the dollar effect of this claim or whether it will be successful.

30.2.2 Following a classification / underpayment dispute, agreement has recently been reached on a modified reclassification process for Cardiac Physiologists employed at CALHN (and NALHN). As part of the agreement, it has been agreed that where an application for reclassification via this modified process is ultimately approved, the effective date for payment of the revised salary will be backdated to August 2023, being the date on which the Health Services Union raised the dispute. The quantum (and therefore materiality) of potential payments is unable to be determined at this stage due to the unknown number of applications that may arise and the number of those which may be approved. The modified process (and reclassification outcomes) is expected to be finalised by the second half of 2026.

30.3 Guarantees

The Hospital has made no guarantees.

31. Events after balance date

There are no known events after balance date that impact the financial position reflected in the financial statements.

32. Financial instruments/financial risk management

32.1 Financial risk management

Risk management is overseen by the Hospital's Risk and Assurance Services section. Risk management policies are in accordance with the *Risk Management Policy Statement* issued by the Premier and Treasurer and the principles established in the *Australian Standard Risk Management Principles and Guidelines*.

The Hospital's exposure to financial risk (liquidity risk, credit risk and market risk) is low due to the nature of the financial instruments held.

Liquidity Risk

The Hospital is funded principally by the South Australian Government via the Department. The Department works with DTF to determine the cash flows associated with the SA Government approved program of work and to ensure funding is provided through SA Government budgetary processes to meet the expected cash flows. Refer to notes 1.4, 22 and 23 for further information.

Credit risk

The Hospital has policies and procedures in place to ensure that transactions occur with customers with appropriate credit history. The Hospital has minimal concentration of credit risk. No collateral is held as security and no credit enhancements relate to financial assets held by the Hospital.

Refer to notes 13, 14 and 15 for further information.

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Market risk

The Hospital does not engage in high risk hedging for its financial assets. Exposure to interest rate risk may arise through its interest bearing liabilities, including borrowings. The Hospital's interest bearing liabilities are managed through SAFA and any movement in interest rates are monitored on a daily basis. There is minimal exposure to foreign currency or other price risks.

There have been no changes in risk exposure since the last reporting period.

32.2 Categorisation of financial instruments

Details of the material accounting policy information and methods adopted including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised with respect to each class of financial asset, financial liability and equity instrument are disclosed in the respective financial asset / financial liability note.

The carrying amounts of each of the following categories of financial assets and liabilities: financial assets measured at amortised cost; financial assets measured at fair value through profit or loss; financial assets measured at fair value through other comprehensive income; and financial liabilities measured at amortised cost are detailed below. All of the resulting fair value estimates are included in Level 2 as all significant inputs required are observable.

A financial asset is measured at amortised cost if:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest only on the principal amount outstanding.

Category of financial asset and financial liability	Notes	Consolidated		Parent	
		2026 Carrying amount/ Fair value \$'000	2025 Carrying amount/ Fair value \$'000	2026 Carrying amount/ Fair value \$'000	2025 Carrying amount/ Fair value \$'000
Financial assets					
Cash and equivalent					
Cash and cash equivalents	13, 27	290,641	237,227	285,282	229,957
Loans and receivables					
Receivables	14	97,965	95,565	95,045	92,559
Available for sale financial assets					
Other financial assets	15	13,253	12,082	1,150	1,150
Total financial assets		401,859	344,874	381,477	323,666
Financial liabilities					
Financial liabilities at amortised cost					
Payables	22	105,545	98,291	105,151	97,812
Lease liabilities	23, 28	2,346,385	2,421,057	2,345,397	2,420,531
Other financial liabilities	26	3,663	2,987	863	552
Total financial liabilities		2,455,593	2,522,335	2,451,411	2,518,895

Statutory receivables and payables are excluded from these tables because they are not financial assets and financial liabilities. In government, certain rights to receive or obligations to pay cash may not be contractual but have their source in legislation. The disclosure requirements of AASB 7 Financial Instruments do not apply to statutory receivables and payables.

32.3 Credit risk exposure and impairment of financial assets

Loss allowances for receivables are measured at an amount equal to lifetime expected credit loss using the simplified approach in AASB 9. Loss allowances for contract assets are measured at an amount equal to an expected credit loss method using a 12 month method. No impairment losses were recognised in relation to contract assets during the year.

The Hospital uses an allowance matrix to measure the expected credit loss of receivables from non-government debtors. The expected credit loss of government debtors is considered to be nil based on the external credit ratings and nature of the counterparties. Impairment losses are presented as net impairment losses within net result, subsequent recoveries of amounts previously written off are credited against the same line item.

The carrying amount of receivables approximates net fair value due to being receivable on demand. Receivables are written off when there is no reasonable expectation of recovery and not subject to enforcement activity. Indicators that there is no reasonable expectation of recovery include the failure of a debtor to enter into a payment plan with the Hospital.

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To measure the expected credit loss, receivables are grouped based on shared risk characteristics and the days past due. When calculating estimated expected credit loss, the Hospital considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Hospital's historical experience and informed credit assessment, including forward-looking information.

The assessment of the correlation between historical observed default rates, forecast economic conditions and expected credit losses is a significant estimate. The Hospital's historical credit loss experience and forecast of economic conditions may also not be representative of customers' actual default in the future.

Loss rates are calculated based on the probability of a receivable progressing through stages to write-off based on the common risk characteristics of the transaction and debtor. The following table provides information about the credit risk exposure and expected credit loss for non-government debtors:

	30 June 2026			30 June 2025		
	Expected credit loss rate(s)	Gross carrying amount	Expected credit losses	Expected credit loss rate(s)	Gross carrying amount	Expected credit losses
	%	\$'000	\$'000	%	\$'000	\$'000
Days past due						
Current	0.2-1.5%	20,544	152	0.3-1.6%	21,307	179
<30 days	0.8-2.0%	9,042	139	0.9-2.1%	11,144	182
31-60 days	1.9-4.4%	3,378	92	2.2-4.4%	5,269	179
61-90 days	3.3-8.7%	2,249	120	3.8-8.2%	1,699	87
91-120 days	5.2-14.1%	2,500	234	5.8-12.3%	2,019	143
121-180 days	8.7-22.3%	1,776	210	9.4-21.2%	2,562	323
181-360 days	18.7-36.9%	4,917	1,561	18.1-36.7%	4,192	1,269
361-540 days	41.4-64.8%	3,596	2,158	40.7-63.5%	1,966	1,076
>540 days	48.1-72.5%	9,601	6,628	47.1-71.2%	7,040	4,849
Total		57,603	11,294		57,198	8,287

33. Significant transactions with government related entities

The Hospital is controlled by the SA Government.

Related parties of the Hospital include all key management personnel and their close family members; all Cabinet Ministers and their close family members; and all public authorities that are controlled and consolidated into the whole of government financial statements and other interests of the Government.

Significant transactions with the SA Government are identifiable throughout this financial report.

The Hospital received funding from the SA Government via the Department (note 2), and incurred significant expenditure via the Department for medical, surgical and laboratory supplies, inter-health staff recharging, insurance and computing (note 10). The Hospital incurred expenditure with the Department for Infrastructure and Transport (DIT) of \$17.345 million (\$35.060 million) which largely reflects occupancy rent and rates (note 10). As at 30 June 2026 the value of unrecognised contractual expenditure commitments with DIT for accommodation was \$4.216 million (\$7.735 million).

In addition, the Hospital has lease arrangements as lessee with other SA Government controlled entities. The premises are received at nil or nominal rental with outgoings such as utilities being paid by the lessee.

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34. Interests in other entities

Controlled Entities

Central Adelaide Local Health Network Incorporated has a 100% interest (1,150,000 shares) in AusHealth Corporate Pty Ltd. AusHealth is a national provider of on-site health and safety services delivered by qualified and experienced professional staff to businesses throughout Australia. AusHealth also manages patient payment solutions for Australian hospitals and commercialises hospital research into leading edge medical technologies and treatments. AusHealth Corporate Pty Ltd also has within its control two subsidiaries, The AusHealth Hospital Research Fund (AHRF), and CureCell Ltd.

Joint arrangements

The Hospital participates in the following joint operations:

Name of arrangement	Nature of the arrangement	Principal activity	Location	Interest
South Australian Immunogenomics Cancer Institute	Agreement between Adelaide University and Central Adelaide Local Health Network.	Established as an independently - governed Institute that operates as a discrete academic unit within Adelaide University's Faculty of Health and Medical Sciences, supported by an alliance with CALHN	Adelaide SA	50%

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35. Board and committee members

Members of boards/committees that served for all or part of the financial year and were entitled to receive income from membership in accordance with APS 124.B were:

Board/Committee name:	Government employee members	Other members
Allied Health Directorate Clinical Governance Committee	11	Faik C, Long J, Joyce M, and Kelly P
AusHealth Corporate Pty Ltd	1	Cole D, Healey R, Livesey S Dr, Paradiso J (Resigned 02/06/2026), and Zannettoni A Prof
AusHealth Hospital Research Fund Ltd	1	Cole D, Healey R, Livesey S Dr, Paradiso J (Resigned 02/06/2026), and Zannettoni A Prof
BreastScreen SA State Quality Committee	6	Beckmann K Dr, Eaton M Dr, Kerrins E, Roder D Prof, and Smith K
Central Adelaide Local Health Network Clinical Ethics Committee	9	Cardinali R, and Thorpe A
Central Adelaide Local Health Network Consumer Carer Advisory Group	5	Bickley B, Blake S, Burns T, Cruz J, Earle-Bandaralage L, Hall, P (Appointed 09/07/2025), Joyce M, Lucas G, Platt D (Appointed 09/07/2025), Podmore N (Resigned 06/10/2025), and Rowley E (Resigned 25/08/2025)
Central Adelaide Local Health Network Critical Care & Perioperative Program Intensive Care Services Quality and Governance Committee	44	Bampton J, Bickley B, Bruce K, How C, Johns P, Kelly P, Venhoek J, Workman D, and Yeend K
Central Adelaide Local Health Network Critical Care & Perioperative Program Perioperative Services Quality and Governance Committee	37	<i>(There are currently no external members on this committee)</i>
Central Adelaide Local Health Network Disability Governance Committee	21	Bickley B, Caldwell B, Long J
Central Adelaide Local Health Network Drug and Therapeutics Committee	34	Cullen M, Bickley B (Appointed Jan/Feb 26)
Central Adelaide Local Health Network Executive Quality Governance Committee	26	Knight S (Resigned 28/07/2025), and Otto K
Central Adelaide Local Health Network Geriatric Safety and Quality Committee	40	Curry M, and Otto K
Central Adelaide Local Health Network Governing Board	-	Beilby J Prof (Term ended 30/06/2026), Cantley K, Dwyer J Prof (Resigned 31/12/2025), Haythorpe I, Kilpatrick C Dr (Term ended 30/06/2026), O'Donnell K Dr (Appointed 13/10/2025), and Spencer R (Chair) (Term ended 30/06/2026)
Central Adelaide Local Health Network Audit and Risk Committee (Previously known as Central Adelaide Local Health Network Governing Board Audit and Risk Committee)	-	Batt R, Cantley K (Chair from 11/09/2025), and Haythorpe I (Chair until 10/09/2025), and Worthington-Eyre P (Appointed 05/11/2025)
Central Adelaide Local Health Network Governing Board Clinical Governance and Consumer Engagement Committee	-	Beilby J Prof (Chair), Bruce K, Fyfe D, Kilpatrick C Dr, Liddle L Dr, and Haythorpe I
Central Adelaide Local Health Network Governing Board Finance and Investment Committee	1	Cantley K, Kilpatrick C Dr (Term ended 30/06/2026), and Spencer R (Chair) (Term ended 30/06/2026)
Central Adelaide Local Health Network Governing Board People and Culture Committee	-	Dwyer J Prof (Resigned 31/12/2025), McEwen K, and O'Donnell K Dr (Appointed 13/10/2025)
Central Adelaide Local Health Network Human Research Ethics Committee	7	Air T, Bonython J, Bradshaw A, Crockett J, Cullen J, Digance A, Dykes L, Faulbaum S, Fisher A, Jeisman C, Need A A/Prof, Newsham P, Partridge G, Phillips C, Piccolo R, Ruediger C, and Slater H
Central Adelaide Local Health Network Integrated Care Clinical Governance Committee	-	Jobling D (Resigned 14/04/2026), Stewart D (Appointed 22/10/2025), Soggee R
Clinical Governance and Quality Committee	13	Touli S

CENTRAL ADELAIDE LOCAL HEALTH NETWORK
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Board/Committee name:	Government employee members	Other members
Critical Care and Perioperative Services (CCPO) Consumer Representative Committee (Previously known as Critical Care and Periop Consumer Representative Committee)	17	Bruce K, How C, Kelly P, and Yeend K
General Medicine Safety and Quality Committee	25	Otto K
Heart and Lung Safety and Quality Committee	45	Carroll N
Learning from Dying Committee	33	Anderson R (Resigned 31/12/2025)
Priority Care Committee: CALHN Clinical Trials	33	Black J, and Uffindell A
Priority Care Committee: Communicating for Safety	29	Curry M, and Raschella F
Priority Care Committee: Comprehensive Care	33	Anderson R (Resigned 22/11/2025), Bickley B, and Curry M
Priority Care Committee: Managing Deterioration	47	Bickley B, Coleman L (Appointed 25-26 FY)
Priority Care Committee: Patient Blood Management	63	Johns P
Priority Care Committee: Standard 2 Consumer Partnering	-	Curry M, Klemm G, Sealey C, Soggee R
Renal Community of Practice Steering Committee (This committee transferred to CEIH in January 2026)	21	Fitzgerald A, Lester R, Robson B, Weber D and Williams K
Neuroscience & Rehabilitation Clinical Governance Committee	10	Touli S
SA Brain Injury Rehabilitation Service Consumer Advisory Group	2	Bollella D, Crawford S, Francese L, Hoile L, Long J, Makrid D and Morgan T (Chair)
SA Dental Consumer Representative Group	-	Barker S, Hunt P, Janmaat P, Kendal R (Resigned 27/02/2026), Lockhart F, Musakanye S, Saunders C, Smith S (Appointed 01/04/2026), Truong T (Resigned 09/01/2026) and Whiteway L (Chair – Resigned 31/03/2026)
SA Dental Services Consumer Advisory Panel	2	Boswell E, Costa D Dr, Ireland K, Matiasz S Dr, O'Malley L, Rowberry S (Resigned 04/12/2025), Saunders C, Smith S (Resigned 01/04/2026), Stephenson-Jones T (Resigned 06/02/2026), Whiteway L (Resigned 31/03/2026), and Zerna J
SA Oral Health Alliance	9	Abraham B (Appointed/Resigned Dec-25), Blundell K (Appointed Feb-26), Bradburn J (Resigned Jan-26), Budden T, Carman L, Connolly H (Chair from Mar-26), Janmaat P, Logan R (Appointed Oct-25), Luzzi L, Morris C, Oates J, Rigney N (Appointed Sep-25), and Smith M (Chair -Resigned Mar-26)
SA Pathology Consumer Engagement Advisory Committee	12	Chivers B, Gale V, Johns P, Lowe C, Porter C, Riggs J, and Spackman T
Statewide Clinical Support Services Committee	1	Beilby J Prof, Donaghy T Dr (Resigned 27/03/2026), Luchich M (Chair), Irving J (Appointed 03/11/2025), Molitor C (Appointed 03/11/2025), Sykes N (Appointed 03/11/2025), and Walker S (Appointed 29/04/2026).
Statewide Clinical Support Services Audit and Risk Committee	1	Davies T (Chair), Luchich M,
Stroke Community of Practice Strategic Executive Committee (This committee transferred to CEIH in January 2026)	36	Chamberlain S, Stirling, M, and Whitlam K
Yaitya Marnintyarla Kangka Committee (Aboriginal Priority Care Committee)	22	Miller J, and Touli S

Refer to note 9.2 for remuneration of board and committee member

CENTRAL ADELAIDE LOCAL HEALTH NETWORK
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30 June 2026

36. Administered items

The Hospital administers the following:

- Private practice arrangements, representing funds billed on behalf of salaried medical officers and subsequently distributed to the Hospital and salaried medical officers according to Rights of Private Practice Deeds of Agreement; and
- Other, which largely represents Research funds

The Hospital cannot use these administered funds for the achievement of its objectives.

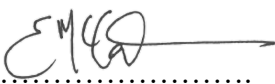
	Private Practice		Other		Total	
	2026	2025	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue from fees and charges	71,652	64,845	-	-	71,652	64,845
Supplies and services	(644)	597	-	-	(644)	597
Other expenses	(69,948)	(64,847)	-	-	(69,948)	(64,847)
Net result	1,060	595	-	-	1,060	595
Cash and cash equivalents	7,340	6,365	1	1	7,341	6,366
Receivables	4,234	4,099	-	-	4,234	4,099
Payables	(5,308)	(5,257)	-	-	(5,308)	(5,257)
Other provisions/liabilities	(10)	(12)	-	-	(10)	(12)
Net assets	6,256	5,195	1	1	6,257	5,196
Cash at 1 July	6,365	6,912	1	1	6,366	6,913
Cash inflows	71,517	65,631	-	-	71,517	65,631
Cash outflows	(70,542)	(66,178)	-	-	(70,542)	(66,178)
Cash at 30 June	7,340	6,365	1	1	7,341	6,366

Certification of the financial statements

We certify that the:

- financial statements of the Central Adelaide Local Health Network Inc.:
 - are in accordance with the accounts and records of the authority; and
 - comply with relevant Treasurer’s instructions; and
 - comply with relevant accounting standards; and
 - present a true and fair view of the financial position of the authority at the end of the financial year and the result of its operations and cash flows for the financial year.
- Internal controls employed by the Central Adelaide Local Health Network Inc. over its financial reporting and its preparation of the financial statements have been effective throughout the financial year.


.....
Professor Judy Searle
Chair, CALHN
Governing Board


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Emma McCahon
Chief Executive
Officer


.....
Lisa Poon
Executive Director,
Finance and Business Services

Date 10 / 09 / 2026
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