DEPARTMENT OF **HEALTH**

Annual Report

2020-21

NORTHERN TERRITORY GOVERNMENT

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This report would not have been possible without the valuable support and contributions of the many people who have assisted by providing content, images and their time.

For more information including an electronic version of the annual report visit the Department of Health website: health.nt.gov.au

DEPARTMENT OF
HEALTH

Chief Executive
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Postal Address
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The Honourable Natasha Fyles MLA
Minister for Health
Parliament House
DARWIN NT 0800

Dear Minister

In accordance with the provisions of section 28 of the *Public Sector Employment and Management Act 1993* and section 12 of the *Financial Management Act 1995*, I am pleased to present you with the 2020-21 annual report for NT Health.

The report provides information on the activities and achievements of the Northern Territory public health system:

- Department of Health
- Top End Health Service
- Central Australia Health Service

Pursuant to the *Public Sector Employment and Management Act 1993*, the *Financial Management Act 1995* and the *Information Act 2002*, I advise that to the best of my knowledge and belief:

a) Proper records of all transactions affecting the agency and its employees were kept and all employees under my control observe the provisions of the *Public Sector Employment and Management Act 1993*, the *Financial Management Act 1995*, the *Financial Management Regulations 1995* and the Treasurer's Directions

b) Procedures within the agency afford proper internal control, and a current description of such procedures is recorded in the Department's Accounting and Property Manual, which has been prepared and updated in accordance with the *Financial Management Act 1995*

c) There is no indication of fraud, malpractice, major breaches of legislation or delegation, major error in, or omission from, the accounts and records

d) In accordance with the requirements of section 15 of the *Financial Management Act 1995*, the internal audit capacity available to the agency was adequate and the results of all internal audits were reported to the Audit Committee and the Chief Executive

e) The financial statements included in this annual report have been prepared from proper accounts and records and are in accordance with the Treasurer's Directions

f) All employment instructions issued by the Commissioner for Public Employment have been satisfied

g) All public sector principles have been upheld and no significant failures to uphold them have occurred

In addition, the Chief Executive of the Department of Corporate and Digital Development (DCDD), previously Department of Corporate and Information Services (DCIS), has advised that in relation to items a) e) and g), and to the best of her knowledge and belief, proper records are kept of transactions undertaken by DCIS on behalf of NT Health, and the employees under her control observe the provisions of the *Financial Management Act 1995*, the *Financial Management Regulations 1995*, Treasurer's Directions and Part 9 of the *Information Act 2002*.

Frank Daly
Chief Executive Officer
30 September 2021

Acknowledgement of Traditional Owners, Custodians and Elders

We respectfully acknowledge the Traditional Owners, Custodians and Elders past, present and emerging of the lands and seas on which we work. We show our recognition and respect for Aboriginal people, their culture, traditions and heritage by working towards improving Aboriginal health and wellbeing.

Throughout this report the term Aboriginal should be taken to include Torres Strait Islander people. The term Aboriginal is used in acknowledgement that Aboriginal people are the original inhabitants of the Northern Territory.

Aboriginal people are advised this report may contain images of deceased Aboriginal people.

Purpose

The Department of Health annual report provides a record of the Northern Territory (NT) health system's functions and performance in 2020-21.

It is prepared for the Minister for Health to submit to the NT Legislative Assembly to meet reporting requirements under the *Public Sector Employment and Management Act 1993*, the *Financial Management Act 1995*, the *Information Act 2002* and subordinate legislation.

It includes information about the:

DEPARTMENT OF HEALTH | TOP END HEALTH SERVICE | CENTRAL AUSTRALIA HEALTH SERVICE

Throughout this report the terms NT Health and NT health system are used to describe the public health system in the NT and are inclusive of the Department of Health, Top End Health Service and Central Australia Health Service.

All agencies report on their functions and performance for priorities, strategic objectives and budget paper outputs.

Under the current administrative arrangements, the Department of Health has responsibility for administering 24 acts and 12 regulations. This legislation is listed in Section 7.

Contents


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Overview and Highlights

Chief Executive Officer's Foreword

FRANK DALY

It is with tremendous respect for the staff of NT Health and our partners that I present the 2020-21 NT Health Annual Report. Having only joined NT Health a few weeks prior to the end of the financial year, I am nonetheless proud to present this annual report. It's an honour and a privilege to be able to lead a health service that positively contributes to the health and wellbeing of all Territorians.

The 2020-21 financial year continued to present challenges to all staff in NT Health, for our service partners, key stakeholders, the business community and the NT community both professionally and personally and I am proud of the outstanding efforts achieved by all. By far the biggest challenge remains the COVID-19 pandemic, and through hard work, dedication and effort by everyone have we contributed to the continued safety of all Territorians and Australians.

On behalf of NT Health I would like to thank all of you and our partners. Our continued response to the COVID-19 pandemic continues to show us that we cannot respond to a pandemic of this magnitude on our own. Your efforts ensured that the Territory remained safe, particularly those most vulnerable in our community.

Highlights of our other achievements are contained throughout this annual report, with one of our key challenges and achievements being the management of our financial position in line with the NT Government Return to Budget Strategy. Our program of reform projects, tight fiscal restraint and management together with our robust governance and accountability frameworks have contributed towards a financial result close to budget in 2020-21. This result further demonstrates the commitment of NT Health to accountable management and administration practices, values and principles.

In closing, I would once again like to thank all of our staff for their commitment to achieving our strategic objectives. I would also like to thank all of our key partners and stakeholders that we rely on in delivering better health services to all Territorians.

I am sure the year ahead will bring a whole new set of challenges while the COVID-19 virus remains a threat however, I am confident our continued respectful relationships and shared commitment to each other and the community will ensure we meet all of the challenges and opportunities ahead. Together we move forward and embody Safe, Responsive, Kind and behaviours that reflect our values and complement our special breed of Territorian determination and resilience. NT Health will continue to deliver sustainable health services and timely patient-centred and quality care to Territorians.


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About Us

DEPARTMENT OF HEALTH FUNCTIONAL DESIGN

CHIEF EXECUTIVE OFFICER
Catherine Stoddart

NATIONAL CRITICAL CARE AND TRAUMA RESPONSE CENTRE
Len Notaras - Executive Director

Our Population

As of June 2020, the estimated resident population of the Northern Territory was 245 980 representing less than 1% of Australian total population.

The NT was the only state or territory to record a negative population growth (-0.1% change over the previous year). The natural increase of 2525 new residents was surpassed by the number of residents departing the NT to another state or territory (2697) or overseas (9).

Interesting population characteristics of the NT include:

The median age of the total NT population was 34 years, much lower than the median age for all Australians (38 years of age).

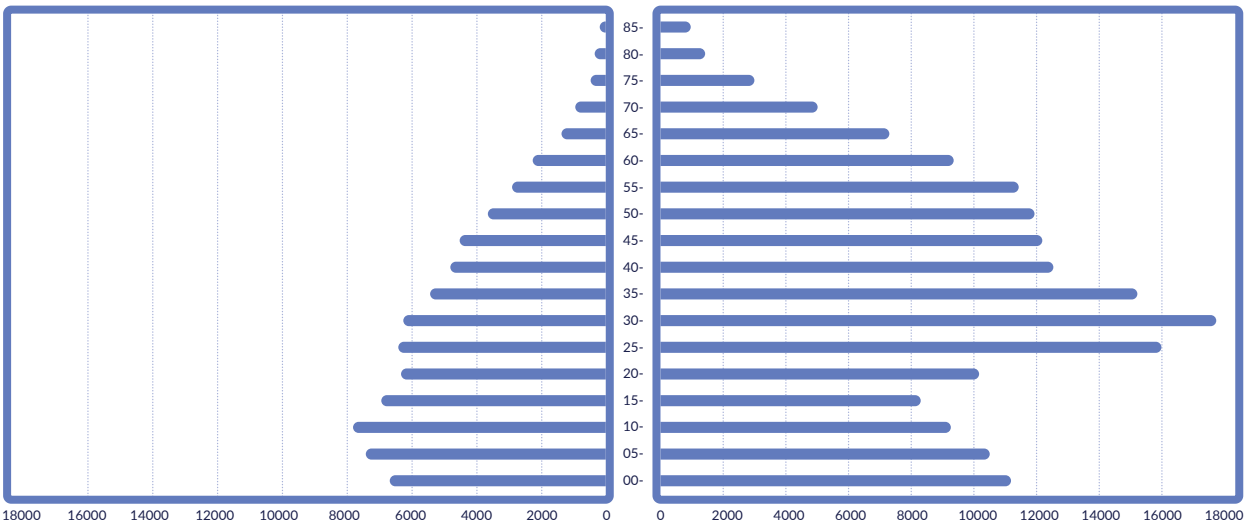
A large Aboriginal population with an estimated 73 842 residents representing 30% of the total NT population.

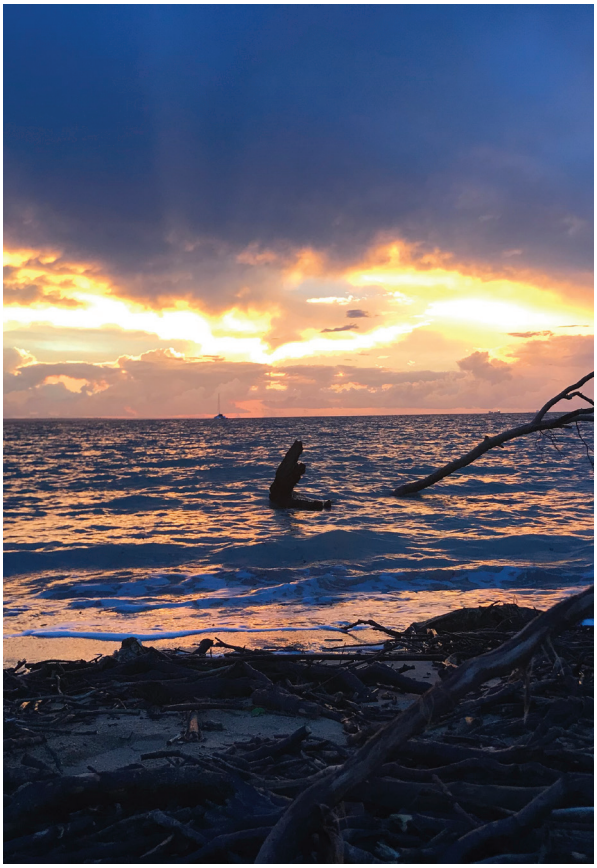
The majority of Aboriginal people in the NT reside in rural and remote areas, often within smaller residential communities. The NT Aboriginal population features a younger age profile compared with the non-Aboriginal population.

The ratio of males to females was 105 males to 100 females.

In 2020, 66% of Aboriginal Territorians lived outside the urban centres of Darwin, Palmerston and Alice Springs. There were proportionately more Aboriginal children (30%) under 15 years of age compared with non-Aboriginal children (18%) and proportionately fewer aged 65 years and over (5% compared with 10%), as shown in the chart below.

Population distribution by age group and Aboriginal status, Northern Territory, 2020





Top End Health Service

The Top End Health Service (TEHS) region includes the Darwin urban (with Palmerston), Darwin Rural, East Arnhem and the Katherine health districts. The TEHS region occupies 35% of the total land area of the Northern Territory (NT). The estimated resident population of TEHS was 200 523 at June 2020, around 82% of the total NT population.

Just over a quarter (26%) of TEHS residents were Aboriginal. The majority (66%) of Aboriginal TEHS residents lived in the rural areas of the Top End (Darwin Rural, Katherine and East Arnhem health districts). The remainder of Aboriginal TEHS residents were more or less evenly distributed across Darwin (46%) and Palmerston (54%).

The vast majority of non-Aboriginal people resided in the Darwin urban area (74%) with just over half in Darwin (58%) and 42% in Palmerston.

Central Australia Health Service

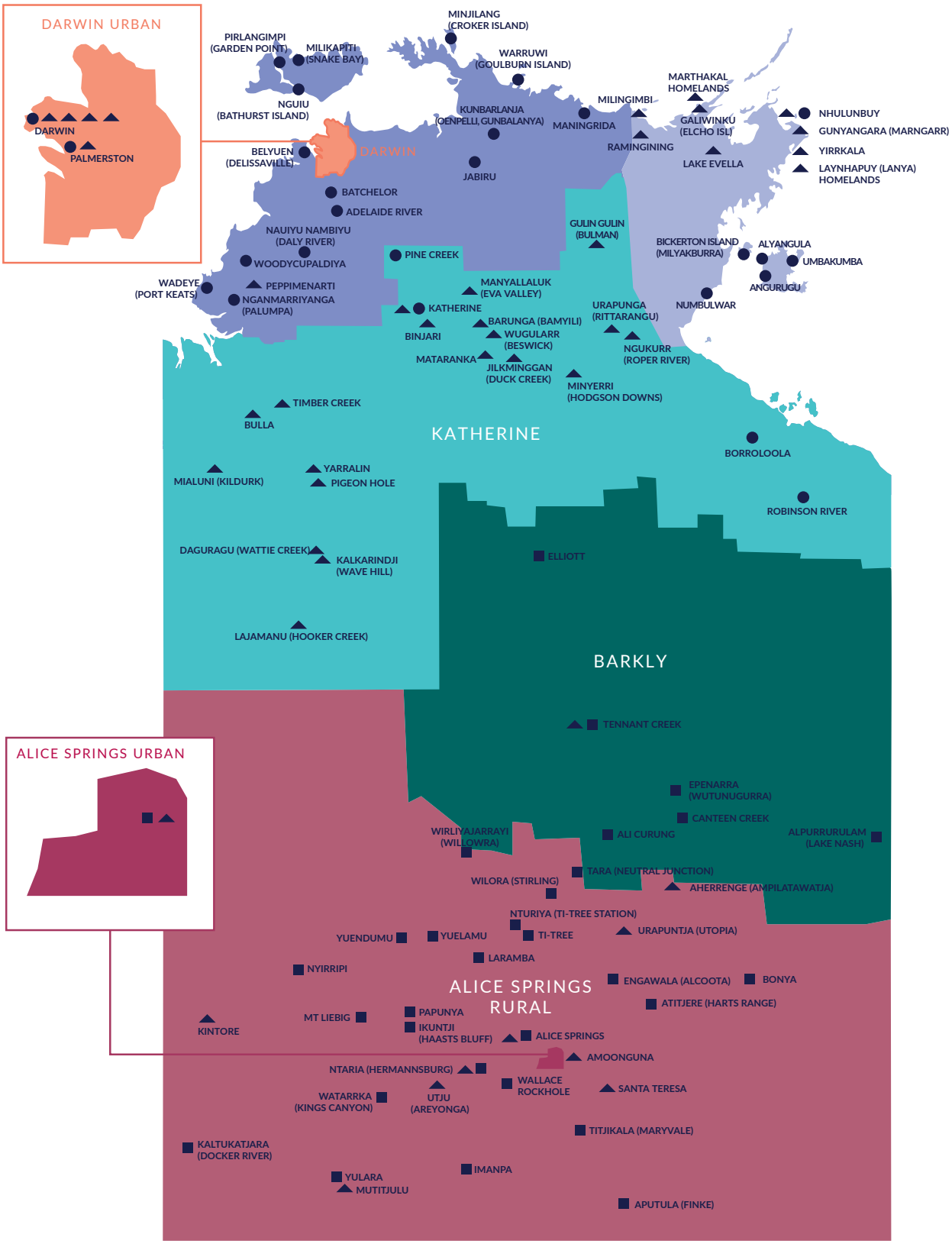
The Central Australia Health Service (CAHS) region includes the Alice Springs Urban, Alice Springs Rural and Barkly health districts. The CAHS region covers close to two-thirds (65%) of the total land area of the NT. In June 2020, the estimated resident population of CAHS was 45 457, around 18% of the total NT population.

Aboriginal residents represented 47% of the CAHS population, with the majority (68%) residing outside of Alice Springs, in its rural surrounds and in the Barkly health district. By contrast, the majority of non-Aboriginal residents resided in Alice Springs (83%).

Source:

1. National, state and territory population. www.abs.gov.au/statistics/people/population/national-state-and-territory-population/jun-2020
2. Population and Digital Health, 2021

Top End and Central Australia Health Service locations



Top End Health Service, Chief Operating Officers Report

ALLISON GRIERSON

Our response to the COVID-19 pandemic has again been paramount throughout 2020-21. Across the Top End Health Services (TEHS), our incident management teams within the service groups, and across TEHS as a whole, have effectively led our response to the pandemic. This included the continuation of the range of services that began at the inception of the pandemic, including our various testing clinics, hospital screening processes, and the ongoing development and refreshing of our outbreak plans. It meant we were prepared to respond should the Northern Territory have community transmission.

In February 2021, the NT vaccination program began and the TEHS vaccination teams rapidly stood up a range of vaccination clinics to support the large vaccination clinics in Darwin. We also worked in partnership with our Aboriginal Community Control Health organisation partners to deliver vaccinations in remote communities across the Top End, and through our clinic at the Howard Springs quarantine facility.

While the COVID-19 pandemic remains a significant focus for TEHS staff and services, we have continued our focus on 'Our Plan' in the four key areas of:

- Quality Improvement
- Performance
- Demand Management
- Workforce.

In April 2021, we welcomed a team of surveyors from the Australian Council on Healthcare Standards as the TEHS hospitals underwent accreditation assessment to the National Safety and Quality Healthcare Standards. This presented a great opportunity for staff to showcase our services and the continued improvements put in place to improve the quality of care delivered to our community. It was gratifying to hear the views of the survey team at the summation conference, describing the excellent work they had seen within our hospitals. We await the final report, but it is a great testament to our staff that all standards were met.

TEHS staff have continued to strive to deliver our targets, as outlined in the Service Delivery Agreement (SDA), with improvements seen across a range of indicators.

Importantly, we are meeting and exceeding the indicators concerning the proportion of children under five with anaemia, the number of adult health checks undertaken and the number of people with a chronic disease management plan. All of which will assist with the quality of life for people in the future.

We exceeded the target for the number of patients with Staphylococcus aureus bacteraemia (SAB) infections, met the target for the number of people needing to be hospitalised with unplanned readmissions and continued to increase our use of telehealth, all of which assist in reducing the demand on our hospital services.

The Royal Darwin and Palmerston Regional Hospital leaders implemented a daily hospital huddle throughout the year. The daily forum was an opportunity for senior clinicians to discuss the clinical and patient flow situation, and develop strategies to address issues and work to improve the experience for patients and staff.

Our staff are our greatest asset and this year, our Aboriginal Workforce Action Plan implementation saw three Aboriginal Workforce Knowledge forums held, two early career development days in Darwin and Katherine and the development of three video profiles of our inspiring TEHS Aboriginal staff. The TEHS team have also been implementing the Staff Health and Wellbeing Framework, a particularly important initiative as our staff continue to work in the challenging time of the pandemic.

From 1 July 2021, the Top End Health Service, through the Better Together program will be reshaped into the Top End, East Arnhem and Big Rivers regions. This change will strengthen regional leadership across NT Health, with these Regional Executive Directors reporting directly to the Chief Executive of NT Health, as members of the NT Health Leadership Committee.

Achievements made by the TEHS staff continue to be impressive, particularly as our staff cope with an unprecedented situation as a result of the COVID-19 pandemic. Everyone has done an outstanding job and, on behalf of the community we serve, thank you.

Central Australia Health Service, Chief Operating Officers Report

NAOMI HEINRICH

I am pleased to present the 2020–21 Annual Report on behalf of the Central Australia Health Service (CAHS). It has been a difficult, however rewarding year for CAHS.

In response to the rapidly changing environment and the challenges associated with COVID-19, CAHS established a Pandemic Coordination Cell (PCC) in 2020. A General Manager was appointed to the PCC, along with a dedicated team of staff providing border control, testing and vaccination services. At the end of the financial year we had administered over 15 000 vaccination doses and swabbed more than 26 000 people. The achievements and resilience of our Pandemic workforce is incredible.

While COVID-19 has dominated during this financial year, we are proud of many other accomplishments and milestones that have been achieved.

This year we have progressed with major infrastructure projects, with funding for the Alice Springs Hospital (ASH) multi-story car park increased to $14.13 million, allowing for 288 additional car parks to be built on campus. Construction of a block of accommodation units close to ASH commenced, and planning for an accommodation block funded by the Australian Government at the Tennant Creek Hospital has been approved. Both are expected to be completed in 2022. A funding agreement was signed in February 2021 with the Australian Government for construction of an Ambulatory Care building, also to be built on the ASH campus. This facility will include 64 renal chairs and associated areas and will further improve our service delivery.

After extensive renovations, the Centre for Disease Control, Clinic 34 and the Midwifery Group Practice were successfully relocated to Eurilpa House on Todd Street in Alice Springs.

This year ASH implemented a Ground Transport Service, to provide improved access to health services for high risk patients. The transport service includes dedicated daily pick-ups, and drop-offs, transport to and from transport hubs and an enhanced renal pick-up service.

We are particularly pleased to announce that in 2020, CAHS became a member of the Global Green and Healthy Hospitals program. As part of our commitment, Supply Chain Management relocated into a purpose-built warehouse, which incorporates sustainability initiatives. The Alice Springs Hospital also implemented numerous initiatives, including the reduction of single-use plastics and the use of biodegradable materials in the kiosk.

I would like to acknowledge the retirement of Sue Korner as CAHS Chief Operating Officer in January 2021. Sue was a driving force in establishing the health service in 2014 through to the success it is today. Her contribution to the service has not gone unnoticed and I am not alone in wishing Sue all the best in her retirement. I would also like to congratulate all employees who have retired during the year.

In closing, I'd like to personally thank all of our people for their ongoing dedication and commitment to CAHS. This year I have been immensely proud of our employees who have continued to ensure the safety of all Territorians under challenging circumstances.

Chief Health Officer's Report

DR HUGH HEGGIE

In 2020-21, we saw the commencement of our the second year of our response to the COVID-19 pandemic. Our response has now become embedded as part of our business as usual working life. I could not be prouder of what we have achieved together so far and I look forward to what we can achieve in the future. The patience, strength, capability and resilience of Territorians is what others aspire to.

At the forefront of every decision I have made during our pandemic response has been the safety, health and wellbeing of all Territorians. Decisions have not been made lightly, but they have kept our NT community safe with no COVID-19 community transmissions and no COVID-19 deaths, this is what all of the hard work has been about and an achievement that we are very proud of. Public health principles and practices remain at the front line of our defence. By using physical distancing, good hand hygiene practices and appropriate sneezing and coughing etiquette, has shown that it slows the spread of infections such as influenza and COVID-19 to others in our community.

The successful implementation of various domestic border measures have been a significant contributor to the NT's health security. There remains an ongoing risk of COVID-19 transmission within the NT as a consequence of extensive global transmission and international arrivals into Australia. People cross the NT domestic border via air, rail, ship and road. A set of public health principles guiding the ongoing management of our NT domestic borders are:

- The NT population is particularly vulnerable to severe effects of a COVID-19 outbreak. The need to protect this vulnerable population should inform border decisions.
- An ongoing risk of potential for virus transmission into the NT via another Australian jurisdiction is assumed.
- There is a requirement to deliver a variety of adjustable and proportionate controls depending on the risk of spread from individual Australian jurisdictions.
- These controls should be able to be applied at short notice (within an hour) to points of border entry.
- The safety of staff and arrivals during implementation of controls is paramount.
- Both regional and whole of Territory contexts will be considered when deciding on controls. This includes emergency response capability, current pressures on health and pandemic specific services and logistical considerations.
- The mode of transport across a domestic border is an independent variable in any risk assessment as the risk of inter-arrival virus transmission differs between mode of transport.
- Agility and adaptability to manage border controls as the pandemic evolves with elements of uncertainty is an ongoing requirement.

I take this opportunity to recognise and again thank the many people in the background as well as the front facing workers across the NT Public Service who have continued to work in partnership with non-government organisations (NGOs), Aboriginal Community Controlled Health Organisations (ACCHOs), the defence force, industry, businesses and the wider community. Our response to COVID-19 continues to be dynamic, evolving and ever changing as we move through to our new normal, but it is not all that we do.

As CHO I have a diversity of responsibilities in addition to COVID-19 which includes the promotion of health protection and prevention and the provision of high level public health advice to the Chief Executive Officer, Minister for Health and the Chief Minister of the NT on health related issues. Part of my role as CHO is leading the Public Health and Clinical Excellence Division, which includes Office of the CHO, Public Health Directorate, Medicines Management, Clinical Safety and Quality, Medicines Poisons Control, Territory Pathology and Restrictive Practices Unit.

Seasonal Influenza vaccination occurs every year with a peak in demand from April to June. Immunisation against Influenza was identified by the Australian Government as a key public health measure during the COVID-19 pandemic. The 2020 Influenza vaccine rollout experienced early delays and difficulties in distribution due to the COVID-19 pandemic with high public demand. The 2021 Influenza vaccination program has experienced more structured distribution and less challenging distribution.

Climate change is an emerging priority, with an important intersection between health protection and climate change. Increasing numbers of natural disasters, rising temperatures, sea-level rises and altered rainfall patterns all have the potential to adversely impact health. Direct effects from climate change include increased exposure to heat waves and weather events, flooding and fires. Indirect environmental effects from climate change include increased exposure to microbial contamination, pollen, particulate air pollutants and carriers of new diseases. Indirect social effects from climate change include disruption to health services, social and economic factors including migration, housing and livelihood stresses, food security, socioeconomic deprivation and health inequality. The consequences of climate change are also expected to have adverse mental health and community health effects. The effects of climate change will not be spread evenly across the population, exacerbating existing socioeconomic and ethnic health inequalities.

Finally, thank you to everyone who played their part in 2020-21. I look forward to what the future brings as I know that Territorians will always bring their diversity of culture, thoughts and actions into everything that they do. There are exciting times ahead.

NT Health COVID-19 Response

On 30 January 2020, NT Department of Health (DoH) activated an emergency management event to formalise and coordinate multiagency communication and preparedness. The Incident Controller is the CHO.

On 5 February 2020, the Hon Natasha Fyles MLA, NT Minister for Health declared novel coronavirus infection to be a notifiable disease under the Notifiable Diseases Act 1981. Declaration and Notification of Notifiable Disease Novel coronavirus (2019-nCoV) infection was published in the Government Gazette on 6 February 2020.

On 18 March 2020, the NT Minister for Health declared a public health emergency under section 48 of the Public and Environmental Health Act 2011 (the Act) in relation to COVID-19.

The Emergency Legislation Amendment Act 2020 was introduced and passed on urgency by the Legislative Assembly on 24 March 2020. This Act amended section 50 of the Public and Environmental Health Act 2011 and sections 4 and 81A of the Information Act 2002. The amendment to the Public and Environmental Health Act 2011 allowed an emergency declaration to be made for a period not exceeding 90 days, and for extension periods not exceeding 90 days. On 26 March 2020, the Emergency Legislation Amendment Act 2020 commenced.

On the following dates, the Minister for Health signed additional instruments to extend the public health emergency for a further 90 days:

Instrument Signed	From	Expiring Midnight
27 March 2020	18 March 2020	25 June 2020
22 June 2020	26 June 2020	23 September 2020
22 September 2020	24 September 2020	22 December 2020
8 December 2020	23 December 2020	22 March 2021
1 March 2021	23 March 2021	20 June 2021
8 June 2021	21 June 2021	18 September 2021

The extension of the public health emergency declaration ensures that the CHO's powers continue in force to enable enforcement of the directions made under section 52 of the Act.

When a public health emergency declaration is in force, the CHO can use emergency powers under the Act. The CHO's emergency powers mean that the CHO may take the actions (including giving oral or written directions) he considers necessary, appropriate or desirable to alleviate the public health emergency. CHO Directions are laws. It is an offence to contravene a Direction of the CHO.

All current and revoked CHO Directions are located on the NT Coronavirus website - www.coronavirus.nt.gov.au

Chief Health Officer Directions | Coronavirus (COVID-19) (nt.gov.au)

OUTBREAK PREPAREDNESS

NT Health has developed a NT Pandemic Plan to inform prevention, preparedness, response and recovery to a pandemic in the NT. Since the emergency declaration, the NT has been able to draw on experiences interstate to refine its approach to managing an outbreak. The key strategy of the current NT planned response is to rapidly "trace, test and contain". In an outbreak situation, this response may be implemented differently depending on the setting and population. This has resulted in the development of a number of sub-plans including the Aged Care, Remote and Urban Outbreak Plans, as well as individual remote community plans. COVID-19 outbreak management in the NT focuses on early disease detection through enhanced surveillance, case investigation and isolation, rapid contact tracing to identify close contacts of the confirmed case, increased testing and quarantine of close contacts.

URBAN PREPAREDNESS

The Urban Outbreak Management Plan assists all stakeholders to manage a COVID-19 outbreak in an urban setting in the NT. The definition of urban in this context includes Alice Springs, Darwin, Katherine, Nhulunbuy and Tennant Creek. This document aligns with the NT Pandemic Plan 2020 and regional, local or sub pandemic plans including the Residential Aged Care Outbreak Plan, Corrections Facilities Outbreak Plan (in development) and the Remote Community Outbreak Management Plan.

REMOTE PREPAREDNESS

Mitigating the risk of COVID-19 to remote Aboriginal communities has involved:

- community education and engagement
- building community capacity
- early detection - enhanced surveillance, point of care testing (POCT)
- containment - remote staff education and training: contact tracing and personal protective equipment
- outbreak management
- remote Community Outbreak Management Plan - cross government multi-agency, rapid response, to support a remote Aboriginal community to undertake immediate (and sustained as necessary) community quarantine to eliminate the spread.

Many aspects of the plan will also be useful in the event of an outbreak in a Town Camp or a Regional Centre with high Aboriginal population e.g. Nhulunbuy.

AGED CARE PREPAREDNESS

An Aged Care Response Team has been established within NT Health and is working with the Australian Government and the Territory Emergency Operations Centre to ensure the NT aged care sector is prepared for a COVID-19 outbreak.

WASTE WATER SURVEILLANCE

In December 2020, the NT formally signed up as a partner to ColoSSoS. Formal participation in the ColoSSoS program allows the NT access to experts who have assisted in designing an appropriate program for the NT and also to interpret the results of sampling. The Department of Health's Public Health Directorate is coordinating the sampling program with assistance from the Power and Water Corporation. South Australia Water is conducting the analysis of each sample.

A pilot sampling commenced in May 2021 and will continue for a three month period.

PRINCIPLES FOR MAJOR EVENTS IN THE NT

Territorians can gather in larger numbers at approved organised events. Events do present a high risk for COVID-19 transmission, with many people moving around and interacting with each other. Events should be managed in line with COVIDSafe principles to reduce the risk of COVID-19.

Events can involve a broad range of activities including food and beverage service, entertainment, networking, or mass participation of attendees.

This document outlines the principles required for major events to occur in the Northern Territory and is informed by National Public Health expertise and advice through AHPPC for major events in the NT:

- all events over 1000 attendees in the Northern Territory require Chief Health Officer approval and require a COVID-19 Event Safety Plan and a COVID-19 Safety Supervisor appointed
- all events over 500 people in remote areas are required to have an approved COVID-19 Event Safety Plan and a COVID-19 Safety Supervisor appointed
- events between 100 and 500 attendees outside of major population areas are required to submit a COVID-19 Event Safety Plan and a COVID-19 Safety Supervisor appointed
- the Guidelines for Events and Gatherings should form the basis of COVID-19 Event Safety Plans
- the current context of the Pandemic within the Northern Territory and Australia should guide decision making around whether an event is approved
- In determining an approval for an event the Chief Health Officer must give consideration to local and Territory wide emergency arrangements and regional and Territory capacity
- the Chief Health Officer may make specific Direction to restrict attendance at a given event or require attendees to comply with specific testing or vaccination requirements
- an event for which Chief Health Officer approval was granted may be cancelled at any time prior to the event being held should the risk assessment significantly change
- events must only proceed in accordance with the approved COVID-19 Event Safety Plan.

FACTORS THAT INCREASE PUBLIC HEALTH RISK

- The event is being held in a remote location.
- The event is held over multiple successive days with different attendees each day.
- Participants camp at the event site for more than one night.
- The event is actively promoted interstate and is therefore likely to attract interstate attendees.
- The event is primarily held indoors.
- The event includes unallocated seating.
- Alcohol is served at the event.
- There is extensive singing, chanting, or cheering among attendees during the event.
- There is close physical interaction between attendees and/or participants, where they may not be able to maintain a physical distance of 1.5 metres for short periods of time.

All events over 1000 attendees in the NT require Chief Health Officer approval and require a COVID-19 Event Safety Plan and a COVID-19 Safety Supervisor appointed.

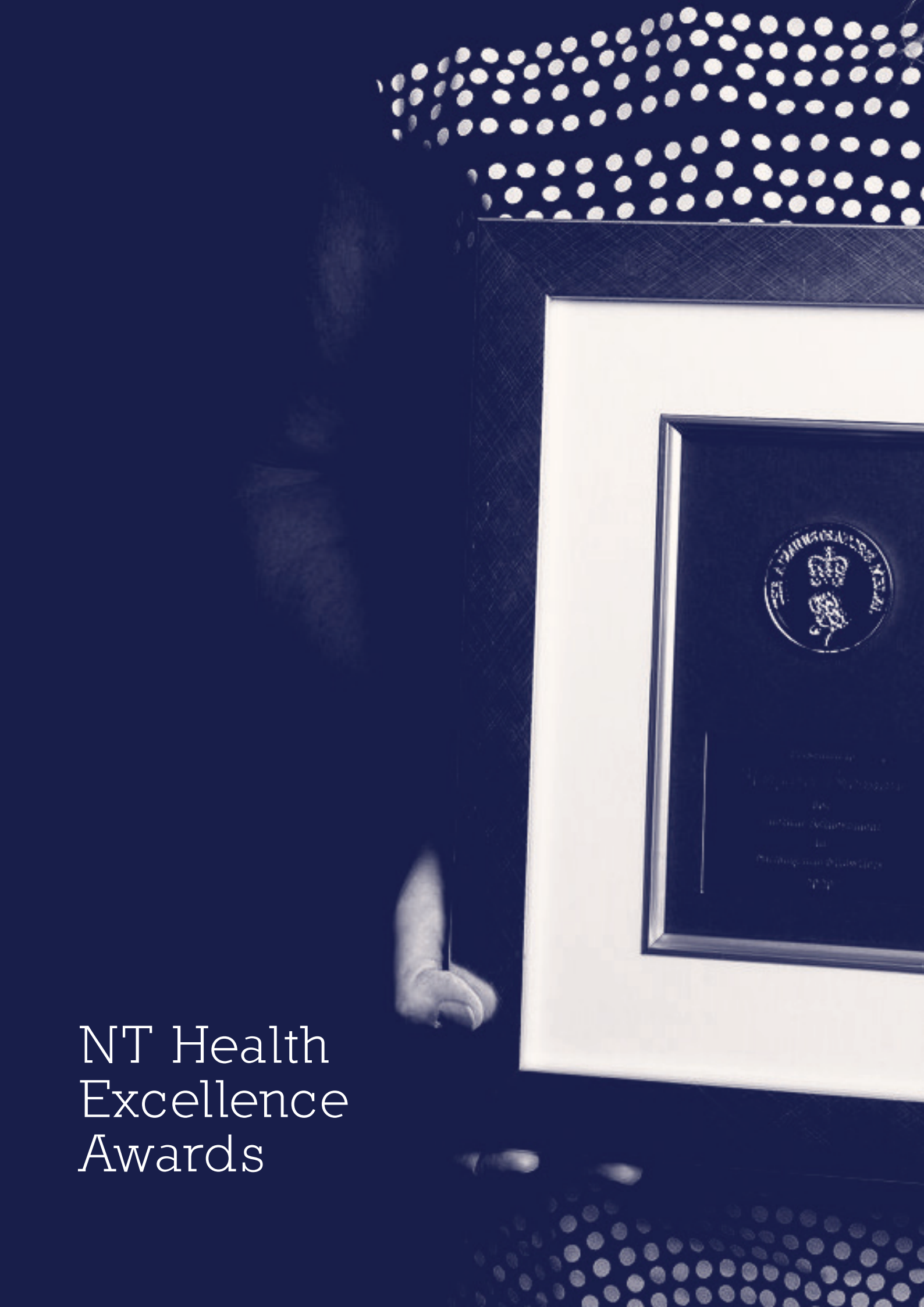
Events between 100 and 1000 attendees outside of major population areas are required to submit a COVID-19 Event Safety Plan and a COVID-19 Safety Supervisor appointed.

Plans must consider local and Territory wide emergency arrangements. The Guidelines for Events and Gatherings should form the basis of COVID-19 Event Safety Plans.

Events must only proceed in accordance with the approved COVID-19 Event Safety Plan.

The Chief Health Officer may make specific Direction to restrict attendance at a given event or require attendees to comply with specific testing or vaccination requirements.

The current context of the Pandemic within the NT and Australia should guide decision making around whether an event is approved.



NT Health Excellence Awards

ROTARY CLUB OF DARWIN 2020 POLICE OFFICER OF THE YEAR

Winner Hospital Based Constable Jacqui Nicholson

RENAL SOCIETY OF AUSTRALASIA PRACTICE ADVANCEMENT AWARD

Winner Renal Home Therapies Clinical Nurse Manger Amanda Elzini

NATIONAL JUNIOR DOCTOR OF THE YEAR - NATIONAL CONFEDERATION OF POSTGRADUATE MEDICAL COUNCILS AWARDS

Winner Dr Femy Koratty

NT CLINICAL EDUCATOR OF THE YEAR - NORTHERN TERRITORY 2020 PREVOCATIONAL MEDICAL EDUCATION AND TRAINING AWARDS

Winner Associate Professor Nadarajah Kangaharan

THE NORTHERN TERRITORY GENERAL PRACTICE EDUCATION (NTGPE) TRAINING POST OF THE YEAR AWARD

Winner Julanimawu (Wurrumiyanga) Primary Health Care Centre

ADS RANJI AND AMARA WIKRAMANAYAKE CLINICAL DIABETES RESEARCH AWARD 2020

Winner Louise Maple-Brown the Head of the Department of Endocrinology

THE ALAN WALKER CANCER CARE CENTRE 10 YEAR ANNIVERSARY AND SERVICE AWARDS

- Associated Professor Dr Michael Penniment
- Dr Scott Carruthers
- Dr Narayan Karanth
- Giam Kar
- Gayle Formby
- Lauren James
- Elly Keating
- Tracy Bennett
- Renae Sheills
- Mary Pennefather
- Rakesh Joshi

TEHS EXCELLENCE AND INNOVATION AWARD WINNERS

CATEGORY 1 CLINICAL GOVERNANCE

Winner East Arnhem Region Gove District

Hospital for the submission East Arnhem Region COVID-19 Response

CATEGORY 2 PARTNERING WITH CONSUMERS

Winner Primary Health Care Katherine

Region for the submission Borroloola Health Centre partnering with clients through Telehealth

CATEGORY 3 PREVENTING AND CONTROLLING HEALTHCARE-ASSOCIATED INFECTION

Winner COVID-19 Resource Team/Infection Prevention Management

Unit for the submission COVID-19 Resource Team

CATEGORY 4 MEDICATION SAFETY

Winner Maternity Ward, Gove District Hospital

Submission Implementation of Epidural analgesia at Gove District Hospital (GDH)

CATEGORY 5 COMPREHENSIVE CARE

Winner Top End Renal Service

Submission Ward based Dietetic Services for Renal Patients

CATEGORY 6 COMMUNICATING FOR SAFETY

Winner Intensive Care Unit Royal Darwin Hospital

Submission RDH Night Hug

CATEGORY 7 BLOOD MANAGEMENT

Winner Population and Primary Health Care

Submission Improve Accuracy of Point of Care Haemoglobin Results

CATEGORY 8 RECOGNITION & RESPONSE

Winner Katherine Hospital Clinical Nurse Educators

Submission Katherine Hospital Sepsis Awareness Project

ABORIGINAL AND TORRES STRAIT ISLANDER HEALTH WORKER AND PRACTITIONER AWARDS

ADVANCED STUDIES AWARD

Winner Aboriginal Health Practitioner Onika Paolucci

EMERGING HEALTH PRACTITIONER AWARD

Winner Clinton Washington - Palmerston Community Care Centre

PROFESSIONAL EXCELLENCE STATUS SCHEME RECIPIENTS 2020

A key workforce initiative, PES offers reward and recognition for the exceptional performance of professional employees at a standard that has been judged as significantly higher than that required in their jobs.

Winner

Aleka Freijah, Senior Physiotherapist, Palmerston Regional Hospital, TEHS

Winner

Amanda Hart, Patient Advocate, Manager RDPH Consumer Engagement Team, TEHS

Winner

Anthony Draper, Enteric Disease Epidemiologist, Public Health Unit (CDC), TEHS

Winner

Bhavini Patel, Executive Director Medicines Management

Winner

Roger Weckert, NT Manager Medical Imaging Informatics, Medical Imaging, TEHS

NT NURSING AND MIDWIFERY EXCELLENCE AWARDS

NT ADMINISTRATOR'S MEDAL FOR LIFETIME ACHIEVEMENT IN NURSING/MIDWIFERY

2020 Winner

Margaret Brennan,
Clinical Nurse Manager Ward 2A
Royal Darwin Hospital,
Top End Health Service

2021 Winner

Rosemary Gaston,
Clinical Nurse Consultant,
Perioperative,
Royal Darwin Hospital,
Top End Health Service

FLINDERS UNIVERSITY AWARD FOR EXCELLENCE IN NURSING/MIDWIFERY EDUCATION

2021 Winner

Anija Mathew,
Acting Clinical Nurse Educator,
Rehabilitation Ward, Palmerston
Regional Hospital,
Top End Health Service

CHARLES DARWIN UNIVERSITY AWARD EXCELLENCE IN NURSING/MIDWIFERY RESEARCH/QUALITY IMPROVEMENT

2020 Winner

Eva Williams,
CQI Facilitator, Primary Health Care,
Top End Health Service

EXCELLENCE IN NURSING/MIDWIFERY LEADERSHIP

2020 Winner

Renae Daniel,
Director of Nursing,
Katherine Hospital,
Top End Health Service

2021 Winner

Emma Childs,
Nurse Management
Consultant - Public Health,
Top End Health Service

CLIENT APPRECIATION AWARD FOR EXCELLENCE IN NURSING/MIDWIFERY

2020 Winner

Tarrant Tolotta, Registered Nurse, Emergency Department Katherine District Hospital, Top End Health Service

2021 Winner

Lynne Hurley,
Mental Health Nurse,
Top End Mental Health and
Alcohol and Other Drugs Service

EXCELLENCE IN NURSING/MIDWIFERY ABORIGINAL HEALTH

2020 Winner

Heather Andrews, Chronic Disease Co-Ordinator,
Julanimwu Health Centre Team

TEAM AWARD FOR EXCELLENCE IN NURSING/MIDWIFERY

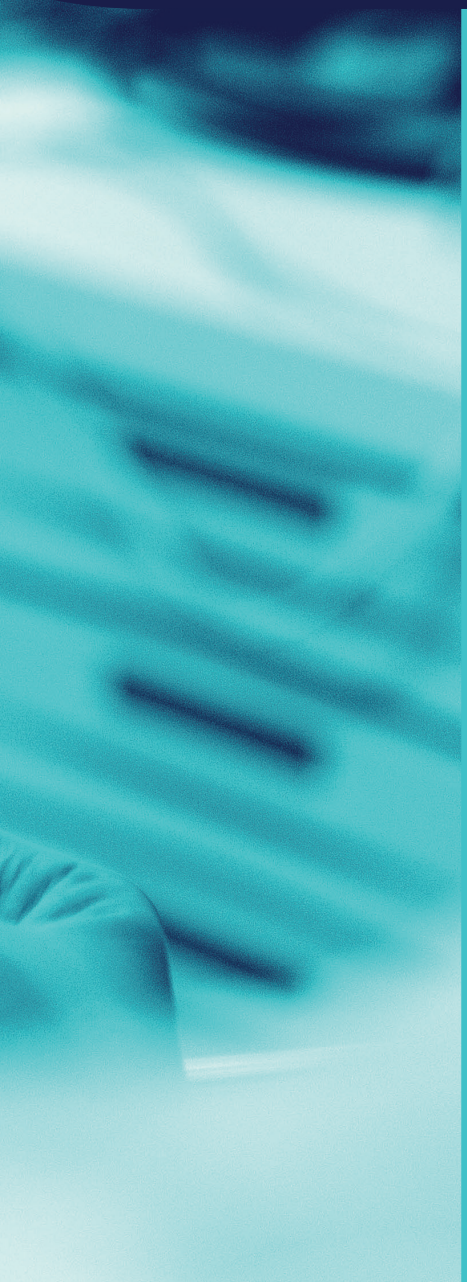
2021 Winner

Rehabilitation Ward, Palmerston Regional Hospital,
Top End Health Service


SODIUM CHLORIDE INJ BP
0.9% 90 mg in 10 mL
IV or IM INJECTION
CR8527
AUG-21
STIOPA

2

NT Health



Our Leaders

1 **Frank Daly**

Chief Executive Officer

2 **David Braines-Mead**

Deputy Chief Executive,
Finance Support Services

3 **Joanne Norton**

A/Deputy Chief Executive,
Health System Policy and Strategy

4 **Catherine O'Connell**

Executive Director,
Office of the Chief Executive

5 **Hugh Heggie**

Chief Health Officer

6 **Naomi Heinrich**

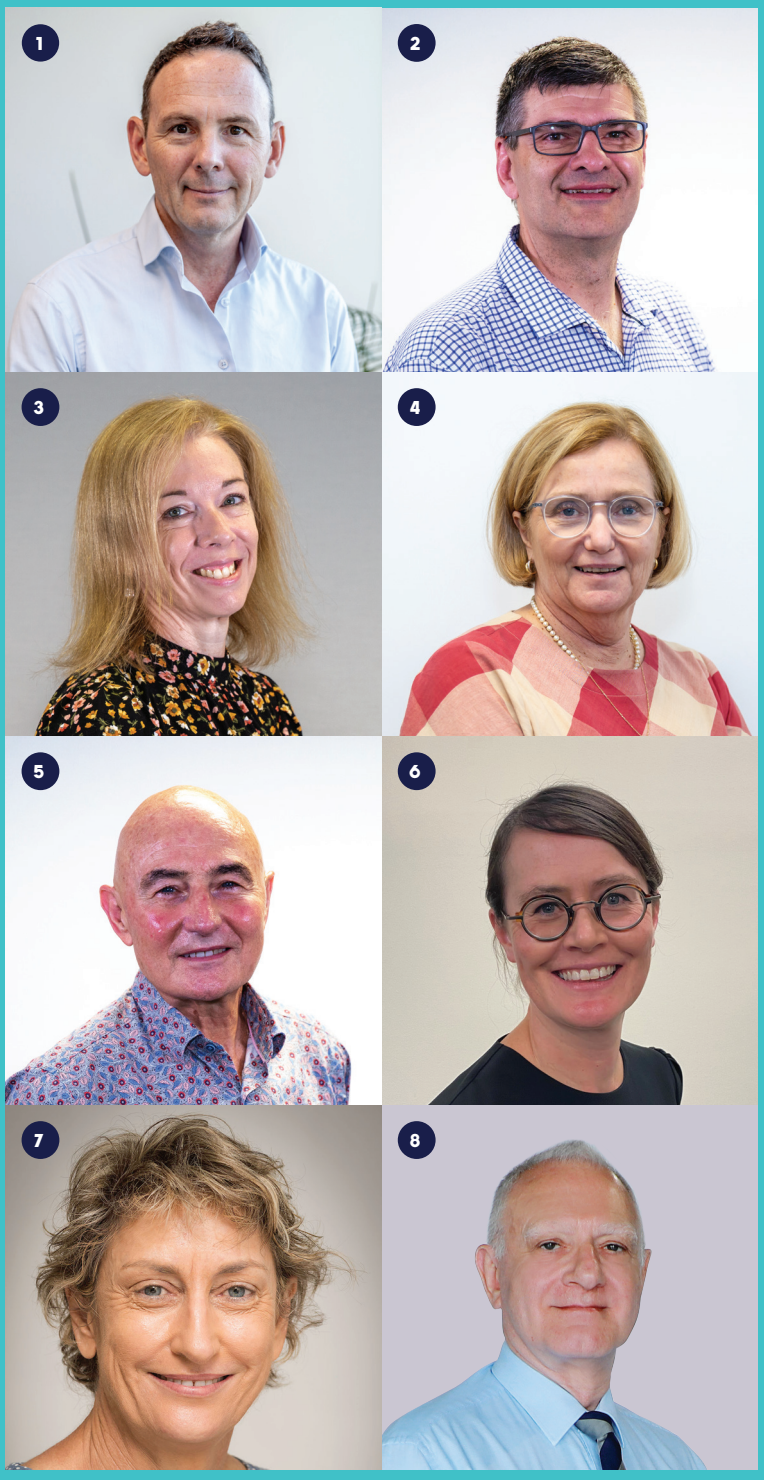
Acting Chief Operating Officer,
Central Australia Health Service

7 **Allison Grierison**

Chief Operating Officer,
Top End Health Service

8 **Len Notaras**

Executive Director, National Critical Care and Trauma Response Centre



Overview

DEPARTMENT OF HEALTH

VISION	To be a world leader in the delivery of remote health through collaboration, excellence and innovation
PURPOSE	Working together, to deliver better health for all Territorians, with healthy Territorians engaged and living in healthy communities
VALUES	Our values underpin all of our activities, headlined by a vision that drives our ambition to deliver a world class service in a remote location. We will strive towards this vision by working together as one system, to deliver better health for all Territorians. We will work together to create an open, fair and just culture where we value: ▪ **Diversity:** Ensure the person with a health care need is at the centre of culturally safe practice, free from racism and discrimination ▪ **Ethical practice:** Demonstrate ethical practice, a commitment to social justice and equity, working with integrity and being accountable for our decisions and actions ▪ **Respect:** Be respectful and compassionate when working together and with others ▪ **Courage:** Be courageous and brave in our leadership
COMMITMENTS	We will work with you, your family and your community to: ▪ Promote and improve your health ▪ Improve your health outcomes and quality of your experience while in our care, by using evidence-based practice and delivering care in a culturally safe environment ▪ Live up to our values while delivering safe, appropriate care ▪ Involve you in the design, delivery and evaluation of our healthcare services ▪ Address the social determinants of health as part of Closing the Gap
WORKING TOGETHER	The Department of Health, CAHS and TEHS work together to deliver healthcare services to all Territorians. Together we aim to create an open, and fair culture where our workforce: ▪ Is valued, respected and developed to be their best ▪ Is informed, involved, listened to, treated fairly and consistently ▪ Is safe and supported to improve our health and wellbeing ▪ Collectively strives to lead the delivery of healthcare in remote settings Our partners in delivering healthcare include ACCHOs, other government agencies and NGOs. We work together to ensure that the delivery of healthcare improves the health outcomes of all Territorians. Together we aim to: ▪ Improve health, prevent disease and reduce inequalities ▪ Continue to close the health gap for Aboriginal people ▪ Ensure that our service delivery serves to improve outcomes ▪ Make best use of our research and reduce duplication of services, internally and externally ▪ Continue to transition primary health care services in Aboriginal communities to ACCHOs

OUR ROLE

The department has a key leadership role in shaping and enhancing the performance outcomes of the NT health system and works closely with TEHS and CAHS to deliver healthcare services to all Territorians. NT Health also partners with ACCHOs, other government agencies and NGOs. Together we aim to ensure that the delivery of healthcare improves the health outcomes of all Territorians.

As the system manager the department is responsible for territory-wide health planning, managing capital works, developing system-wide policy and for the collection and reporting on the performance of the public health system.

The department is represented on a number of national committees and working groups including the National Health Funding Body, the Independent Hospital Pricing Authority, the Australian Commission on Safety and Quality in Health Care and contributes to national discussions on health reform. The department is also a member of the NT Aboriginal Health Forum.

OUR STRATEGIC PLAN

The NT Health Strategic Plan 2018-2022 was released in April 2018. The strategic plan drives the efforts and priorities of NT Health and is built on the vision of being a world leader in the delivery of remote health through collaboration, excellence and innovation. The strategic plan can be found at health.nt.gov.au

The strategic plan has six strategic directions:

1. **Prevent illness**
2. **Focus on each person**
3. **Redesign to improve access**
4. **Lift performance towards excellence**
5. **Embed research**
6. **Systemise effectiveness and efficiency**

Our 2020-21 performance against these strategic directions is outlined in Section 3: Performance Reporting.

Overview

TOP END HEALTH SERVICE

OUR ROLE

The Top End Health Service (TEHS) is a statutory body under the *Health Services Act 2014*. The role of TEHS is to ensure the provision of health services in the Top End as outlined in the Service Delivery Agreement with the Department of Health.

TEHS delivers the following public health services across the Top End region:

- hospital care
- primary health care
- prison health care
- public health
- aged care
- community Allied Health
- mental health
- alcohol and other drugs
- oral health
- hearing health
- cancer screening.

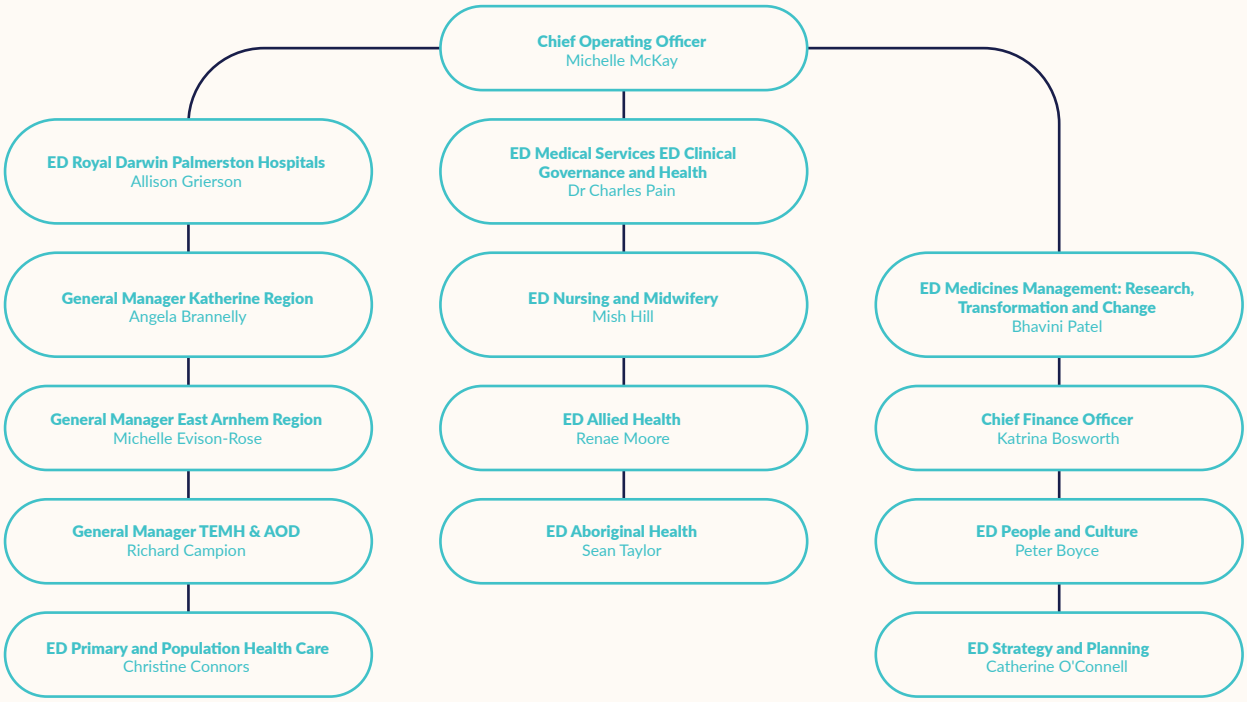
OUR STRUCTURE

The transfer of functions from the Department of Health to TEHS Primary Health Care during 2019-20 including: community allied health; aged care; and public health, was further embedded in 2020-21. The Executive Function for Quality and Safety moved into the Exec DONMS portfolio including accreditation.

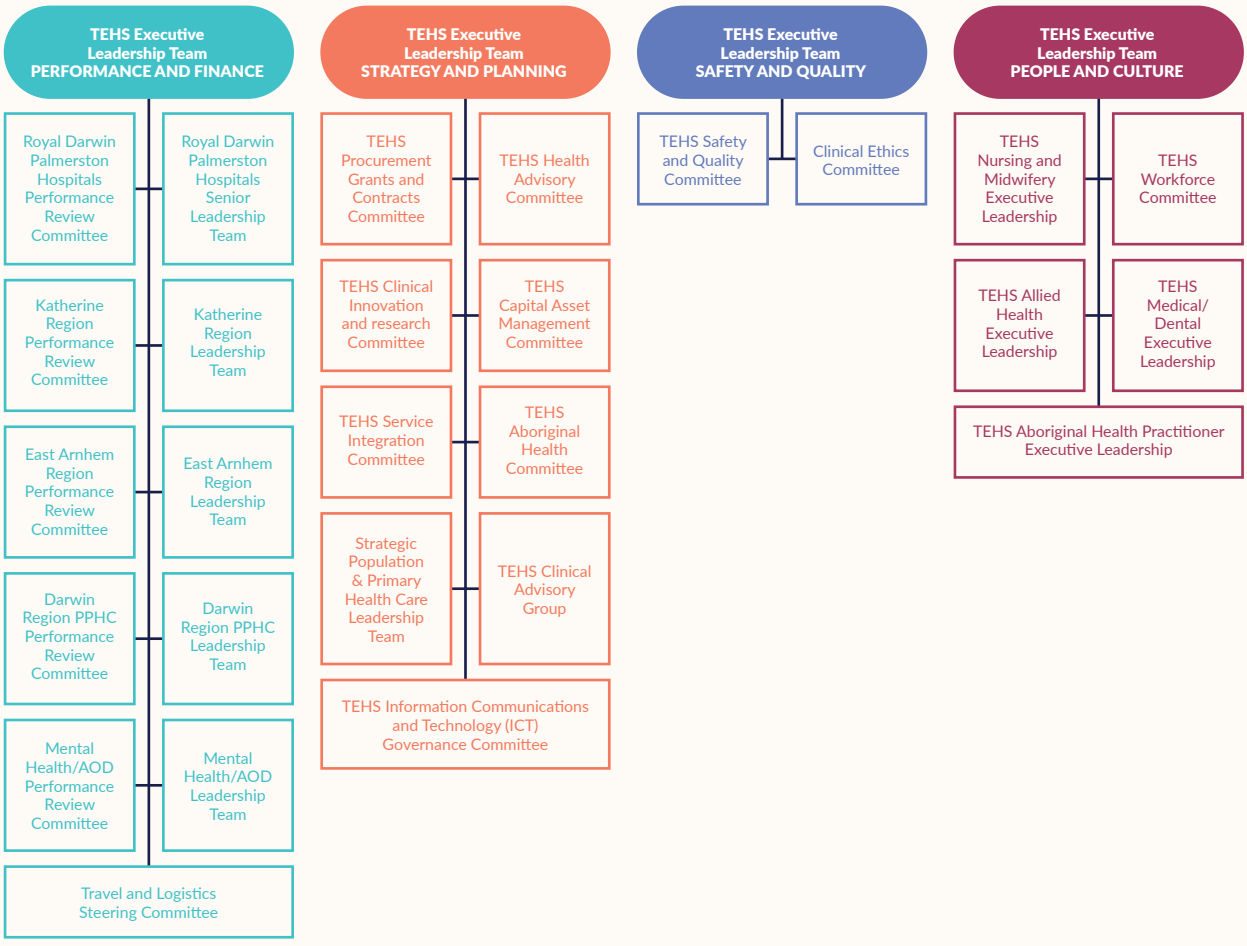
Changes to the corporate governance structure reporting to the Executive Leadership Team (ELT) include:

- renaming the Clinical Ethics Committee to Health Ethics Committee, reporting to ELT.
- reporting of the Strategic Population & Primary Health Care Leadership Team to ELT.
- cessation of the TEHS Service Integration Committee.

TEHS EXECUTIVE STRUCTURE



TEHS GOVERNANCE COMMITTEE STRUCTURE



TEHS HEALTH ADVISORY COMMITTEE

The TEHS Health Advisory Committee (HAC) supports the high-level decision-making processes of the health service through provision of information to, consultation with, and advocacy on behalf of, the community served by TEHS.

HAC members are appointed from across the Top End of the NT to ensure appropriate and necessary local community input and engagement in health services planning, and responsiveness of TEHS to local needs. HAC also facilitates the identification and consideration of community priorities in the development and implementation of the strategic goals and directions of TEHS. Four Regional Community Engagement Groups (RCEGs) provide an additional focus on regional health services.

The terms of four HAC members, which were due to cease on 31 October 2020, were extended to 31 January 2021. Three of these members were further extended to 30 June 2022, while one member (Donna Mac Mahon) moved interstate and was not in a position to remain in the committee.

Members at 30 June 2021 are:

- Jill Huck (Chair)
- Bilawara Lee
- June Walley
- Natalie Merida
- Sue Moran
- Ali Nur
- Jan Jewell
- Yvonne Falckh
- Helen Bowden
- Sacha King

The HAC held four full day meetings during 2020-21: August 2020, November 2020, February 2021, and May 2021. An additional half-day meeting was held in October 2020, primarily to concentrate of prioritising HAC issues. All meetings included information on the TEHS response to the COVID-19 pandemic, with the Chief Operating Officer (COO) briefing the meeting on the national and NT response and members providing feedback from RCEGs and their own community networks about the response.

All HAC meetings included a briefing from the COO and presentation of TEHS Safety & Quality data. Agendas were structured to include a combination of issues and topics initiated by members and TEHS. Where HAC members raised issues of concern, briefings or presentations were sought from TEHS about the work being undertaken in the relevant area.

During 2020-21, there was an increased number of requests from TEHS staff to consult with HAC and RCEGs. There was also an increase in requests for HAC members to participate in various TEHS committees and working groups. HAC members again participated on the panels judging the 2020 TEHS Service Excellence and Innovation Awards. In addition, HAC members participated in two Top End Mental Health Root Cause Analysis processes and met with Accreditation surveyors as part of the successful Accreditation assessment for TEHS and Oral Health Services.

The increased engagement with the HAC and RCEGs was indicative of a growing awareness within TEHS of the importance of, and opportunities for, community consultation and engagement provided by the consumer groups as the organisation strengthens its partnership with consumers. After each HAC meeting a communique was developed and distributed to HAC and RCEG members and TEHS staff through the COO.

Joint HAC/RCEG Chair meetings were held in November 2020 and May 2021, for sharing information and ideas between HAC and the four RCEG groups. Chairs are also joined by TEHS Executive (the COO, and the General Managers and Executive Directors who support RCEGs in their regions), to embed a coordinated approach to the consumer/community engagement process and discuss key health and service issues identified by the groups. HAC members continued involvement with TEHS committees including Executive Leadership Team - Strategy and Planning (HAC Chair) and the Partnering with Consumers (Standard 2) Committee. HAC and RCEG representation on TEHS committees increased, with members appointed as consumer members to thirteen committees and working groups.

Activities of the HAC during 2020-21:

Presentations

- Renal Consumer Working Group
- Research Governance Office Processes and Current research
- Discharge Planning and continuity of care
- Outpatient services update
- Patient and Family Escalation of care (REACT) Program

Consultations

- Patient Record Alerts for new Acacia System
- Summary statement - COVID-19 Critical Care Clinical Decision-Making Guideline
- Extension of PEACE Framework review date to Jan 2022
- Strong Voices Consumer Representative toolkit
- Oral Health Services Planning Day
- TEHS Recognising and Responding to Acute Deterioration in a person's Mental State Guideline
- RDH name badges
- Allied Health Priorities Across the Continuum of Care Project
- Sepsis Public Awareness Campaign
- Hospital Inpatient Survey Results

REGIONAL COMMUNITY ENGAGEMENT GROUPS

The Terms of Reference for the groups require four meetings a year, and this was achieved by three of the four groups. Meetings were held in-person, by telephone and videoconference. RCEGs continue to provide a valued role in the regions, raising local issues and providing feedback across a range of areas.

Overview

CENTRAL AUSTRALIA HEALTH SERVICE

The Central Australian Health Service (CAHS) has aligned to the NT Health Strategic Plan 2018-2022 and the Better Together program. This overarching strategic plan is built on the foundation of the six strategic directions that drive the efforts and priorities of the Department of Health and CAHS.

VISION	To achieve better health outcomes for all Central Australians
MISSION	To promote, protect and improve the health and wellbeing of all people in the region in partnership with individuals, families and the community and to ensure the delivery of the best and most appropriate evidence-based care
VALUES	▪ Equity and integrity ▪ We respond to areas of greatest need ▪ Our staff uphold honesty, respect and professionalism in all that they do ▪ Community at the centre ▪ Our staff provide patient-centred care, listening to the individual, family and community perspective and experience ▪ We value our partnerships ▪ We recognise and value the importance of strong mutually dependent links with our partners ▪ We achieve better health outcomes with a collaborative and coordinated approach ▪ We are committed to high quality care ▪ Our services are underpinned by ethical behaviour and evidence-based practice ▪ We monitor and evaluate what we do to ensure quality ▪ We are relevant for today and ready for tomorrow ▪ We are committed to responding to health needs today and planning for tomorrow ▪ We are accountable ▪ We ensure the best use of public resources to achieve goals

OUR ROLE

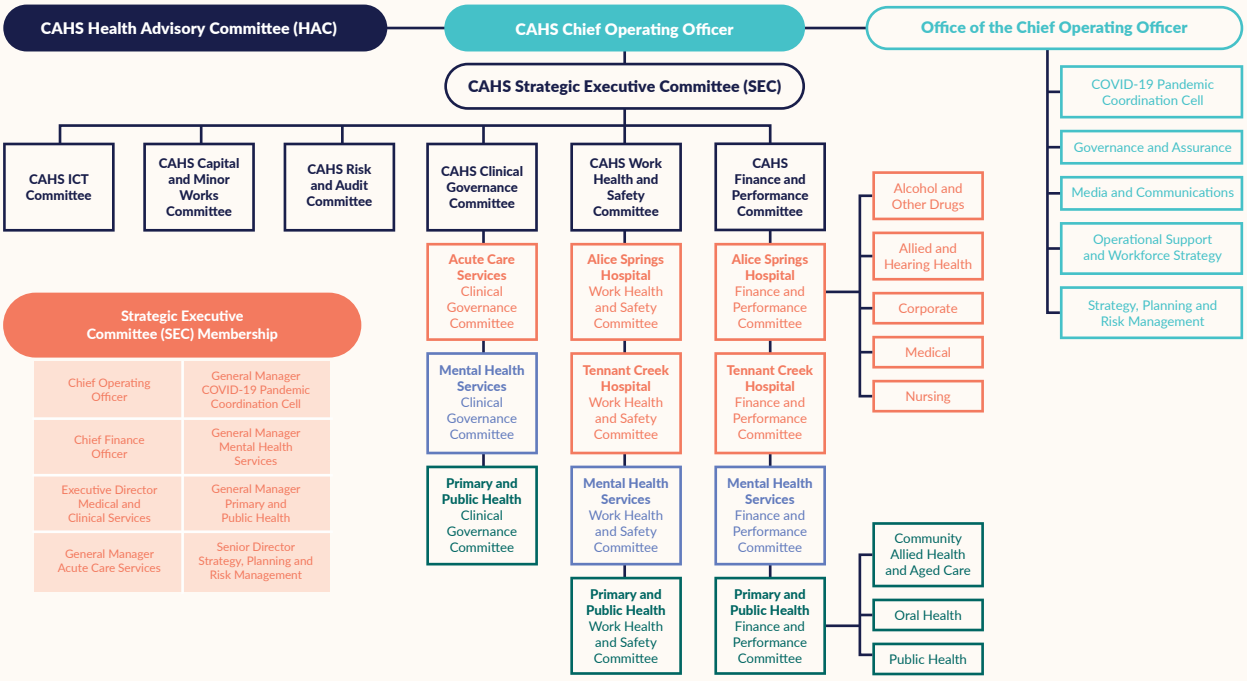
CAHS is a statutory body under the *Health Services Act 2014*. The role of CAHS is to ensure the provision of health services in the Central Australian region as outlined in the SDA between CAHS and the Department as the system manager.

CAHS delivers the following health services:

- hospital care
- primary and public health care
- mental health
- alcohol and other dugs
- oral health
- hearing health
- public health
- renal services.

CENTRAL AUSTRALIA HEALTH SERVICE

Committee Structure



CENTRAL AUSTRALIA HEALTH SERVICE

Organisational Structure

Overview

NATIONAL CRITICAL CARE AND TRAUMA RESPONSE CENTRE

The National Critical Care and Trauma Response Centre (NCCTRC) is funded by the Australian Government to maintain a readiness for a range of sudden onset disaster and emergency events locally, nationally and internationally, however public health emergencies in response to the COVID-19 pandemic remain the focus in this reporting period.

In the past 12 months, the NCCTRC has continued to demonstrate its important health support for the Australian Government in a domestic and international response.

The NCCTRC deployed AUSMAT (Australian Medical Assistance Team) to support the Victorian Aged Care outbreak of COVID-19 in July 2020. Between late July and 16 September 2020, AUSMAT members deployed to support the Victorian Aged Care Response Centre following the outbreak of COVID-19. Working in small teams, four strike & one compliance, AUSMAT completed 169 visits to 75 aged care facilities. The teams assessed existing Personal Protection Equipment and Infection Control Procedures and boosted infection prevention and control measures in the facilities.

In October 2020, it was tasked to manage the quarantine for Australians repatriated from overseas by the Commonwealth Government. The NCCTRC deployed AUSMAT leadership to manage the quarantine of more than 7000 returning Australians and permanent residents at Howard Springs International Quarantine Facility between October 23 2020 and May 23 2021.

INTERNATIONAL DEPLOYMENTS

- The deployment of 18 AUSMAT members to Papua New Guinea in August 2020 to support the PNG Ministry of Health in response to COVID-19. Two teams – Alpha and Bravo – deployed to support the National Coordination Centre (NCC), Port Moresby General Hospital (PMGH), Rita Flynn Isolation facility, Taurama facility and with laboratory leads.
- The deployment of AUSMAT to Dili, Republic of Timor-Leste following the floods in April and support to its COVID-19 outbreak.
- The deployment of AUSMAT members to Papua New Guinea in March 2021 to support the PNG Ministry of Health in response to COVID-19.

In April, the Australian Prime Minister Mr Scott Morrison toured the NCCTRC HQ at Darwin International Airport. This provided an opportunity for the Prime Minister to meet key staff involved in the deployment of AUSMAT.

The NCCTRC was recognised by GOARN as a senior regional member for Asia-Pacific during this reporting period, recognised as a Centre for Excellence in Health Emergencies operational, technical and training workforce.

Department of Health Priorities for 2021-22

MENTAL HEALTH ALCOHOL AND OTHER DRUGS

Work will progress with major infrastructure projects at Royal Darwin Hospital to improve and increase the capacity of the mental health inpatient facilities to ensure the community needs for mental health care are met into the future. This covers enhancements to existing facilities; an expansion of the mental health inpatient unit to increase bed capacity; and establishment of a Stabilisation, Assessment and Referral area to improve responses to emergency mental health presentations.

NT Health will continue to focus on collaborative partnerships and integrated pathways to care by partnering with the Northern Territory Primary Health Network (NT PHN) and the Aboriginal Medical Service Alliance Northern Territory (AMSANT) to develop a comprehensive Joint Mental Health and Suicide Prevention Regional Plan, which builds on the Foundation Plan released in 2021.

In collaboration with NTPHN and Neami National, NT Health will support the establishment of the Darwin Adult Mental Health Centre trial in Darwin, with clinical services working closely together to ensure the provision of well-coordinated and seamless care pathways for people experiencing mental health distress.

The Places of Care Committee, convened by NT Health, will continue to bring together government and non-government mental health, alcohol and other drugs services to collaborate on person centred care coordination, improving access to services, and improving patient flow across all levels of care by exploring alternatives to hospital based care.

NT Health will continue to support people with mental illness to obtain and sustain housing through the extension of the Housing Accommodation Support Initiative (HASI) in Darwin and the HASI pilot program in Alice Springs.

Suicide prevention will continue to be a priority for NT Health, with support provided to a range of training organisations across the NT to raise workforce and community awareness and intervention skills, for the ongoing suicide prevention Community Grants program and the continuation of the Way Back Support Service Aftercare program in Darwin, providing follow up support to people after a suicide attempt or crisis.

The *Mental Health and Related Services Act 1998* is being reviewed to ensure that legislation and policies reflect best practice, are fit-for-purpose, and aligned with contemporary values.

In the second half of 2021, NT Health will be focusing on identifying the key agencies for co-commissioning of new investment for the residential service hub component of the East Arnhem Youth AOD service and continuing to support Primary Health Care across the care spectrum, with multi-agency investment collaboration to strengthen an overall youth model of support.

CONTINUING TO STRENGTHEN CULTURAL SAFETY ACROSS NT HEALTH

The department is committed to building a health system where Aboriginal people feel safe, secure and able to participate as staff and consumers without fear of judgement or discrimination. The department will continue to address the Domains under the NT Health Aboriginal Cultural Security Framework 2016-2026 by:

- undertaking individual and organisation cultural safety assessments and developing a cultural safety plan for all services/divisions within NT Health in a staged approach over the next three years.
- undertaking a Health Equity Review to assess existing policies, programs, services and systems to determine if these are creating unintended barriers for access to services for Aboriginal people.
- strengthening relationships/partnerships with ACCHOs to support NT Health in its cultural safety learning.
- improving cultural competency through targeted learning and development programs to support staff cultural knowledge towards responsiveness and beyond simple awareness.

END OF LIFE CHOICE POLICY

The Department has commenced negotiations with Australian Digital Health Agency (ADHA) to deliver Advanced Personal Plan and Goals of Care to My Health Record through East Arnhem Communities.

The End of Life Policy was developed and approved in 2018-19 and expired in March 2020. The policy has been extended for a further 12 months and provides Territorians with culturally sensitive and contemporary information regarding end of life choices.

An End of Life Care Working Group was established to review the Policy over a six month period. The outcome was the development of a suite of documents around end of life care to improve best practice care and culturally sensitive practices. The suite includes policy documents for:

- End of Life Care
- Resuscitation Status
- Bereavement Support
- Bereavement support for Indigenous people
- Advance Personal Planning

RHEUMATIC HEART DISEASE

The development of an NT-wide Rheumatic Heart Disease (RHD) Strategy, to address the high burden of RHD and its precursor illness acute rheumatic fever (ARF), was recommenced in March 2021 after the work was delayed in 2019-20 due to the COVID-19 response. The RHD Strategy is being created with key agencies and partners including Department of Territory Families Housing and Communities, Department of Education, ACCHOs and Aboriginal peak body associations. This whole of government and cross-sectional approach aims to address the social determinants of ARF and RHD and strengthen primary and secondary prevention efforts. It will establish a vision and guide collective action and future investment by government, non-government and Aboriginal community control health services.

NT HEALTH WORKFORCE STRATEGY 2019-2022

NT Health is committed to the ongoing development of our workforce, recognising that a capable and engaged workforce is instrumental to ensuring all Territorians have access to a safe, patient centred and sustainable health system. NT Health will continue to implement its three year workforce strategy and build and maintain an agile workforce model to respond to future service demands, including in the COVID-19 pandemic environment.

Additionally, NT Health will be focusing on attracting and retaining health professionals with the right skills and capabilities, and who demonstrate our values to meet the needs of the community. This will be achieved by supporting the wellbeing of our workforce and refining our workforce data and intelligence tools to inform workforce planning within a framework of flexibility; optimisation of scope of practice; and alignment to models of care.

HEALTH PROMOTION

NT Health continues to invest in and deliver health promotion strategies. This is achieved through actions such as promoting health literacy and the capacity for Territorians to understand health information and negotiate the health care system as well as enhancing health professionals' capacity to promote healthy and wellbeing.

ORAL HEALTH

Oral disease is experienced disproportionately by people who experience social disadvantage, including Aboriginal people and people who live in remote areas. The following priorities will be addressed in 2021-22:

- address oral health inequities through population level prevention, including modelling impacts of extended water fluoridation
- continue to leverage shared health promotion activities in community and primary care settings.
- utilise needs mapping to support equitable delivery of services.

EARLY CHILDHOOD AND ADOLESCENCE

Health Promoting Schools Model

NT Health is committed to continue the integration of the health promoting into NT schools, ensuring the model is consistent with current evidence and fit for purpose. In 2021-22, NT Health will commence a review of the current Health Promotion Schools model in collaboration with the Department of Education.

Youth Friendly Health Services Policy

In line with the Best Opportunities Strategic Plan a commitment was made to the expansion and implementation of the WHO framework "Making Health Services Adolescent Friendly" and the National Quality Standards for Adolescent Friendly Health Services. In 2021-22 NT Health will develop a Youth Friendly Health Services Policy.

Child Safe Organisation Policy

The NT Government, as a member of Health Council, has agreed to implement the National Principles. An implementation plan has been developed to support application of the National Principles for Child Safe Organisations in NT Health. Development and implementation of the NT Health Child Safe Organisation policy will continue in 2021-22.

Market Basket Survey

The Territory wide Market Basket Survey (the survey) has been conducted annually from 2000 to 2017, and biennially from 2017. The next survey will be undertaken in the NT throughout September, October and November 2021. Since 2017 the survey includes two separate baskets, the Healthy Food Basket and the Current Diet Basket.

NT Food Security Policy

Food security has been defined as when all people, at all times, have physical, social and economic access to sufficient, safe and nutritious food that meets their dietary needs and food preferences for an active and healthy life. Food security is most commonly described as being comprised of four elements, these being, availability, access, utilisation and stability.

The NT holds unique challenges for food security, due to remoteness and high percentage of vulnerable Australians. Approximately 30% of Territorians are Aboriginal who experience a higher burden of disease than non-Aboriginal Territorians. The NT is comprised of geographically isolated cities, townships and communities with various obstacles to delivery of services and transport of food and essentials.

NT Health will partner with the Department of Chief Minister and Cabinet to develop and implement an NT Food Security Policy.

Legislation Supporting Surrogacy in the Northern Territory

The NT is the only jurisdiction in Australia without legislation enabling surrogacy. Territorians are therefore unable to enter into surrogacy arrangements in the NT.

A surrogacy arrangement is an arrangement where one person (the surrogate mother) agrees to become pregnant and bear a child for another person or couple. After the baby's birth, the surrogate mother relinquishes the baby to the intended parent(s). The lack of surrogacy legislation makes it difficult and costly for Territorians to access surrogacy arrangements and generally most intended parents and surrogates travel interstate to arrange a surrogacy agreement, under the relevant jurisdictional legislation. Department of Health will facilitate legislation to enable surrogacy arrangements in the Northern Territory.

Development of a new Northern Territory Chronic Conditions Strategy

The NT has the highest burden of disease in Australia. Chronic conditions are a key contributor to the burden of disease for Aboriginal and non-Aboriginal people and to health services expenditure. The department will collaborate with stakeholders to develop a new chronic conditions strategy for the Northern Territory. This will include working with Aboriginal leadership and strengthening partnerships with ACCHOs to improve localised responses to needs; using health economic analyses to inform investment in management and prevention; and forming a monitoring and evaluation framework to enable ongoing assessment of progress.

Diabetes Management and Prevention

The Northern Territory health system is experiencing a significant challenge due to diabetes in Aboriginal people. Recent data indicates that rates are continuing to rise, with an estimated one in three Aboriginal adults in remote locations living with diabetes. This is at least five times higher than in the Australian population. For Aboriginal youth, the situation is even more severe with young Aboriginal Territorians experiencing diabetes at estimated rates of around 20 times higher than other Australian youth. The NT Diabetes Clinical Network will be guided by the refreshed National Diabetes Strategy and focus on tasks related to the following priorities for 2021-22:

- supporting type 2 diabetes prevention initiatives, with a focus on obesity prevention
- strengthening culturally appropriate diabetes care in acute and primary health care
- supporting the reduction of the impact of pre-existing and gestational diabetes in pregnancy.

Renal Disease

The NT has the highest rate of Chronic Kidney Disease (CKD) in Australia and on current data the highest rate in the world. CKD represents the spectrum of disease that occurs following the initiation of kidney damage.

In 2021-22, Department of Health will further strengthen service delivery through working with stakeholders across the health system and consumers to enable improved primary health care for CKD, more dialysis services in regional and remote locations and increased kidney transplantation rates. A review of The NT Renal Services Strategy 2017-2022 will take place in mid-2021 and will provide guidance on future planning, collaboration and investments.

Rural Generalist Pathway

NT Health is committed to supporting professionals who choose the Medical Rural Generalist Pathway and has commenced the implementation of the National Rural Generalist Training Pathway, which is a robust program that facilitates the transition for rural generalist trainees through the various educational and training components for the first six years of post-graduate training. It is a selective and flexible pathway that offers medical officers the opportunity to explore a wide variety of clinical training and develop the advanced skill set required to support the health needs of rural communities. Rural generalists are an important part of our regional, rural and remote health workforce. They broaden the range of locally available medical services for rural Australians. This helps these communities to access the right care, in the right place, at the right time, as close to home as possible. Growing our rural generalist workforce will reduce preventable hospital admissions, reduce the use of locum services, limit the need for patient travel and ensure culturally appropriate care.

In 2020-21, NT Health established the Rural Generalist Coordination Unit and Governance Committee. The unit is working with local and national stakeholders to strengthen existing pathways and incorporate them into a well-structured Rural Generalist Pathway aligned to the national strategy. The unit has rolled out the Communication and Marketing Strategy, which includes representing NT Health at medical conferences and expos for generalist practitioners. The unit has secured federal funding for the program until 2023, including funding to establish 40 Primary Health Care rotations for junior doctors. The NT is one of the two jurisdictions on the National Rural Generalist Pathway Strategic Council chaired by the Rural Health Commissioner. The unit also commenced the consolidation of NT medical education, training/career pathways and medical workforce strategy.

Key priorities for 2021-22 are to further strengthen the foundations of the program by formally launching the NT Rural Generalist Pathway and dedicated website, establishing Primary Health Care and Remote Hospitals rotations for Junior Doctors in Post Graduate year 2. The unit will focus on developing and implementing NT Rural Generalist Framework, including associated policies. The unit also embarked on the process to align the industrial pathway to the national training pathway and will develop a NT Rural Generalist Strategy.

HEALTH INFRASTRUCTURE

Restrictions on travel to biosecurity zones and the difficulties in logistics for key parts and equipment being transported to the Territory from interstate and overseas, due to the COVID-19 pandemic, impacted the delivery of a number of infrastructure projects during 2019-20. As a result, some planned works have been rescheduled for delivery in the 2020-21 program, including:

- **Gove District Hospital**
  - fire rectification and nurse call upgrade
- **Gove District Hospital**
  - CT scanner
- **Royal Darwin Hospital**
  - cyclotron
- **Royal Darwin Hospital**
  - ward 2 bathroom upgrades
- **Royal Darwin Hospital**
  - fire remediation and upgrade asbestos fire main
- **Royal Darwin Hospital**
  - main ward block concrete spalling repairs
- **Katherine Hospital**
  - specialist consulting clinic
- **Katherine Hospital**
  - electrical upgrade
- **Borroloola Health Care Centre**
  - construction of new clinic demountable
- **Alice Springs Hospital**
  - emergency electrical upgrade stage 3
- **Alice Springs Hospital**
  - stairwell pressurisation
- **Alice Springs Hospital**
  - DPU Endoscope Room Reconfiguration
- **Alice Springs Hospital**
  - hybrid operating theatre
- **Alice Springs Hospital**
  - multistory carpark
- **Alice Springs Hospital**
  - Ambulatory Care Facility design consultancy
- **Alice Springs Region**
  - fit out Eurilpa House public health unit CDC/Clinic 34
- **Alice Springs Region**
  - Local Industry Participation Plan 70 unit staff accommodation
- **Alice Springs Region**
  - Local Industry Participation Plan CAHS supply and stores warehouse
- **Alice Springs Region**
  - Local Industry Participation Plan Peter Sitzler Building fit out
- **Tennant Creek Hospital**
  - installation power factor correction equipment
- **Tennant Creek Hospital**
  - new purpose built facility and carpark
- **Tennant Creek Hospital**
  - staff accommodation design consultancy

Top End Health Service Priorities for 2021-22

In 2019-20, TEHS developed 'Our Plan' which identified four priority areas the organisation will focus to enable us to deliver on the strategic directions of the NT Health Strategic Plan 2018-2022.

A review of our progress has identified the following as service priorities for 2021-22:

PERFORMANCE

- Continue the achievement of SDA key performance indicators (KPIs) where performance has been acheived on target outcomes in 2019-20.
- Focus on KPIs that require improvement to deliver targets, have enhanced targets or are new in 2020-21:
  - HbA1c within certain levels
  - Potentially preventable hospitalisations
  - Aboriginal clients discharged against medical advice
  - Aboriginal health workforce
  - Telehealth occasions of service
  - Patient Experience
  - Chronic disease management plan completion
  - Children under 5 measured for anaemia
  - Elective Surgery Timely Admissions
  - ED presentations departing in four hours
  - Achievement of budget
  - Achievement of incentive pool KPIs.
- Align response and recovery activity for COVID-19.

WORKFORCE

- Implement first year priorities from TEHS Workforce Action Plan:
  - Finalise and implement Aboriginal Workforce Plan
  - Recruitment strategy implemented for hard-to-fill and high-turnover roles
  - Finalise and implement medical, allied health and nursing and midwifery workforce plans
  - Leadership program for executive and service group leadership teams
  - Establish exit interview process.
- Finalise, launch and implement TEHS Learning and Development Framework.
- Finalise, launch and implement TEHS Health and Wellbeing Framework.
- Achieve KPIs for essential training and Work Partnership Plan (WPP) participation.

QUALITY IMPROVEMENT

- Accreditation of TEHS hospitals against the National Safety and Quality Health Service (NSQHS) Standards.
- Implement first year priorities from:
  - RAP
  - Patient Experience and Consumer Engagement (PEACE) Framework
    - Measure and improve the patient experience
    - Increase engagement with consumers
    - Health service staff model patient centred care and communicate effectively and respectfully.
  - Quality and Safety Plan
    - Implementation of NT Sepsis review recommendations
    - All Incident Severity Ratings (ISR1 and ISR2) recommendations implemented on time
    - TEHS clinical incident procedure reviewed and implemented
    - 80% care plans demonstrate consumer and/or family involvement in development of treatment goals.
  - Review and launch revised Risk Management Framework.

DEMAND MANAGEMENT

- Model of care changes to reduce potentially preventable hospitalisations and avoidable hospital readmission rates.
- Model of care changes to better support acute mental health clients.
- Implement changes to support telehealth models for outpatient and outreach services.
- Participate in the development and implementation of the NT Health virtual care strategy.

Central Australia Health Service Priorities for 2020-21

PREVENTING ILLNESS

CAHS remains committed to delivering programs and initiatives that prevent illness and reduce the burden of chronic disease. To achieve this we will develop a new service model for comprehensive case management in collaboration with acute and specialist services.

FOCUS ON EACH PERSON

CAHS is committed to improving the patient experience and supporting innovative models of care, through the establishment of an Employment Outcomes Committee led by senior Aboriginal staff.

This committee will enable increased focus on recruitment, retention, culturally appropriate support and sustainable career pathways for current and new Aboriginal staff, further enhancing our capacity for culturally safe care.

REDESIGN TO IMPROVE ACCESS

CAHS is dedicated to improving our capacity to continuously develop systems that assist in hospital avoidance.

CAHS remains committed to supporting and progressing the transition of services to Aboriginal community control. Negotiations have progressed to develop an outsourced model of primary health care services at the Alice Springs Youth Detention Centre, which should be implemented later in the year.

We will develop a service model to support improved resilience and community living for people with complex mental health and co-morbidities.

LIFT PERFORMANCE TOWARDS EXCELLENCE

CAHS will continue to prioritise, identify and act on opportunities to increase Aboriginal employment. To achieve this we will review the 2017–2020 Aboriginal Workforce Development Plan and current employment programs.

CAHS has committed to supporting five Aboriginal trainees each year through the Indigenous Land Use Agreement with Lhere Artepe Aboriginal Corporation over the next five years. This will increase opportunities for Aboriginal staff members to participate in new employment areas such as allied health therapy or other business arms of the health service.

EMBED RESEARCH

Providing effective, evidence-based health care is one of our ongoing commitments. In 2020-21, we will enhance the CAHS Activity Based Management resources, with an emphasis on improved education, ensuring ongoing professional development by providing quality teaching and learning opportunities.

SYSTEMISE EFFECTIVENESS AND EFFICIENCY

CAHS Mental Health Service will evaluate and report on providing a sustainable mental health service for child and youth in remote communities.

CAHS will continue to build a financially sustainable service. Key financial reforms for 2020-21 include an increased roll out of CAHS internal compliance programs, improved supply chain management, including transitioning into a purpose built contemporary warehouse, improvements to patient flow through the development of a ground transport service and the development of an effective Activity Based Management framework.

3

2020–21 Performance

Department of Health performance against 2020-21 priorities

INVESTING IN MENTAL HEALTH SYSTEM REFORM

THE NORTHERN TERRITORY MENTAL HEALTH STRATEGIC PLAN

The NT Mental Health Strategic Plan 2019-25 outlines the path to create mental health promoting communities, schools, and workplaces for Territorians. The plan also aims to set strategic directions for the investment in services to protect and promote mental health in the community and build on the current mental health service system and responses. NT Health is focussing on building a better mental health care system by actioning six priority areas:

- Coordinated care through regional planning including creating the Mental Health and Suicide Prevention Foundation Plan in partnership with the NTPHN and AMSANT.
- Culturally secure, safe and trauma informed care focussed on recovery by promoting resilience, independence and self-management in care models.
- Person centred supports and services with consumers and carers at the front and centre of care by strengthening early intervention responses.
- Community information and education to increase mental health knowledge to reduce stigma including ensuring carer and consumer representatives exist at governance and decision making meetings.
- Safety, quality, data collection, evidenced based service and investment in evaluation including reviewing the *Mental Health and Related Services Act 1998* to ensure that legislation continues to reflect best practice in mental health treatment and care.
- Equity, sustainability and a stepped care approach including supporting the community mental health sector to transition staff to the new way services will be delivered under the National Disability Insurance Scheme.

PROGRESS OF THE NORTHERN TERRITORY SUICIDE PREVENTION STRATEGIC FRAMEWORK 2018-2023 IMPLEMENTATION PLAN

The Department of Health continues to lead whole of government actions identified in the NT Suicide Prevention Strategic Framework Implementation Plan. Areas of particular focus include support provided for existing, and development of new, localised Community Action Planning groups and improving cross-sector linkage, particularly for young people. NT suicide prevention data collection system design has progressed in partnership with the National Australian Institute of Health and Welfare (AIHW) initiative. Access to training for key frontline workers and regional community members continues to be expanded for in suicide prevention awareness, literacy and practical action skills.

Highlights from 2020-21 include:

- release of second (24 month) Progress Report Card providing an overview of the key achievements and developments for the second year of the NT Suicide Prevention Implementation Plan.
- uptake and growth of Suicide Prevention Community Grants via Round 3
- regional ongoing forums throughout the NT, and the re-energising of regional action groups.
- enhancement to postvention supports
- mapping and better linkages between services, particularly those with a focus on young people
- ongoing convening of the NT Suicide Prevention Coordination Committee (NT SPCC), which comprises senior executive level representation from key agencies in government, non-government and community sectors.
- release of Northern Territory COVID-19 Mental Health and Suicide Prevention Plan updates for response preparedness and mitigation strategies for public health interventions towards Suicide risks.

JOINT REGIONAL NORTHERN TERRITORY MENTAL HEALTH AND SUICIDE PREVENTION PLANNING WITH PRIMARY HEALTH NETWORK

In early 2021, the Northern Territory PHN, NT Health and the Aboriginal Medical Service Alliance Northern Territory (AMSANT), in collaboration with Territory Families, the non-government community mental health sector, Aboriginal community-controlled sector and those with lived experience of mental illness and suicide, released the initial joint Northern Territory Mental Health and Suicide Prevention Foundation Plan. This plan is the first step in a joint commitment to develop a Joint Regional Mental Health and Suicide Prevention Plan for the Northern Territory (NT).

This planning initiative shares a vison and agreed priority areas to focus our efforts to better integrate mental health services and suicide prevention responses, across our health and social service system. It will provide a platform for strengthening what we know works well as well as identifying what needs to change in order to address systemic fragmentation and barriers to integration. The Foundational Plan is linked to, and follows priorities of integration outlined in, the Northern Territory Mental Health Strategic Plan (2019 – 2025) and the Northern Territory Suicide Prevention Strategic Framework 2018-2023 as it shifts into the comprehensive planning stage.

This Foundation Plan prioritises five key action areas:

1. Early engagement with at-risk populations
2. Clear pathways for people with moderate mental illness
3. Greater support for those with severe and complex mental illness
4. Joined-up services for children and young people
5. Using technology for better outcomes.

Integration project for forensic services

As per the McGrath Review of 2019, NT Health has delivered an options paper for preliminary discussion with key stakeholders about integrating forensic mental health and forensic disability services and pooling resources and expertise. Consultation has commenced with a view that further discussions will be held to find the most effective ways forward between Forensic Mental Health and Forensic Disability Services and their shared client cohort.

The Complex Behaviour Unit (CBU), located within Holtz Correctional Facility, is currently being evaluated to determine whether it can be utilised as a therapeutic health facility for complex mental health clients within the prison. A feasibility study is now underway, with completion expected by September 2021.

USING DATA TO DRIVE IMPROVEMENT

High quality data lends itself to a raft of benefits for mental health service provision; to make evidence-informed choices about services, models of care, medication usage, best-practice and client outcomes. In August 2020 the Using Data to Drive Improvement (UDDI) program was commenced across mental health services with a focus on increasing data quality and input. This is aligned with the NT Health Strategic Priority to lift performance towards excellence. The UDDI program has six key priority focus areas:

1. Safety and Quality
2. Accountability and Transparency
3. Consumer focus
4. Improving collection and Reporting
5. Information sharing to support linkages
6. Monitoring population health and wellbeing.

The UDDI program has undertaken a range of activities to engage clinicians in improving mental health data and reporting, including in-house training, workshops and resource sharing. The UDDI program of works is scheduled to be completed in July 2021.

TRIAL AND EVALUATION OF CO-RESPONSE

The Mental Health Co-Response Pilot commenced in October 2020, in the Top End, with the expectation being that the service would provide benefits relating to:

- improving access to mental health services for a person in crisis
- improving efficiencies across Agencies and organisations managing mental health emergencies through a collaborative capability
- building stronger partnerships between emergency services and mental health services in order to increase agency capacity to meet the mental health needs of individuals during crisis and enable individuals to be supported in the community.

The pilot concluded in April 2021 and interim evaluation evidenced very positive feedback from both participants as first-responders and clients experiencing care during the first five months of operation. There has also been evidence of reductions in the use of restraint and force in the community at mental health crises, and there is early data suggesting that there are also reductions in Emergency Department presentations of mental health clients accessing Co-Response. Given these preliminary findings, it is anticipated that Mental Health Co-Response be will be continued.

EXPANSION OF SUB-ACUTE CARE CAPACITY

The Top End Association for Mental Health delivers a sub-acute support program which partners with Top End Mental Health Service to improve patient flow through the mental health system. These residential sub-acute beds enable early discharge from or an alternate option to an inpatient unit admission at Royal Darwin Hospital. The NT Health worked with TeamHEALTH to expand the total sub-acute beds available by 110% by the end of 2020-21.

Top End Mental Health Service, with assistance from NT Health, managed the transition of the five-bed complex care residential service to the Top End Association for Mental Health, a non-government organisation experienced in delivering 24/7 residential support services for people living with a mental illness who are otherwise unable to live independently within the community.

THE WAY BACK SERVICE AFTERCARE MODEL

The Way Back Support Service (TWBSS) (also known as Aftercare Following a Suicide Attempt) is best practice management of presentations for suicidal behaviour. TWBSS is focused on supporting people who have attempted suicide by a providing psychosocial non-clinical support assertive outreach service for up to three months with primarily face to face contact. This service is a partnership between NT Health's clinical specialist Top End Mental Health Service (TEMHS) and non-clinical community focused support coordinators at Community Mental Health non-government organisations, and TeamHEALTH to connect referred clients to relevant services and social supports

EAST ARNHEM YOUTH ALCOHOL AND OTHER DRUGS SERVICE

NT Health have supported four consultation meetings coordinated by the Department of the Chief Minister and Cabinet with community members and service providers in Galiwin'ku and Gove Peninsula to scope what a youth AOD service within the region would look like. This led to the identification of the key considerations as:

- a family-centred Residential and Day-program 'Strength and Healing' Hub – ensuring family are a core part of the journey – for medium to high risk youth and families
- identifying the best support for the identified needs (support meets a young person's level of AOD use with appropriate support intensity) – across the vulnerability spectrum and a better coordinated 'program/support plan'
- better overall coordination and communication between services and communities, including aftercare and early prevention
- cultural authority as primary driver
- social, Emotional, Cultural Wellbeing as equally, if not more important for addressing social determinations of Health.

The overall youth services concept looks to better coordinate existing services across prevention to acute care; with the addition of NT Health support in the establishment of an East Arnhem residential hub, intensive day programs, and support coordination for community-based programs.

NT Health supported the Council for Aboriginal Alcohol Program Services (CAAPS) to redevelop its Youth AOD program away from a fixed 16 week residential program to a flexible two part service. The first component is an Intensive Assessment Program that can run for up to four weeks (depending on the needs of the young person), followed a customised Substance Treatment Program with the duration adjusted to meet individual needs. Negotiations also facilitated the provision of outreach services to other facilities where needed.

ALCOHOL ACTION INITIATIVES

The Harm Minimisation Unit coordinates 378 Alcohol Action Initiative (AAI) projects that focus on local solutions and practical actions to reduce alcohol related harm in remote NT Aboriginal communities. AAIs tackle the social determinants through Alcohol and Other Drugs diversion and education activities such as culture camps, mental health first aid training, Fetal Alcohol Spectrum Disorder (FASD) workshops and strong women's groups. Alcohol Reference Groups and/or local decision making structures have been implemented in over 50 communities to develop proposals and oversee AAI project implementation. AAIs are funded through the Alcohol Schedule, Community Safety Implementation Plan, of the National Partnership Agreement on NT Remote Aboriginal Investment.

SUPPORTING COMMUNITY CONTROL OF ABORIGINAL PRIMARY HEALTH CARE SERVICES

The NT Government is committed to improving Aboriginal health outcomes and closing the gap in health and wellbeing between Aboriginal and non-Aboriginal Australians. The department will continue to support Aboriginal community control in the planning, development and management of primary health care in the communities that have a desire to move towards community controlled health services. NT Health will develop a system-wide strategy to work with Aboriginal Community Controlled Health Organisations to develop appropriate governance to manage services.

STRENGTHENING OUR HEALTH SYSTEM

The Strengthening Our Health System Strategy 2020 – 2025 is a partnership between NT Health, AMSANT and NT PHN to collaborate on digital health priorities and investments that will benefit Northern Territory by pursuing opportunities to better connect our communities, workforce, systems, and approaches. Enabled by digital health capabilities and technologies. It provides a platform to work together 'as one workforce' to address systemic problems in our healthcare system.

The Strategy focuses on four strategic goals:

- building healthier communities by empowering people and communities to actively engage in their healthcare journey
- enabling workforce to improve healthcare delivery and embrace new ways of working
- connecting our health system to ensure effective digital connections between systems, people and processe
- harnessing innovation to pursue technological advancements that will benefit our health system.

The first approved program is the East Arnhem Communities of Excellence which. A collaboration between the NT partnership and ADHA. A national initiative to create learnings from a fully connected community, which could be replicated across similar communities.

NT HEALTH WORKFORCE STRATEGY 2019-2021

NT Health continues to implement its three-year workforce strategy with a particular focus on building and maintaining an agile workforce model; and responding to the future service demands. NT Health is committed to the ongoing development of our workforce and has achieved many workforce priorities including:

- the development and refinement of the NTPS Surge Workforce as a result of COVID-19, including COVID-19 testing, contract tracing and aged care response
- worked in collaboration with the OCPE to develop Determination 1009 of 2021 Aboriginal Health Practitioners Classification Transitional Framework
- collaborated with Charles Darwin University on the expansion of courses offered for Allied Health in the NT, including Occupational Therapy
- the first cohort of the Assistants-In-Nursing pilot group completed their orientation and site specific training at Howard Springs Quarantine Facility as a result of COVID-19
- published the NT Health Workplace Gender Transition Plan Manager's Guideline
- introduced a values based approach to foster a "safe, responsive, kind" culture that encapsulates the NT Health values
- expansion of the successful Alfred Hospital Allied Health rotation program at Alice Springs Hospital for Physiotherapy to include Occupational Therapy and Social Work
- the NT Aboriginal health and wellbeing grant with the grant with AMSANT, managed by (AMSANT), managed by the Aboriginal Health Policy branch, supports secondment opportunities for NT Health staff to work with the Aboriginal Community Controlled Health peak body in the Northern Territory
- NT Aboriginal and Torres Strait Islander Health Worker & Practitioner Excellence Awards was celebrated in 2020 to recognise students sustained effort, achievement and academic progress throughout the pandemic and to acknowledge students as the future health workforce.

The COVID-19 pandemic had a significant impact in 2020-21, with NT Health being instrumental in minimising the adverse impacts on the NT community and disruption to health systems and services across the NT. We are continuing to support staff to address the COVID-19 pandemic by promoting Employee Assistance Programs and implementing wellbeing initiatives. This has in turn impacted the delivery of the NT Health Workforce Strategy. The ongoing implementation of agency-wide strategic workforce strategies and initiatives will be a key priority in the coming year as the challenges of the COVID-19 response stabilise.

VIRTUAL CARE STRATEGY

The NT Health Virtual Care Strategy has been developed in consultation with clinicians, consumer advocacy groups and external stakeholders. The Strategy was launched in June 2021 and documents NT Health's intention to expand the use of virtual care in the Northern Territory to support Territorians to receive the right care, in the right place, at the right time. The Strategy will enable a more equitable delivery of healthcare services, particularly for remote and regional clients, by increasing accessibility to specialist services and better supporting remote clinicians with timely expert advice. Expanded use of virtual care will support improvements in health outcomes and convenience with more care delivered to clients at or close to home.

An Implementation Plan has also been developed for the first of three Virtual Care Program phases. Phase one planned for delivery in 2021-22 and focuses on trialling a number of virtual care initiatives using a new proven telehealth platform that will replace existing applications. This phase will provide the foundations for an expansion of virtual care for the benefit of all Territorians, regardless of their geographical location. A clear process will also be established to identify new virtual care initiatives and bring them to life.

END OF LIFE CHOICE POLICY

A feasibility study was commissioned to evaluate options to deliver Advance Care Plan (ACP) and Goal of Care (GoC) to My Health Record (MHR) this financial year. NT Health's current core clinical systems do not have the capability to capture ACP information and GoC clinical documents. If these documents were captured electronically they would be immediately available to all NT Health clinicians via the current data synchronisation with Acacia.

The study showed building capability in the legacy systems is a short term-fix until the same solution is developed and delivered in Acacia, and that it would therefore be more resource effective to build the capability to capture and store the documents electronically in Acacia before uploading to MHR. NT Health will now consider building this capability in partnership with the Australian Digital Health Agency (ADHA) following the delivery of Acacia 2.0 and 3.0 mid-way through the 2022 calendar year.

DIGITAL HEALTH STORYBOARD

The development of Digital Health Storyboards for Alice Springs Hospital, telling a story about the journey through the acute care system, is designed to support cultural safety and responsiveness by breaking down some of the many complex barriers that restrict Aboriginal peoples' access to hospital services. The purpose of creating digital messages communicating the generic admissions processes is to give answers to common questions for Aboriginal patients about their hospital stay to help alleviate the uncertainty, fear and anxiety often felt when entering the acute care environment.

The digital messages have been developed in English and are in the process of being translated into four of the more common Central Australian languages namely: Alyawarr, Arrente, Ptjantjatjara and Walpiri. A purpose built application providing an amount of on-screen interactivity has also been developed and deployed to six mobile assets with a soft launch providing an initial on-site test bed from June 2021. It is expected a broader communication plan and product launch will be enacted once the messages are translated in the first quarter of FY2022.

ENHANCE THE YELLOW BOOK WITH E-HEALTH CAPABILITIES TO ENSURE CHILDREN ARE IMMUNISED AND HEALTH CHECKED - NATIONAL CHILDREN'S DIGITAL HEALTH PROGRAM

The Child Digital Health Record (5-14 years) Expert committee has concluded the discovery phase for the Child Digital Health Record (5-14 years). This phase was to understand the current landscape for the age group 5-14 years, to standardise a national data set for this age group, and to define a blueprint for how to digitally capture this important health and development information in the My Health Record into the future.

With the conclusion of the discovery phase, nationally agreed clinical information recommendations have been submitted to Australian Digital Health Agency. These recommendations will inform the base clinical information recommended to extend the CDHR (0-4 years) to include children in the age group 5-14 years. This will not be a complete set of data recorded in clinical systems, however the information identified as being key health information for a consumer held Child Digital Health Record. The aim of the consumer held record is to achieve positive health and wellbeing outcomes for Australian children and young people.

HEALTH PROMOTION

NT Health continued to invest in and deliver health promotion strategies through:

- providing funding to nine local councils to implement healthy lifestyle projects to encourage water as the drink of choice and create more opportunities for those who are less active to participate in physical activity
- redesigned and published the popular Healthy Pregnancy Healthy Baby book online following consumer consultation to assist pregnant women from remote communities and their families to make informed choices around their health and the health of their babies.

PLAN FOR WELLBEING ACROSS THE LIFESPAN

NT Health continues to support wellbeing of Territorians across the lifespan through a range of actions, services and grant funding, focusing on health promotion, chronic conditions prevention and management and targeting reduction of at risk behaviours.

A range of current strategies and plans govern this work, such as the current Northern Territory Health Strategic Plan 2018-2022, the Starting Early for a Better Future: Early Childhood Development in the Northern Territory 2018-2028 Strategic Plan, the Best Opportunities in Life: Northern Territory Child and Adolescent Health and Wellbeing Strategic Plan 2018-2028, the Safe, Thriving and Connected: Generational Change for Children and Families and therefore it was decided that the development of a specific plan would not add extra guidance to these actions.

The current Northern Territory Health Strategic Plan 2018-2022 in particular focuses on the primary prevention across a person's lifetime with focusing investment in delivering across the lifespan. In addition NT Health supports the whole of Government NT Social Outcomes Framework that was developed in 2020-21 and focuses across the lifespan, in particular in working towards the domain of Territorians being able to live a healthy life which includes working towards three high level outcomes: Preventable disease and illness and premature death are prevented; all NT children are born healthy and thrive; and Territorians have the best physical and mental health throughout their life.

As wellbeing across the lifespan is covered in a range of NT Health specific plans and strategies as well as whole of Government strategies and frameworks that NT Health works towards, it is not necessary to pursue a specific plan for wellbeing across the lifespan.

HEALTHY SMILES TRAINING

The Healthy Smiles program has been in place since 2013 and provides training to health practitioners for children's oral health screening and prevention, including the application of fluoride varnish. Program rollout continues to focus on increasing the number of health practitioners trained to carry out oral health screening and application of fluoride varnish in the Northern Territory across the public sector, Aboriginal Community Controlled Health Organisations (ACCHOs) and practitioner training programs through a partnership with the Bachelor Institute for Indigenous Tertiary Education (BIITE). In 2020-21 the program was extended to include Aboriginal community programs, as the Department of Health partnered with the Indi Kindi- Majority Foundation, to support early childhood workers to build oral health knowledge to support healthy behaviours in early childhood settings.

EARLY CHILDHOOD AND ADOLESCENCE

In partnership with government agencies, ACCHOs and the non-government sector, NT Health continued to contribute to the achievement of outcomes from:

- Starting Early for a Better Future: Early Childhood Development in the Northern Territory 2018-2028 Strategic Plan
- Best Opportunities in Life: Northern Territory Child and Adolescent Health and Wellbeing Strategic Plan 2018-2028
- Safe, Thriving and Connected: Generational Change for Children and Families, which outlines how the NT Government will deliver reforms resulting from the Royal Commission into the Protection and detention of children in the NT
- The Royal Commission into Institutional Responses for Child Abuse.

NT Health continued to partner and provide funding towards:

- the Hearing Health Partnerships in the Families as First Teachers (FaFT) program with the ongoing employment of Community Hearing Workers who promote preventative healthy hearing information and the importance of language development in children to families and community members
- Menzies School of Health Research to conduct the Hearing for Learning Initiative research, where 20 communities have signed up to reduce chronic ear disease and train community workers in ear health
- four ACCHO partners to implement and provide the Maternal Early Childhood Sustained Home-visiting (MECSH) Program provided by nurses for families with vulnerabilities and who are at risk of poorer outcomes
- Menzies School of Health Research to evaluate the NT MECSH program over a period of five years
- the provision of the Healthy Under 5 Kids Partnering with Families (HU5K-PF) Program all NT Health urban and remote primary health centres - the HU5K-PF is the universal standardised well child health program for all NT children aged 0-5 years of age
- Menzies School of Health Research to evaluate the NT MECSH program over a period of five years.

FOOD SECURITY AND NUTRITION

The department continues to prioritise food security, particularly involving food and nutrition. The Northern Territory Market Basket Survey (the survey), which is a survey of food cost, availability, variety and quality in remote community stores, will have its 20th survey conducted in late 2021. In 2020 a Commonwealth inquiry into food price and food security in remote indigenous communities (the inquiry) was instigated by the Federal Minister for Indigenous Australians, the Hon Ken Wyatt MP. The survey became a key tool to assess this concern and was requested by various stakeholders to form submissions to the inquiry. Achievements related to the survey in 2020-21 include the development of:

- the 2019 full report results, including a specialised data sheet for inquiry submissions by stakeholders
- a new IT system to conduct the 2021 survey.

The development of a cross agency and sector food security policy for the NT has progressed with Department of Chief Minister and Cabinet taking the lead and NT Health as a support in the development of this policy.

PREVENTING AND MANAGING CHRONIC CONDITIONS

In 2020-21 the Department of Health led further analysis and discussions with stakeholders on the evaluation of the Northern Territory Chronic Conditions Prevention and Management Strategy and development of a future strategy. The evaluation report and summary are now available on the internet.

The NT Diabetes Clinical Network developed and published 'Diabetes in Youth' resources for clinicians across the Territory.

The department continued to actively participate in the national discussion on the preventing and management of chronic conditions, by providing advice and policy input into the following key national health action plans and strategies:

- National Diabetes Strategy (refresh)
- Implementation Plan for the Palliative Care Strategy
- National Plan for Stroke and Heart Disease
- National Strategic Action Plan for Pain Management.

The NT Renal Services Strategy 2017-2022 was reviewed in collaboration with health services and stakeholders.

CONTINUING TO STRENGTHEN CULTURAL SAFETY ACROSS NT HEALTH

The department is committed to building a health system where Aboriginal people feel safe, secure and able to participate as staff and consumers without fear of judgement or discrimination.

The department will continue to address the Domains under the NT Health Aboriginal Cultural Security Framework 2016-2026 by:

- undertaking individual and organisation cultural safety assessments and developing a cultural safety plan for all services/divisions within NT Health
- a staged approach over the next three years
- undertaking a Health Equity Review to assess existing policies, programs, services and systems to determine if these are creating unintended barriers for access to services for Aboriginal people
- strengthening relationships/partnerships with ACCHOs to support NT Health in its cultural safety learning
- improving cultural competency through targeted learning and development programs to support staff cultural knowledge towards responsiveness and beyond simple awareness.

SUPPORTING COMMUNITY CONTROL OF ABORIGINAL PRIMARY HEALTH CARE SERVICES

The NT Government is committed to improving Aboriginal health outcomes and closing the gap in health and wellbeing between Aboriginal and non-Aboriginal Australians. The department will continue to support Aboriginal community control in the planning, development and management of primary health care in the communities that have a desire to move towards community controlled health services. NT Health will develop a system-wide strategy to work with Aboriginal Community Controlled Health Organisations to develop appropriate governance to manage services.

Department of Health - Service Delivery Statement

Key Performance Indicators	2020-21 Target	2020-21 Actual
Community Services		
Percentage of eligible grants with 5-year terms	100%	100%
Disease Prevention and Health Protection		
Environmental Health		
Authorities issued	4000	2855
Environmental health complaints investigations initiated within one working day of notification	98%	97%
Disease control		
Proportion of notified cases of exotic mosquito-borne diseases for which the place of infection was ascertained within two days	100%	100%
Children fully immunised:		
at age 12 months	95%	95.69%
at age 2 years	90%	92.3%
Proportion of affected people completing treatment for tuberculosis	100%	100%
24 hours access to sterile injecting equipment in the five town centres of the Territory	100%	100%
People living with HIV who receive anti-retroviral therapy	98%	100%
Community Treatment and Extended care		
Alcohol and other drugs		
Number of assessments undertaken in NGOs treatment services	3 662	3 041[2]
Number of treatment episodes commenced in NGO services	2 832	2 313
Number of episodes of treatment completed in NGO services	1 222	1 267
Disability Services		
Children 0-17 accessing community allied health professional support services	1 731	4 407
Adults 18+ accessing community allied health professional support services	746	2 422
Mental Health		
Discharges from residential support services planned	54	98
Average daily bed usage in community supported accommodation facilities	85%	86%
National Critical Care and Trauma Response		
Training participants	1 060	593[3]
Prevent alcohol and risk-related trauma in youth participants (secondary school participants)	600	173[3]
Health Services		
Top End and Central Australia Health Services		
Total weighted activity units	177 303	183 035

1 Only 4 incidents were unresolved within three months; all of which were National Food Incidents which were under investigation by the Bi-national Food Safety Network
2 Immunisation rates are rolling annualised percentages for the Northern Territory as at June 2021 (data source: Australian Immunisation Register)
3 Activity decreased due to the effects of COVID-19 including a reduction in some residential rehabilitation services to maintain safe distancing
4 Increase in planned discharges due to establishment of new short-stay service
5 The decrease in participant training in 2020-21 reflects the suspension of the program due to COVID-19

Department of Health - Snapshot of costs

Financial results for 2020-21 against agreed targets based on output groups in the 2020-21 Budget Paper 3 are presented in the table below.

The Agency's financial performance is provided in greater detail in the Department of Health's financial reports section.

Output Group / Output	2020-21 Original Budget	Actuals	Budget vs Actuals
	$000	$000	$000
Community Services	**13 273**	**16 747**	**(3 474)**
Community Services	13 273	16 747	(3 474)
Disease Prevention and Health Protection	**20 757**	**44 462**	**(23 705)**
Disease Prevention and Health Protection	20 757	44 462	(23 705)
Community Treatment and Extended Care	**45 786**	**52 891**	**(7 105)**
Alcohol and other Drugs	27 818	31 451	(3 633)
Mental Health	17 968	21 440	(3 472)
Corporate and Governance	**114 896**	**104 823**	**10 073**
Corporate and Governance	74 877	62 399	12 478
Shared Corporate Services	40 019	42 424	(2 405)
National Critical Care and Trauma Response	**70 290**	**80 390**	**(10 100)**
National Critical Care and Trauma Response	70 290	80 390	(10 100)
Health Services	**1 438 786**	**1 527 906**	**(89 120)**
Top End and Central Australia Health Services	1 438 786	1 527 906	(89 120)
Total Expenses	**1 703 788**	**1 827 219**	**(123 431)**

Top End Health Service Performance against 2020-21 Priorities

In 2019-20, TEHS identified a number of priorities under the following focus areas: Performance, Workforce; Quality Improvement and Demand Management. Progress against these priorities are outlined below:

PERFORMANCE

Continue the achievement of SDA key performance indicators (KPIs) where performance has been achieved on target outcomes in 2019-20.

Focus on KPIs that require improvement to deliver targets, have enhanced targets or are new in 2020-21:

- **HbA1c within certain levels**
  The blood glucose control for remote Aboriginal people with Type 2 diabetes deteriorated through the year, well below target. The same impact was seen across all Aboriginal health services, both government and non governmentand appears to be related to increased stress and concerns about COVID-19 and reduced attendance at local health centres to collect medications.
- **Potentially preventable hospitalisations**
  TEHS focused on reducing PPH due to cellulitis and respiratory illness in partnership with Aboriginal community controlled health services and PHN NT. Clinical practice changes, community education and administrative practices to code PPH correctly have been identified and partially implemented. The impact of these changes will take time to demonstrate change
  - Aboriginal clients discharged against medical advice
  - Aboriginal health workforce
  - Telehealth occasions of service
  - Patient Experience
  - Chronic disease management plan completion
  - Children under 5 measured for anaemia
  - Elective Surgery Timely Admissions
  - ED presentations departing in four hours
  - Expenditure – Variance against budget
  - Achievement of incentive pool KPIs
  - Align response and recovery activity for COVID-19.

WORKFORCE

Implement first year priorities from TEHS Workforce Action Plan.

Actions have progressed for the Plan in 2020-21. Of the 29 Priority 1 actions (<12months), 12 have been completed with 17 Priority 1 actions progressing. Highlights include:

- recruitment campaigns commenced for hard-to-fill and high-turnover roles
- TEHS guideline to support remote employees and their family members
- increased recruitment efficiency for administration positions through a bulk recruitment process.
- development of an Early Careers Guideline to support staff and trainees
- Executive Leadership program has been extended to the TEHS Executive and Senior Leadership Teams
- Train the Trainer sessions underway for Aggression Minimisation training, with two sessions delivered
- promotion of training and initiatives through a communications schedule using People & Culture's monthly newsletter, The Lighthouse
- the refreshed TEHS Aboriginal Workforce Action Plan 2019 – 2022 was launched in August 2020, with three core focus areas and a number of priority actions have been completed.

Finalise, launch and implement TEHS Learning and Development Framework.

A number of key milestones have been achieved toward the finalisation, launch and implementation of the TEHS Learning and Development Framework. is crucial for the adoption of a TEHS-wide centralised strategic approach to advancing key management capabilities, contemporary leadership development and any other professional development activities that apply to employees of TEHS.

The framework is also intended to enhance TEHS performance management capability, including the Work Partnership Plan (WPP) tool, which enables alignment between both individual and team work activities with TEHS strategic goals and facilitates learning and development discussions and commitments.

The TEHS Learning and Development Framework is envisaged to play a strategic role in attracting and retaining staff, developing employee-capabilities, creating a value-based culture and engaging employees through life-long learning activities.

A desktop audit of learning requirements and current training opportunities has been completed and the framework is currently being drafted.

Finalise, launch and implement TEHS Health and Wellbeing Framework.

Workforce achievements are detailed in Section 5 – Our People

Achieve KPIs for essential training and Work Partnership Plan (WPP) participation

June 2021 WPP compliance rate of 51.5%

QUALITY IMPROVEMENT

TEHS achieved accreditation following a NSQHS Organisation-Wide Assessment in April 2021. The assessment team, consisting of 11 assessors visited the Royal Darwin Hospital, Katherine Regional Hospital, Gove District Hospital, Palmerston Regional Hospital, the Top End Mental Health and Alcohol and other Drugs Services including both inpatient and community services. The assessment team used face to face interviews with staff and consumers, in all wards and service areas, where possible due to COVID pandemic restrictions. Whilst TEHS is currently awaiting the final report from the ACHS, the interim report has identified:

- all previous recommendations from the 2017 assessment have been met and closed
- all actions against the National Safety and Quality Healthcare Standards (NSQHSS) have been met or met with recommendations during assessment in 2021.

Implement first year priorities from:

- RAP

Patient Experience and Consumer Engagement Framework

The Patient Experience and Consumer Engagement Framework is a significant piece of work for continuing the focus on positive patient experiences that involves both staff and consumers of TEHS. Despite COVID 19 disruptions, the framework has continued to progress and eLearning modules were launched that will enhance essential training for all staff in the future.

The Caring Together project is a key initiative that involves the redesign of a number of systems in several clinical areas. The program builds on NT Health's commitment to continually improve patient care and staff wellbeing, improving patient flow throughout Royal Darwin and Palmerston Hospitals.

A project led by the Aboriginal Health Directorate has seen the purchase and display of Rainbow and Transgender flags. The flags are displayed in all TEHS hospitals – Royal Darwin, Palmerston, Gove and Katherine Hospitals and are part of the NT Health Inclusion Strategy Plan of Action 2019 – 2022, respecting people with diverse sexualities and gender identities.

QUALITY AND SAFETY PLAN

Implementation of NT Sepsis review recommendations

All Incident Severity Ratings (ISR1 and ISR2) recommendations implemented on time

TEHS is continuing to work towards the completion of critical reviews and implementation of recommendations to improve the Quality of Care provided across TEHS.

TEHS clinical incident procedure reviewed and implemented

The TEHS clinical incident procedure has been reviewed and updated, and is published on the NT Health Policy Guideline Centre.

80% care plans demonstrate consumer and/or family involvement in development of treatment goals

A Comprehensive Care audit undertaken in April 2021 demonstrated 68% of TEHS consumers participated in the development of their care plan.

Review and launch revised Risk Management Framework.

In July 2020 TEHS commenced an organisation wide Transition to Contemporary Enterprise Risk Management project. This continues to promote improvements in risk maturity across the organisation through increased risk management engagement, communication of critical risks across the service, and enhanced reporting and assurance.

DEMAND MANAGEMENT

- Model of care changes to reduce potentially preventable hospitalisations and avoidable hospital readmission rates.

Model of care changes to better support acute mental health clients.

The Co-Response pilot involving Top End Mental Health Alcohol and Other Drugs Service (TEMHAODS), NT Police and St John Ambulance commenced in November 2021 and results indicate this model should continue past its initial trial period of six months. Two thirds of the individuals who were seen by the service were not clients of TEMH services and only 20 of the seventy individuals who received support in the first two months of operation, required transportation to RDH ED for further MH assessment and care.

TEMHAODS have worked closely with the Northern Territory Primary Health Network (NTPHN), the Department of Health and other key stakeholders in the planning of the new Adult Mental Health Service with the aim of a collaborative service approach to provide early intervention for people with mental health issues to prevent a hospital admission. Scheduled to commence in October 2021, the operating hours of the new service will be 11am-11pm, 7 days a week, appointments will be free with no bookings required and clients will be seen and assessed on the day by mental health professionals, peer support workers, and support services staff. The successful provider Neami, established in 1998, are a community-based organisation that provides services to improve mental health and wellbeing. They have a history of working with Primary Health Networks nationally, and most recently have launched the Adelaide Urgent Mental Health Care Centre, which is also part of the Adult Mental Health Centres trial.

During 2020 an internal review of processes in the East Arnhem Mental Health / Alcohol and Other Drugs / Social Emotional Wellbeing Service which has led to reform and redesign of the work unit to enable a more integrated client centred service.

- Implement changes to support telehealth models for outpatient and outreach services.
- Participate in the development and implementation of the NT Health virtual care strategy.

TEHS COVID-19 SERVICES

- Top End Health Service has sustained a major focus on prevention and management of COVID-19 transmission in the Top End over 2020-21, including maintaining readiness for outbreak management in the event of community transmission in the future.

The TEHS Executive Leadership Team with senior clinical professionals has formed the core of the TEHS COVID-19 Incident Management Team (IMT), which has met regularly throughout the year, chaired by the Chief Operating Officer, to provide governance and coordination of the pandemic response across its hospital, public health, quarantine, mental health, alcohol and other drugs and primary health care services.

Key achievements have included:

- Under the Emergency Management structure, placement of a full time Northern Region Medical Group Liaison Officer in the Emergency Operations Centre
- Expert Centre for Disease Control advice to the public via the COVID Hotline and to the broader health sector, government and non-government partners in the pandemic response via regular meetings and communications
- operation of Pandemic Clinics on the Royal Darwin Hospital campus, at Katherine Hospital, Gove District Hospital and the pop-up testing site at the Marrara Netball Centre
- Top End contact tracing and Environmental Health Officer led surveillance of home/hotel quarantine
- provision of healthcare and surveillance at the Howard Springs Quarantine facility
- ensuring special safety measures in TEHS facilities so that COVID positive and suspect cases have been able to access hospital services as required without risking transmission to the broader community
- protected our vulnerable remote community residents by leading development, testing and communicating community-specific local pandemic plans and maintaining trained Rapid Response Teams on stand-by in case of a remote outbreak.

TEHS achievements / highlights 2020-21

- In May 2021, new Medical Imaging Services commenced at Gove District Hospital, including CT and OPG Services.
- June 2021 saw the installation of new x-ray equipment at Galiwinku and Numbulwar Health Centres.
- At the TEHS Service Excellence, Quality and Service Innovation Awards East Arnhem Region received the Clinical Governance Awards, for the region's COVID response.
- At the TEHS Service Excellence, Quality and Service Innovation Awards, Gove District Hospital Maternity Unit received the Medication Safety Award for implementation of Epidural Analgesia.

HOSPITAL BASED CONSTABLE WINS ROTARY CLUB OF DARWIN 2020 NT POLICE OFFICER OF THE YEAR

Hospital Based Constable Jacqui Nicholson is pictured with Deputy Commissioner Murray Smalpage, and President of the Rotary Club of Darwin Paul Simon.

Hospital Based Constable Jacqui Nicholson was named the Rotary Club of Darwin 2020 Police Officer of the Year. Constable 1st Class Jacqueline Nicholson received her award from Her Honour the Honourable Vicki O'Halloran AO, Administrator of the Northern Territory, at a small ceremony in the gardens of Government House. Constable Nicholson is the 29th NT Police Officer of the Year.

President of the Rotary Club of Darwin Paul Simon said, "There were many quality individual nominations this year specifically for Constable 1st Class Jacqueline Nicholson, for Police Officer of the Year and this is because she has made such a strong impact with those with whom she works most closely – the community attending Royal Darwin Hospital. "Constable 1st Class Nicholson provides a contact between Department of Health and the Northern Territory Police Force. In performing this role of assisting investigations for both remote and local Police where the offender or victim are inpatients at Royal Darwin Hospital."

Toolkit for Ethical Decision Making

The Toolkit for Ethical Decision Making has been drafted on behalf of the TEHS Health Ethics Committee to support ethical decision making, ethical leadership and ethical clinical practice.

The Toolkit contains a number of resources to help build ethical awareness and to support ethical decision making. The Ethical Framework for Decision Making within the Toolkit defines process principles important to individual and community trust: transparency, consistency, inclusiveness, proportionality and accountability; and the underpinning ethics principles. The importance of diversity and culture is reinforced. Ethical uncertainty is explored and resources are provided to enable clinician self-reflection, ethical problem solving, Moral Case Deliberation the conduct of a Clinical Ethics Case Conference. The Toolkit is to be embedded within the TEHS Learning and Development Framework.

Clinical Innovation and Research Unit

NT Health has been partnering with the Commonwealth through the Encouraging More Clinical Trials in Australia Project (the Project) to encourage more clinical trials in regional and remote Australia to allow greater access to innovative care models to patients. The achievement of the outcomes was delegated to TEHS through the formation of the NT Clinical Trials Coordination Unit (NTCTCU) and Research Governance Office (RGO). Highlights include:

- the establishment of a centralised clinical trials application process through the NTCTU which has demonstrated reductions in turnaround time for approvals for clinical trials
- the NT joining the National Mutual Acceptance (NMA) Scheme for Ethical decisions in January 2021
- The formation of the TEHS Clinical Innovation and Research Committee includes key stakeholders providing research governance leadership for TEHS
- NT being part of a successful joint Medical Research Future Fund bid to provide infrastructure around Tele-trials in rural, regional and remote Australia.

Renal physician Dr William Majoni and Co-Director (Nursing) Division of Medicine Emma Divilly at the NRU opening.

RENAL UNIT MOVES AND OPENINGS

In a small ceremony due to COVID-19 restrictions, Minister for Health the Hon Natasha Fyles officially opened the redeveloped Nightcliff Renal Unit (NRU) on Wednesday, 15 July. The redevelopment of the NRU provides a contemporary fit for purpose facility for patients to receive dialysis. The facility has been expanded from 28 to 32 chairs. Three of the stations are designed as isolation bays, and have been utilised since the COVID-19 pandemic. They are a valuable addition to the facility, enabling patients who have been exposed to others with infectious disease, to dialyse in rooms which are externally accessible.

The TEHS renal team were kept been busy with the NRU redevelopment officially opening while the move of the Palmerston Renal Unit (PRU) to Palmerston Regional Hospital (PRH) was also completed. The relocated PRU welcomed patients in mid-July. Dialysis patients in Palmerston and the rural area have a modern, bright and comfortable environment for treatment with the PRU having recommenced services at a new site on the PRH campus.

Medicines Management Unit

The NT Vaccine Implementation Project aims to vaccinate all eligible Territorians in a safe, equitable and timely manner to protect the unique Territory lifestyle. This program is the largest and most complex vaccination program undertaken across Australia. This has required collaboration between the Australian and NT Governments, public and private health service providers and the Aboriginal Community Control Sector. The project has established six new community vaccination sites, two in Darwin, one each in Alice Springs, Tennant Creek, Katherine and Nhulunbuy and is supporting a range of stakeholders to provide a COVID-19 vaccination service. Provision of vaccine information in plain English and a range of NT Aboriginal languages, through a variety of media and local engagement forums across the many different multi-cultural communities of the NT has been a key focus to build community awareness of value of being vaccinated. As of 9th June 2021 63 342 doses have been administered in the NT. This equates to 26% of the eligible population having received at least one dose and 8% are fully vaccinated against COVID-19.

Transfer of Business

TEHS continues to partner with Aboriginal communities to transfer primary health care services to ACCHOs and NGOs. During the reporting period:

- the remaining PHC functions at Maningrida were transferred to Mala'la Health Service on 1 February 2021
- TEHS continued to work with Red Lily Health Service to plan the transitions delayed due to COVID-19 with the first health service transfer planned for 1 July 2021.

East Arnhem Health Partnership Symposium

TEHS in partnership with Primary Health Network (PHN), HotNorth, Menzies and Miwatj presented a Health Partnership Symposium in Nhulunbuy 22-23 June 2021.

Top End Health Service - Service Delivery Statement

Key Performance Indicators	2020-21 Target	2020-21 Actual
Top End Hospitals		
TEHS Weighted activity units (WAU)	125 172	131 550
Elective Surgery timely admissions		
Category 1 patients admitted within clinically recommended time (30 days)	100%	68%[1]
Category 2 patients admitted within clinically recommended time (90 days)	97%	64%[1]
Category 3 patients admitted within clinically recommended time (365 days)	97%	74%[1]
Emergency department presentations departing within 4 hours	78%	62%[2]
Potentially preventable hospitalisations (excluding dialysis)	10%	%
Hospital acquired complications (reduction from previous year)	< 1 055	1 149
Aboriginal clients discharged against medical advice (DAMA)	7%	9%
Sentinel events against nationally agreed events	0	2
SAB infections (per 10,000 occupied bed days)	< 1.00	0.71
Hand hygiene compliance	85%	86%
Telehealth occasions of service (Specialist Consultation)	30 000	40 905
Community treatment and extended care		
Mental health		
Individuals receiving non-admitted public mental health services	7 240	5 824[3]
Individuals under 18 receiving non-admitted public mental health services	926	937
Mental health – 28 day readmissions	10%	13%
Community follow-up within first 7 days of mental health inpatient discharge	80%	%
Mental health seclusion rate (per 1,000 occupied bed days)	8	10
Aged care		
Aged care assessment program clients receiving timely intervention	90%	97%
Alcohol and other drugs		
Assessment undertaken in Northern Territory Government (NTG) treatment services	1 001	995
Episodes of treatment commenced in NTG services	458	392[4]
Episodes of treatment completed in NTG services	201	265
Primary health care		
Proportion of screened Aboriginal children under 5 years with anaemia	10%	4%
Proportion of Aboriginal children between 6 months and 5 years of age tested for anaemia	80%	80%
Proportion of remote Aboriginal women who attended their first antenatal visit in the first trimester	70%	65%[5]

Key Performance Indicators	2020-21 Target	2020-21 Actual
Proportion of remote Aboriginal clients aged 15 and over with Type II Diabetes or coronary heart disease who have a chronic disease management plan	85%	86%
Proportion of remote Aboriginal clients aged 15 and over with Type II Diabetes whose latest HbA1c measurements are lower than or equal to 7%	41%	35%[6]
Recent HbA1c test for clients aged 15 years and over	80%	80%
Proportion of resident remote Aboriginal population who have had an Adult health check	70%	72%
Early intervention for conductive hearing loss in remote Aboriginal children	45%	44%
Top End-wide support and shared services		
Incident recommendation identified by the Health and Community Services Complaints Commissioner followed up within timeframes set	100%	100%
Aboriginal health workforce as a proportion of overall FTE	10%	7%

1 Elective Surgery waiting times performance outcomes have been adversely affected by cancellations and delays due to COVID-19 restrictions on elective surgery. Reported data reflects June 2021 'Actual' data, not YTD data.
2 Emergency Department outcomes have been affected by COVID-19 and overall hospital capacity issues reflecting increased demand for hospital services.
3 While the target has not been reached largely due to restriction on movement as a result of COVID-19 the number of individuals receiving non-admitted public mental health has increased reflecting an upward trend on the demand for services in recent years.
4 The reduction in episodes of treatment is a return to regular levels of activity, following a spike in activity in 2019-20.
5 Below target performance reflects a number of factors including impact from COVID-19 affecting clinic attendances. Additionally, patients may also have been seen for their first antenatal visit in a non-government clinic which would not be captured in the performance data.
6 Below target performance is due to a number of factors including outreach support being restricted due to COVID-19 and challenges associated with the onset and management of diabetes.

Top End Health Service - Snapshot of costs

Financial results for 2020-21 against agreed targets based on output groups in the 2020-21 Budget Paper 3 are presented in the table below.

The Health Service's financial performance is provided in greater detail in the Top End Health Service financial report.

Output Group / Output	2020-21 Original Budget	Actuals	Budget vs Actuals
	$000	$000	$000
Top End Hospitals	**688 187**	**791 020**	**(102 833)**
Top End Hospitals	688 187	791 020	(102 833)
Community Treatment and Extended Care	**66 393**	**65 642**	**751**
Mental Health	45 332	46 349	(1 017)
Aged Care	5 561	5 977	(416)
Alcohol and Other Drugs	15 500	13 316	2 184
Primary Health Care	**151 333**	**157 023**	**(5 690)**
Remote Primary Health Care	99 829	109 319	(9 490)
Urban Primary Health Care	20 059	18 604	1 455
Top End-Wide Community Services	31 445	29 100	2 345
Disease Prevention and Health Protection	**18 307**	**28 708**	**(10 401)**
Disease Prevention and Health Protection	18 307	28 708	(10 401)
Top End-Wide Support and shared services	**256 721**	**225 177**	**31 544**
Top End-Wide Support Services	230 308	198 696	31 612
Shared Services Received	26 413	26 481	(68)
Total Expenses	**1 180 941**	**1 267 570**	**(86 629)**

Central Australia Health Service Performance against 2020-21 Priorities

PREVENTING ILLNESS

CAHS remains committed to delivering programs and initiatives that prevent illness and reduce the burden of chronic disease. To achieve this we will develop a new service model for comprehensive case management in collaboration with acute and specialist services.

CAHS has commenced initiatives to improve comprehensive case management in collaboration with Primary and Public Health Care (PPHC) acute and specialist services by:

- providing specialist services and physicians in remote communities through the General Physician Outreach and Telehealth Service. The service supports General/ Remote Practitioners to manage chronic conditions and co-morbidities in community, reducing the need for patients to travel long distances to obtain specialist care.
- improving the management of the outpatient waitlist to actively manage exceptions and reduce the time patients wait for outpatient services
- planning the establishment of an Outreach Co-ordination Centre to optimise the delivery of a range of health services into remote communities.

Further initiatives to reduce the burden of disease include a remote community project to improve glycaemic control in diabetics.

An Aboriginal Care Coordinator positon has been allocated to the Alice Springs Hospital (ASH) Emergency Department to work closely with Nursing Complex Care Coordinators and Social Work team to aid in providing better care coordination for patients, with a focus on those at risk of taking their own leave (TOL).

FOCUS ON EACH PERSON

CAHS is committed to improving the patient experience and supporting innovative models of care, through the establishment of an Employment Outcomes Committee led by senior Aboriginal staff.

This committee will enable increased focus on recruitment, retention, culturally appropriate support and sustainable career pathways for current and new Aboriginal staff, further enhancing our capacity for culturally safe care.

The Senior Aboriginal Leadership Employment Outcomes Committee (SALEOC) has been established with a membership of 16 Aboriginal staff members from all areas of CAHS (Acute, Mental Health, PPHC, Office of the Chief Operating Officer and Remote Health). The committee meets bi-monthly and has identified issues to prioritise, including renewing the Aboriginal Workforce Development Plan and addressing workforce barriers that will help increase Aboriginal employment.

An Aboriginal Cultural Mentor position has also been funded at ASH to provide cultural mentorship and training on wards to increase cultural security with an expected outcome to improve patient experience and further provide culturally safe care.

REDESIGN TO IMPROVE ACCESS

CAHS is dedicated to improving our capacity to continuously develop systems that assist in hospital avoidance.

CAHS remains committed to supporting and progressing the transition of services to Aboriginal community control. Negotiations have progressed to develop an outsourced model of primary health care services at the Alice Springs Youth Detention Centre, which should be implemented later in the year.

We will develop a service model to support improved resilience and community living for people with complex mental health and co-morbidities.

Negotiations for the transition of PPHC services for Alice Springs Youth Detention Centre (ASYDC) from CAHS to CAAC have entered the final stages and it is expected that the agreement will be signed in July 2021, with the transition finalised by October 2022.

An initial business case has been developed to establish a culturally sensitive Community Care Centre, providing a stepped system of care for adults, young people and children at risk of, or suffering from, moderate or severe mental illness. The process to develop and issue an Expression of Interest to the market, seeking partners in the delivery of the Centre, has commenced.

LIFT PERFORMANCE TOWARDS EXCELLENCE

CAHS will continue to prioritise, identify and act on opportunities to increase Aboriginal employment. To achieve this we will review the 2017–2020 Aboriginal Workforce Development Plan and current employment programs.

CAHS has committed to supporting five Aboriginal trainees through the Indigenous Land Use Agreement with Lhere Artepe Aboriginal Corporation over the next five years. This will increase opportunities for Aboriginal staff members to participate in new employment areas such as allied health therapy or other business arms of the health service.

Nine participants commenced the Aboriginal Employment Program (AEP) in February 2021. The AEP is a 20 week pre-employment program, combining work placements with training towards a Certificate II in Business. Of the nine participants that commenced, seven successfully completed the AEP and six of these participants have gone on to a full-time traineeship or a minimum six month temporary employment contract with CAHS.

An Aboriginal Staff Forum is planned for July 2021 where the 2017–2020 Aboriginal Workforce Development (AWD) Plan will be reviewed and the development of the new AWD plan will commence.

EMBED RESEARCH

Providing effective, evidence-based health care is one of our ongoing commitments. In 2020-21 we will enhance the CAHS Activity Based Management resources, with an emphasis on improved education, ensuring ongoing professional development by providing quality teaching and learning opportunities.

A robust program of multidisciplinary professional development is in place across all services within CAHS.

CAHS is a founding and active partner in the Central Australia Academic Health Research Network (CAHSN). CAHSN is an Aboriginal-led integrated program of culturally responsive research and knowledge translation, aiming to deliver better health and social outcomes to Aboriginal people of Central Australia and Barkly regions.

Alice Springs Hospital is a teaching hospital, and a campus of the Northern Territory Clinical School of the Flinders University of South Australia. Ward based Clinical Nurse Educators provide ongoing support to students, graduate nurses and staff in the clinical workplace.

COVID-19 PPE GOVERNANCE AND TRACKING SUCCESS

The increased use and the uncertainty of personal protective equipment (PPE) supply during the early stages of the COVID-19 pandemic prompted the health service to quickly establish a PPE Control Group to coordinate supply.

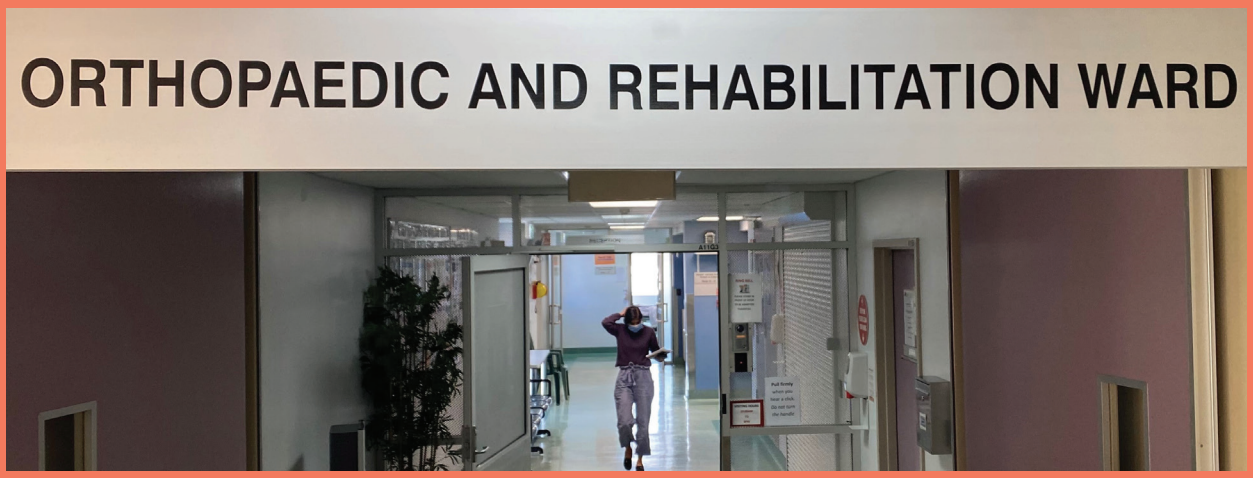
The group was essential for developing a stock monitoring and tracking system ensuring the continuous availability of items. Tracking supply, product evaluation and communication were all vital and the group's focus was to provide the right PPE at the right time for the right staff.

Our usual suppliers were unable to meet our needs and a Product Evaluator position was created to investigate other opportunities for procurement and rigorously test products to guarantee new products met current Australian Standards.

The urgent need to closely monitor and predict PPE usage resulted in the creation of a PPE Burn Rate Calculator. The calculator accurately tracks PPE stock and calculates the daily burn rate. Supplies are now managed more vigilantly, allowing supply chain managers to prioritise different stocks and their distribution, so the appropriate PPE gets to the right people at the right time.

A staff forum was held and was key to transparency and to assure staff of the status of all PPE supplies. The forum reassured staff that adequate supplies of the correct PPE were available, safeguarding the protection of both staff and patients at all times. Product testing processes were explained to ensure confidence in the products that looked different to the usual supply.

As a successful response to the increased demand in PPE and critical products, Frederick Couldwell from the Finance Department received a 2020 Certificate of Recognition from the Healthcare Financial Management Association for the innovative PPE tracking tool he developed.



IMPROVING SERVICE CAPABILITY ON THE WARDS

In a measure to reduce surgical and orthopaedic outliers in medical wards and to improve the delivery of safe care, Alice Springs Hospital (ASH) successfully completed the transition of the 20-bed Continuing Care Ward (CCW) into the Orthopaedic and Rehabilitation Ward (ORW) in June 2021.

Previously, the CCW comprised of 10 beds allocated to rehabilitation and 10 beds for differing specialties, including surgical, orthopaedic, medical, AOD, psychiatry and renal.

The move to a dedicated orthopaedic and rehabilitation ward creates better utilisation of space and ensures single rooms for post-operative management, reducing the risk of hospital acquired infection for orthopaedic patients. ORW now has a trained workforce specialising in rehabilitation and orthopaedics, which has the added potential to attract and retain staff in these fields.

To support and upskill staff for this specialty, a total of 1014 hours or 123 shifts of cross-training was undertaken by the ORW team in the surgical ward.

Hundreds of hours of orthopaedic nursing in-services were conducted by multiple internal and external stakeholders to equip ASH's nursing team with the latest in evidence-based practice in orthopaedic nursing. Nurses completed three comprehensive orthopaedic nursing modules from SA (South Australia) Health to further enhance their knowledge and skills, with an Orthopaedic Nurse Practitioner from Flinders Medical facilitating education and workflow processes on the ward.

Patients recovering from conditions such as stroke, acquired brain injury or amputation can now access appropriate rehabilitation, resulting in better outcomes for living a functional life and potentially reducing further admissions.

A comprehensive change management plan, consultation meetings and education scheme all served to keep relevant stakeholders continuously informed throughout the process, resulting in a seamless transition to ORW.

A Nursing Director, Education, Research and Training provides leadership and strategic direction for Clinical Education and Training Research across CAHS including course design, clinical research, and implementation and evaluation of professional development programs for nurses, midwives and associated inter-professional education activities.

CAHS executive approved finding of a positon to specifically focus on the administrative processes and training of clinicians to attain quality data for Mental Health Activity Based Funding. This position is due to be recruited by August 2021.

SYSTEMISE EFFECTIVENESS AND EFFICIENCY

CAHS Mental Health Service will evaluate and report on providing a sustainable mental health service for child and youth in remote communities.

CAHS will continue to build a financially sustainable service. Key financial reforms for 2020-21 include an increased roll out of CAHS internal compliance programs, improved supply chain management, including transitioning into a purpose built contemporary warehouse, improvements to patient flow through the development of a ground transport service and the development of an effective Activity Based Management framework.

A Ground Transport Service was implemented at ASH in 2021, which has significantly improved patient flow and will consequently reduce 'did not attend' rates and associated costs.

CAHS Supply Chain Management relocated to a new purpose-built warehouse March 2021. The new facility accommodates 19 staff covering all areas of Supply Chain Management, including procurement, contracting, product evaluation and inventory staff.

The RightCare Program is reviewing service delivery models in outreach, outpatient, and inpatient streams to ensure the right care is delivered at the right place and at the right time.

Whilst initial work was undertaken in strengthening the collective understanding of an Activity Based Management Framework, structural improvements were placed on hold pending the roll out of the Better Together Framework.

CAHS COVID-19 SERVICES

The Southern Region Medical and Public Health Groups (SRM&PHG) were combined as a single functional group. The chair of the SRM&PHG provides medical and clinical expertise to the Southern Region Incident Management team and a Public Health Physician and

Liaison Officer were appointed at the beginning of the pandemic. The Pandemic Coordination Cell was established which leads the operational management of Quarantine, Testing, Border Control and Vaccination.

During the preparedness phase, pandemic planning documentation was developed or reviewed and updated. Sub-plans for Primary and Public Health Care, functional plans, divisional plans and emergency management plans were created, which aligned to the Northern Territory Health Pandemic Management Plan.

Overall the COVID-19 response was evidence of the professionalism, passion and capability of our workforce, who continue to show ongoing resilience and flexibility in a very complex and demanding environment.

Key actions achieved include:

- creation of a personal protective equipment (PPE) governance system to ensure appropriate controls to manage stock levels and clear guidance on the requirements of staff and community
- adapting to new ways of working, with Telehealth consultations exceeded by 1265 and more than doubled the monthly target, often by a factor of three
- despite biosecurity restrictions, specialist essential outreach services were maintained, including chronic disease management, child health and immunisations, which resulted in no drop in activity for adult health checks and maintenance of diabetes checks
- Elective Surgery Category 1 and Emergency Surgery were maintained during the period of reduced elective surgery
- comprehensive pandemic planning for Central Australia urban and remote communities, correctional services and aged care
- during travel restrictions, grocery ordering, pick-up and transport was coordinated and arranged for all staff in remote localities
- in collaboration with AUSMAT, a training package was developed for both government and nongovernment staff in responding to an outbreak, which was delivered in Alice Springs, Tennant Creek and Yulara
- establishing the Alice Springs Quarantine Facility (ASQF) at a single site, 34 Stott Terrance with a 139 room capacity
- governance structure to support the operations of the ASQF, Drive-Through Testing Clinic and Border Control at the Alice Springs and Yulara Airports and the Ghan passenger train terminal
- enhancing the Aged Care Facility outbreak response
- exercising/testing the Tennant Creek Hospital, Central Australia Mental Health, Urban and Aged Care outbreak response plans
- responding to hotspot declarations and CHO directives
- the vaccination rollout including creating the supply chain and establishing a vaccination clinic.
- commencement of vaccinations in the Alice Springs Correction Centre and remote communities

Central Australia Health Service - Service Delivery Statement

Key Performance Indicators	2020-21 Target	2020-21 Actual
Central Australia Hospitals		
CAHS Weighted activity units (WAU)	58 598	59 197
Elective Surgery timely admissions		
Category 1 patients admitted within clinically recommended time (30 days)	100%	80%[1]
Category 2 patients admitted within clinically recommended time (90 days)	97%	82%[1]
Category 3 patients admitted within clinically recommended time (365 days)	97%	85%[1]
Emergency department presentations departing within 4 hours	78%	68%[2]
Potentially preventable hospitalisations (excluding dialysis)	10%	%[3]
Hospital acquired complications (reduction from previous year)	< 370	337
Aboriginal clients discharged against medical advice (DAMA)	7%	11%
Sentinel events against nationally agreed events	0	0
SAB infections (per 10,000 occupied bed days)	< 1.00	0.56
Hand hygiene compliance	85%	81%
Telehealth occasions of service (Specialist Consultation)	6 000	7 504
Community treatment and extended care		
Mental health		
Individuals receiving non-admitted public mental health services	2 600	2 716
Individuals under 18 receiving non-admitted public mental health services	700	546[4]
Mental health – 28 day readmissions	10%	16%[5]
Community follow-up within first 7 days of mental health inpatient discharge	80%	%
Mental health seclusion rate (per 1,000 occupied bed days)	8	10
Aged care		
Aged care assessment program clients receiving timely intervention	90%	84%
Alcohol and other drugs		
Assessment undertaken in Northern Territory Government (NTG) treatment services	240	258
Episodes of treatment commenced in NTG services	100	139
Episodes of treatment completed in NTG services	50	61
Primary health care		
Proportion of screened Aboriginal children under 5 years with anaemia	10%	14%
Proportion Aboriginal children between 6 months and 5 years of age tested for anaemia	80%	67%[6]

Key Performance Indicators	2020-21 Target	2020-21 Actual
Proportion of remote Aboriginal women who attended their first antenatal visit in the first trimester	70%	65%[7]
Proportion of remote Aboriginal clients aged 15 and over with Type II Diabetes or coronary heart disease who have a chronic disease management plan	85%	83%
Proportion of remote Aboriginal clients aged 15 and over with Type II Diabetes whose latest HbA1c measurements are lower than or equal to 7%	41%	21%[8]
Recent HbA1c test for clients aged 15 years and over	80%	73%[9]
Proportion of resident remote Aboriginal population who have had an Adult health check	70%	71%
Early intervention for conductive hearing loss in remote Aboriginal children	45%	40%[10]
Central Australia-wide support and shared services		
Incident recommendation identified by the Health and Community Services Complaints Commissioner followed up within timeframes set	100%	100%
Aboriginal health workforce as a proportion of overall FTE	10%	7%

1 Elective Surgery waiting times performance outcomes have been adversely affected by cancellations and delays due to COVID-19 restrictions on elective surgery. Reported data reflects June 2021 'Actual' data, not YTD data.
2 Emergency Department outcomes have been affected by COVID-19 and overall hospital capacity issues reflecting increased demand for hospital services.
3 Key initiatives being undertaken to improve performance include specific strategies focused on a pulmonary rehabilitation and review of service delivery models and development of pathways for respiratory conditions.
4 The reduction in episodes of treatment is a return to regular levels of activity, following a spike in activity in 2019-20.
5 Higher than expected readmission rates reflect low admission numbers and limited bed capacity with minor readmissions having a significant impact on the performance.
6 Under-performance is primarily due to ongoing challenges to fill vacancies in the child health and remote area nurse positions and COVD19 travel restrictions.
7 Below target performance reflects a number of factors including impact from COVID-19 affecting clinic attendances. Patients may also have been seen for their first antenatal visit in a non-government clinic which would not be captured in the performance data.
8 Below target performance is due to a number of factors including travel restrictions due to COVID-19 and challenges associated with the onset and management of diabetes. Additional Diabetes Educator positions were created in Barkly in 2021-22 aimed at improving performance.
9 Nursing vacancy rates in remote health centres and outreach teams remain a challenge; which is compounded by the immediate need to vaccinate the population for COVID-19.
10 A number of strategies are in place to increase the number of children under three years seen during community visits to ensure early identification and intervention of middle ear disease and hearing loss and training and support for health care staff in communities to improve surveillance of ear disease.

Central Australia Health Service – Snapshot of Costs

Financial results for 2020-21 against agreed targets based on output groups in the 2020-21 Budget Paper 3 are presented in the table below.

Central Australia Health Service's financial performance is provided in greater detail in the Central Australia Health Service's financial reports section.

Output Group / Output	2020-21 Original Budget	Actuals	Budget vs Actuals
	$000	$000	$000
Central Australia Hospitals	**285 946**	**287 792**	**(1 846)**
Central Australia Hospitals	285 946	287 892	(1 846)
Community Treatment and Extended Care	**28 734**	**31 434**	**(2 700)**
Mental Health	20 144	21 043	(899)
Aged Care	1 206	988	218
Alcohol and Other Drugs	7 384	7 579	(195)
CO-VID 19 Airport Screening	-	1 824	(1 824)
Primary Health Care	**75 216**	**73 140**	**2 076**
Remote Primary Health Care	56 557	55 290	1 267
Urban Primary Health Care	7 500	7 716	(216)
Central Australia-Wide Community Services	11 159	10 134	1 025
Disease Prevention and Health Protection	**6 995**	**9 493**	**(2 498)**
Disease Prevention and Health Protection	6 995	9 493	(2 498)
Central Australia-wide support and shared Services	**90 686**	**85 818**	**4 868**
Central Australia-Wide Support Services	82 605	78 469	4 136
Shared Services Received	8 081	7 349	732
Total Expenses	487 577	487 677	(100)

Sustainability and the Environment

DEPARTMENT OF HEALTH

Climate Change Health Advisory Group

The impact of climate change on health and the impact of health services on the environment was identified as a priority public health issue. To support an informed, prioritised and coordinated approach to addressing these important issues, the Deputy CHO established the Climate Change Health Advisory Group (CCHAG) and aims to coordinate, develop and support implementation of climate change mitigating policy and strategies.

The CCHAG met for the first time in June 2020 and consists of senior health representatives with expertise, interest and responsibilities in climate change health related activities across NT Health and Menzies School of Health Research.

CENTRAL AUSTRALIA HEALTH SERVICE

The CAHS Waste Management Working Group met quarterly to review and action sustainable initiatives and reduce waste.

During 2020-21, CAHS became a member of the Global Green and Healthy Hospitals Network and has incorporated a number of sustainable initiatives to further reduce our carbon footprint, including:

- ongoing negotiations with the Alice Springs Town Council to recycle food waste to composting mulch
- adoption of the Close the Loop resource recovery program by the Alice Springs Hospital (ASH), that diverts printer cartridges from landfill. Empty cartridges are recycled and combined for use in road construction.
- dedicated infrastructure to collect, separate and recycle cardboard, plastics, paper, glass and aluminium at ASH
- four electric vehicle charging stations and a 25kW photo-voltaic solar panel system was installed on the ASH multi-story carpark
- ASH and the Tennant Creek Hospital have banned the use of polystyrene cups, commenced the phase out of single use plastics, and have implemented the use of compostable containers, paper takeaway bags and wooden cutlery and stirrers.

The new ASH Procurement Warehouse has incorporated a number of sustainable initiatives:

- a living green front façade for growing creepers along a 'living wall', and landscaping of the street verge
- street facing full height vertical shade louvres, designed to allow natural light penetration deep into the warehouse floor plan
- water tanks installed to capture rain water for use in landscaping which also serve to detain storm water and delay runoff, reducing loads on the Alice Springs Town Council storm water system
- roof-mounted 30kW photo-voltaic solar panel system
- roof insulation to reduce the overall temperature in the facility
- highly insulated west wall to prevent heat ingress from the afternoon sun
- energy efficient LED lighting throughout
- an electric vehicle charging station
- dedicated secure bicycle parking area and 'end of trip' facilities
- full width glazing of insulated multi-cell polycarbonate in the high bay storage area providing natural light.

4

Governance

Department of Health Corporate Governance

In July 2014, the NT established the *Health Services Act 2014* (the Act). The Act defines the responsibilities and accountabilities of the Minister for Health, the Department of Health and the Health Services. From 1 July 2014, NT Health, operating under the Act, comprises of three entities:

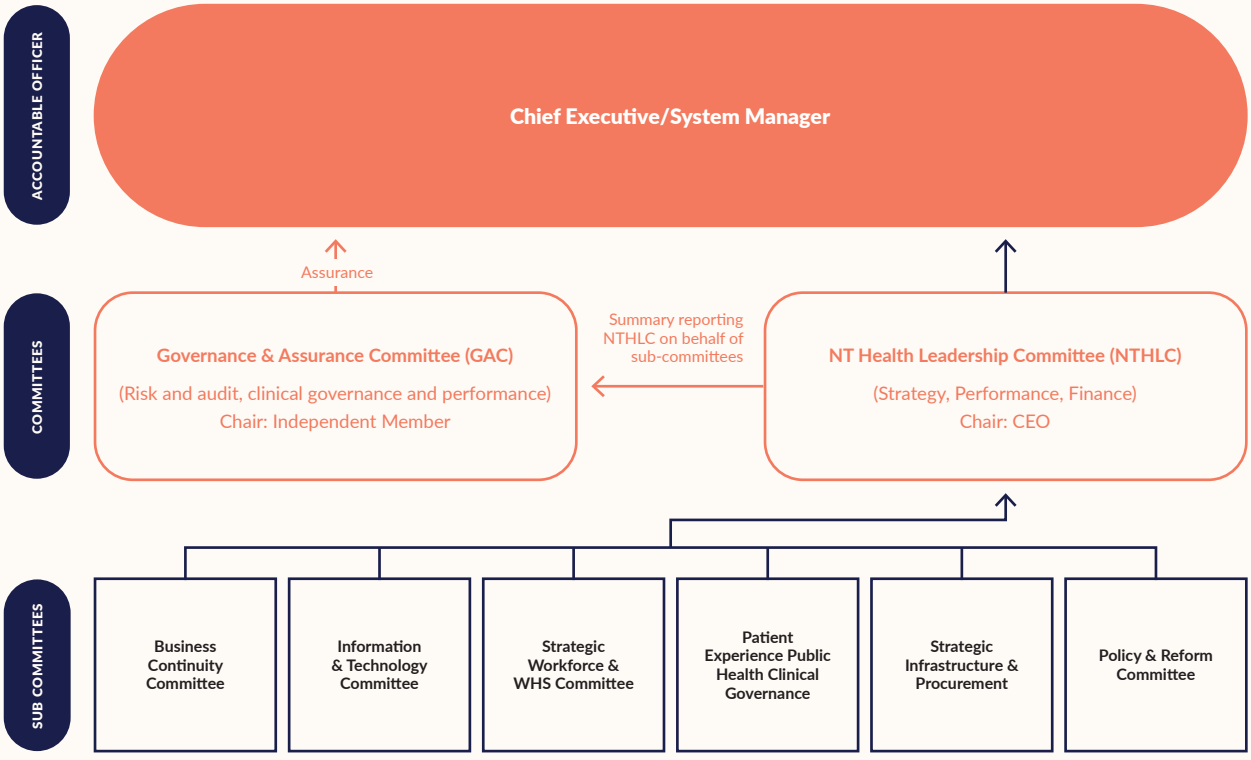
- Department of Health
- Top End Health Service
- Central Australia Health Service

The Chief Executive Officer (CEO) of the Department of Health is the System Manager and pursuant to the Act is responsible for the overall development, management and performance of the public health system. The CEO has established a governance framework for NT Health that enables the monitoring of compliance, accountability and performance and setting the strategic vision, culture and direction for the organisation.

In 2019-20 the CEO undertook a review of the governance arrangements, resulting in the establishment of a high level strategic governance committee, the Governance and Assurance Committee (GAC). The GAC incorporates the functions of the former Risk and Audit Committee, which was disbanded. The GAC comprises external members, all of which have significant experience across a range of professional specialties.

The GAC is the overarching Strategic Governance Committee that reports to the CEO and supports the CEO in holding the agency to account.

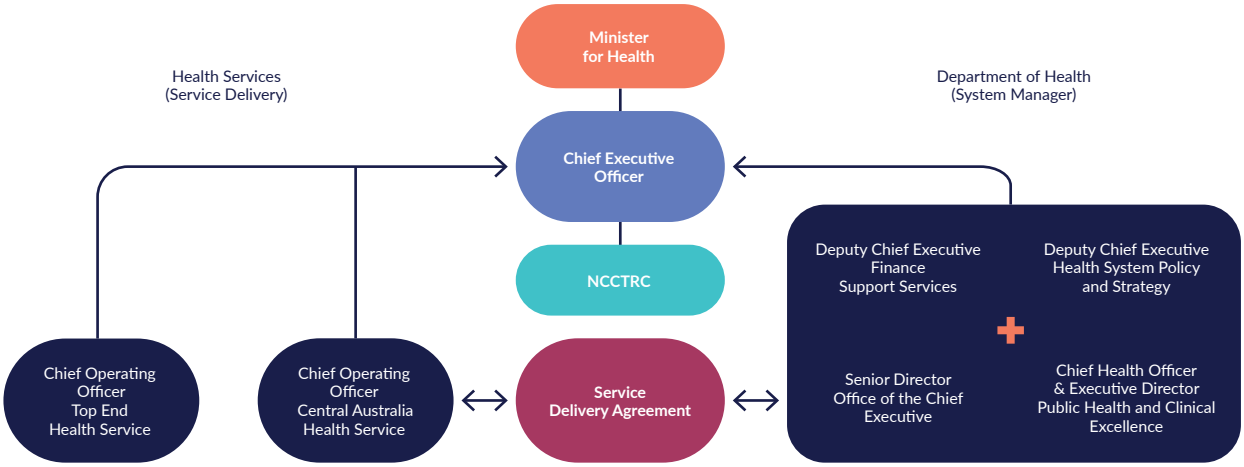
NT Health Committee Governance Structure



The Governance Framework for NT Health includes a number of governance committees and sub-committees as well as specific functions that ensure accountability, compliance and transparency.

NT HEALTH ACCOUNTABILITY

The CEO of the Department of Health is accountable to the Minister for Health. Department of Health division heads, the Chief Operating Officers of the two Health Services and the Executive Director NCCTRC are accountable to the CEO. The department, in its capacity as the System Manager, enters into and manages the SDA with the Health Services. The accountability structure is shown below. Additional governance elements include information and privacy, communication and risk and audit.



NT Health corporate governance principles

Governance within NT Health follows six key principles that underpin good governance in public sector entities, including both personal and managerial qualities.

Information and Privacy

The Information and Privacy Unit manages formal applications to access information under the freedom of information provisions of the Information Act 2002 (the Act) for the Department of Health, including requests for personal and government information, correction of personal information and privacy complaints.

The unit provides guidance and support to staff with regard to appropriate information sharing and privacy protection, and assists members of the public and other organisations to access information held with the department. The unit provides educational sessions to ensure all staff are aware of and complying with their obligations under the Act and other information sharing legislation.

In 2020-21, the department experienced a significant increase in the number of applications received, with approximately 80% of all applications relating to requests for personal information.

The Information and Privacy Unit has also experienced a upsurge of queries relating to the privacy and security of personal information, which is indicative of a greater understanding within the department of the requirement to comply with appropriate information sharing procedures.

Applications to access information	2019-20	2020-21
Applications lodged	329	443
Applications granted in full	194	265
Applications granted in part	26	37
Applications refused in full	78	102
Applications transferred	0	2
Applications withdrawn	5	3
Applications outstanding	26	34

RISK AND AUDIT

NT Health identifies and mitigates key risks that could impact achievement of its strategic directions and objectives. NT Health's risk management framework complies with the Financial Management Act 1995 and aligns with the AS/NZS ISO 31000:2009 Risk Management Principles and Guidelines.

The risk framework, policy and risk assessment matrix forms part of internal control arrangements that enable management to control risk exposure consistent with the level of risk maturity of NT Health. Strategic risks are managed and reviewed by the NTHLC and GAC. The risk reviews ensure that the internal audit and assurance program aligns with NT Health's risk profile.

The internal audits conducted during 2020-21 include:

- NT Health Assurance mapping
- Value For Territory Assurance Program
- Agency Compliance Assessment – Cabinet Information Security Measures
- Medicines Management Review
- Fuel Card Review
- Management of Portable and Attractive Items
- Delegations of Authority Review
- Travel Management Audit
- Secure Care Facility Payroll audit (off plan)
- Value for Territory Assurance Program
- Agency Compliance Assessment – Cabinet Information Security Measures
- Review of Financial Controls
- Work Health and Safety Audit
- Elective Surgery Waiting List
- Corporate Credit Cards (follow up audit)
- Engaging Locum Medical Officers in NT Health
- Nurse recruitment
- Travel Audit (completed by Corporate Services)
- Billing audit (off plan)
- National Critical Care and Trauma Response Centre Travel Audit (off plan)

Recommendations and agreed actions arising out of audits are monitored by the Risk and Audit Team and reported to the CEO, GAC and the NTHLC.

A number of ad-hoc audits and compliance verifications were also completed during the year to assist management with compliance matters and business improvements.

Department of Health Clinical Governance

Ensuring safe and high quality healthcare requires effective clinical governance. System wide clinical governance is monitored through the SDA with the health services and is underpinned by the Clinical Governance, Safety and Quality NT Health Framework.

NT CLINICAL SENATE

The frequency of NT Clinical Senate meetings were reduced due to the COVID- 19 response and the risks associated with intrastate travel.

The NT Clinical Senate met twice during 2020-21. Issues discussed included : the NT response to COVID- 19 and the National Disability Insurance Sscheme.

The NT Clinical Senate hosted a number of guest speakers through 2020-21, including Michelle McColm (Director of the Office of Disability), Daniel English (NT Manager NDIA) and Robyn Burridge (Disability Broker and Advocate).

ENHANCING CLINICAL GOVERNANCE

NT Health continue to monitor quarterly Patient Quality and Safety Surveillance Reports which align to the National Safety and Quality Health Service Standards. The indicators provide a quality assurance mechanism that tests whether relevant systems are in place to ensure that expected standards of safety and quality are met. The aim is to improve health service provision utilising a no blame continuous quality improvement approach.

With the pending implementation of the Acacia electronic medical record to replace NT Health's ageing core clinical information systems, NT Health have also implemented a number of systems to improve clinical governance around the use of electronic systems. A new framework has been implemented and governance put in place to ensure that changes to information systems within NT Health are clinically appropriate and best fit for purpose to support safe and effective healthcare for Territorians.

MY HOSPITALS AND HEALTHY COMMUNITIES WEBSITE

The Australian Institute of Health and Welfare (AIHW) website contains data on the NT Health Services performance across a range of clinical and health indicators. Individuals can visit the website and use interactive data tools to discover and compare information about local hospitals, hospitals within a specific region, state or territory and nationally. The website also reports on measures of safety and quality of hospital care. To access this data and see how NT Health performance compares nationally, please visit www.aihw.gov.au/myhospitals

CORONIAL RECOMMENDATIONS

The NT Coroner's Office investigates deaths and unexpected deaths in the NT on behalf of the community. The types of deaths the Coroner investigates are called reportable deaths.

Criteria for a reportable death includes:

- appears to have been unexpected, unnatural or violent
- appears to have resulted, directly or indirectly from an accident or injury
- occurred during an anaesthetic or as a result of an anaesthetic and is not due to natural causes
- occurred when a person was held in, or immediately before death, was held in care or custody.

During 2020-21, four coronial inquests relating to NT Health were held. Two had findings with recommendations for NT Health.

As a result of the coronial recommendations:

- NT Health has reviewed its procedures for Volatile Substance Abuse (VSA) and updated forms and procedures and developed a new training package for staff providing VSA assessments
- NT Health are participating in the Multi-Agency Community and Child Safety Framework to improve child safety outcomes for vulnerable children, families and communities.

NT PERINATAL AND MATERNAL MORTALITY AND MORBIDITY REVIEW COMMITTEE

The NT Perinatal and Maternal Mortality and Morbidity Review Committee (PM3RC) was established to improve the care and outcomes of mothers and babies across the NT.

In 2020-21, the committee completed the review of all perinatal and maternal deaths for 2017 and 2018. This data has been included in the AIHW Stillbirths and Neonatal Deaths in 2017 and 2018 report. The NT PM3RC now has data that will contribute to its first report including cause of death and contributing factors.

SCHEDULED SUBSTANCES CLINICAL ADVISORY COMMITTEE

The Scheduled Substances Clinical Advisory Committee (CLAC) held three ordinary meetings in 2020-21, and undertook numerous out of session deliberations to provide advice to the Chief Health Officer delegate on patient treatment authorisations.

Major issues considered include:

- implementation of NTScript Real Time Prescription Monitoring system in the Territory
- extension to list of prescription medicines to be monitored as part of NTScript
- medical conditions permitted to be treated with psychostimulant medicines
- legislative amendments to support NTScript and streamline Schedule 8 medicine prescribing authorisations, approvals of unsupervised doses of opioid substitution medicines for specified patients, and controls on use of long acting buprenorphine injectable medicines.

PHARMACY PREMISES COMMITTEE

During 2020-21, the Pharmacy Premises Committee (PPC) held three ordinary meetings and considered 11 out-of-session deliberations.

The Committee's attention focused on pharmacy premises compliance with over 65% of all pharmacy businesses inspected.

Additionally, nearly 60% of all community pharmacies in the NT are now able to vaccinate in their premises. A current review of some standards and guidelines is ongoing to reflect new and emerging technologies in the delivery of paperless prescriptions. The Committee has also been briefed on the implementation of a real time prescription monitoring system and has been asked potential impacts on pharmacy premises.

Major issues considered include:

- implementation of NTScript Real Time Prescription Monitoring system in the Territory
- extension to list of prescription medicines to be monitored as part of NTScript
- medical conditions permitted to be treated with psychostimulant medicines
- legislative amendments to support NTScript and streamline Schedule 8 medicine prescribing authorisations, approvals of unsupervised doses of opioid substitution medicines for specified patients, and controls on use of long acting buprenorphine injectable medicines.

SENTINEL EVENTS

A sentinel event is an event that is considered wholly preventable and has resulted in serious harm to, or death of, a patient. The revised Australian sentinel events list (version 2) endorsed by Australian Health Ministers in December 2018, and effective from 1 July 2019, increased the list of possible sentinel event types from eight to 10. The purpose of sentinel event reporting is to ensure public accountability and transparency, and drive national improvements in patient safety.

Two sentinel events was reported in NT Health during the period 1 July 2020 to 30 June 2021.

Sentinel events in the NT	2020-21
1. Surgery or other invasive procedure performed on the wrong site resulting in serious harm or death	0
2. Surgery or other invasive procedure performed on the wrong patient resulting in serious harm or death	0
3. Wrong surgical or other invasive procedure performed on a patient resulting in serious harm or death	0
4. Unintended retention of a foreign object in a patient after surgery or other invasive procedure resulting in serious harm or death	0
5. Haemolytic blood transfusion reaction resulting from ABO incompatibility resulting in serious harm or death	0
6. Suspected suicide of a patient in an acute psychiatric unit or acute psychiatric ward	0
7. Medication error resulting in serious harm or death	2
8. Use of physical or mechanical restraint resulting in serious harm or death	0
9. Discharge or release of an infant or child to an unauthorised person	0
10. Use of an incorrectly positioned oro- or naso- gastric tube resulting in serious harm or death	0

The above table reflects the new Sentinel events list effective from 1 July 2020

Top End Health Clinical Governance

The Top End Health Service (TEHS) is committed to Building Better Care, Better Health, Better Communities Together through providing safe, quality, patient-centred care. The TEHS Clinical Governance Framework was reviewed and approved by the TEHS Safety and Quality Committee in June 2020, following an assessment against the NSQHS Standards. The Framework supports improvements in the provision of safe, quality care by creating a structure to set, manage and monitor TEHS performance.

The TEHS Clinical Governance structure provides advice and reports on:

- serious incidents, coronial investigations, trend analysis of events and implementation of recommendations
- health service performance monitoring against SDA safety and quality indicators and action towards recommendations to improve patient safety
- workforce credentialing.

SAFETY AND QUALITY

The TEHS Service Delivery Agreement (SDA) includes safety and quality indicators that are monitored and discussed at monthly TEHS internal performance meetings and quarterly Department of Health performance meetings. The following indicators provide safety and quality outcomes for TEHS, performance against these indicators is included in the performance section of this report.

Staphylococcus aureus bacterium Infections (SAB)

TEHS recorded 12 SAB infections in 2019-20 compared with 15 in 2018-19. All 12 occurred at RDPH. This indicator is closely monitored by both the Infection Prevention and Management Unit at RDPH and the governing body which is the TEHS Preventing and Controlling Healthcare Associated Infections Committee (Standard 3 NSQHS). TEHS has recently appointed a Senior Nursing Advisor, Infection Prevention and Management. This newly established position is to ensure a coordinated consistent approach to preventing and controlling healthcare-associated infections across the service.

Hand Hygiene Compliance

TEHS employees attend mandatory hand hygiene training and consistent auditing that meets the National Hand Hygiene initiative (NHHI) occurs to ensure compliance and identification of opportunities to improve. Clinicians are required to undertake both training and a practice based demonstration in aseptic technique.

Antimicrobial Stewardship

TEHS Antimicrobial Stewardship Program enable safe and appropriate prescribing and use of antimicrobials. TEHS has been nominated by the Australian Permission on Safety and Quality in Health Care for Exemplar practice will occur for the development of TEAMS (Top End Antimicrobial Stewardship) is the decision-making and approval tool.

CONSUMER AND PATIENT EXPERIENCE

TEHS is committed to providing health care services that are responsive to the needs of our community. TEHS uses learnings from patient experiences to guide service delivery and assist in identifying areas for improvement. TEHS collects information on the experience of patients, carers and families through:

- community meetings
- consumer advisory groups
- patient surveys
- consumer feedback through the Talk to Us Program, the NT Health online form or feedback cards
- consumer participation on a range of advisory or operational committees.

In 2020-21, TEHS implemented a number of priority actions arising from the TEHS Patient Experience and Consumer Engagement Framework launched in June 2020. These included the implementation of a new patient survey tool and in May 2021, the launch of a set of e-learning modules, which will enable all TEHS staff to become confident in working closely with their patients, to improve their experience using our health service, and how to effectively improve our active consumer engagement to continuously improve our services.

The Partnering with Consumers Committee also led the establishment of:

- TEHS Consumer Diversity Grand Rounds – A contemporary delve into consumer experience and the cultural and social diversity of NT Health consumers – weekly education sessions for all staff
- TEHS Lesbian, Gay, Bisexual, Transgender, Queer, Intersex, and Asexual+ (LGBTQIA+) Sub-Committee
- TEHS Multicultural Committee.

INCIDENT MANAGEMENT

Clinical incidents and near miss events are reported using the NT Health RiskMan online integrated incident management system. Each incident receives an incident severity rating (ISR). High level incidents (ISR 1-2) create an automated alert to relevant operational managers, members of Leadership/Executive teams, the Chief Operating Officer and the Department of Health to facilitate visibility and enable appropriate review, action and monitoring to reduce the likelihood of recurrence. An in-depth review, a Root Cause Analysis (RCA) or equivalent, is undertaken for all ISR1 incidents as per NT Health policy.

Targeted action plans are developed and implemented where required for incidents rated at a lower level (ISR 3-5).

TEHS has well established systems and processes in place for clinical incident reviews and uses clinical incident data to identify themes and trends over time. TEHS clinical incident data is monitored by the TEHS Safety and Quality Committee and other key forums.

During orientation and workplace induction, staff are made aware of incident reporting, RCA and open disclosure processes. Incident reporting processes are outlined on the TEHS intranet and online learning modules are available.

The increase in reporting since 2018-19 illustrates increased engagement and understanding of the importance of clinical incident review processes to improve clinical safety and quality.

RiskMan data reports are run in accordance with agreed data specifications.

Incident Severity Rating (ISR)	2019-20
ISR 1 incident is where there is death or permanent loss or reduction of functioning where the person is unlikely to recover from the reduction or loss of function, and it is not as a direct result of their natural disease progression or co-morbidities	261
ISR 2 incident is where there is significant harm or impact on the person/s involved, though any loss or reduction in functioning is temporary and a full recovery to pre incident level is expected, and it is not as a direct result of their natural disease progression or co-morbidities	89
ISR 3 incident is where harm has occurred which may require a higher level of care or observation, but did not have a loss or reduction of function as a result of the incident	2142
ISR 4 incident is where harm is minimal and not requiring additional level of care	2826
ISR 5 incident that did not cause harm and includes near misses	2589
Total	**7672**

ADDRESSING COMPLAINTS

Each complaint received by TEHS is individually reviewed with a focus on resolution and achieving the patient's desired outcome. Complaint issues are analysed at the level of the service and the level of the organisation. For example, the main complaint issue for TEHS involves issues around effective communication and provision of information. This is a very important aspect of health care service delivery and TEHS continues to work to improve information provided to consumers and the way it is communicated. Some examples are:

- launch of new suite of E-Learning modules on Partnering with Consumers and the provision of positive patient experience (including modules on Communicating with People and Communicating with the help of interpreters)
- delivery of the Communication Skills and Complaint Management Training
- TEHS Consumer Diversity Grand Rounds – weekly education for staff around the experience of different cultural and social groups accessing TEHS services
- work to increase the use of interpreters across TEHS
- establishment of new TEHS Multicultural and LGBTQIA+ Committees to support, and provide advice, direction and planning to improve quality access and service delivery across TEHS

Complaint issues are presented in the table below, noting that some complaints identify more than one issue group. For example, a patient may lodge a complaint relating to the treatment provided and the administration of medication.

Complaints Issues	2019-20
Access To facility, to subsidies, refusal to admit or treat, service availability, waiting list delays.	119
Treatment Co-ordination, diagnosis, delay, unexpected outcome, wrong/inappropriate, inadequate consultation, no/inappropriate referral, withdrawal of, excessive rough/painful, infection control, private/public election.	183
Communication / Information Attitude/manner, inadequate information provided, incorrect/misleading information provided, special needs not considered.	301
Environment / Management Administrative process, cleanliness and hygiene of facility, physical environment of facility, staffing and rostering, statutory obligations/accreditation.	110
Consent / Decision Making Consent not obtained or inadequate, involuntary admission or treatment, uninformed consent.	10
Medical Records Access to/transfer of records, record keeping.	7
Fees / Cost Billing practices cost of treatment, financial consent.	13
Medication Administering, dispensing, prescribing and supply/storage/security of medications.	34
Reports Access to/transfer of records, record keeping.	3
Discharge / Transfers Inadequate discharge, information on follow up care not provided.	28
Professional Conduct Unsatisfactory professional conduct.	24
Grievances Inadequate or no response to complaint lodged	19
Patient Property damaged or missing	12
Total	**863**

Central Australia Health Service Clinical Governance

Central Australia Health Service (CAHS) is committed to delivering high quality, safe patient-centred care and a sustainable health service. We ensure that patients receive care that is safe, effective and appropriate to their needs in a timely and efficient manner. Everyone within CAHS from frontline staff, clinicians, managers and senior executives are accountable to the community for the delivery of health services that are safe, effective, integrated, of high quality and that are continuously improving.

CAHS Clinical Governance Framework is based on the National Model Clinical Governance Framework. Performance across the five elements are closely monitored by the Clinical Governance Committee and reported through each divisional Clinical Governance Committee.

These elements are:

1. Governance, leadership and culture
2. Patient safety and quality improvement
3. Clinical performance and effectiveness
4. Safe environment for the delivery of care
5. Partnering with Consumers Standard.

NOTABLE HIGHLIGHTS 2020-21 INCLUDE:

Acute Care Services clinical governance achievements

- ASH Safety and Quality team continued to work closely with key stakeholders to transition ASH to the second edition of the National Safety and Quality Health Service (NSQHS) Standards. A gap analysis has been conducted to help formulate action plans to meet the standards in 2021.
- The ASH Safety & Quality team has worked alongside Acute Care Services staff and management to implement the second edition of the NSQHS standards into practice. Work around the actions identified in the gap analysis have progressed well and Acute Care Services will be ready for assessment in September 2021.
- Acute Care Services established an End-of-life Working Group and a Cognitive Care and Delirium Working Group to address the new actions in Standard 5 - Comprehensive Care.
- Acute Care Services created a Project Officer position, to develop the new actions around Cognitive Care and Delirium and End of Life requirements. The officer works closely with the End-of-life Working Group and the Cognitive Care and Delirium Working Group to ensure Acute Care Services staff have incorporated these requirements into the care of our patients.
- Another project officer was identified to work with staff and executive to review how Acute Care Services met the actions of the NSQHS Standard 8 Recognising and Responding to Acute Deterioration. This project officer continues to coordinate with the Standard 8 committee, staff, consumers and executive to establish methods to embed these processes into the care of our patients.
- The ASH Executive Safety and Quality team is successfully monitoring a set of agreed indicators through a quarterly clinical scorecard to put a spotlight on clinical issues. This has resulted in a more concise way to identify developing trends in clinical service provision in a format that is easy to interpret.
- Acute Care Services increased the data submitted to the Australian Council on Healthcare Standards (ACHS) Clinical Indicator Program, to ensure accurate benchmarking with other similar services.
- The Renal Take Own Leave (TOL) research paper was completed and implementation of the recommendations have been incorporated into practice.
- The process for reporting actions identified from Mortality and Morbidity reviews has been strengthened to further support the reporting of findings to the highest level of governance and to the staff at the point of care. The strengthened system ensures better oversight of the progress of identified actions and clearer pathways for staff in implementing improvements to patient care.
- ASH achieved a target of zero sentinel events against the nationally agreed events.
- The processes around reporting, accessing and monitoring of training and education for staff have been updated and improved. Allowing staff easier access to relevant education in a variety of formats, and managers and executive the capacity to report on levels of completion of education by staff.

- Pathways for clinical documentation review, consultation and implementation have been streamlined to assist with the introduction of clinical guidelines in an efficient manner.
- The 4187 Reprocessing Steering Committee continues to meet the actions identified in the gap analysis of Acute Care Services transitioning to AS/NZS 4187:2014 - Reprocessing of reusable medical devices in health service organisations. An independent review conducted in February 2021 established that Acute Care Services was well placed to meet the actions within the required timeframes.

PRIMARY AND PUBLIC HEALTH CARE (PPHC) CLINICAL GOVERNANCE ACHIEVEMENTS

- All 23 remote health centres are now accredited against the Royal Australian College of General Practitioners 5th Edition Standards.
- Prison Health, Urban Health, Community Allied Health and Aged Care are moving through gap analysis and action plans towards accreditation.
- Increase in safety and quality positions across PPHC including Allied Health, Aged care, Urban and Oral health.
- There are numerous quality initiatives occurring in remote communities including improving blood sugar control in diabetics (one community doubling those under 8%), improving food security and increasing rate of adult health checks.
- Additional mentoring and clinical training is being provided to increased numbers of N3 to remote nursing through additional clinical support.
- Instigation of Safety Culture Survey throughout all of PPHC.
- Patient surveys and feedback forms are occurring in remote communities and urban sites.

MENTAL HEALTH SERVICES CLINICAL GOVERNANCE ACHIEVEMENTS

- Re-evaluation of use of interpreters by using audio-visual links and face-to-face in both urban and remote regions. Ongoing liaison continues with Aboriginal Interpreter Service to increase access to that service.
- Ngangkaris (traditional healers) continue to be involved in the provision of care within the Mental Health Service. COVID-19 impacted the program last year in the context of travel restrictions, the program has since recommenced. Work in this area continues to develop a sustainable model of care utilising traditional healers.
- CAHS continues to present mental health specific Aboriginal Cultural Awareness Program training for all staff following a cultural safety survey that assessed the current level of cultural safety across the service, availability of training and support and the level of cultural competence of employees.
- A receptionist position has been created for the Barkly Mental Health Team that was filled by a local Aboriginal person, improving community access to the team.
- 40 internal and external health workers in Central Australia completed the Aboriginal Mental Health, Suicide Intervention and Cultural Competency Training with Dr Tracy Westerman in June 2021 – funded externally through NTPHN.
- 36 participants completed a two hour e-learning package 'Aboriginal History and Cross Cultural Work' through Cross Cultural Consultants NT in June 2021 – also funded externally through NTPHN.
- The Choice and Partnership Approach model of care in the Child and Youth Team has been implemented with continual monitoring and evaluation taking place.
- The Service has embraced Using Data to Drive Improvement that has already introduced efficiencies and related cost savings.
- In 2020 the Stress Less collaboration with other internal and external agencies, consisted of one event, Stress Less in the Park. Survey responses and anecdotal feedback has been positive.
- A Director of Nursing Mental Health has been employed to provide strategic advice on maintaining best practice, supervision and improved professional development opportunities for Mental Health CAHS clinical staff.
- A Clinical Nurse Educator has been employed to develop and deliver clinical training across CAHS. This position will work closely with the Director of Nursing and the Quality Team.
- A Consultant Psychiatrist continues on a part-time basis to provide clinical supervision to the Mental Health Medical Team.
- The Mental Health Service has seen a sustained decrease in the use of locum medical staff which assists CAHS to maintain service continuity.
- New positions have been, and are in process of being established:
  - an Aboriginal Health Worker for the Barkly Mental Health Team
  - an Aboriginal Health Worker for Child and Youth Mental Health in Tennant Creek
  - an Aboriginal Health Worker for the Sub Acute Facility
  - a Project Officer to aid in education in providing accurate data for the introduction of Activity Based Funding in 2022.

SAFETY AND QUALITY

The CAHS Service Delivery Agreement includes safety and quality indicators, that are monitored and discussed at quarterly department performance meetings. The following eleven indicators provide safety and quality outcomes for CAHS and performance against these indicators is included in the performance section of this report.

- Unplanned hospital readmissions.
- SAB (Staphylococcus aureus bacteraemia) infections (per 10 000 OBDS).
- Hand hygiene compliance.
- Potentially preventable hospitalisations (excluding dialysis).
- Hospital Acquired Complications (HAC).
- Mental Health Phase of Care completion rates.
- Mental health community follow up within seven days of mental health inpatient discharge.
- Mental health 28 day readmissions.
- Mental health seclusion rate.
- Aboriginal patients who discharged from hospital or left hospital against medical advice.
- Sentinel events against nationally agreed events.

CLIENT AND PATIENT EXPERIENCE

CAHS recognises that a positive patient experience is an integral component of quality healthcare and we are committed to ensuring patients receive care that is person-centred, respectful of and responsive to individual preferences, needs and values and embraces the significance of cultural sensitivities.

Within CAHS, our staff work hard to deliver honest and reliable communication, timely appointments and easy access to information and services for patients.

INCIDENT MANAGEMENT

Incidents or near misses that potentially harm consumers are reported using the NT Health RiskMan online-integrated risk management system.

Incidents are rated by severity (Incident Severity Rating) and high-level incidents (ISR1) are automatically escalated to relevant operational managers, the Chief Operating Officer and the department. Targeted action plans are developed and implemented for lower rated incidents.

A formal review of Root Cause Analysis (RCA) or equivalent is undertaken for all ISR1 incidents as per department policy.

CAHS has well-established systems and processes in place for patient incident reviews and uses patient incident data to identify any themes and trends over time.

CAHS takes an informed approach to further develop and improve patient safety and experience by reviewing activity and trends to triangulate findings from incidents and themes against local risk registers and the CAHS risk register.

All staff receive training in incident reporting, RCA and open disclosure during orientation and workplace induction. Incident reporting processes are outlined in the staff handbook and online learning modules are available.

RiskMan data reports are run in accordance with CAHS clinical governance requirements. All data excludes work health and safety incidents, and security, facility and equipment incidents.

Incident Severity Rating (ISR)	2019-20
ISR 1 incident is where there is death or permanent loss or reduction of functioning where the person is unlikely to recover from the reduction or loss of function, and it is not as a direct result of their natural disease progression or co-morbidities	6
ISR 2 incident is where there is significant harm or impact on the person/s involved, though any loss or reduction in functioning is temporary and a full recovery to pre incident level is expected, and it is not as a direct result of their natural disease progression or co-morbidities	8
ISR 3 incident is where harm has occurred which may require a higher level of care or observation, but did not have a loss or reduction of function as a result of the incident	566
ISR 4 incident is where harm is minimal and not requiring additional level of care	1 028
ISR 5 incident that did not cause harm and includes near misses	855
Total	**2 463**

CONSUMER FEEDBACK

In 2020-21, CAHS received 439 items of Consumer Feedback comprised of 276 compliments, 153 complaints, two enquiries and eight suggestions. CAHS recorded a reduction in the number of complaints and an increase in compliments compared to the previous year.

Promoting consumer feedback is integral to reviewing the safety and quality of our service and ensures we are accountable to the public. It also provides valuable prompts to review organisational performance and assists in guiding opportunities for improvement in the quality of the services we provide.

A positive consumer feedback culture is a blame-free resolution focussed philosophy that provides learning opportunities that look at why something happened and how it can be improved. This approach increases both staff and consumer satisfaction.

Staff at all levels of the organisation are committed to a positive consumer feedback culture, which values all feedback from consumers, families, carers or their representatives.

CAHS' Consumer Feedback and Complaint Management Framework ensures that we as a health service encourage the reporting and management of complaints in a manner that is accessible, accountable, confidential, fair and responsive for consumers, carers, families and staff.

Consumer feedback	2019-20	2020-2021
Access To facility, to subsidies, refusal to admit or treat, service availability, waiting list delays.	25	34
Treatment Co-ordination, diagnosis, delay, unexpected outcome, wrong/inappropriate, inadequate consultation, no/ inappropriate referral, withdrawal of, excessive rough/painful, infection control, private/public election.	35	28
Communication / Information Attitude/manner, inadequate information provided, incorrect/misleading information provided, special needs not considered.	82	72
Environment / Management Administrative process, cleanliness and hygiene of facility, physical environment of facility, staffing and rostering, statutory obligations/accreditation.	18	20
Consent / Decision Making Consent not obtained or inadequate, involuntary admission or treatment, uninformed consent.	0	2
Medical Records Access to/transfer of records, record keeping.	2	0
Fees / Cost Billing practices cost of treatment, financial consent.	7	8
Medication Administering, dispensing, prescribing and supply/storage/security of medications.	4	1
Reports Access to/transfer of records, record keeping.	2	1
Discharge / Transfers Inadequate discharge, information on follow up care not provided.	2	2
Professional Conduct Unsatisfactory professional conduct.	11	12
Grievances Inadequate or no response to complaint lodged	4	2
Patient Property damaged or missing	4	1
Total	**206***	**183***

* More than one issue group may be assigned to a single complaint


PHYSIOTHERAPIST
NORTHERN
TERRITORY
GOVERNMENT

5

Our People

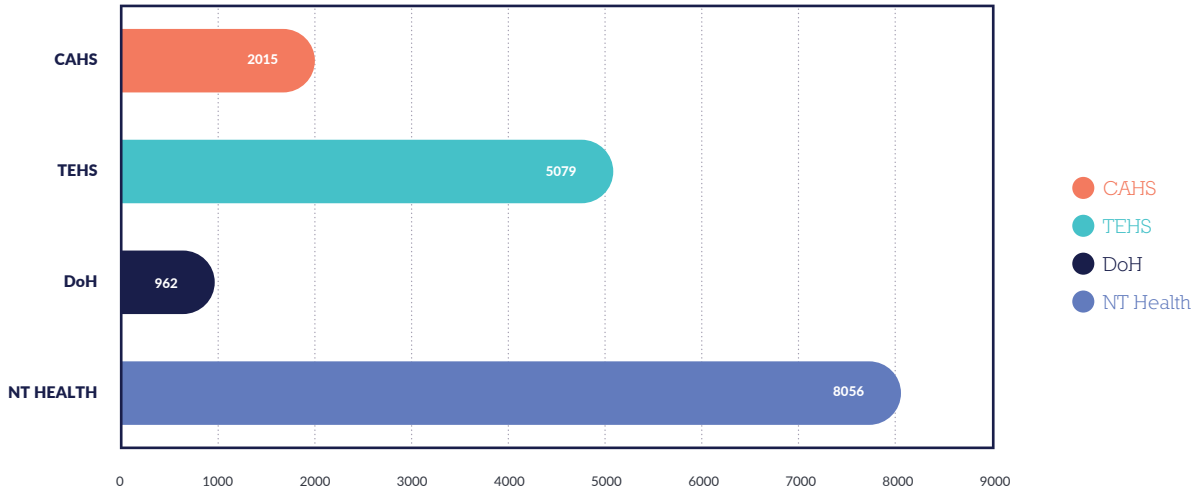
Our Workforce

Our workforce is core to achieving our strategic objectives and improving health outcomes for Territorians.

In 2020-21, NT Health had an average workforce gender ratio of 27.2% male, 72.7% female and 0.1% self-specified employees. During the same period there were 8056 full time equivalent (FTE) employees.

The staffing FTE breakdown is shown in the table below.

NT Health Employees - Full Time Equivalent 2019-20



The 2020-21 FTE represents an overall increase of 750.06 FTE compared with 2019-20.

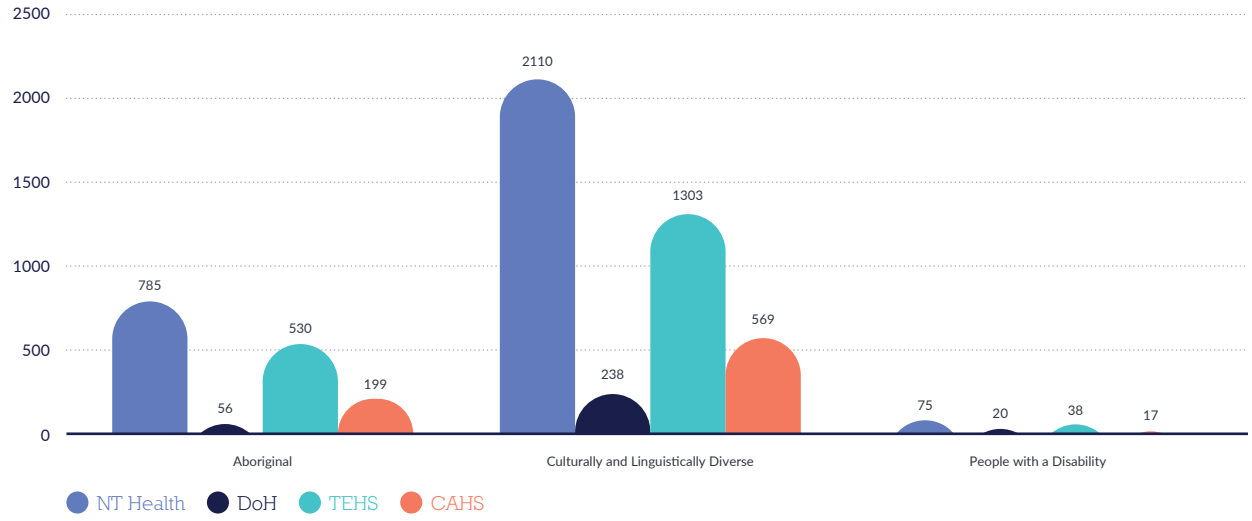
In 2020-21:

- TEHS FTE increased by 260.04 FTE compared with 2019-20
- CAHS FTE increased by 56.03 FTE compared with 2019-20
- DoH FTE increased by 433.99 FTE compared with 2019-20

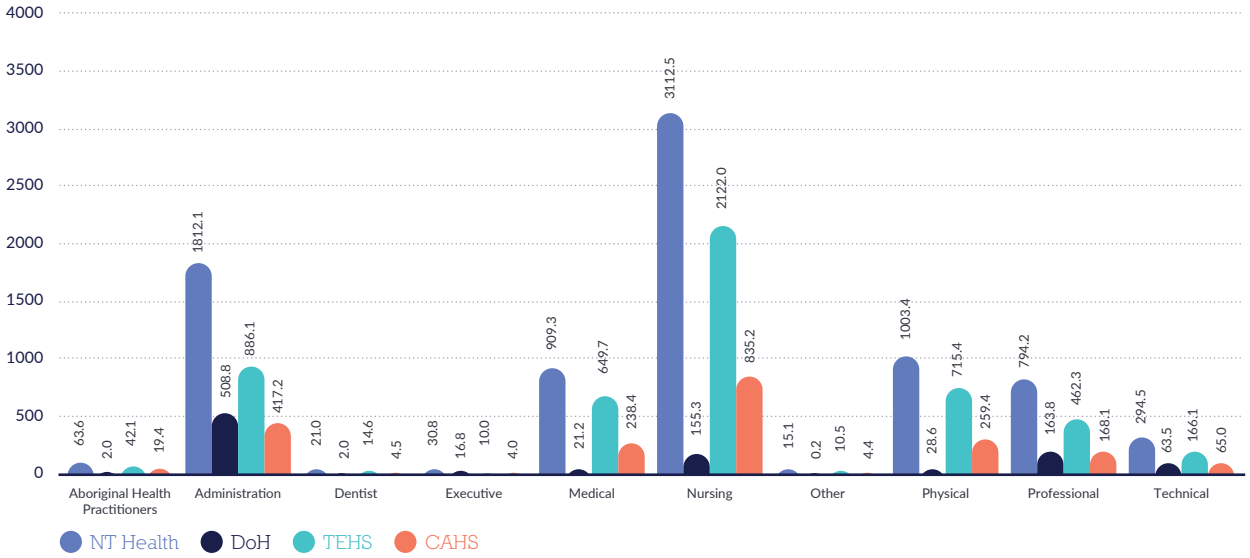
The majority of increases in FTE have been in frontline roles, with additional pressure on the NT Health personnel budget relating to the COVID-19 response, including the vaccination program and Howard Springs Quarantine Facility including Centre of National Resilience expansion.

Other pressures relate to externally funded positions, conversion of labour hire to FTE, and additional NT funded programs, which have been slightly off-set by machinery of government changes and the transfer of positions to Aboriginal community control.

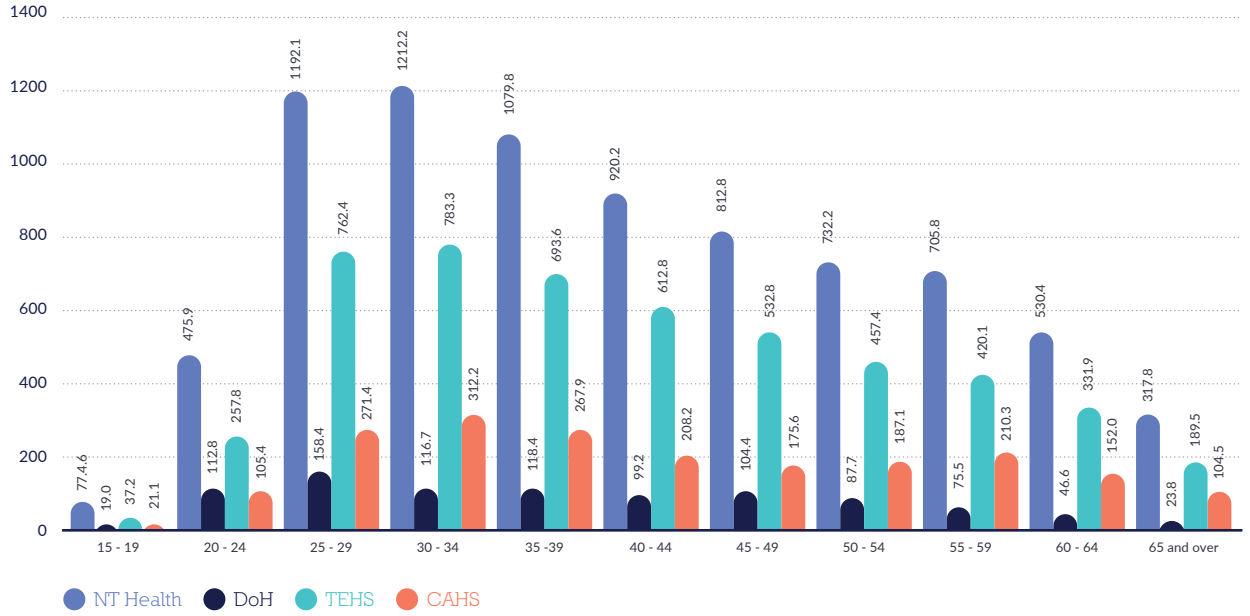
NT Health Workforce Employee Diversity



NT Health Workforce (Paid FTE) by classification graph



NT Health Workforce (Paid FTE) Age Profile graph



Developing a Sustainable Workforce

EMPLOYEE PERFORMANCE DEVELOPMENT

NT Health utilises the Work Partnership Plan (WPP) to promote and improve employee effectiveness, building high performing teams and to establish a shared understanding of the connection between individual and organisational goals. This program is supported via a training course to ensure that employees and managers mutually align a range of individual and team performance goals and personal development needs with agreed timeframes, quality outcomes and business unit objectives.

NT Health also provides capability development in WPP, particularly for managers through the training program Performance Management and the Art of Giving and Receiving Feedback, with 119 employees completing this program in 2020-21.

ORIENTATION PROGRAM

NT Health provides a comprehensive orientation program for new employees. The orientation program introduces employees to NT Health, government frameworks, relevant legislation, mandatory reporting, training and key policies and guidelines. The orientation program is now fully adopted to an online orientation program.

A total of 938 new employees completed the NT Health orientation program in 2020-21, representing a 26% increase from the previous year. The increase would be attributed by the increase in staff to operate the National Resilience Facility.

LEADERSHIP PROGRAMS

In 2020-21, senior leaders across DoH, TEHS and CAHS participated in the Leadership and Culture Program. The program was an investment in supporting our leaders and people to work collectively to:

- support achievement of our strategic objectives and enhancing our performance
- create a positive organisational culture through our defined leadership behaviours
- monitor and measure our collective achievements.

Access, equity, safety and the quality of our health services are improved for all Territorians by enhancing performance through creating a positive organisational culture. The program included participation in key learning modules and collective leadership forums. More than 130 leaders participated in the program throughout 2020-21.

STUDY ASSISTANCE BY-LAW 41

Study Assistance provides leave and/or financial assistance for employees to undertake courses of study that will contribute to the improvement of their professional skills and knowledge relevant to their employment. NT Health is committed to supporting employees to achieve their career and personal development needs and actively encourages employees to pursue relevant programs of study.

The ongoing impact of COVID-19 has seen some NT Health staff defer study to meet operational demand for pandemic management within the health service. This is reflected in our 2020-21 figures with 66 employees accessing study assistance.

ABORIGINAL CULTURAL AWARENESS PROGRAM

The Aboriginal Cultural Awareness Program (ACAP) is a targeted education and training program designed to enhance employee service delivery and the health outcomes of Aboriginal people through increased knowledge of culturally appropriate practice.

Although the COVID-19 pandemic has impacted on training delivery, NT Health has continued to support employee capability and development in cultural awareness and understanding through the level 1 online Foundational Cross Cultural Story modules and level 2 face to face Aboriginal Cultural Awareness Program.

Programs	Course Completions
Level 1 – foundational and working with cultural difference	1601
Level 1 – face to face Aboriginal Cultural Awareness Program	842

LEARNING AND DEVELOPMENT CORPORATE SHORT COURSES

NT Health continues to invest in learning and development to build and sustain a skilled and capable workforce and is committed to continuous employee development to enhance knowledge and skills and develop management and leadership capability. Training opportunities are available through face-to-face, online and blended delivery modes. The impact of COVID-19 has continued to impose changes to training modes with the organisation quickly leveraging eLearning and virtual training options to mitigate risks to staff.

Development of online learning products and the operational shift to leverage technologies for virtual training have been adopted to ensure continuity of training services. The increase in flexibility and accessibility of this training provides for an ongoing positive impact, particularly for staff in remote and regional areas.

In summary, 1061 NT Health employees completed short courses delivered across the NT in 2020-21. This year saw a 56% increase in attendance across a range of training modes.

NT Health Learning and Development Corporate Courses – Attendance 2020-21 (Mixed Deliver Mode)	No. Staff
Appropriate Workplace Behaviours – All Staff	175
Appropriate Workplace Behaviours – Managers	59
Essentials of Management	146
Finance for Cost Centre Managers	130
Managing Underperformance	125
Howard Springs Quarantine Facility Induction	306
Performance Management and the Art of Giving Feedback	120

WORKERS COMPENSATION

Workers Compensation claims within the NT Public Sector are managed by Gallagher Bassett who, as the contracted service provider, manage all injury related claims in accordance with Northern Territory Return to Work legislation.

Injured workers are provided with access to support throughout their recovery with the objective to return employees to their pre-injury duties in a timely manner. Injured workers may be entitled to payment of medical and other reasonable expenses, weekly payments of income maintenance while absent from the workplace, rehabilitation services and assistance to return to work.

NT Health recorded a small decrease in the total actual cost of claims accepted during 2020-21.

NT Health's WHS resources continue to consider workers compensation claims against our broader WHS targets and seek to develop preventative strategies to reduce the risk of injury and illness through consultation with the operational workforce where trends and injury or illness themes are identified.

Of particular note is the embedding of psychological health and safety strategies into NT Health policy and procedures. Psychological injury related claims are in NT Health's top four mechanisms for claims.

NT Health Workers Compensation Claim Costs

	Fin YTD to Jun 2019-20 $,000	Fin YTD to Jun 2020-21 $,000	YTD Variance $,000	YTD Variance %
NT Health	$6,085	$6,039	-$46	-0.8%
DOH	$799	$616	-$183	-22.9%
TEHS	$3,419	$3,079	-$340	-9.9%
CAHS	$1,867	$2,344	$477	25.5%

HUMAN RESOURCE ACTIONS

The following table is a record of human resource actions in 2020-21 in accordance with the *Public Sector Employment Management Act 1993*.

Public Sector Employment Management Act	Actions
S32 (3)(b) Probation – termination of employment	4
S33 Termination of fixed period or casual contract	4
S41 Declaration of potentially surplus employee	0
S43 Redeployment	0
S43 Redundancy voluntary	8
S43 Redundancy non-voluntary	0
S44 Inability or unsatisfactory performance	9
S48 Retirement on the grounds of invalidity	0
S49 Discipline	20
S50 Summary dismissal	4
S54 Abandonment of employment	0
S59 Grievances	17
S59(1)(a) Grievances about termination on probation	0
S59A Discipline and inability appeals	1
S59B Promotion appeals	4
Total	**71**

Top End Health Service – Our People

TEHS WORKFORCE ACTION PLAN

The TEHS Workforce Action Plan (the Plan) is a three-year plan to deliver the goals of the NT Health Workforce Strategy and aims to build a sustainable workforce, through four key priority areas:

1. Attract and Retain
2. Educate, Train and Develop
3. Plan for the Future
4. Diversity, Engagement and Recognition.

Actions have progressed for the Plan in 2020-21. Of the 29 Priority 1 actions (<12months), 12 have been completed with 17 Priority 1 actions progressing.

Highlights include:

- recruitment campaigns commenced for hard-to-fill and high-turnover roles
- TEHS guideline to support remote employees and their family members
- increased recruitment efficiency for administration positions through a bulk recruitment process
- development of an Early Careers Guideline to support staff and trainees
- Appellon leadership program for TEHS Executive and Senior Leadership Teams
- Train the Trainer sessions underway for Aggression Minimisation training, with two sessions delivered
- promotion of training and initiatives through a communications schedule using People & Culture's monthly newsletter, The Lighthouse.

PEOPLE AND CULTURE ESSENTIALS

Following on from the work undertaken to address the 2018 People Matter Pulse Survey results, work continued to support managers in recruitment, managing in TEHS, utilisation of data for evidence based decision-making, including workforce planning and work health and safety through the People and Culture Essentials, launched in January 2021.

These focus on five themes and are offered face to face or through virtual delivery:

- Managing in TEHS
- Work Health Safety
- Recruitment
- Workforce Planning
- Onestaff/Rostering.

Since the launch in January 2021, 21 sessions have been delivered to 71 employees. Feedback evaluation to date highlighted that participants felt the content of the sessions covered topic areas and they would be able to apply the skills and knowledge gained from sessions within their workplace and role.

CLINICAL WORKFORCE RETENTION SURVEY

Employee experience is important to the continued service delivery and positioning of TEHS as an employer of choice.

To understand how to retain and have an engaged workforce, a Clinical Workforce Retention Survey was launched in June 2021. Consultation feedback will support the development of action plans to improve employee experience.

THE LIGHTHOUSE

The Lighthouse is a monthly newsletter produced by People and Culture to share information on workforce related topics. Since its inception in June 2020, there have been 11 issues. Topics include information on:

- recruitment and governance
- workforce strategy
- Aboriginal workforce
- rostering systems and compliance
- work health safety
- wellbeing
- professional development.

To support People and Culture's strategic communication planning, an annual communication schedule of the newsletter has been developed.

APPELLON LEADERSHIP PROGRAM

In January 2020, the TEHS (ELT) and the RDPH Senior Leadership Team (SLT) embarked on the Appellon Leadership Program (ALP) journey. Appellon uses wise leadership principles to support and enhance collective achievement and supports the following agreed signature behaviours:

1. My Work, Our Responsibility
2. Listen, Learn, Lead
3. No Delay, Every Day
4. Work Together, Achieve Together.

This program involves the completion of a number of self-paced modules, fortnightly self-reflection and team checkpoints to take stock of progress. In 2020-21, the program was extended to include senior leaders of all service groups in TEHS – Katherine Region, East Arnhem Region, Mental Health and Alcohol and Other Drugs and Population and Primary Care.

COVID-19 PREPAREDNESS AND RESPONSE

In 2020-21, TEHS continued its preparation and response to COVID-19, ensuring capacity and capability to respond to COVID-19 patients.

A Health Workforce Surge Group was established, focussing on workforce planning initiatives to support COVID-19 preparedness and response. This group linked into the NT Health Workforce Hub and led the development of a number of workforce management tools that were scaled up to NT Health level guidance documents.

Examples include:

- NT Health Leave Arrangements Factsheet for Managers
- TEHS Recruitment and Onboarding Procedure
- TEHS Remote Essential Worker Permit Process
- Staffing Isolation and Exemption RDPH Guideline
- Fatigue Management
- TEHS temporary reallocations of staff
- Working from Home
- Staff Wellbeing
- TEHS COVID-19 Leave Arrangements

Additionally, weekly Workforce Hot Topics and General Q&A sessions were delivered to provide a platform for staff to hear the progress on the pandemic, interstate travel, mask usage and health and wellbeing.

LEARNING AND DEVELOPMENT

During 2020-21, the Clinical Learning Education and Research Service (CLEaRS) facilitated 492 Basic Life Support Assessments and 429 Aseptic Technique Assessments.

CLEaRS has been working together with ward Clinical Nurse Educators and RDPH Safety and Quality unit to facilitate clinical assessment sessions during regular weekly sessions as well as:

- orientation for new interns, RMOs and Registrars
- Senior Medical Officer essential Training Blitz
- Allied Health Essential Training Blitz.

ABORIGINAL WORKFORCE

In August 2020, the refreshed TEHS Aboriginal Workforce Action Plan 2019–2022 was launched with three core focus areas including a number of priority actions:

1. Workplace environment
2. Attraction and Recruitment
3. Retention and Career Development.

A number of priority actions have been completed including:

- three TEHS Aboriginal Workforce Knowledge Forums held in Darwin, Katherine and East Arnhem region
- the development of three employee video profiles of inspiring TEHS Aboriginal role models, sharing their pathways and career journey in health
- promotion of events and training is captured as part of the People and Culture Communication Schedule
- promotion and encouragement of staff to update their EEO profiles
- two Early Careers Development Days held in Darwin and Katherine.

Aboriginal Workforce Subcommittee

The Aboriginal Workforce Subcommittee was established as an advisory and information sharing body driving and supporting the implementation of the TEHS Aboriginal Workforce Action Plan.

The purpose of the subcommittee is to consider, endorse and develop specific action plans in relation to the plan, including the monitoring and report of the plan. To date there have been 10 subcommittee meetings.

TEHS Aboriginal Workforce Knowledge Forums

In June 2021, People and Culture facilitated an Aboriginal Workforce Knowledge Forum in the Katherine Region and Groote Eylandt, with a total of 36 attendees.

Topics and activities were chosen to engage participants and be of benefit in their personal and professional development. Interactive sessions allowed staff to discuss the challenges they may have faced in the workplace and how they took an active part in identifying solutions. The forums play an ongoing role in supporting and promoting Aboriginal employment across all services, professions and roles. It also enables TEHS to incorporate input from a range of employees in the development of workplace strategies and initiatives from the TEHS Aboriginal Workforce Action Plan 2019-2022.

Early Careers

To promote building a locally skilled workforce, TEHS continues to support School Based Traineeships with placements across Katherine, Nhulunbuy, Palmerston and Darwin. Through this program Year 11 or 12 students undertake a work/study placement whilst completing a certificate-level qualification and gaining experience in the Health administration sector. In 2020-21, TEHS supported a total of 25 trainees.

Early Careers was also supported with:

- an Early Careers Guideline outlining roles and responsibilities, and providing resources for supervisors to mentor trainees in the workplace
- delivery of the first ever TEHS Early Careers Development Days allowing trainees to come together, participate in professional development sessions and hear about Health careers.

EMPLOYEE HEALTH AND WELLBEING

Health and Wellbeing Framework

The Health and Wellbeing TEHS Framework 2020-2023 provides a whole of organisation approach to build and maintain a workplace environment and culture that supports healthy lifestyle choices for employees and improved social and emotional wellbeing. During 2020-21, health and wellbeing initiatives included:

- Employee Assistance Program (EAP), onsite counselling, resilience and meditation sessions
- activities and events that promote physical and mental health, including 10 000 steps challenge, R U OK Day, October National Safety Month, individual teams hosting healthy eating morning teas and 'We are Family' Christmas Event
- monthly promotion on a range of topics from healthy eating tips, work life balance, smoke free, sit/stand tips
- access to the Health Roundtable Health and Wellbeing Index app.

TEHS supports employees through the EAP by providing access to five specialist providers. Weekly onsite EAP support is also offered across Royal Darwin and Palmerston Regional hospitals. During 2020-21, 1294 EAP sessions were provided.

In May 2021, weekly onsite EAP support sessions commenced at the Centre for National Resilience, based at the Howard Springs Quarantine Facility providing support to staff.

A dedicated WHS, Health and Wellbeing staff intranet site also provides a comprehensive range of mental health and wellbeing resources.

TEHS Health and Wellbeing Working Group

A TEHS Health and Wellbeing Working Group (Working Group) was established as an advisory and information sharing body driving and supporting the implementation of the TEHS Health and Wellbeing Framework and associated initiatives.

The purpose of the Working Group is to consider, endorse and develop specific action plans in relation to the Framework, including the monitoring and reporting of the Framework. Members of the Working Group are representatives across all service groups. To date there have been eight meetings held.

Health Roundtable - Health and Wellbeing Index App

As part of the Australian Health Roundtable membership, TEHS subscribed to the Health and Wellbeing Improvement Group and offered staff the Health and Wellbeing Index App. The app allows staff to assess and monitor their health and wellbeing and provides a range of support resources and timely advice.

To increase awareness and uptake, Health and Wellbeing Q&A information sessions were delivered to staff with a range of promotional activities, including peer recorded videos from colleagues' experience using the app.

High level de-identified reports help the Working Group determine if any other support measures are needed.

With more than 350 licences in use, TEHS will continue to support program for a further 12 months.

TEHS Peer Support Conversations

TEHS Peer Support Conversations is a health and wellbeing initiative developed as an avenue for employee support and is provided by Peer Support Officer's (PSO) who volunteer their time.

It is a short term strategy that provides basic support to staff in need and a referral service with an emphasis on brief, practical interventions.

Mandatory training, including Mental Health First Aid is required for all PSOs.

Substance Use and Misuse Procedure

A substance use and misuse procedure was published in April, 2021. This procedure provides guidance to workers and managers on how to proactively prevent, identify and manage substance misuse within the context of TEHS Health and Wellbeing Framework.

EMPLOYEE RECOGNITION AND ACHIEVEMENTS

TEHS continues to support the recognition and appreciation of employees', team efforts, achievements and outstanding contributions that impact positively on the workplace in line with the TEHS Staff Recognition Framework.

PERFORMANCE MANAGEMENT

The Work Partnership Plan (WPP) is a performance management framework, supporting staff and manager discussions, enabling individual personal and professional development needs to be met.

In 2020-21, TEHS had a WPP compliance record of 51.5%, an increase of 5.5% from 2019-20. A range of communication and engagement strategies are in place to increase compliance rates.

Work Health and Safety

TEHS has a series of objectives to ensure the health and safety of all employees.

OBJECTIVE 1 – STRENGTHEN LEADERSHIP, EMPLOYEE INVOLVEMENT AND CONSULTATION

TEHS has an established and functioning WHS framework in place incorporating the TEHS Workforce Committee, the TEHS WHS Advisory Committee, division and/or region WHS Committees and more than 130 WHS representatives from across all divisions.

This framework provides clear governance for all WHS matters and a solid platform to promote workplace improvements and consultation in relation to work health safety procedures, guidelines and processes.

OBJECTIVE 2 – BUILD SKILLS AND CAPACITY WITH OUR EMPLOYEES TO IDENTIFY HAZARDS AND MANAGE RISKS EFFECTIVELY

The WHS Team provides an established and structured WHS upskilling and refresher program for managers and staff to assist building their skills and capabilities in the identification of work place hazards, the assessment of risk and the implementation of effective control measures to reduce or mitigate the risk completely.

In 2020-21, there were more than 70 manager and staff upskilling sessions offered via face-to-face and Microsoft Teams, with more than 1500 participants.

OBJECTIVE 3 – IMPROVE OUR WORK HEALTH AND SAFETY MANAGEMENT SYSTEM

As part of a comprehensive approach to the management of workplace safety, TEHS undertakes a twice yearly WHS gap analysis to review the implementation of location safety plans and associated safety activities.

This program continues to see continued WHS knowledge and legislative compliance improvement from across all locations.

OBJECTIVE 4 – REDUCE THE INCIDENCE AND SEVERITY OF OCCUPATIONAL INJURY AND ILLNESS

TEHS introduced specific risk mitigation actions during 2020-21, such as contemporary behaviours of concern train-the-trainer model to support and upskill our staff with the focus on positive and safety outcomes for clients, visitors, contractors and staff.

Additionally, worked with a wide consumer base to introduce and develop supporting public messaging, as well as the introduction of participatory ergonomics sessions to support staff in the reduction of musculoskeletal injury occurrence, with more than 50 session and 400 participants.

Central Australia Health Service – Our People

IN 2020-21 CAHS CONTINUED TO SUPPORT, DEVELOP AND BUILD OUR WORKFORCE BY:

- Providing a funded Employment Assistance Program (EAP), whereby external providers are engaged to provide professional and confidential counselling to all employees, together with their spouse/partner and dependants. Through the EAP, employees and their families can access support and assistance regarding matters such as personal and workplace relationships, health, depression, anxiety disorders, family disintegration, marital problems, alcohol and substance misuse, gambling and other addictions. EAP providers are also able to assist with conflict management, mediation, critical incident response and trauma counselling.
- Aside from facilitating individual access to the EAP, responses to tragic events also include engagement of onsite professional grief and trauma counsellors.
- Providing free annual flu vaccinations.
- Providing free COVID-19 vaccinations.
- Supporting flexible working arrangements.
- Enabling staff access to development opportunities (internal and external) through an eLearning portal. The portal facilitates access to face-to-face and on line training (essential and non-essential).
- Identifying and encouraging staff to participate in leadership and management programs.
- Encouraging staff to take advantage of short term development opportunities to act in senior roles (higher duties) in addition to including career/succession planning in individual Work Performance Plans.
- Supporting and facilitating secondments to other organisations/agencies (government and non-government).
- Providing assistance (time and/or financial) to attend training and development opportunities not included in eLearning.

EMPLOYEE SATISFACTION

In 2020-21, the NT Public Sector People Matter Survey showed that 94% of CAHS respondents believed that their work is important.

CAHS will continue to monitor staff satisfaction through the use of exit surveys, which during this reporting period, have not identified any patterns of decreased staff satisfaction.

LEARNING AND DEVELOPMENT

CAHS recognises the importance of building a sustainable and capable workforce and continues to develop and build the knowledge of its workforce by:

- online training opportunities/eLearning
- short courses
- leadership and management programs including the Leading the Way Program
- Appropriate Workplace Behaviour workshops for staff and managers
- managing under performance
- The Essentials of Management
- Performance management and the art of giving and receiving feedback
- Finance for Cost Centre Managers
- Introduction to Procurement (online)
- Aboriginal Cultural Awareness.

SENIOR ABORIGINAL LEADERSHIP EMPLOYMENT OUTCOMES COMMITTEE – SALEOC

Aboriginal people represent 85% of admitted patients to Alice Springs Hospital, which is why a strong and well-established Aboriginal workforce is integral in providing culturally safe health care.

In response to NT Health's strategy of increasing Indigenous employment opportunities, the Senior Aboriginal Leadership Employment Outcomes Committee (SALEOC) was established in 2020.

The committee is led by 16 senior Aboriginal staff and focuses on recruitment, retention, culturally appropriate support and delivering sustainable career pathways for current and new Aboriginal staff, which in turn enhances the capacity for culturally safe health care for the community.

SALEOC meets bi-monthly and has identified many priorities, including renewing the Aboriginal Workforce Development Plan. Meetings also focus on reinvigorating and reporting on current Aboriginal employment programs and strategies, identifying barriers and solutions to Aboriginal progression, increasing Aboriginal workforce representation generally and bolstering retention levels of existing Aboriginal employees.

The committee is also responsible for exploring, initiating and driving innovative responses to Aboriginal workforce concerns, and recently held the 2021 Inaugural Aboriginal Staff Forum engaging with more than 35 Indigenous employees to discuss these themes.

LEARNERS TO LEADERS PROGRAM

The Learners to Leaders program was developed in November 2019 after it was identified that the majority of new nursing applicants applying for work at the Alice Springs Hospital were novice practitioners who had not practiced nursing in Australian health care.

Once the program was developed, it was presented to the Nurse Midwife Management Group and the Nurse Midwife Education Committee. A project plan was developed and the educational framework that provides the structure for the participant was formalised.

Established as a tool to provide structure and support to novice practitioners, Learners to Leaders is a 12-month program comprising of two modules – an initial three months of Learners to Leaders training, followed by nine months study of Creating Strong Clinical Leaders.

The flexibility of the program means it can be started at any time, allowing recruitment to occur when required and giving the ward the opportunity to provide support when needed.

This initiative has enabled the Surgical Ward to continue to recruit and support the development of the nursing profession in the acute care sector and allowed the capability to employ novice practitioners, whilst providing safe and effective patient care. It has also created opportunities for candidates to enter the workforce where they may have previously struggled.

Regular feedback sessions are conducted with participants and provided back to the facilitators to monitor the ongoing success of the program.

The Learners to Leaders program is managed locally within the Surgical Ward. The concept will be operationalised across nursing and midwifery services and has been included in the 2021-22 Nursing and Midwifery Services Operational Plan.

EMPLOYEE RECOGNITION AND ACHIEVEMENTS

In 2020-21, the CAHS Recognition of Service Milestone Awards were cancelled due to the COVID-19 pandemic. Instead, recipients were acknowledged in a CAHS staff broadcast.

Recipients of the 5 years' service award received their certificate and letter, and recipients of the 10 to 25 years awards received their certificate, letter and service pin which were all distributed through their managers.

The following service awards were recognised:

- 5 years - 95 staff
- 10 years - 56 staff
- 15 years - 23 staff
- 20 years - 7 staff
- 25 years - 7 staff.

The eight recipients of the 30, 35 and 40 year awards were invited to a morning tea in December 2020 with the Chief Operating Officer, where they were presented with their certificate, letter and service pin by Sue Korner.

Service award recipients:

40 Years of Service

- Maxine Naismith

35 Years of Service

- Marian Delsar
- Neville Heness
- Emily Takotohiwi
- Angelita McLaughlin

30 Years of Service

- Virgilio Bumanlag
- Cristina Buenviaje
- Jude Pringle

Work Health and Safety

OBJECTIVE 1 - STRENGTHENING LEADERSHIP, EMPLOYEE INVOLVEMENT AND CONSULTATION

CAHS continues to provide, essential and non-essential Workplace Health and Safety (WHS) training programs for managers and staff in relation to occupational violence and aggression management, manual handling, hazard reduction, chemical management, risk management, incident reporting and investigation.

OBJECTIVE 2 - BUILD SKILLS AND CAPACITY: WITH OUR EMPLOYEES TO IDENTIFY HAZARDS AND MANAGE RISKS EFFECTIVELY

The WHS unit ensures managers and staff are supported whilst completing their annual workplace inspections of their respective areas. Staff are trained in the use of RiskMan to report all WHS incidents along with reporting hazards. This approach continues to place a strong emphasis on eliminating or controlling hazards and risks as far as reasonably practicable across all work environments.

CAHS is on track to achieve a 100% compliance for all WHS inspections and 100% compliance in ChemAlert management.

OBJECTIVE 3 - IMPROVE OUR WORK HEALTH AND SAFETY MANAGEMENT SYSTEM

CAHS is committed to meeting its work health and safety obligations with a focus on early intervention, continuous improvement of its work, health and safety performance.

Through its WHS management system CAHS achieved the following:

- revision of the WHS Management System with an increased focus on leadership responsibilities and consultation.
- procurement by Acute Care Services of a contemporary Occupational Violence and Aggression Management training program (MAYBO)
- development of a competency based on-line Fire Safety Training module, available to all NT Health employees
- implementation of the ASH Emergency Management Plan in conjunction with the Hospital Incident Management System.

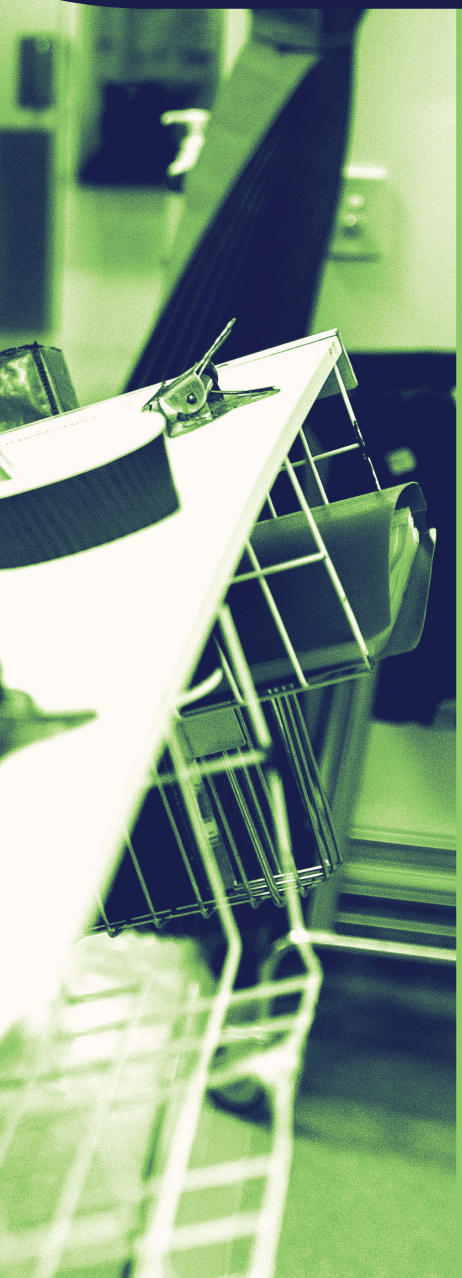
OBJECTIVE 4 - REDUCE THE INCIDENCE AND SEVERITY OF OCCUPATIONAL INJURY AND ILLNESS

CAHS ensures staff are appropriately represented, consulted, trained and involved in health and safety matters, including risk identification and management.

An aggression management training system has been selected and is being implemented. This system includes on-line modules available for all CAHS staff along with a face to face training with a tiered training approach.

6

Financials



Department of Health Financial Performance and Financial Statement Overview

Financial Performance Overview

Department of Health had a surplus that was $13.3 million over budget in 2020-21.

	2021 Final $000	2021 Final Budget $000	Variation $000
Operating Revenue	1 839 301	1 940 141	100 840
Operating Expenditure	(1 827 219)	(1 941 355)	(114 136)
Surplus/(Deficit)	12 082	(1 214)	(13 296)

Financial Statement Overview

The 2020-21 financial statements and the accompanying notes for the Department of Health (the Agency) have been prepared on an accrual basis in accordance with the Australian Accounting Standards. The Agency's financial performance for the financial year and its financial position as at 30 June 2021 are reported in four financial statements: comprehensive operating statement, balance sheet, statement of changes in equity and cash flow statement.

Main results at a glance

- The Agency reported an operating surplus of $12.1 million.
- Revenue earned was $1.84 billion.
- Expenses were $1.83 billion.
- The equity position increase by $17.5 million in 2020-21 to $45.3 million.

Comprehensive operating statement

	2020-21 $000	2019-20 $000	Variation $000
Operating Revenue	1 839 301	1 683 760	155 541
Operating Expenditure	(1 827 219)	(1 692 248)	(134 971)
Surplus/(Deficit)	12 082	(8 488)	20 570

In 2020-21, the Agency's comprehensive operating statement shows a net operating surplus of $12.1 million, this is a $20.6 million increase on last year's reported net operating deficit of $8.5 million.

Operating Income

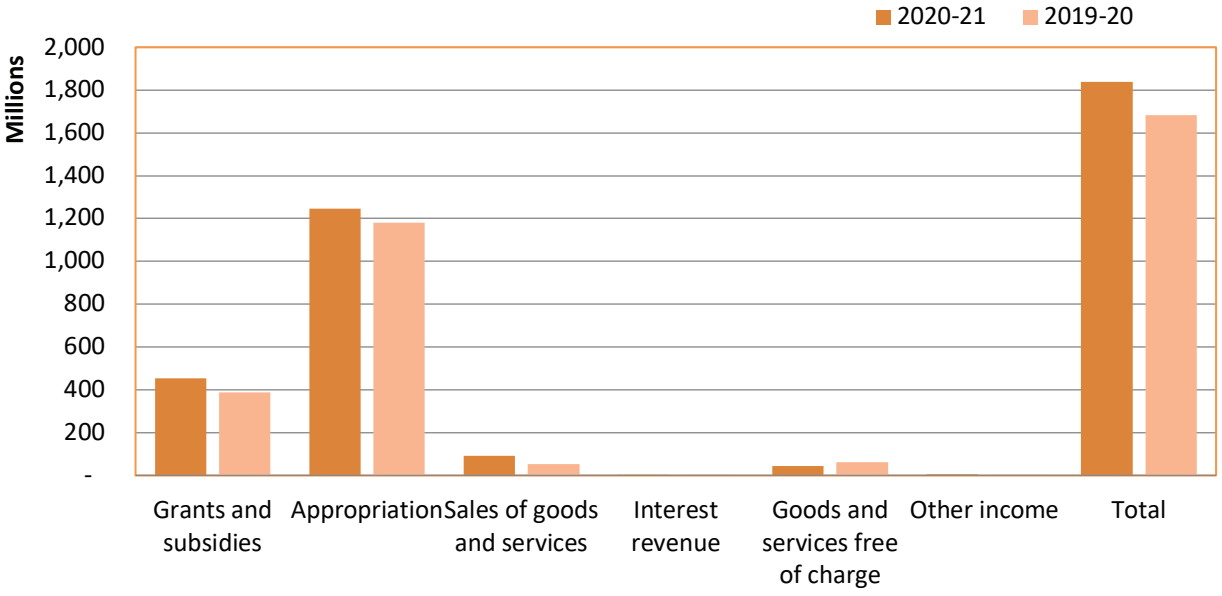
The Agency's income includes operating revenue in the form of grants and subsidies, output appropriation and goods and services income. The total revenue for 2020-21 was $1.84 billion, an increase of $156 million from 2019-20.

The Agency's principal source of revenue is output appropriation provided by the Northern Territory Government to fund core health services across the Northern Territory. The majority of the Agency's remaining revenue relates to activity based funding and National Partnership Payments from the Commonwealth and other grant funding sources.

Included in the Agency's total revenue was $42.4 million of notional income for services received free of charge from the Department of Corporate and Digital Development; and Department of Infrastructure, Planning and Logistics. This relates to centralised corporate services and repairs and maintenance respectively, which is fully negated by an offsetting expense classified under other administrative expenses.

The Agency's income and expenditure include funding on-passed to Top End Health Service and Central Australia Health Service.

Operating Revenue Two-Year Comparison



The major movement in income includes the following:

- **Grants and Subsidies** – the increase of $65.3 million from last year relates to Commonwealth funding for increased COVID-19 activities.
- **Appropriation**– the increase of $65.2 million in appropriation is predominantly a result of additional Northern Territory COVID-19 pandemic funding.
- **Goods and services free of charge** - the decrease of $19.2 million is primarily due to

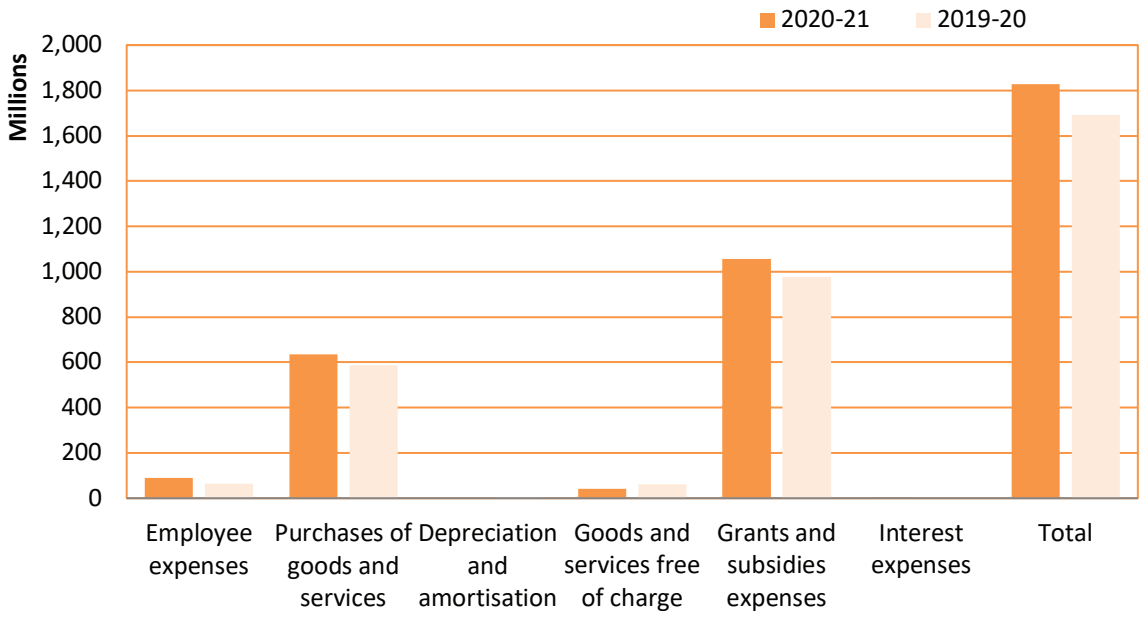
the prior year transfer of the Disability service unit to the Department of Territory Families, Housing and Communities.

Operating Expense

The Agency's operating expenditure comprises mainly of purchases of goods and services and grants and subsidies, the majority of which are on-passed to the Health Services. The remaining expenses relate to cost of employees, goods and services free of charge notional expenses and depreciation.

In 2020-21, the Agency incurred expenses of $1.83 billion, an increase of 7.98 per cent from the previous financial year. The increase was reflective of increases in on-passing of new and renewed external funding to the health services and increased commitments relating to COVID-19.

Operating Expenditure Two-Year Comparison



The major movement in expenses relates to the following:

- **Grants and Subsidies** – the increase of $78.5 million was mainly due to on-passing of external funding to Northern Territory Government agencies and to the Top End Health Service and the Central Australia Health Service for COVID-19 funding.

Balance Sheet

	2020-21 $000	2019-20 $000	Variation $000
Assets	92 850	38 621	54 229
Liabilities	(47 552)	(10 821)	(36 731)
Equity	45 298	27 800	17 498

The Agency's net financial position at 30 June 2021 was $45.3 million.

Of the Agency's total assets at 30 June 2021, 22 per cent or $20.6 million relates to property, plant and equipment while the remaining assets comprise mainly of current assets including cash and deposits, and receivables.

The increase of $54.2 million in total assets in 2020-21 compared to 2019-20 primarily relates to

a) the $30.7 million increase in cash due to surplus outcome and timing of payments, and
b) $23.9 million anticipated funds related to COVID-19 Quarantine Arrangements at the NT Centre for National Resilience for Organised National Repatriation of Australians agreement.

The majority of the Agency's liabilities at 30 June 2021 relate to payables, accounting for 72 per cent of total liabilities or $32.4 million and employee provisions, accounting for 22 per cent of total liabilities or $9.8 million.

Statement of Changes in Equity

Statement of Changes in Equity	2020-21 $000	2019-20 $000	Variation $000
Balance at 1 July	27 800	42 084	(14 284)
Adoption of AASB 15 & AASB 1058	-	(128)	128
Accumulated Funds	12 082	(8 488)	20 570
Net Equity Injections/Withdrawals	5 416	(5 668)	11 084
Equity	45 298	27 800	17 498

The increase of $17.5 million in the Agency's equity position was mainly due to surplus outcome.

Cash Flow Statement

	2020-21 $000	2019-20 $000	Variation $000
Cash at beginning of reporting period	7 567	28 137	(20 570)
Receipts	1 793 911	1 627 494	166 417
Payments	(1 763 239)	(1 648 064)	(115 175)
Cash at end of reporting period	38 239	7 567	30 672

The cash flow statement shows the Agency's cash receipts and payments for the financial year. The statement incorporates expenses and revenues from the operating statement, after the elimination of all non-cash transactions, with cash movements from the balance sheet. The net result for 20-21 was an increase of $30.7 million in cash balances compared to 2019-20.

Top End Health Service
Financial Performance and Financial Statement Overview

Financial Performance Overview

Top End Health Service recorded a deficit that was $10.4 million over budget in 2020-21.

	2020-21 $000	2021 Original Budget $000	Variation $000
Operating Revenue	1 218 533	1 142 265	76 268
Operating Expenditure	(1 267 570)	(1 180 941)	(86 629)
Surplus/(Deficit)	(49 037)	(38 676)	(10 361)

Financial Statement Overview

The 2020-21 financial statements and the accompanying notes for Top End Health Service (the Health Service) have been prepared on an accrual basis in accordance with the Australian Accounting Standards. The Health Service's financial performance for the financial year and its financial position as at 30 June 2021 are reported in four financial statements: comprehensive operating statement, balance sheet, statement of changes in equity and cash flow statement.

Main results at a glance

- The Health Service reported an operating deficit of $49.04 million.
- Revenue earned was $1.22 billion.
- Expenses were $1.27 billion.
- The equity position decreased by $4.6 million in 2020-21 to $580.1 million.

Comprehensive operating statement

	2020-21 $000	2019-20 Restated $000	Variation $000
Operating Revenue	1 218 533	1 098 931	119 602
Operating Expenditure	(1 267 570)	(1 154 563)	(113 007)
Net deficit	(49 037)	(55 632)	6 595
Other Comprehensive Income	10 565	(44 136)	54 701
Comprehensive Result	(38 472)	(99 768)	61 296

In 2020-21 the comprehensive operating statement indicates a net operating deficit of $49.04 million, this is a $6.6 million decrease on last year's restated net operating deficit of $55.6 million.

Operating Income

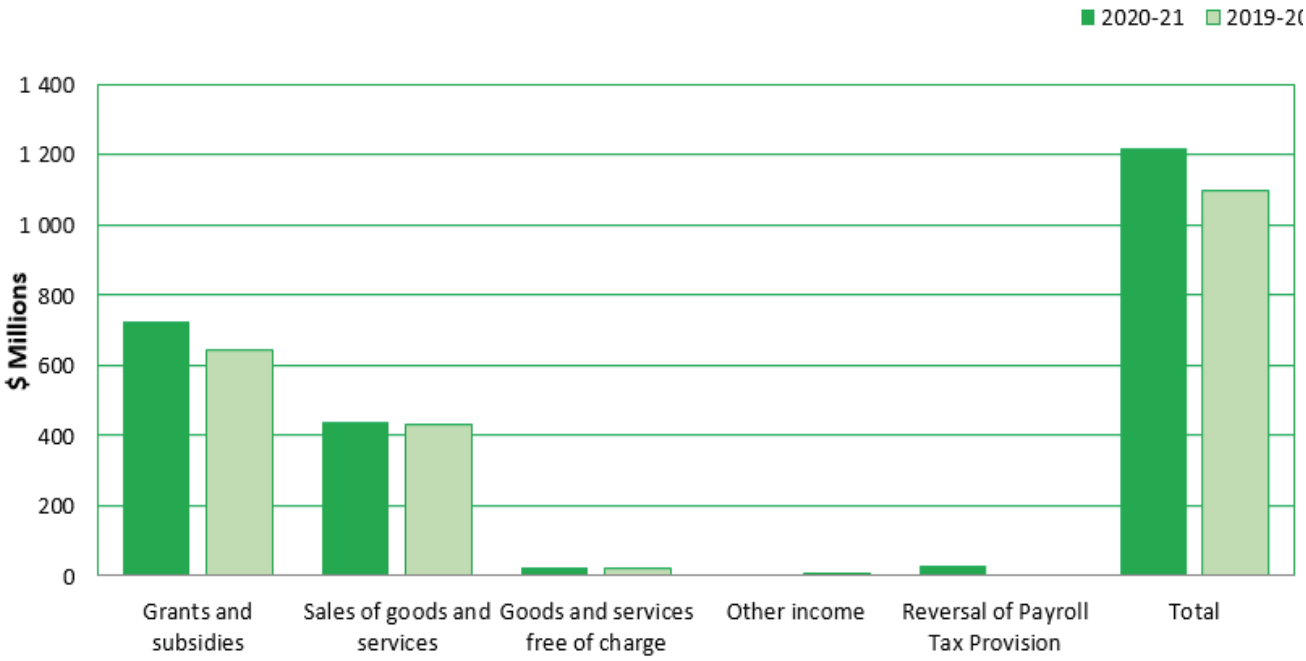
TEHS income includes operating and other income in the form of grants and subsidies, sales of goods and services and other income. The total revenue for 2020-21 was $1.22 billion, an increase of $119.6 million or 10.88 per cent from the previous financial year.

TEHS is primarily funded by, and is dependent on, the receipt of Northern Territory activity based and block funding paid through the Department of Health. The majority of the remaining revenue relates to the National Health Reform activity based funding and National Partnership payments from the Australian Government and other grant funding sources.

Included in the Health Service's total revenue was $26.5 million of notional income for services received free of charge from the Department of Corporate and Digital Development and the Department of Infrastructure, Planning and Logistics. This relates to centralised corporate services and repairs and maintenance respectively, which is fully negated by an offsetting expense classified under other administrative expenses.

Also included in total revenue was a $29.9 million reversal of payroll tax provision due to an accounting adjustment and restatement of 2019-20 financial statements.

Operating Revenue Two-Year Comparison



The major movement in income includes the following:

- *Grants and subsidies* – the increase of $81.3 million from 2019-20 primarily relates to funding from the Australian Government and Northern Territory for activities to respond to the COVID-19 pandemic.

- *Sales of goods and services* - the increase of $5.3 million is primarily due an increase in revenue from pathology testing and other patient generated revenue.

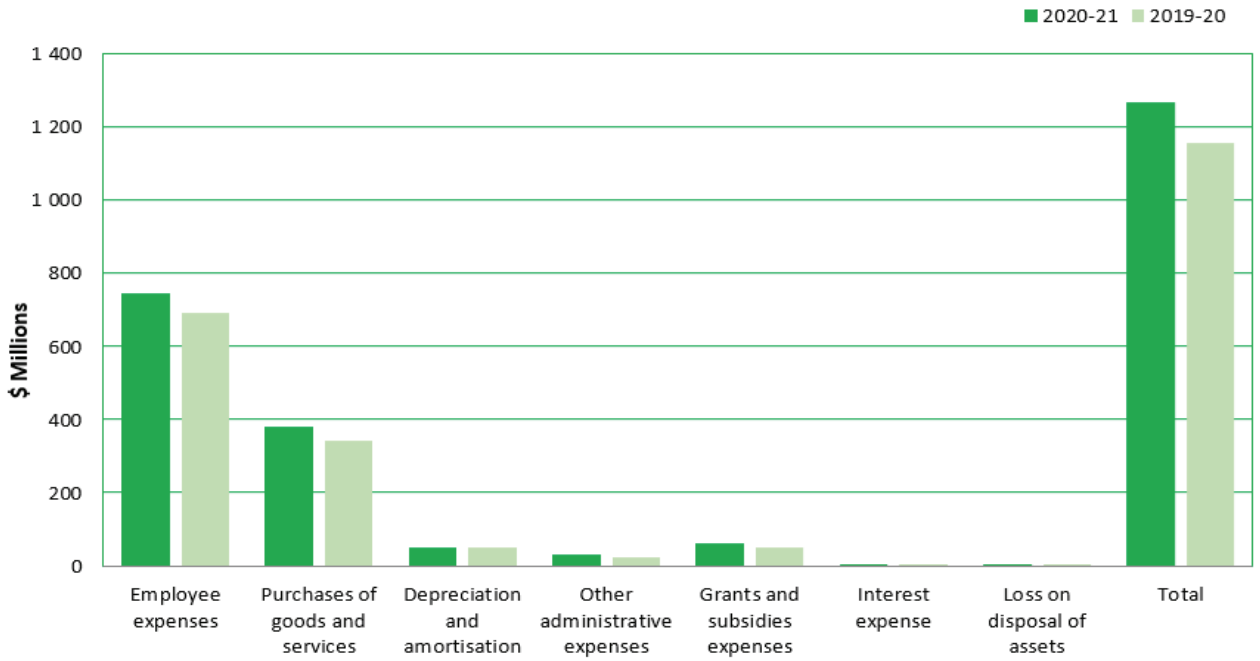
- *Reversal of payroll tax provision* - In 2020-21, a misapplication of a payroll tax exemption under the *Payroll Tax Act 2009* back dating to 2016-17 was identified. In August 2021, the Treasurer approved a waiver extinguishing the payroll tax liability in full. The 2019-20 financial statements were restated to recognise the liability and a reversal accounting adjustment was done in 2020-21.

Operating Expense

TEHS's operating expenditure is primarily comprised of employee expenditure and purchases of goods and services to deliver public health services across the Top End. The remaining expenses relate to grants and subsidies, other administrative expenses, including notional expenses for goods and services received free of charge, and depreciation.

In 2020-21 the Health Service incurred expenses of $1.27 billion, an increase of $113 million or 9.79 per cent from the previous financial year. The increase reflects the increase in funding to the health services and increased expenditure to deliver activities to respond to the COVID-19 pandemic.

Operating Expenditure Two-Year Comparison



The major movement in expenses relates to the following:

- *Employee expenses* – the increase of $54.9 million from 2019-20 is related to an increase in employees to deliver the National Partnership Agreement and NT funded COVID-19 Response and service related pressures.

- *Purchases of goods and services* – the increase of 41.6 million relates to increased expenditure for goods and services to deliver the National Partnership Agreement and NT funded COVID-19 Response.

- *Grants and Subsidies* – the increase of $10.6 million primarily relates to the scale up of COVID-19 aeromedical services and an increase in ambulatory services.

Balance Sheet

	2020-21 $000	2019-20 Restated $000	Variation $000
Assets	845 046	859 450	(14 404)
Liabilities	(264 948)	(274 761)	9 813
Equity	580 098	584 689	(4 591)

The Health Service's net assets at 30 June 2021 was $580.1 million.

Of TEHS's total assets at 30 June 2021, 88 percent or $743.1 million relates to property, plant and equipment while the remaining assets comprise of current assets including cash and deposits, inventories and receivables.

The decrease of $14.4 million in total assets in 2020-21 compared to 2019-20 primarily relates to a decrease in accrued revenue related to cross border receivables and a lower cash balance due to the timing of payments for goods and services.

The majority of the Health Service's liabilities at 30 June 2021 relate to payables, accounting for 40 per cent of total liabilities or $106.8 million and employee provisions, accounting for 38 per cent of total liabilities or $101.7 million.

Statement of Changes in Equity

Statement of Changes in Equity	2020-21 $000	2019-20 Restated $000	Variation $000
Balance at 1 July	584 689	652 582	(67 892)
Accumulated Funds	(49 037)	(54 954)	5 917
Asset Revaluation Surplus	10 565	(44 814)	55 379
Net Capital Injections/Withdrawals	33 880	31 877	2 003
Equity	580 098	584 689	(4 593)

The decrease of $4.6 million in the Agency's equity position was primarily due to the current year deficit.

Cash Flow Statement

	2020-21 $000	2019-20 Restated $000	Variation $000
Cash at beginning of reporting period	56 224	38 650	17 574
Receipts	1 200 539	1 126 330	74 209
Payments	(1 211 579)	(1 108 757)	(102 822)
Cash at end of reporting period	45 185	56 224	(11 039)

The cash flow statement shows the Health Service's cash receipts and payments for the financial year. The statement incorporates expenses and revenues from the operating statement, after the elimination of all non-cash transactions, with cash movements from the balance sheet. The net result for 2020-21 was a decrease of $11 million in cash balances compared to 2019-20.

Central Australia Health Service
Financial Performance and Financial Statement Overview

Financial Performance Overview

Central Australia Health Service recorded a surplus that was $15.4 million over budget in 2020-21.

	2020-21 $000	2021 Original Budget $000	Variation $000
Operating Revenue	487 855	472 403	15 452
Operating Expenditure	(487 677)	(487 577)	(100)
Net Operating Surplus/(Deficit)	178	(15 174)	15 352

Financial Statement Overview

The 2020-21 financial statements and the accompanying notes for the Central Australia Health Service (the Health Service) have been prepared on an accrual basis in accordance with the Australian Accounting Standards. The Health Service's financial performance for the financial year and its financial position as at 30 June 2021 are reported in four financial statements: comprehensive operating statement, balance sheet, statement of changes in equity and cash flow statement.

Main results at a glance

- The Health Service reported an operating surplus of $178 thousand.
- Revenue earned was $487.86 million.
- Expenses were $487.68 million.
- The equity position increased by $8.2 million in 2020-21 to $223.6 million.

Comprehensive operating statement

	2020-21 $000	2019-20 Restated $000	Variation $000
Operating Revenue	487 855	442 874	44 981
Operating Expenditure	(487 677)	(455 918)	(31 759)
Net Operating Surplus/(Deficit)	178	(13 044)	13 222
Other Comprehensive Income	2 485	16 898	(14 413)
Comprehensive Result	2 663	3 854	(1 191)

In 2020-21 the Health Service's comprehensive operating statement shows a net operating surplus of $0.178 million, this is a $13.2 million improvement on last year's restated operating deficit of $13.04 million.

Operating Income

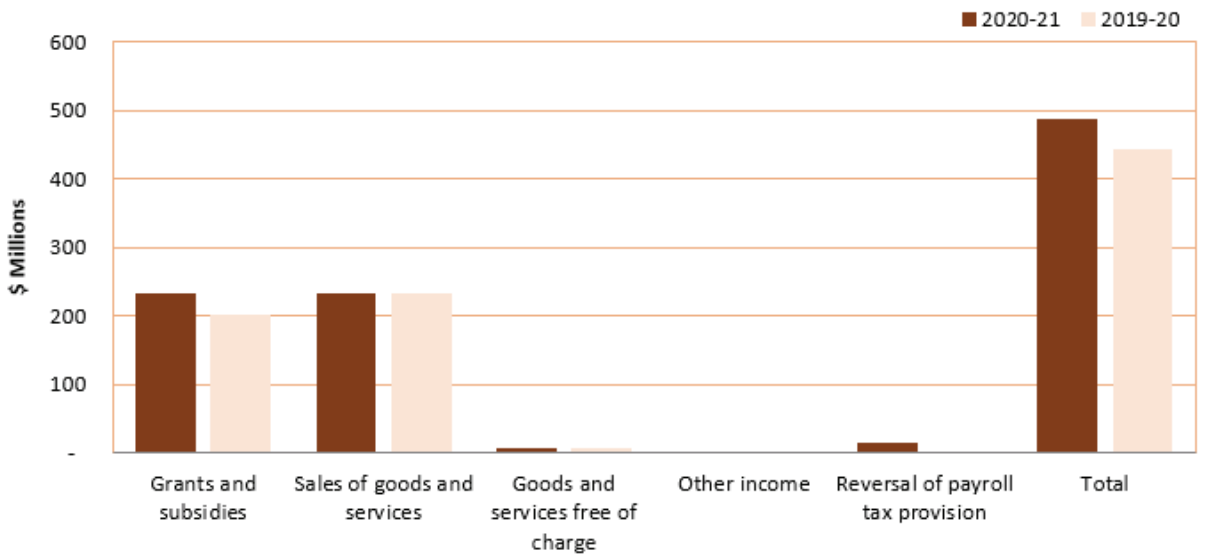
The Health Service's operating revenue includes grants and subsidies, sales of goods and services and other income. The total revenue for 2020-21 was $478.9 million, an increase of $44.9 million or 10.16 per cent improvement from the previous financial year.

CAHS is primarily funded by, and is dependent on, the receipt of Northern Territory activity based and block funding paid through the Department of Health. The majority of the remaining revenue relates to the National Health Reform activity based funding and National Partnership payments from the Australian Government and other grant funding sources.

Included in the Health Service's total revenue was $7.5 million of notional income for services received free of charge from the Department of Corporate and Digital Development and the Department of Infrastructure, Planning and Logistics. This relates to centralised corporate services and repairs and maintenance respectively, which is fully negated by an offsetting expense classified under other administrative expenses.

Also included in total revenue was a $13.5 million reversal of payroll tax provision due to an accounting adjustment and restatement of 2019-20 financial statements.

Operating Revenue Two-Year Comparison



The major movement in income includes the following:

- *Grants and Subsidies* – the increase of $31.9 million from 2019-20 primarily relates to funding from the Australian Government and Northern Territory for activities to respond to the COVID-19 pandemic.

- *Sales of goods and services* - the decrease of $0.5 million is due to reduced patient generated revenue.

- *Reversal of payroll tax provision* - In 2020-21, a misapplication of a payroll tax exemption under the *Payroll Tax Act 2009* back dating to 2016-17 was identified. In August 2021, the Treasurer approved a waiver extinguishing the payroll tax liability in full. The 2019-20 financial

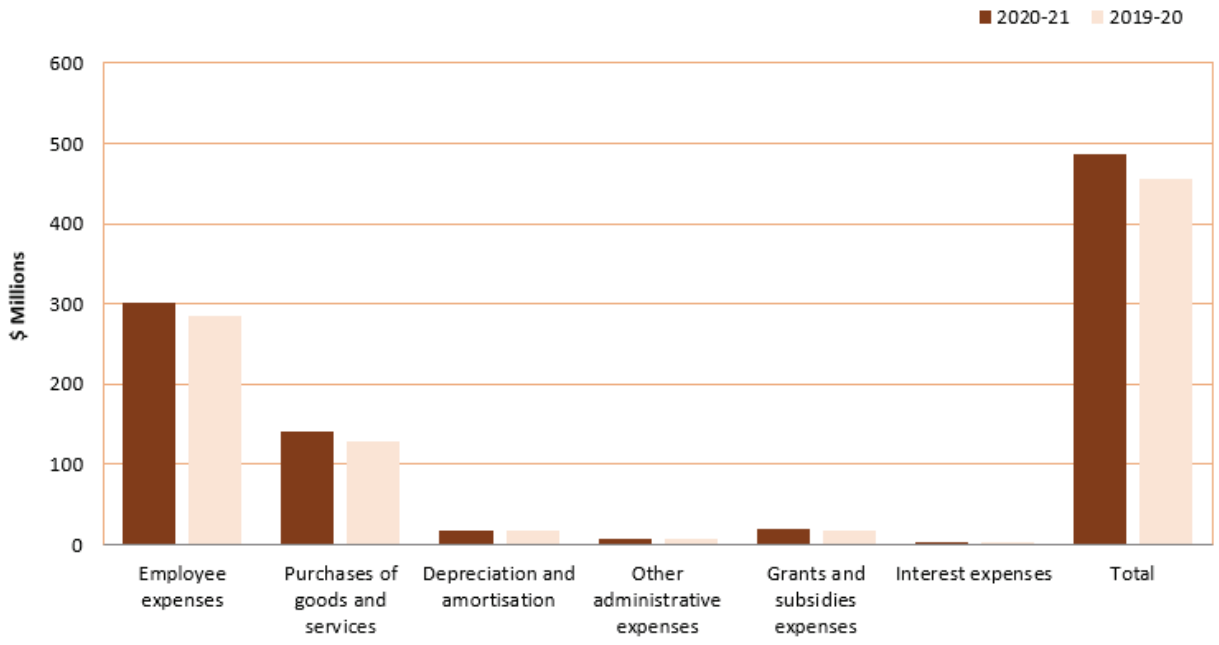
statements were restated to recognise the liability and reversal accounting adjustments done in 2020-21.

Operating Expense

The Health Service's operating expenditure is primarily comprised of employee expenditure and purchases of goods and services to deliver public health services in Central Australia. The remaining expenses relate to grants and subsidies, other administrative expenses, including notional expenses for goods and services received free of charge, and depreciation.

In 2020-21 the Health Service incurred expenses of $487.7 million, an increase of $31.8 million or 6.97 per cent from the previous financial year. The increase reflects the increase in funding to the health services and increased expenditure to deliver activities to respond to the COVID-19 pandemic.

Operating Expenditure Two-Year Comparison



The major movement in expenses relates to the following:

- *Employee expenses* – the increase of $16.7 million from 2019-20 is related to an increase in employees to deliver the National Partnership Agreement and NT funded COVID-19 Response and service related pressures.

- *Purchases of goods and services* – the increase of $13.1 million relates to increased expenditure for goods and services to deliver the National Partnership Agreement and NT funded COVID-19 Response.

- *Grants and Subsidies* – the increase of $1.9 million primarily relates to the scale up of COVID-19 aeromedical services and an increase in ambulatory services.

Balance Sheet

	2020-21 $000	2019-20 Restated $000	Variation $000
Assets	365 909	341 626	24 283
Liabilities	(142 323)	(126 191)	(16 132)
Equity	223 586	215 435	8 151

The Health Service's net assets at 30 June 2021 was $223.6 million.

Of the Health Service's total assets at 30 June 2021, 65 percent or $224.7 million relates to property, plant and equipment while the remaining assets comprise mainly of current assets including cash and deposits, inventories and receivables.

The increase of $4.3 million in total assets in 2020-21 compared to 2019-20 primarily relates to the $13.9 million increase in cash due to the current year surplus and timing of payments.

The majority of the Health Service's liabilities at 30 June 2021 relate to payables, accounting for 60 per cent of total liabilities or $84.9 million and employee provisions, accounting for 25 per cent of total liabilities or $35.4 million.

Statement of Changes in Equity

Statement of Changes in Equity	2020-21 $000	2019-20 Restated $000	Variation $000
Balance at 1 July	215 435	207 132	8 303
Accumulated Funds	178	(12 911)	13 089
Asset Revaluation Surplus	2 485	16 765	(14 280)
Net Capital Injections/Withdrawals	5 488	4 449	1 039
Equity	223 586	215 435	8 151

The increase of $8.2 million in the Health Service's equity position was mainly due to the transfer of completed assets from the Department of Infrastructure, Planning and Logistics.

Cash Flow Statement

	2020-21 $000	2019-20 $000	Variation $000
Cash at beginning of reporting period	39 835	31 929	7 906
Receipts	473 139	452 308	20 831
Payments	(459 218)	(444 402)	(14 816)
Cash at end of reporting period	53 756	39 835	13 921

The cash flow statement shows the Health Service's cash receipts and payments for the financial year. The statement incorporates expenses and revenues from the operating statement, after the elimination of all non-cash transactions, with cash movements from the balance sheet. The net result for 20-21 was an increase of $13.9 million in cash balances compared to 2019-20.

Department of Health
Financial Statements

DEPARTMENT OF HEALTH

Certification of the financial statements

We certify that the attached financial statements for the Department of Health have been prepared based on proper accounts and records in accordance with the prescribed format, the *Financial Management Act 1995* and Treasurer's Directions.

We further state that the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement, and notes to and forming part of the financial statements, presents fairly the financial performance and cash flows for the year ended 30 June 2021 and the financial position on that date.

At the time of signing, we are not aware of any circumstances that would render the particulars included in the financial statements misleading or inaccurate.

Dr Frank Daly

Chief Executive Officer

30 August 2021

Tamara Biro

A/Chief Finance Officer

30 August 2021

DEPARTMENT OF HEALTH

Comprehensive operating statement

For the year ended 30 June 2021

	Note	2021	2020
		$000	$000
INCOME			
Grants and subsidies revenue	4a		
Current		450 384	387 170
Capital		2 151	45
Appropriation	4b		
Output		1 127 780	1 130 686
Commonwealth		119 177	51 033
Sales of goods and services[1]	4c	92 027	52 848
Interest revenue		1	7
Goods and services received free of charge[2]	5	42 424	61 644
Other income	4d	5 357	327
TOTAL INCOME	3	**1 839 301**	**1 683 760**
EXPENSES			
Employee expenses		89 015	62 978
Administrative expenses			
Purchases of goods and services	6	635 517	587 293
Depreciation and amortisation	15,16,17	3 194	1 990
Other administrative expenses[2]		42 716	61 734
Grants and subsidies expenses			
Current		1 053 500	978 253
Capital		3 258	-
Interest expenses	7	19	-
TOTAL EXPENSES	3	**1 827 219**	**1 692 248**
NET SURPLUS/(DEFICIT)		**12 082**	**(8 488)**
COMPREHENSIVE RESULT		**12 082**	**(8 488)**

[1] Includes corporate service charges revenue from the Top End Health Service and the Central Australia Health Service.
[2] Includes Department of Corporate and Digital Development and Department of Infrastructure, Planning and Logistics service charges.

The comprehensive operating statement is to be read in conjunction with the notes to the financial statements.

DEPARTMENT OF HEALTH

Balance sheet

As at 30 June 2021

	Note	2021	2020
		$000	$000
ASSETS			
Current assets			
Cash and deposits	9	38 239	7 567
Receivables	11	33 603	15 442
Inventories	12	-	805
Total current assets		**71 842**	**23 814**
Non-current assets			
Advances and investments	13	300	285
Property, plant and equipment	15,16	20 606	14 376
Intangibles	17	102	146
Total non-current assets		**21 008**	**14 807**
TOTAL ASSETS		**92 850**	**38 621**
LIABILITIES			
Current liabilities			
Payables	18	32 389	2 641
Borrowings and advances	19	843	-
Provisions	20	9 821	7 203
Other liabilities	21	2 868	977
Total current liabilities		**45 921**	**10 821**
Non-current liabilities			
Borrowings and advances	19	1 631	-
Total non-current liabilities		**1 631**	**-**
TOTAL LIABILITIES		**47 552**	**10 821**
NET ASSETS		**45 298**	**27 800**
EQUITY			
Capital		265 720	260 304
Asset revaluation reserve	23	3 521	3 521
Accumulated funds		(223 943)	(236 025)
TOTAL EQUITY		**45 298**	**27 800**

The balance sheet is to be read in conjunction with the notes to the financial statements.

DEPARTMENT OF HEALTH

Statement of changes in equity

For the year ended 30 June 2021

	Note	Equity at 1 July	Comprehensive result	Transactions with owners in their capacity as owners	Equity at 30 June
		$000	$000	$000	$000
2020-21					
Accumulated funds		(236 025)	12 082	-	(223 943)
		(236 025)	12 082	-	(223 943)
Reserves	23	3 521	-	-	3 521
		3 521	-	-	3 521
Capital – transactions with owners					
Equity injections					
Capital appropriation		79 947	-	77	80 024
Equity transfers in		629 685	-	6 623	636 308
Other equity injections		239 300	-	-	239 300
National partnership payments		4 978	-	-	4 978
Equity withdrawals					
Capital withdrawal		(169 127)	-	(59)	(169 186)
Equity transfers out		(524 479)	-	(1 225)	(525 704)
		260 304	-	5 416	265 720
Total equity at end of financial year		**27 800**	**12 082**	**5 416**	**45 298**
2019-20					
Accumulated funds		(227 409)	(8 488)	-	(235 897)
Adjustment on adoption of AASB 15 and AASB 1058		(128)	-	-	(128)
		(227 537)	(8 488)	-	(236 025)
Reserves	23	3 521	-	-	3 521
		3 521	-	-	3 521
Capital – transactions with owners					
Equity injections					
Capital appropriation		79 947	-	-	79 947
Equity transfers in		629 662	-	23	629 685
Other equity injections		239 297	-	3	239 300
National partnership payments		4 168	-	810	4 978
Equity withdrawals					
Capital withdrawal		(169 127)	-	-	(169 127)
Equity transfers out		(517 975)	-	(6 504)	(524 479)
		265 972	-	(5 668)	260 304
Total equity at end of financial year		**41 956**	**(8 488)**	**(5 668)**	**27 800**

The statement of changes in equity is to be read in conjunction with the notes to the financial statements.

DEPARTMENT OF HEALTH

Cash flow statement

For the year ended 30 June 2021

	Note	2021	2020
		$000	$000
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating receipts			
Grants and subsidies received			
Current		456 815	380 740
Capital		2 151	45
Appropriation			
Output		1 127 780	1 130 686
Commonwealth		93 175	51 033
Receipts from sales of goods and services		113 085	64 170
Interest received		1	7
Total operating receipts		**1 793 007**	**1 626 681**
Operating payments			
Payments to employees		(85 498)	(66 683)
Payments for goods and services		(619 397)	(602 222)
Grants and subsidies paid			
Current		(1 053 500)	(978 253)
Capital		(3 258)	-
Interest paid		(19)	-
Total operating payments		**(1 761 672)**	**(1 647 158)**
Net cash from/(used in) operating activities	10	**31 335**	**(20 477)**
CASH FLOWS FROM INVESTING ACTIVITIES			
Investing payments			
Purchases of assets		(670)	(906)
Total investing payments		**(670)**	**(906)**
Net cash from/(used in) investing activities		**(670)**	**(906)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Financing receipts			
Other liabilities - deposit received		827	-
Equity injections			
Capital appropriation		77	-
Commonwealth appropriation		-	810
Other equity injections		-	3
Total financing receipts		**904**	**813**
Financing payments			
Lease liabilities payments		(838)	-
Equity withdrawals		(59)	-
Total financing payments		**(897)**	**-**
Net cash from/(used in) financing activities	10	**7**	**813**
Net increase/(decrease) in cash held		30 672	(20 570)
Cash at beginning of financial year		7 567	28 137
CASH AT END OF FINANCIAL YEAR	9	**38 239**	**7 567**

The cash flow statement is to be read in conjunction with the notes to the financial statements.

DEPARTMENT OF HEALTH

Index of notes to the financial statements

DEPARTMENT OF HEALTH

1. Objectives and funding

The Department of Health's (the agency) mission is to improve the health status and wellbeing of all Territorians.

The agency is predominantly funded and therefore dependent, on the receipt of parliamentary appropriations. The financial statements encompass all funds through which the agency controls resources to carry on its functions and deliver outputs. For reporting purposes, outputs delivered by the agency are summarised into several output groups. Note 3 provides summarised financial information in the form of a comprehensive operating statement by the output group.

a) Machinery of government changes

Transfers out

Details of transfer: Disability services unit transferred to the Department of Territory Families, Housing and Communities

Basis of transfer: Administrative Arrangements Order 7 September 2020

Date of transfer: Effective from 1 July 2020

The assets and liabilities transferred as a result of this change were as follows:

Assets	**$000**
Cash	155
	155
Liabilities	
Provisions	155
	155
Net assets	**-**

2. Statement of significant accounting policies

a) Statement of compliance

The financial statements have been prepared in accordance with the requirements of the *Financial Management Act 1995* and related Treasurer's Directions. The *Financial Management Act 1995* requires the agency to prepare financial statements for the year ended 30 June based on the form determined by the Treasurer. The form of the agency's financial statements should include:

1) a certification of the financial statements
2) a comprehensive operating statement
3) a balance sheet
4) a statement of changes in equity
5) a cash flow statement and
6) applicable explanatory notes to the financial statements

b) Basis of accounting

The financial statements have been prepared using the accrual basis of accounting, which recognises the effect of financial transactions and events when they occur, rather than when cash is

paid out or received. As part of the preparation of the financial statements, all intra-agency transactions and balances have been eliminated.

Except where stated, the financial statements have also been prepared in accordance with the historical cost convention.

The form of the agency financial statements is also consistent with the requirements of Australian accounting standards. The effects of all relevant new and revised standards and interpretations issued by the Australian Accounting Standards Board (AASB) that are effective for the current annual reporting period have been evaluated.

Standards and interpretations effective from 2020-21

Several amending standards and AASB interpretations have been issued that apply to the current reporting periods, but are considered to have no impact on public sector reporting.

Standards and interpretations issued but not yet effective

No Australian accounting standards have been adopted early for 2020-21.

Several other amending standards and AASB interpretations have been issued that apply to future reporting periods but are considered to have limited impact on public sector reporting.

c) Reporting entity

The financial statements cover the agency as an individual reporting entity. The Department of Health is a Northern Territory agency established under the *Interpretation Act 1978 and Administrative Arrangements Order*.

The principal place of business of the agency is Manunda Place, 38 Cavenagh Street, Darwin Northern Territory 0800.

d) Agency and Territory items

The financial statements of the agency include income, expenses, assets, liabilities and equity over which the agency has control (agency items). Certain items, while managed by the agency, are controlled and recorded by the Territory rather than the agency (Territory items). Territory items are recognised and recorded in the Central Holding Authority as discussed below.

Central Holding Authority

The Central Holding Authority is the 'parent body' that represents the government's ownership interest in government-controlled entities.

The Central Holding Authority also records all Territory items, such as income, expenses, assets and liabilities controlled by the government and managed by agencies on behalf of the government. The main Territory item is Territory income, which includes taxation and royalty revenue, Commonwealth general purpose funding (such as GST revenue), fines, and statutory fees and charges.

The Central Holding Authority also holds certain Territory assets not assigned to agencies as well as certain Territory liabilities that are not practical or effective to assign to individual agencies such as unfunded superannuation and long service leave.

The Central Holding Authority recognises and records all Territory items, and as such, these items are not included in the agency's financial statements. However, as the agency is accountable for certain Territory items managed on behalf of the government, these items have been separately disclosed in Note 29 – Schedule of administered Territory items.

e) Comparatives

Where necessary, comparative information for the 2019-20 financial year has been reclassified to provide consistency with current year disclosures.

f) Presentation and rounding of amounts

Amounts in the financial statements and notes to the financial statements are presented in Australian dollars and have been rounded to the nearest thousand dollars, with amounts of $500 or less being rounded down to zero. Figures in the financial statements and notes may not equate due to rounding. Some prior year figures have been adjusted for corrections to rounding.

g) Changes in accounting policies

There have been no changes to accounting policies adopted in 2020-21 as a result of management decisions. Changes in policies relating to COVID-19 are disclosed in k) below.

h) Accounting judgments and estimates

The preparation of the financial report requires the making of judgments and estimates that affect the recognised amounts of assets, liabilities, revenues and expenses and the disclosure of contingent liabilities. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgments and estimates that have significant effects on the financial statements are disclosed below and in Note 20 – Provisions to the financial statements.

Adjusting events

In 2020-21, a misapplication of a payroll tax exemption under the *Payroll Tax Act 2009* back dating to 2016-17 was identified. The Commissioner of Taxation issued a notice of assessment on 20 July 2021 for a payroll tax liability of $3.3 million up to 30 June 2021.

On 11 August 2021, in accordance with section 35(2)(a) of the *Financial Management Act 1995,* the Treasurer approved a waiver extinguishing the payroll tax liability in full.

i) Goods and services tax

Income, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred on a purchase of goods and services is not recoverable from the Australian Tax Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables 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 balance sheet.

Cash flows are included in the cash flow statement on a gross basis. The GST components of cash flows arising from investing and financing activities, which are recoverable from, or payable to, the

ATO are classified as operating cash flows. Commitments and contingencies are disclosed net of the amount of GST recoverable or payable unless otherwise specified.

j) Contributions by and distributions to government

The agency may receive contributions from government where the government is acting as owner of the agency. Conversely, the agency may make distributions to government. In accordance with the *Financial Management Act 1995* and Treasurer's Directions, certain types of contributions and distributions, including those relating to administrative restructures, have been designated as contributions by, and distributions to, government. These designated contributions and distributions are treated by the agency as adjustments to equity.

The statement of changes in equity provides additional information in relation to contributions by, and distributions to, government.

k) Impact of COVID-19

Management redirected a number of resources from core business activities to:

- modify legislation to facilitate the public health response.
- coordinate and carry out ongoing pandemic response activities as directed and required by the COVID-19 Emergency Operations Centre and Chief Health Officer directions.
- represent the Northern Territory Government in funding negotiations under the National Partnership on COVID-19 Response; manage the collection and distribution of funding to other Northern Territory Government agencies and health providers; and coordinate the collection of associated data and information.

The agency entered into the Provision of COVID-19 Quarantine Arrangements at the Northern Territory Centre for National Resilience for Organised National Repatriation of Australians agreement with the Australian Government to facilitate the repatriation of Australians.

DEPARTMENT OF HEALTH

3. Comprehensive operating statement by output group

	Note	Community Services		Disease Prevention and Health Protection		Community Treatment and Extended Care		Corporate and Governance		National Critical Care and Trauma Response Centre		Health Services		Total	
		2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
		$000	$000	$000	$000	$000	$000	$000	$000	$000	$000	$000	$000	$000	$000
INCOME															
Grants and subsidies revenue	4a														
Current		154	144	15 054	17 905	199	10 194	3 406	1 471	500	300	431 071	357 156	450 384	387 170
Capital		-	-	-	45	-	-	-	-	-	-	2 151	-	2 151	45
Appropriation	4b														
Output		-	-	-	-	-	-	1 127 780	1 130 686	-	-	-	-	1 127 780	1 130 686
Commonwealth		192	545	10	11	4 143	15 052	124	3 505	98 477	10 452	16 231	21 468	119 177	51 033
Sales of goods and services	4c	-	-	-	1	-	(17)	834	359	3 567	5 810	87 626	46 695	92 027	52 848
Interest revenue		-	-	-	-	-	-	1	7	-	-	-	-	1	7
Goods and services received free of charge[1]	5	-	-	-	-	-	12 098	42 424	49 546	-	-	-	-	42 424	61 644
Other income	4d	91	-	314	102	23	84	4 433	88	214	53	282	-	5 357	327
TOTAL INCOME		**437**	**689**	**15 378**	**18 064**	**4 365**	**37 411**	**1 179 002**	**1 185 662**	**102 758**	**16 615**	**537 361**	**425 319**	**1 839 301**	**1 683 760**
EXPENSES															
Employee expenses		4 031	3 954	17 374	3 565	13 691	15 257	30 361	28 632	23 558	11 577	-	(7)	89 015	62 978
Administrative expenses															
Purchases of goods and services	6	1 083	1 918	15 984	6 355	1 702	2 091	21 676	10 622	21 569	5 239	573 503	561 068	635 517	587 293
Depreciation and amortisation	15,16,17	-	-	12	25	1	75	1 927	1 558	1 254	332	-	-	3 194	1 990
Other administrative expenses[1]		-	1	3	-	25	12 183	42 405	49 550	2	-	281	-	42 716	61 734
Grants and subsidies expenses															
Current		11 633	9 184	11 089	8 983	37 472	144 100	8 454	9 161	33 188	49	951 664	806 776	1 053 500	978 253
Capital		-	-	-	-	-	-	-	-	800	-	2 458	-	3 258	-
Interest expenses	7	-	-	-	-	-	-	-	-	19	-	-	-	19	-
TOTAL EXPENSES		**16 747**	**15 057**	**44 462**	**18 928**	**52 891**	**173 706**	**104 823**	**99 523**	**80 390**	**17 197**	**1 527 906**	**1 367 837**	**1 827 219**	**1 692 248**
NET SURPLUS/(DEFICIT)		**(16 310)**	**(14 368)**	**(29 084)**	**(864)**	**(48 526)**	**(136 295)**	**1 074 179**	**1 086 139**	**22 368**	**(582)**	**(990 545)**	**(942 518)**	**12 082**	**(8 488)**
COMPREHENSIVE RESULT		**(16 310)**	**(14 368)**	**(29 084)**	**(864)**	**(48 526)**	**(136 295)**	**1 074 179**	**1 086 139**	**22 368**	**(582)**	**(990 545)**	**(942 518)**	**12 082**	**(8 488)**

[1] Includes Department of Corporate and Digital Development and Department of Infrastructure, Planning and Logistics service charges.

Income

Income encompasses both revenue and gains.

Income is recognised at the fair value of the consideration received, exclusive of the amount of GST. Exchanges of goods or services of the same nature and value without any cash consideration being exchanged are not recognised as income.

4. Revenue

a) Grants and subsidies revenue

	2021			2020		
	$000 Revenue from contracts with customers	$000 Other	$000 Total	$000 Revenue from contracts with customers	$000 Other	$000 Total
Current grants	7 903	442 481	450 384	5 396	381 774	387 170
Capital grants	-	2 151	2 151	45	-	45
Total grants and subsidies revenue	**7 903**	**444 632**	**452 535**	**5 441**	**381 774**	**387 215**

Grants revenue is recognised at fair value exclusive of the amount of GST.

Where a grant agreement is enforceable and has sufficiently specific performance obligations for the agency to transfer goods or services to the grantor or a third party beneficiary, the transaction is accounted for under AASB 15. The agency has applied the principles of AASB 15 and has recognised revenue as or when the performance obligations are satisfied, where performance obligations are not satisfied the agency has recorded the revenue as a deferred contract liability. The agency has adopted a low value contract threshold of $50,000 excluding GST and recognises revenue from contracts with a low value, upfront on receipt of income.

The agency's contracts with customers are for the delivery of health services to the community. Funding is generally received upfront, and the agency typically satisfies obligations and recognises revenue as services are being delivered as specified in the agreement.

A financing component for consideration is only recognised if it is significant to the contract and the period between the transfer of goods and services and receipt of consideration is more than one year. For the 2020-21 and 2019-20 reporting periods, there were no adjustments for the effects of a significant financing component.

Where grant agreements do not meet criteria detailed above, it is accounted for under AASB 1058 and income is recognised on receipt of funding except for capital grants revenue received for the purchase or construction of non-financial assets to be controlled by the agency. Capital grants with enforceable contracts and sufficiently specific obligations are recognised as an unearned revenue liability when received and subsequently recognised progressively as revenue as or when the agency satisfies its obligations under the agreement. Where a non-financial asset is purchased, revenue is recognised at the point in time the asset is acquired and control transfers to the agency.

Revenue from contracts with customers have been disaggregated below into categories to enable users of these financial statements to understand the nature, amount, timing and uncertainty of income and cash flows. These categories include a description of the type of product or service line, type of customer and timing of transfer of goods and services.

Grant agreements that satisfy recognition requirements under AASB 15 are disaggregated below:

	2021	2020
	$000	$000
Type of good and service:		
Service delivery	7 903	5 441
Total revenue from contracts with customers by good or service	**7 903**	**5 441**
Type of customer:		
Australian Government entities	6 091	5 360
Non-government entities	1 812	81
Total revenue from contracts with customers by type of customer	**7 903**	**5 441**
Timing of transfer of goods and services:		
Overtime	7 903	5 441
Total revenue from contracts with customers by timing of transfer	**7 903**	**5 441**

b) Appropriation

	2021			2020		
	$000 Revenue from contracts with customers	$000 Other	$000 Total	$000 Revenue from contracts with customers	$000 Other	$000 Total
Output	-	1 127 780	1 127 780	-	1 130 686	1 130 686
Commonwealth	100 287	18 890	119 177	20 686	30 347	51 033
Total appropriation	**100 287**	**1 146 670**	**1 246 957**	**20 686**	**1 161 033**	**1 181 719**

Output appropriation is the operating payment to each agency for the outputs they provide as specified in the *Appropriation Act*. It does not include any allowance for major non-cash costs such as depreciation. Output appropriations do not have sufficiently specific performance obligations and are recognised on receipt of funds.

Commonwealth appropriation follows from the intergovernmental agreement on federal financial relations, resulting in specific purpose payments (SPPs) and national partnership (NP) payments being made by the Commonwealth Treasury to state treasuries, in a manner similar to arrangements for GST payments. These payments are received by the Department of Treasury and Finance on behalf of the Central Holding Authority and then passed on to the relevant agencies as Commonwealth appropriation.

Where appropriation received has an enforceable contract with sufficiently specific performance obligations as defined in AASB 15, revenue is recognised as and when goods and or services are transferred to the customer or third party beneficiary. Otherwise revenue is recognised when the agency gains control of the funds. The agency's contracts with customers is for the delivery of health services to the community. Funding is generally received upfront and the agency typically satisfies obligations and recognises revenue as services are being delivered as specified in the agreement.

Revenue from contracts with customers have been disaggregated below into categories to enable users of these financial statements to understand the nature, amount, timing and uncertainty of income and cash flows. These categories include a description of the type of product or service line, type of customer and timing of transfer of goods and services.

	2021	2020
	$000	$000
Type of good and service:		
Service delivery	100 287	20 686
Total revenue from contracts with customers by good or service	**100 287**	**20 686**
Type of customer:		
Australian Government entities	100 287	20 686
Total revenue from contracts with customers by type of customer	**100 287**	**20 686**
Timing of transfer of goods and services:		
Overtime	100 287	20 686
Total revenue from contracts with customers by timing of transfer	**100 287**	**20 686**

c) Sales of goods and services

	2021			2020		
	$000 Revenue from contracts with customers	$000 Other	$000 Total	$000 Revenue from contracts with customers	$000 Other	$000 Total
Sales of goods and services	21 571	70 456	92 027	2 981	49 867	52 848
Total sales of goods and services	**21 571**	**70 456**	**92 027**	**2 981**	**49 867**	**52 848**

Revenue from regulatory fees is recognised when the agency satisfies its performance obligations.

Sale of goods

Revenue from sales of goods is recognised when the agency satisfies a performance obligation by transferring the promised goods to the buyer. The agency typically satisfies its performance obligations when goods are transferred to the buyer. The payments are typically due within 30 days of invoice, or as contractually specified.

Revenue from these sales are based on the price specified in the contract, and revenue is only recognised to the extent that it is highly probable a significant reversal will not occur. There is no element of financing present as sales are made with a short credit term.

Rendering of services

Revenue from rendering of services is recognised when the agency satisfies the performance obligation by transferring the promised services, such as corporate services provided to the Top End Health Service and the Central Australia Health Service, cross border activity and disaster and emergency medical responses to incidents through the National Critical Care and Trauma Response Centre. The agency typically satisfies its performance obligations when the service provision is completed, which predominantly is satisfied as point in time transactions.

Revenue from contracts with customers have been disaggregated below into categories to enable users of these financial statements to understand the nature, amount, timing and uncertainty of income and cash flows. These categories include a description of the type of product or service line, type of customer and timing of transfer of goods and services.

	2021	2020
	$000	$000
Type of good and service:		
Service delivery	21 571	2 981
Total revenue from contracts with customers by good or service	**21 571**	**2 981**
Type of customer:		
Australian Government entities	1 928	2 981
State and territory governments	19 643	-
Total revenue from contracts with customers by type of customer	**21 571**	**2 981**
Timing of transfer of goods and services:		
Overtime	782	-
Point in time	20 789	2 981
Total revenue from contracts with customers by timing of transfer	**21 571**	**2 981**

d) Other income

	2021			2020		
	$000 Revenue from contracts with customers	$000 Other	$000 Total	$000 Revenue from contracts with customers	$000 Other[1]	$000 Total
Other income	167	5 190	5 357	53	274	327
Total other income	**167**	**5 190**	**5 357**	**53**	**327**	**327**

[1] Restated to exclude goods and services received free of charge

Revenue from contracts with customers have been disaggregated below into categories to enable users of these financial statements to understand the nature, amount, timing and uncertainty of income and cash flows. These categories include a description of the type of product or service line, type of customer and timing of transfer of goods and services.

	2021	2020
	$000	$000
Type of good and service:		
Service delivery	167	53
Total revenue from contracts with customers by good or service	**167**	**53**
Type of customer:		
Australian Government entities	167	53
Total revenue from contracts with customers by type of customer	**167**	**53**
Timing of transfer of goods and services:		
Overtime	-	53
Point in time	167	-
Total revenue from contracts with customers by timing of transfer	**167**	**53**

5. Goods and services received free of charge

	2021	2020
	$000	$000
Corporate and information services	42 038	49 017
Infrastructure, repairs and maintenance	386	529
National Disability Insurance Scheme in-kind services	-	12 098
Total goods and services received free of charge	**42 424**	**61 644**

Resources received free of charge are recognised as revenue when, and only when, a fair value can be reliably determined and the services would have been purchased if they had not been donated. Use of those resources is recognised as an expense. Resources received free of charge are recorded as either revenue or gains depending on their nature.

Repairs and maintenance expenses and associated employee costs are centralised and provided by the Department of Infrastructure, Planning and Logistics and forms part of goods and services free of charge of the agency. Corporate services staff and functions are also centralised and provided by Department of Corporate and Digital Development and forms part of goods and services free of charge of the agency.

6. Purchases of goods and services

	2021	2020
	$000	$000
The net surplus/(deficit) has been arrived at after charging the following expenses:		
Goods and services expenses:		
Property maintenance	7 498	6 654
Utilities	576	891
Accommodation	862	224
Advertising	32	27
Agent service agreements[1]	559 752	563 094
Audit fees	165	142
Bank charges	38	10
Clothing	76	57
Communications	1 766	507
Consultant fees[2]	6 952	3 281
Consumables/general expenses	2 494	759
Cross border expense	19 643	-
Document production	263	135
Entertainment/hospitality	463	116
Food	11 380	211
Freight	767	215
Information technology charges[3]	5 952	2 945
Insurance premium	1 708	1 737
Laboratory expenses	1 238	20
Legal expenses[4]	1 368	409
Library services	1 153	1 038
Marketing and promotion	899	371
Medical/dental supply and services[5]	5 803	715
Membership and subscriptions	175	149
Motor vehicle expenses	887	546
Office requisites and stationery	223	108
Official duty fares and client travel	608	662
Other equipment expenses	1 058	656
Recruitment expenses	607	129
Regulatory/advisory boards/committees	55	79
Relocation expenses	33	36
Training and study expenses	1 023	1 291
Goods and services costs allocation	-	79
	635 517	**587 293**

[1] Includes on passing of activity based funding to Top End Health Service and Central Australia Health Service.
[2] Includes consultancy services for organisational improvements.
[3] Increased desktop and software charges due to higher full time equivalent staff for COVID-19 activities.
[4] Includes legal fees, claim and settlement costs.
[5] Includes COVID-19 personal protective equipment stock distribution to other entities.

Purchases of goods and services generally represent the day-to-day running costs incurred in normal operations, including supplies and service costs recognised in the reporting period in which they are incurred.

7. Interest expense

	2021	2020
	$000	$000
Interest from lease liabilities	19	-
Total interest expense	**19**	**-**

Interest expenses consist of interest and other costs incurred in connection with the borrowing of funds. It includes interest on lease liabilities.

8. Write-offs, postponements, waiver, gifts and ex gratia payments

	Agency			
	2021	No. of trans.	2020	No. of trans.
	$000		$000	
Write-offs, postponements and waivers under the *Financial Management Act 1995*				
Represented by:				
Amounts written off, postponed and waived by delegates				
Irrecoverable amounts payable to the agency written off	6	4	6	3
Losses or deficiencies of money written off	-	1	-	-
Total written off, postponed and waived by delegates	**6**	**5**	**6**	**3**
Amounts written off, postponed and waived by the Treasurer				
Irrecoverable amounts payable to the agency written off	10	1	21	1
Losses or deficiencies of money written off	307	7	-	-
Waiver or postponement of right to receive or recover money or property	569	13	-	-
Total written off, postponed and waived by the Treasurer	**886**	**21**	**21**	**1**
Write-offs, postponements and waivers authorised under other legislation				
Gifts under the *Financial Management Act 1995*				
Gifts by delegate	-	-	84	20
Gifts by Treasurer	-	-	-	-
Total gifts under *Financial Management Act 1995*	**-**	**-**	**84**	**20**
Gifts authorised under other legislation	**-**	**-**	**-**	**-**
Ex gratia payments under the *Financial Management Act 1995*	**-**	**-**	**-**	**-**

9. Cash and deposits

	2021	2020
	$000	$000
Cash on hand	10	10
Cash at bank	38 229	7 557
Total cash and deposits	**38 239**	**7 567**

For the purposes of the balance sheet and the cash flow statement, cash includes cash on hand, cash at bank and cash equivalents.

10. Cash flow reconciliation

a) Reconciliation of cash

The total of agency 'Cash and deposits' of $38.2 million recorded in the balance sheet is consistent with that recorded as 'Cash' in the cash flow statement.

Reconciliation of net surplus/(deficit) to net cash from operating activities

	2021	2020
	$000	$000
Net surplus/(deficit)	12 082	(8 488)
Non-cash items:		
Depreciation and amortisation	3 194	1 990
Asset donations/gifts	-	85
Changes in assets and liabilities:		
(Increase) in receivables	(4 909)	(8 321)
Decrease in inventories	805	(805)
(Increase) in advances and investments	(15)	(14)
Decrease in prepayments	539	240
Increase in payables	15 957	(1 691)
Increase in provision for employee benefits	2 318	(3 918)
Increase in other provisions	300	(231)
Increase in deferred income	1 064	676
Net cash from/(used in) operating activities	**31 335**	**(20 477)**

b) Reconciliation of liabilities arising from financing activities

2020-21

		Cash flows					Non cash			
	1 July	Deposit received	Lease liabilities repayments	Appropriation	Equity injections / withdrawals	Total cash flows	Other equity-related changes	Lease acquisitions	Total non-cash	30 June
		$000	$000		$000	$000				$000
Other liabilities	-	827	-	-	-	827	-	-	-	827
Borrowings	-	-	(838)	-	-	(838)	-	3 312	3 312	2 474
Other	260 304	-	-	77	(59)	18	5 398	-	5 398	265 720
Total	**260 304**	**827**	**(838)**	**77**	**18**	**7**	**5 398**	**3 312**	**8 710**	**269 021**

2019-20

		Cash flows					Non cash			
	1 July	Deposit received	Lease liabilities repayments	Appropriation	Equity injections / withdrawals	Total cash flows	Other equity-related changes	Lease acquisitions	Total non-Cash	30 June
		$000	$000		$000	$000				$000
Other liabilities	-	-	-	-	-	-	-	-	-	-
Borrowings	-	-	-	-	-	-	-	-	-	-
Other	265 972	-	-	810	3	813	(6 481)	-	(6 481)	260 304
Total	**265 972**	**-**	**-**	**810**	**3**	**813**	**(6 481)**	**-**	**(6 481)**	**260 304**

11. Receivables

	2021 $000	2020 $000
Current		
Accounts receivable	419	2 058
less: loss allowance	(46)	(59)
	373	**1 999**
Contract receivables	504	2 782
less: loss allowance	(18)	-
	486	**2 782**
GST receivables	974	1 408
Prepayments	2 280	2 819
Other receivables	29 490	6 434
	32 744	**10 661**
Total receivables	**33 603**	**15 442**

Receivables are initially recognised when the agency becomes a party to the contractual provisions of the instrument and are measured at fair value less any directly attributable transaction costs.

Receivables include contract receivables, accounts receivable, accrued contract revenue and other receivables.

Receivables are subsequently measured at amortised cost using the effective interest method, less any impairments.

Accounts receivable and contract receivables are generally settled within 30 days and other receivables within 30 days.

The loss allowance reflects lifetime expected credit losses and represents the amount of receivables the agency estimates are likely to be uncollectible and are considered doubtful.

Credit risk exposure of receivables

Receivables are monitored on an ongoing basis to ensure exposure to bad debts is not significant. The entity applies the simplified approach to measuring expected credit losses. This approach recognises a loss allowance based on lifetime expected credit losses for all accounts receivables and contracts receivables. To measure expected credit losses, receivables have been grouped based on shared risk characteristics and days past due.

The expected loss rates are based on historical observed loss rates, adjusted to reflect current and forward-looking information.

In accordance with the provisions of the *Financial Management Act 1995*, receivables are written-off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery includes a failure to make contractual payments for a period greater than 30 days past due.

Due to COVID-19, the agency's credit risk exposure has increased and is reflected in the expected credit losses reported.

The loss allowance for receivables and reconciliation as at the reporting date is disclosed below:

Loss allowance for receivables

	2021				2020			
	Gross receivables	Loss rate	Expected credit losses	Net receivables	Gross receivables	Loss rate	Expected credit losses	Net receivables
	$000	%	$000	$000	$000	%	$000	$000
Internal receivables								
Not overdue	4	-	-	4	361	-	-	361
Overdue for less than 30 days	-	-	-	-	-	-	-	-
Overdue for 30 to 60 days	-	-	-	-	-	-	-	-
Overdue for more than 60 days	6	-	-	6	6	-	-	6
Total internal receivables	**10**	**-**	**-**	**10**	**367**	**-**	**-**	**367**
External receivables								
Not overdue	835	2	(20)	815	4 354	-	-	4 354
Overdue for less than 30 days	-	-	-	-	1	100	(1)	-
Overdue for 30 to 60 days	-	-	-	-	15	7	(1)	14
Overdue for more than 60 days	78	57	(44)	34	103	55	(57)	46
Total external receivables	**913**	**-**	**(64)**	**849**	**4 473**	**-**	**(59)**	**4 414**

Total amounts disclosed exclude statutory amounts and prepayments; and include contract receivables and accrued contract revenue.

Reconciliation of loss allowance for receivables

	2021	2020
	$000	$000
External receivables		
Opening balance	59	85
Written off during the year	(16)	(27)
Recovered during the year	-	-
Increase/decrease in allowance recognised in profit or loss	21	1
Total external receivables	**64**	**59**

Prepayments

Prepayments represent payments in advance of receipt of goods and services or that part of expenditure made in one accounting period covering a term extending beyond that period.

12. Inventories

	2021	2020
	$000	$000
Inventories held for distribution		
At cost	-	805
Total inventories	**-**	**805**

Inventories include assets held either for distribution at no or nominal consideration in the ordinary course of business operations. Inventory held for distribution is regularly assessed for obsolescence and loss.

13. Advances and investments

	2021	2020
	$000	$000
Current		
Advances paid	300	285
Total advances and investments	**300**	**285**

a) Advances paid

Advances paid are recognised initially at fair value plus or minus relevant transaction costs and are recognised in the balance sheet when the agency becomes party to the contractual provisions of the financial instruments. Where the advances are provided with interest free periods or at concessional interest rates, they are considered to have a fair value which is less than the amount lent. This fair value is calculated in accordance with Note 24. The difference between the amount lent and the fair value is recognised as an expense in the comprehensive operating statement.

Subsequently, advances paid are measured at amortised cost using the effective interest method. The average discount rate used to calculate the amortised cost is 5.2 per cent.

Credit risk exposure of advances paid

Advances paid are monitored on an ongoing basis to ensure exposure to bad debts is not significant. The agency applies the AASB 9 general approach to measuring expected credit losses. This approach recognises a loss allowance based on 12-month expected credit losses if there has been no significant increase in credit risk since initial recognition and lifetime expected credit losses if there has been a significant increase in credit risk since initial recognition.

The loss allowance for advances paid and reconciliation as at the reporting date is disclosed below:

	2021				2020			
	Gross advances paid	Loss rate	Expected credit losses	Net advances paid	Gross advances paid	Loss rate	Expected credit losses	Net advances paid
	$000	%	$000	$000	$000	%	$000	$000
External advances paid								
Not overdue	300	-	-	300	285	-	-	285
Total external advances paid	**300**	**-**	**-**	**300**	**285**	**-**	**-**	**285**

14. Other assets

Agency as a lessor

Leases under which the agency assumes substantially all the risks and rewards of ownership of an asset are classified as finance leases. Other leases are classified as operating leases.

Subleases are classified by reference to the right-of-use asset arising from the head lease, rather than by reference to the underlying asset. A sublease is an arrangement where the underlying asset is re-leased by a lessee (intermediate lessor) to another party, and the lease (head lease) between the head lessor and original lessee remains in effect.

Operating leases

The agency has a right-of-use land that is re-leased to non-government organisations under operating lease arrangements as a peppercorn lease. The property is leased to provide services in accordance with a services contract.

15. Property, plant and equipment

Total property, plant and equipment

	2021	2020
	$000	$000
Land		
At fair value	**1 657**	**1 657**
Buildings		
At fair value	23 069	22 170
less: accumulated depreciation	(12 455)	(12 146)
	10 614	**10 024**
Plant and equipment		
At fair value	25 981	19 675
less: accumulated depreciation	(17 646)	(16 980)
	8 335	**2 695**
Total property, plant and equipment	**20 606**	**14 376**

DEPARTMENT OF HEALTH

2021 Property, plant and equipment reconciliations

Property, plant and equipment includes right-of-use assets under AASB 16 Leases. A reconciliation of the carrying amount of property, plant and equipment at the beginning and end of year is set out below:

	Land	Buildings	Plant and equipment	Total
	$000	$000	$000	$000
Carrying amount as at 1 July 2020	1 657	10 024	2 695	14 376
Additions	-	3 312	670	3 982
Disposals	-	-	-	-
Depreciation/amortisation expense	-	(1 950)	(1 200)	(3 150)
Additions/disposals from asset transfers	-	(772)	6 170	5 398
Carrying amount as at 30 June 2021	**1 657**	**10 614**	**8 335**	**20 606**

2020 Property, plant and equipment reconciliations

Property, plant and equipment includes right-of-use assets under AASB 16 Leases. A reconciliation of the carrying amount of property, plant and equipment at the beginning and end of year is set out below:

	Land	Buildings	Plant and equipment	Total
	$000	$000	$000	$000
Carrying amount as at 1 July 2019	1 657	10 844	4 416	16 917
Additions	-	317	588	905
Disposals	-	-	-	-
Depreciation/amortisation expense	-	(1 137)	(791)	(1 928)
Additions/disposals from asset transfers	-	-	(1 518)	(1 518)
Carrying amount as at 30 June 2020	**1 657**	**10 024**	**2 695**	**14 376**

Acquisitions

Property, plant and equipment are initially recognised at cost and subsequently revalued at fair value less accumulated depreciation and impairment. Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire the asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the requirements of other accounting standards.

All items of property, plant and equipment with a cost or other value, equal to or greater than $10,000 are recognised in the year of acquisition and depreciated as outlined above. Items of property, plant and equipment below the $10,000 threshold are expensed in the year of acquisition.

The construction cost of property, plant and equipment includes the cost of materials and direct labour, and an appropriate proportion of fixed and variable overheads.

Complex assets

Major items of plant and equipment comprising a number of components that have different useful lives, are accounted for as separate assets. The components may be replaced during the useful life of the complex asset.

Subsequent additional costs

Costs incurred on property, plant and equipment subsequent to initial acquisition are capitalised when it is probable that future economic benefits in excess of the originally assessed performance of the asset will flow to the agency in future years. Where these costs represent separate components of a complex asset, they are accounted for as separate assets and separately depreciated over their expected useful lives.

Construction (work in progress)

As part of the Northern Territory Government's financial management framework, the Department of Infrastructure, Planning and Logistics is responsible for managing general government capital works projects on a whole of government basis. Therefore, appropriation for all agency capital works is provided directly to the Department of Infrastructure, Planning and Logistics and the cost of construction work in progress is recognised as an asset of that agency. Once completed, capital works assets are transferred to the agency.

Revaluations and impairment

Revaluation of assets

Subsequent to initial recognition, assets belonging to the following classes of non-current assets are revalued with sufficient regularity to ensure the carrying amount of these assets does not differ materially from their fair value at reporting date:

- land
- buildings
- intangibles.

Plant and equipment are stated at historical cost less depreciation, which is deemed to equate to fair value.

The latest revaluations as at June 2017 were independently conducted. The valuer was Territory Property Consultants. Refer to Note 24 Fair value for additional disclosures.

For right-of-use assets, the net present value of the remaining lease payments is often an appropriate proxy for the fair value of relevant right-of-use assets at the time of initial recognition.

Subsequently, right-of-use assets are stated at cost less amortisation, which is deemed to equate to fair value.

For right-of-use assets under leases that have significantly below-market terms and conditions principally to enable the agency to further its objectives, the agency has elected to measure the asset at cost. These right-of-use assets are not subject to revaluation.

Impairment of assets

An asset is said to be impaired when the asset's carrying amount exceeds its recoverable amount.

Non-current physical and intangible agency assets are assessed for indicators of impairment on an annual basis or whenever there is indication of impairment. If an indicator of impairment exists, the agency determines the asset's recoverable amount. The asset's recoverable amount is determined as the higher of the asset's current replacement cost and fair value less costs to sell. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

Impairment losses are recognised in the comprehensive operating statement. They are disclosed as an expense unless the asset is carried at a revalued amount. Where the asset is measured at a revalued amount, the impairment loss is offset against the asset revaluation surplus for that class of asset to the extent an available balance exists in the asset revaluation surplus.

In certain situations, an impairment loss may subsequently be reversed. Where an impairment loss is subsequently reversed, the carrying amount of the asset is increased to the revised estimate of its recoverable amount. A reversal of an impairment loss is recognised in the comprehensive operating statement as income, unless the asset is carried at a revalued amount, in which case the impairment reversal results in an increase in the asset revaluation surplus. Note 23 provides additional information in relation to the asset revaluation surplus.

Agency property, plant and equipment assets were assessed for impairment as at 30 June 2021. No impairment adjustments were required as a result of this review.

Depreciation and amortisation expense

Items of property, plant and equipment, including buildings but excluding land, have limited useful lives and are depreciated or amortised using the straight-line method over their estimated useful lives.

Amortisation applies in relation to intangible non-current assets with limited useful lives and is calculated and accounted for in a similar manner to depreciation.

The estimated useful lives for each class of asset are in accordance with the Treasurer's Directions and are determined as follows:

	2021	2020
Owned buildings	50 years	50 years
Plant and equipment - Computer hardware	3 - 6 years	3 - 6 years
Plant and equipment - Office equipment	5 - 10 years	5 - 10 years
Plant and equipment - Medical equipment	5 - 15 years	5 - 15 years
Plant and equipment - Furniture and fittings	10 years	10 years
Intangibles	5 years	5 years

Assets are depreciated or amortised from the date of acquisition or from the time an asset is completed and held ready for use.

The estimated useful lives disclosed above includes the useful lives of right-of-use assets under AASB 16. For further detail, refer to Note 16.

16. Agency as a lessee

The agency leases a building for the National Critical Care and Trauma Response. Lease contracts are typically made for fixed periods of five years, but may have extension options. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants. The agency does not provide residual value guarantees in relation to leases.

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

The agency has elected to recognise payments for short-term leases and low value leases as expenses on a straight-line basis, instead of recognising a right-of-use asset and lease liability. Short-term leases are leases with a lease term of 12 months or less with no purchase option. Low value assets are assets with a fair value of $10,000 or less when new and not subject to a sublease arrangement comprise only of month to month office space rentals.

Right-of-use asset

The following table presents right-of-use assets included in the carrying amounts of property, plant and equipment at Note 15.

	Land	Buildings	Plant and equipment	Total
	$000	$000	$000	$000
Balance as at 1 July 2020	-	-	-	-
Additions	-	3 312	-	3 312
Amortisation expense	-	(846)	-	(846)
Carrying amount as at 30 June 2021	**-**	**2 466**	**-**	**2 466**

	Land	Buildings	Plant and equipment	Total
	$000	$000	$000	$000
Balance as at 1 July 2019	-	-	-	-
Additions	-	-	-	-
Amortisation expense	-	-	-	-
Carrying amount as at 30 June 2020	**-**	**-**	**-**	**-**

The following amounts were recognised in the comprehensive operating statement for the year in respect of leases where the agency is the lessee:

	2021	2020
	$000	$000
Amortisation expense of right-of-use assets	846	-
Interest expense on lease liabilities	19	-
Expense relating to short-term leases	126	-
Intergovernmental leases	392	600
Total amount recognised in the comprehensive operating statement	**1 383**	**600**

Recognition and measurement

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

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

The agency recognises right-of-use assets at the commencement date of the lease (the date the underlying asset is available for use). Right-of-use assets are initially measured at the amount of initial measurement of the lease liability, adjusted by any lease payments made at or before the commencement date and lease incentives, any initial direct costs incurred, and estimated costs of dismantling and removing the asset or restoring the site.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

	2021
Building	5 years

If ownership of the leased asset transfers to the agency at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are subsequently measured at fair value which approximates costs except for those arising from leases that have significantly below-market terms and conditions principally to enable the agency to further its objectives and are also subject to impairment.

The right-of-use assets are subject to remeasurement principles consistent with the lease liability including indexation and market rent review that approximates fair value and only revalued where a trigger or event may indicate their carrying amount does not equal fair value.

Inter-governmental leases

The agency applies the inter-governmental leases recognition exemption as per the Treasurer's Direction – Leases and recognises these as an expense on a straight-line basis over the lease term. These largely relate to the lease of motor vehicles from NT Fleet. Leases of commercial properties for office accommodation are centralised with the Department of Corporate and Digital Development and not disclosed within these financial statements.

17. Intangibles

	2021	2020
	$000	$000
Carrying amount		
Intangibles with a finite useful life		
Other intangibles		
At valuation	465	465
less: accumulated amortisation	(363)	(319)
Written down value – 30 June	102	146
Total intangibles	**102**	**146**

Intangible valuations

Agency intangibles are computer software which are subject to the cost model consistent with Treasurer's Directions. Valuations are not required.

Impairment of intangibles

Agency intangible assets were assessed for impairment as at 30 June 2021. No impairment adjustments were required as a result of this review.

	2021	2020
	$000	$000
Reconciliation of movements		
Intangibles with a finite useful life		
Other intangibles		
Carrying amount at 1 July	146	5 256
Additions	-	-
Disposals	-	-
Depreciation and amortisation	(44)	(62)
Additions/disposals from asset transfers	-	(5 048)
Carrying amount as at 30 June	**102**	**146**

18. Payables

	2021	2020
	$000	$000
Accounts payable	644	174
Accrued expenses	31 745	2 467
Total payables	**32 389**	**2 641**

Liabilities for accounts payable and other amounts payable are carried at cost, which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the agency. Accounts payable are normally settled within 20 days from receipt of valid of invoices under $1 million or 30 days for invoices over $1 million.

19. Borrowings and advances

	2021	2020
	$000	$000
Current		
Lease liabilities	843	-
	843	-
Non current		
Lease liabilities	1 631	-
	1 631	-
Total borrowings and advances	**2 474**	**-**

Borrowings and advances are recorded initially at fair value, net of transaction costs. Subsequent to initial recognition, these are measured at amortised cost using the effective interest method. Gains and losses are recognised in net results when the liabilities are derecognised as well as through the amortisation process.

Lease liabilities

At the commencement date of the lease where the agency is the lessee, the agency recognises lease liabilities measured at the present value of lease payments to be made over the lease term. Lease payments include:

- fixed payments (including in substance fixed payments) less any lease incentives receivable
- variable lease payments that depend on an index or a rate
- amounts expected to be paid under residual value guarantees
- exercise price of a purchase options reasonably certain to be exercised by the agency
- payments of penalties for terminating the lease, if the lease term reflects the agency exercising the option to terminate

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for the agency's leases, the Northern Territory Treasury Corporation's institutional bond rate is used as the incremental borrowing rate.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (such as changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset

The following table presents liabilities under leases.

	2021	2020
	$000	$000
Balance at 1 July	-	-
Additions	3 312	-
Interest expenses	19	-
Payments	(857)	-
Balance at 30 June	**2 474**	**-**

The agency had total cash outflows for leases of $0.857 million in 2021 compared to nil in 2020.

Future minimum lease payments under non-cancellable leases not recorded as liability are as follows:

	2021		2020	
	Internal	External	Internal	External
Within one year	392	126	600	-
	392	**126**	**600**	**-**

20. Provisions

	2021	2020
	$000	$000
Current		
Employee benefits		
Recreation leave	7 390	5 329
Leave loading	943	697
Other employee benefits	31	20
Other current provisions		
Other provisions - includes provisions for superannuation, fringe benefits tax and payroll tax payable[1]	1 457	1 157
Total provisions	**9 821**	**7 203**
Reconciliations of provisions		
Balance as at 1 July	1 157	1 386
Additional provisions recognised	997	-
Reductions arising from payments	(697)	(229)
Balance as at 30 June	**1 457**	**1 157**

[1] Adjusting events related to the payroll tax provision is disclosed in Note 2(h) - Accounting judgments and estimates

The agency employed 785 employees as at 30 June 2021 compared to 377 employees as at 30 June 2020. The increase relates to staff employed for COVID-19 related activities to ensure that the health system can respond effectively to the pandemic as well as for the repatriation of Australians.

Employee benefits

Provision is made for employee benefits accumulated as a result of employees rendering services up to the reporting date. These benefits include wages and salaries and recreation leave. Liabilities arising in respect of wages and salaries, recreation leave and other employee benefit liabilities that fall due within 12 months of reporting date are classified as current liabilities and are measured at

amounts expected to be paid. Non-current employee benefit liabilities that fall due after 12 months of the reporting date are measured at present value, calculated using the government long-term bond rate.

No provision is made for sick leave, which is non-vesting, as the anticipated pattern of future sick leave to be taken is less than the entitlement accruing in each reporting period.

- Employee benefit expenses are recognised on a net basis in respect of the following categories: wages and salaries, non-monetary benefits, recreation leave and other leave entitlements
- Other types of employee benefits.

As part of the Northern Territory Government's financial management framework, the Central Holding Authority assumes the long service leave liabilities of government agencies, including the agency; and therefore, no long service leave liability is recognised in agency financial statements.

Superannuation

Employees' superannuation entitlements are provided through the:

- Northern Territory Government and Public Authorities Superannuation Scheme (NTGPASS)
- Commonwealth Superannuation Scheme (CSS) or
- non-government employee nominated schemes for those employees commencing on or after 10 August 1999.

The agency makes superannuation contributions on behalf of its employees to the Central Holding Authority or non-government employee-nominated schemes. Superannuation liabilities related to the government superannuation schemes are held by the Central Holding Authority and therefore are not recognised in agency financial statements.

21. Other liabilities

	2021	2020
	$000	$000
Current		
Deposit held[1]	827	-
Unearned contract revenue	2 041	977
Total other liabilities	**2 868**	**977**

[1] Relates to funds incorrectly paid into the agency's bank account that related to another agency.

Unearned contract revenue

Unearned contract revenue relates to consideration received in advance from customers in respect of grants from external programs. Unearned contract revenue balances as at 30 June 2021 are $2.041 million compared to a balance at 1 July 2020 of $0.977 million. Significant changes in unearned contract revenue during the year is largely due to timing of delivery of services.

Of the amount included in the unearned contract revenue balance as at 1 July 2020, $0.849 million has been recognised as revenue in 2020-21.

The agency anticipates to recognise as revenue, any liabilities for unsatisfied obligations as at the end of the reporting period in accordance with the time bands below:

	2021	2020
	$000	$000
Not later than one year	2 041	977
Total	**2 041**	**977**

22. Commitments

Commitments are those contracted as at 30 June where the amount of the future commitment can be reliably measured.

Disclosures in relation to capital and other commitments are detailed below:

	2021		2020	
	Internal	External	Internal	External
	$000	$000	$000	$000
Other expenditure commitments				
Other non-cancellable expenditure commitments not recognised as liabilities are payable as follows:				
Within one year	-	57 019	-	53 376
Later than one year and not later than five years	-	73 343	-	89 909
	-	**130 362**	**-**	**143 285**

23. Reserves

Asset revaluation surplus

(i) Nature and purpose of the asset revaluation surplus

The asset revaluation surplus includes the net revaluation increments and decrements arising from the revaluation of non-current assets. Impairment adjustments may also be recognised in the asset revaluation surplus.

	Land		Buildings		Total	
	2021	2020	2021	2020	2021	2020
	$000	$000	$000	$000	$000	$000
(ii) Movements in the asset revaluation surplus						
Balance as at 1 July	3 374	3 374	147	147	3 521	3 521
Balance as at 30 June	**3 374**	**3 374**	**147**	**147**	**3 521**	**3 521**

24. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The highest and best use takes into account the use of the asset that is physically possible, legally permissible and financially feasible.

When measuring fair value, the valuation techniques used maximise the use of relevant observable inputs and minimise the use of unobservable inputs. Unobservable inputs are used to the extent that sufficient relevant and reliable observable inputs are not available for similar assets/liabilities.

Observable inputs are publicly available data relevant to the characteristics of the assets/liabilities being valued. Observable inputs used by the agency include, but are not limited to, published sales data for land and general office buildings.

Unobservable inputs are data, assumptions and judgments not available publicly but relevant to the characteristics of the assets/liabilities being valued. Such inputs include internal agency adjustments to observable data to take account of particular and potentially unique characteristics/functionality of assets/liabilities and assessments of physical condition and remaining useful life.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the following fair value hierarchy based on the inputs used:

Level 1 – inputs are quoted prices in active markets for identical assets or liabilities

Level 2 – inputs are inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 – inputs are unobservable.

The fair value of financial instruments is determined on the following basis:

- the fair value of cash, deposits, advances, receivables and payables approximates their carrying amount, which is also their amortised cost
- the fair value of derivative financial instruments are derived using current market yields and exchange rates appropriate to the instrument
- the fair value of other monetary financial assets and liabilities is based on discounting to present value the expected future cash flows by applying current market interest rates for assets and liabilities with similar risk profiles.

a) Fair value hierarchy

The agency does not recognise any financial assets or liabilities at fair value as these are recognised at amortised cost. The carrying amounts of these financial assets and liabilities approximates their fair value.

The table below presents non-financial assets recognised at fair value in the balance sheet categorised by levels of inputs used to compute fair value.

	Level 1		Level 2		Level 3		Total fair value	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
	$000	$000	$000	$000	$000	$000	$000	$000
Assets								
Land (Note 15)	-	-	-	-	1 657	1 657	1 657	1 657
Buildings (Note 15)	-	-	-	-	10 614	10 024	10 614	10 024
Plant and equipment (Note 15)	-	-	-	-	8 335	2 695	8 335	2 695
Total assets	-	-	-	-	**20 606**	**14 376**	**20 606**	**14 376**

There were no transfers between levels during 2020-21.

b) Valuation techniques and inputs

Valuation techniques used to measure fair value in 2020-21 are:

	Level 3 techniques
Asset classes	
Land	Cost approach
Buildings	Cost approach
Right-of-use Building	Cost approach
Plant and equipment	Cost approach

There were no changes in valuation techniques from 2019-20 to 2020-21.

Level 3 fair values of specialised buildings were determined by computing their current replacement costs because an active market does not exist for such facilities. The current replacement cost was based on a combination of internal records of the historical cost of the facilities, adjusted for contemporary technology and construction approaches. Significant judgement was also used in assessing the remaining service potential of the facilities, given local environmental conditions, projected usage, and records of the current condition of the facilities.

c) Additional information for level 3 fair value measurements

(i) Reconciliation of recurring level 3 fair value measurements of non financial assets

	Land	Buildings	Plant and equipment
	$000	$000	$000
2020-21			
Fair value as at 1 July 2020	1 657	10 024	2 695
Additions	-	3 312	670
Depreciation	-	(1 950)	(1 200)
Additions/disposals from asset transfers	-	(772)	6 170
Fair value as at 30 June 2021	**1 657**	**10 614**	**8 335**
2019-20			
Fair value as at 1 July 2019	1 657	10 844	4 416
Additions	-	317	588
Depreciation	-	(1 137)	(791)
Additions/disposals from asset transfers	-	-	(1 518)
Fair value as at 30 June 2020	**1 657**	**10 024**	**2 695**

(ii) Sensitivity analysis

Buildings unobservable inputs used in computing the fair value of buildings include the historical cost and the consumed economic benefit for each building. Given the large number of agency buildings, it is not practical to compute a relevant summary measure for the unobservable inputs. In respect of sensitivity of fair value to changes in input value, a higher historical cost results in a higher fair value and greater consumption of economic benefit lowers fair value.

25. Financial instruments

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and liabilities are recognised on the balance sheet when the agency becomes a party to the contractual provisions of the financial instrument. The agency's financial instruments include cash and deposits; receivables; advances paid; investment in shares; payables; advances received; borrowings and derivatives.

Due to the nature of operating activities, certain financial assets and financial liabilities arise under statutory obligations rather than a contract. Such financial assets and liabilities do not meet the definition of financial instruments as per AASB 132 Financial Instruments: Presentation. These include statutory receivables arising from taxes including GST and penalties.

The agency has limited exposure to financial risks.

Exposure to interest rate risk, foreign exchange risk, credit risk, price risk and liquidity risk arise in the normal course of activities. The Northern Territory Government's investments, loans and placements, and borrowings are predominantly managed through the Northern Territory Treasury Corporation adopting strategies to minimise risk. Derivative financial arrangements are also utilised to manage financial risks inherent in the management of these financial instruments. These arrangements include swaps, forward interest rate agreements and other hedging instruments to manage fluctuations in interest or exchange rates.

a) Categories of financial instruments

The carrying amounts of the agency's financial assets and liabilities by category are disclosed in the table below:

	Fair value through profit or loss				
	Mandatorily at fair value	Designated at fair value	Amortised cost	Fair value through other comprehensive income	Total
	$000	$000	$000	$000	$000
2020-21					
Cash and deposits	-	-	38 239	-	38 239
Receivables[1]	-	-	858	-	858
Advances paid	-	-	300	-	300
Total financial assets	**-**	**-**	**39 397**	**-**	**39 397**
Payables	-	-	32 389	-	32 389
Lease liabilities	-	-	2 499	-	2 499
Other liabilities	-	-	827	-	827
Total financial liabilities	**-**	**-**	**35 715**	**-**	**35 715**
2019-20					
Cash and deposits	-	-	7 567	-	7 567
Receivables[1]	-	-	4 781	-	4 781
Advances paid	-	-	285	-	285
Total financial assets	**-**	**-**	**12 633**	**-**	**12 633**
Payables	-	-	2 641	-	2 641
Lease liabilities	-	-	-	-	-
Other liabilities	-	-	-	-	-
Total financial liabilities	**-**	**-**	**2 641**	**-**	**2 641**

[1]Total amounts disclosed exclude statutory amounts, prepaid expenses and accrued contract revenue.

Categories of financial instruments

The agency's financial instruments are classified in accordance with AASB 9.

Financial assets are classified under the following category:

- amortised cost.

Financial liabilities are classified under the following category:

- amortised cost.

These classification are based on the agency's business model for managing the financial assets and the contractual terms of the cash flows. Where assets are measured at fair value, gains and losses will either be recorded in profit or loss, or other comprehensive income.

Financial instruments are reclassified when and only when the agency's business model for managing those assets changes.

Financial assets at amortised cost

Financial assets are classified at amortised cost when they are held by the agency to collect the contractual cash flows which are solely payments of principal and interest.

These assets are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less impairment. The agency's financial assets categorised at amortised cost include receivables, advances paid, leases receivables, term deposits and certain debt securities.

Financial liabilities at amortised cost

Financial liabilities at amortised cost are measured at amortised cost using the effective interest rate method. The agency's financial liabilities categorised at amortised cost include all accounts payable, deposits held, advances received, lease liabilities and borrowings.

b) Credit risk

Credit risk is the risk that one party to a financial instrument will cause financial loss for the other party by failing to discharge an obligation.

The agency has limited credit risk exposure (risk of default). In respect of any dealings with organisations external to the government, the agency has adopted a policy of only dealing with credit-worthy organisations and obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial loss from defaults.

The carrying amount of financial assets recorded in the financial statements, net of any allowances for losses, represents the agency's maximum exposure to credit risk without taking account of the value of any collateral or other security obtained.

Credit risk relating to receivables is disclosed in Note 11 and advances paid in Note 13.

c) Liquidity risk

Liquidity risk is the risk the agency will not be able to meet its financial obligations as they fall due. The agency's approach to managing liquidity is to ensure it will always have sufficient funds to meet its liabilities when they fall due. This is achieved by ensuring minimum levels of cash are held in the agency bank account to meet various current employee and supplier liabilities. The agency's exposure to liquidity risk is minimal. Cash injections are available from the Central Holding Authority in the event of one-off extraordinary expenditure items arising that deplete cash to levels that compromise the agency's ability to meet its financial obligations.

The following tables detail the agency's remaining contractual maturity for its financial liabilities, calculated based on undiscounted cash flows at reporting date. The undiscounted cash flows in these tables differ from the amounts included in the balance sheet, which are based on discounted cash flows.

2021 Maturity analysis for financial liabilities

	Carrying amount	Less than a year	1 to 5 years	More than 5 years	Total
	$000	$000	$000	$000	$000
Liabilities					
Other liabilities	827	827	-	-	827
Payables	32 389	32 389	-	-	32 389
Lease liabilities	2 474	857	1 642	-	2 499
Total financial liabilities	**35 690**	**34 073**	**1 642**	**-**	**35 715**

2020 Maturity analysis for financial liabilities

	Carrying amount	Less than a year	1 to 5 years	More than 5 years	Total
	$000	$000	$000	$000	$000
Liabilities					
Other liabilities	-	-	-	-	-
Payables	2 641	2 641	-	-	2 641
Lease liabilities	-	-	-	-	-
Total financial liabilities	**2 641**	**2 641**	**-**	**-**	**2 641**

d) Market risk

Market risk is the risk the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. It comprises interest rate risk, price risk and currency risk.

(i) Interest rate risk

The agency has very limited exposure to interest rate risk as agency financial assets and financial liabilities, with the exception of the State Pool account with the Reserve Bank of Australia, are non-interest bearing. Lease arrangements are established on a fixed interest rate and therefore do not expose the agency to interest rate risk.

Sensitivity analysis

Changes in the variable rates of 100 basis points (one per cent) at reporting date would have minimal effect on the agency's profit or loss and equity.

(ii) Price risk

The agency is not exposed to price risk as the agency does not hold units in unit trusts.

(iii) Currency risk

The agency is not exposed to currency risk as the agency does not hold borrowings denominated in foreign currencies or transactional currency exposures arising from purchases in a foreign currency.

26. Related parties

(i) Related parties

The agency is a government administrative entity and is wholly owned and controlled by the Northern Territory Government. Related parties of the agency include:

- The portfolio minister and key management personnel (KMP) because they have authority and responsibility for planning, directing and controlling the activities of the agency directly
- close family members of the portfolio minister or KMP including spouses, children and dependants
- all public sector entities that are controlled and consolidated into the whole of government financial statements
- any entities controlled or jointly controlled by KMP's or the portfolio minister, or controlled or jointly controlled by their close family members.

(ii) Key management personnel

Key management personnel of the agency are those persons having authority and responsibility for planning, directing and controlling the activities of the agency. These include the Minister of Health, the Chief Executive Officer and the six members of the executive team.

(iii) Remuneration of key management personnel

The details below excludes the salaries and other benefits of the Minister for Health as the minister's remunerations and allowances are payable by the Department of the Legislative Assembly and consequently disclosed within the Treasurer's annual financial statements.

The aggregate compensation of key management personnel of Department of Health is set out below:

	2021	2020
	$000	$000
Short-term benefits	1 731	2 358
Post-employment benefits	154	212
Termination benefits	-	282
Total	**1 885**	**2 852**

Transactions with Northern Territory Government-controlled entities

The agency's primary ongoing source of funding is received from the Central Holding Authority in the form of output and capital appropriation and on-passed Commonwealth national partnership and specific-purpose payments.

The following table provides quantitative information about related party transactions entered into during the year with all other Northern Territory Government-controlled entities.

2021

Related party	Revenue from related parties	Payments to related parties	Amounts owed by related parties	Amounts owed to related parties
	$000	$000	$000	$000
All Northern Territory Government departments	275 144	1 573 615	28 651	20 125

2020

Related party	Revenue from related parties	Payments to related parties	Amounts owed by related parties	Amounts owed to related parties
	$000	$000	$000	$000
All Northern Territory Government departments	159 430[1]	1 432 546[1]	1 216[2]	540[1]

[1] Restated to exclude Administered Territory revenue and expenses.
[2] Restated to include prepaid expenses.

Revenue from related parties include corporate services charges and goods and services free of charge. Significant payments to related parties include funding transactions relating to the purchaser provider relationship between the agency and the Top End Health Service, the Central Australia Health Service and notional corporate charges.

Other related party transactions are as follows:

Given the breadth and depth of Northern Territory Government activities, related parties will transact with the Northern Territory public sector in a manner consistent with other members of the public including paying stamp duty and other government fees and charges and therefore these transactions have not been disclosed. There were no other related party transactions during the financial year or the last financial year.

27. Contingent liabilities and contingent assets

a) Contingent liabilities

The agency has granted a series of health-related indemnities for various purposes including to specialist medical practitioners employed or undertaking work in public hospitals, medical professional requested to give expert advice on inquires before the Medical Board and midwives.

Although risks associated with health indemnities are potentially high, the beneficiaries of the indemnities are highly trained and qualified professionals. The indemnities generally cannot be called upon where there is willful or gross misconduct on the part of the beneficiary.

Indemnities are granted to Commonwealth and other entities involved in funding programs undertaken by the agency. Under these indemnities, the agency generally accepts liability for damage or losses occurring as a result of the programs and acknowledges that, while the Commonwealth or another party has contributed financially, the agency is ultimately liable for the consequences of the program.

b) Contingent assets

The agency had no contingent assets as at 30 June 2021 or 30 June 2020.

28. Events subsequent to balance date

On 1 July 2021, the agency was restructured under the *Health Services Act 2021*. As a result, all functions within the Top End Health Service and the Central Australia Health Service transferred to the agency.

29. Schedule of administered Territory items

The following Territory items are managed by the agency on behalf of the government and are recorded in the Central Holding Authority (refer Note 2(d)).

	2021	2020
	$000	$000
TERRITORY INCOME AND EXPENSES		
Income		
Grants and subsidies revenue		
Capital	78	3 752
Fees from regulatory services[1]	17 903	1 994
Total income	**17 981**	**5 746**
Expenses		
Doubtful debts	1 270	-
Other administrative expenses[1]	16 711	5 746
Total expenses	**17 981**	**5 746**
Territory income less expenses	**-**	**-**
TERRITORY ASSETS AND LIABILITIES		
Assets		
Other receivables	5 433	9 672
Total assets	**5 433**	**9 672**
Liabilities		
Central Holding Authority income payable	5 433	9 672
Total liabilities	**5 433**	**9 672**
Net assets	**-**	**-**

[1] Reflects COVID-19 quarantine fees

30. Budgetary information

Comprehensive operating statement	2020-21 Actual	2020-21 Original budget	Variance	Note
	$000	$000	$000	
INCOME				
Grants and subsidies revenue				
Current	450 384	398 021	52 363	1
Capital	2 151	-	2 151	1
Appropriation				
Output	1 127 780	1 103 435	24 345	2
Commonwealth	119 177	88 249	30 928	3
Sales of goods and services	92 027	68 263	23 764	4
Interest revenue	1	10	(9)	5
Goods and services received free of charge	42 424	40 019	2 405	
Other income	5 357	171	5 186	6
TOTAL INCOME	**1 839 301**	**1 698 168**	**141 133**	
EXPENSES				
Employee expenses	89 015	75 626	13 389	7
Administrative expenses				
Purchases of goods and services	635 517	662 618	(27 101)	8
Depreciation and amortisation	3 194	1 858	1 336	9
Services free of charge	42 424	40 019	2 405	
Other administrative expenses	292	-	292	
Grants and subsidies expenses				
Current	1 053 500	923 667	129 833	10
Capital	3 258	-	3 258	1
Interest expenses	19	-	19	9
TOTAL EXPENSES	**1 827 219**	**1 703 788**	**123 431**	
NET SURPLUS/(DEFICIT)	**12 082**	**(5 620)**	**17 702**	
COMPREHENSIVE RESULT	**12 082**	**(5 620)**	**17 702**	

Notes:

The following note descriptions relate to variances greater than 10 per cent or where multiple significant variances have occurred.

1. Relates to increased funding for the National Partnership for COVID-19 Response not included in original budget and reimbursements from the Top End Health Service and the Central Australia Health Service, partially offset by a reduction in National Health Reform funding.
2. Reflects additional Northern Territory COVID-19 pandemic funding received during the year.
3. Reflects funding under the COVID-19 Quarantine Arrangements at the NT Centre for National Resilience for Organised National Repatriation of Australians not included in the original budget.
4. Predominately relates to additional cross border revenue from other Australian jurisdictions.
5. Reflects a reduction in interest rate.
6. Relates to reimbursements received from the Top End Health Service and the Central Australia Health Service predominantly for the Territory's share of costs for blood supply.
7. Predominately the COVID-19 Quarantine Arrangements at the NT Centre for National Resilience for Organised National Repatriation of Australians.
8. Relates to a reduction in National Health Reform funding.
9. New finance lease for the National Critical Care and Trauma Response Centre at the Darwin International Airport.
10. Predominantly on-passing of external funding to Northern Territory Government agencies and to the Top End Health Service and the Central Australia Health Service for COVID-19 Quarantine Arrangements at the NT Centre for National Resilience for Organised National Repatriation of Australians and National Partnership COVID-19 Response and Territory COVID-19 funding.

DEPARTMENT OF HEALTH

Balance Sheet	2020-21 Actual	2020-21 Original budget	Variance	Note
	$000	$000	$000	
ASSETS				
Current assets				
Cash and deposits	38 239	3 676	34 563	1
Receivables	31 323	12 623	18 700	2
Inventories	-	805	(805)	3
Prepayments	2 280	1 969	311	
Total current assets	71 842	19 073	52 769	
Non-current assets				
Advances and investments	300	285	15	
Property, plant and equipment	20 606	12 595	8 011	4
Intangibles	102	146	(44)	
Total non-current assets	21 008	13 026	7 982	
TOTAL ASSETS	**92 850**	**32 099**	**60 751**	
LIABILITIES				
Current liabilities				
Payables	32 389	2 639	29 750	1,5
Borrowings and advances	843	-	843	6
Provisions	9 821	7 203	2 618	7
Other liabilities	2 868	-	2 868	8
Total current liabilities	45 921	9 842	36 079	
Non-current liabilities				
Borrowings and advances	1 631	-	1 631	6
Total non-current liabilities	1 631	-	1 631	
TOTAL LIABILITIES	**47 552**	**9 842**	**37 710**	
NET ASSETS	**45 298**	**22 257**	**23 041**	
EQUITY				
Capital	265 720	260 381	5 339	
Reserves	3 521	3 521	-	
Accumulated funds	(223 943)	(241 645)	17 702	
TOTAL EQUITY	**45 298**	**22 257**	**23 041**	

Notes:

The following note descriptions relate to variances greater than 10 per cent or where multiple significant variances have occurred.

1. Higher cash at bank balance due to surplus outcome and timing of payments.
2. Anticipated funds for the COVID-19 Quarantine Arrangements at the NT Centre for National Resilience for Organised National Repatriation of Australians agreement and the National Partnership on Northern Territory Remote Aboriginal Investment.
3. Relates to personal protective equipment transferred to the Top End Health Service and the Central Australia Health Service.
4. Office fit out for Manunda Place building and the new National Critical Care and Trauma Response Centre building lease.
5. Higher payables due to timing of payments.
6. New National Critical Care and Trauma Response Centre building lease at Darwin International Airport.
7. Predominately accumulated employee leave entitlements and payroll tax on entitlements.
8. Unearned external revenue and funds related to another agency.

DEPARTMENT OF HEALTH

Cash flow statement	2020-21 Actual $000	2020-21 Original budget $000	Variance $000	Note
CASH FLOWS FROM OPERATING ACTIVITIES				
Operating receipts				
Grants and subsidies received				
Current	456 815	398 021	58 794	1
Capital	2 151	-	2 151	1
Appropriation				
Output	1 127 780	1 103 435	24 345	2
Commonwealth	93 175	88 121	5 054	3
Receipts from sales of goods and services	113 085	67 585	45 500	4
Interest received	1	10	(9)	
Total operating receipts	**1 793 007**	**1 657 172**	**135 835**	
Operating payments				
Payments to employees	(85 498)	(75 626)	(9 872)	5
Payments for goods and services	(619 397)	(661 769)	42 372	6
Grants and subsidies paid				
Current	(1 053 500)	(923 667)	(129 833)	7
Capital	(3 258)	-	(3 258)	1
Interest paid	(19)	-	(19)	
Total operating payments	**(1 761 672)**	**(1 661 062)**	**(100 610)**	
Net cash from/(used in) operating activities	**31 335**	**(3 890)**	**35 225**	
CASH FLOWS FROM INVESTING ACTIVITIES				
Investing receipts				
Proceeds from asset sales	-	23	(23)	8
Total investing receipts	**-**	**23**	**(23)**	
Investing payments				
Purchases of assets	(670)	(100)	(570)	9
Total investing payments	**(670)**	**(100)**	**(570)**	
Net cash from/(used in) investing activities	**(670)**	**(77)**	**(593)**	
CASH FLOWS FROM FINANCING ACTIVITIES				
Financing receipts				
Other liabilities – deposit received	827	-	827	10
Equity injections				
Capital appropriation	77	77	-	
Total financing receipts	**904**	**77**	**827**	
Financing payments				
Lease liabilities payments	(838)	-	(838)	9
Equity withdrawals	(59)	-	(59)	
Total financing payments	**(897)**	**-**	**(897)**	
Net cash from/(used in) financing activities	**7**	**77**	**(70)**	
Net increase/(decrease) in cash held	30 672	(3 890)	34 562	
Cash at beginning of financial year	7 567	7 567	-	
CASH AT END OF FINANCIAL YEAR	**38 239**	**3 677**	**34 562**	

Notes:

The following note descriptions relate to variances greater than 10 per cent or where multiple significant variances have occurred.

1. Relates to increased funding for the National Partnership for COVID-19 Response not included in original budget and reimbursements from the Top End Health Service and the Central Australia Health Service, partially offset by a reduction in National Health Reform funding.
2. Reflects additional Northern Territory COVID-19 pandemic funding not included in the original budget.
3. Reflects funding under the COVID-19 Quarantine Arrangements at the NT Centre for National Resilience for Organised National Repatriation of Australians not included in the original budget.
4. Predominately relates to additional cross border revenue from other Australian jurisdictions and goods and services tax received.
5. Predominately the COVID-19 Quarantine Arrangements at the NT Centre for National Resilience for Organised National Repatriation of Australians.
6. Relates to a reduction in National Health Reform funding.
7. Predominantly on-passing of external funding to Northern Territory Government agencies and to the Top End Health Service and the Central Australia Health Service for COVID-19 Quarantine Arrangements at the NT Centre for National Resilience for Organised National Repatriation of Australians and National Partnership COVID-19 Response and Territory COVID-19 funding.
8. No assets were sold during the financial year.
9. New finance lease for the National Critical Care and Trauma Response Centre at the Darwin International Airport.
10. Bank account deposit related to another agency.

31. Budgetary information: administered Territory items

In addition to the specific departmental operations that are included in the financial statements, the agency administers or manages other activities and resources on behalf of the Territory such as fees for regulatory services and quarantine fees. The agency does not gain control over assets arising from these collections, consequently no income is recognised in the agency's financial statements. The transactions relating to these activities are reported as administered items in this note.

Administered Territory items	2020-21 Actual	2020-21 Original budget	Variance	Note
	$000	$000	$000	
TERRITORY INCOME AND EXPENSES				
Income				
Grants and subsidies revenue				
Capital	78	78	-	1
Fees from regulatory services	17 903	139	17 764	2
Total income	**17 981**	**217**	**17 764**	
Expenses				
Central Holding Authority income transferred				
Doubtful debts	1 270	-	1 270	2
Other administrative expenses	16 711	217	16 494	2
Total expenses	**17 981**	**217**	**17 764**	
Territory income less expenses	**-**	**-**	**-**	
TERRITORY ASSETS AND LIABILITIES				
Assets				
Accounts receivable	5 203	-	5 203	2,3
Allowance for doubtful debts	(1 270)	-	(1 270)	2
Other receivables	1 500	-	1 500	1
Total assets	**5 433**	**-**	**5 433**	
Liabilities				
Central Holding Authority income payable	5 433	-	5 433	
Total liabilities	**5 433**	**-**	**5 433**	
Net assets	**-**	**-**	**-**	

Notes:

The following note descriptions relate to variances greater than 10 per cent or where multiple significant variances have occurred.

1. Relates to capital equipment funding from the Commonwealth.
2. Reflects Territory COVID-19 quarantine fees.
3. Transfer of all revenue to the Central Holding Authority.

Top End Health Service
Financial Statements

Northern Territory
Auditor-General's Office
Auditing for Parliament

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Darwin NT 0801

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2022-0046 - Auditee Transmittal

Dr Frank Daly
Chief Executive
Department of Health
PO Box 40596
Casuarina NT 0811

29 September 2021

Dear Dr Frank Daly

Top End Health Service

I have now reported to the Minister for Health on the financial report prepared by the Top End Health Service. Enclosed is the financial report, together with my audit report.

Yours sincerely

Julie Crisp
Auditor-General for the Northern Territory

attach

Northern Territory
Auditor-General's Office
Auditing for Parliament

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Darwin NT 0801

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2022-0046 - Ministerial Transmittal

Copy for Auditee information only

The Honourable Natasha Fyles MLA
Minister for Health
c/- Parliament House
State Square
Darwin NT 0800

29 September 2021

Dear Minister

Top End Health Service

In accordance with Section 10(3) of the *Financial Management Act 1995* the Accountable Officer of the Top End Health Service has submitted for my audit a financial statement comprising a balance sheet, a comprehensive operating statement, a statement of changes in equity, a cash flow statement and associated notes to the financial statement. A copy of the financial statement is enclosed together with my audit report thereon.

In accordance with Section 10(4) of the Act a copy of my audit report and the financial statement should be laid before the Legislative Assembly.

Yours sincerely

Original Signed

Julie Crisp
Auditor-General for the Northern Territory

attach

Auditor-General

Independent Auditor's Report to the Minister for Health

Top End Health Service

Opinion

I have audited the accompanying financial report of Top End Health Service, which comprises the balance sheet as at 30 June 2021, and the comprehensive operating statement, statement of changes in equity and cash flow statement for the year then ended, a summary of significant accounting policies and other explanatory notes, and the certification of the financial statements by the Accountable Officer.

In my opinion, the financial report gives a true and fair view, in all material respects, of the financial position of Top End Health Service as at 30 June 2021, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards.

Basis for Opinion

I conducted my audit in accordance with 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 Top End Health Service in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matter – Restatement of comparative balances

I draw attention to Note 30 to the financial statements, which states that the amounts reported in the previously issued financial statements for the year ended 30 June 2020 have been restated and disclosed as comparatives in the financial report. My opinion is not modified in respect of these matters.

Emphasis of matter – Restructure of health services

I draw attention to Note 27 to the financial statements, which states that Top End Health Service was restructured under the *Health Services Act 2021* which came into effect on 1 July 2021 and has resulted in all functions of Top End Health Service transferring to the Northern Territory Department of Health. As a result, Top End Health Service will cease to exist as a reporting entity. As the functions of Top End Health Service will continue, the going concern basis of accounting has been applied as disclosed in Note 2b) to the financial statements. My opinion is not modified in respect of these matters.

Responsibilities of the Accountable Officer for the Financial Report

The Accountable Officer is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and for such internal control as the Accountable Officer determines is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the ability of Top End Health Service to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate Top End Health Service or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the financial reporting process of Top End Health Service.

Level 9 Northern Territory House 22 Mitchell Street Darwin 0800 Tel: 08 8999 7155

Auditor's Responsibilities for the Audit of the Financial Report

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 the financial report.

As part of an audit in accordance with the 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 internal control within Top End Health Service.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management'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 ability of Top End Health Service 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 my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report however future events or conditions may cause Top End Health Service 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.

I communicate with those charged with governance regarding, 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 my audit.

Julie Crisp
Auditor-General for the Northern Territory

Darwin, Northern Territory

29 September 2021

Level 9 Northern Territory House 22 Mitchell Street Darwin 0800 Tel: 08 8999 7155

TOP END HEALTH SERVICE

Certification of the financial statements

We certify that the attached financial statements for the Health Service have been prepared based on proper accounts and records in accordance with the prescribed format, the *Financial Management Act 1995* and Treasurer's Directions.

We further state that the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement, and notes to and forming part of the financial statements, presents fairly the financial performance and cash flows for the year ended 30 June 2021 and the financial position on that date.

At the time of signing, we are not aware of any circumstances that would render the particulars included in the financial statements misleading or inaccurate.

Dr Frank Daly

Chief Executive Officer

15 September 2021

Allison Grierson

A/Regional Executive Director

15 September 2021

Katrina Bosworth

Chief Finance Officer

15 September 2021

TOP END HEALTH SERVICE

Comprehensive operating statement

For the year ended 30 June 2021

	Note	2021	2020 Restated *
		$000	$000
INCOME			
Grants and subsidies revenue			
Current	4a	723 020	641 699
Sales of goods and services	4b	436 821	431 495
Interest revenue		14	-
Goods and services received free of charge[1]	5	26 481	23 571
Other income	4c	2 289	2 166
Reversal of payroll tax provision*	4c	29 908	-
TOTAL INCOME*	3	**1 218 533**	**1 098 931**
EXPENSES			
Employee expenses*		744 829	689 911
Administrative expenses			
Purchases of goods and services*	7	382 079	340 418
Depreciation and amortisation*	15, 16	49 722	48 534
Other administrative expenses[1]		29 741	25 021
Grants and subsidies expenses			
Current		58 373	47 928
Capital		1 721	1 516
Interest expenses*	8	1 081	1 226
Loss on disposal of assets	6	24	9
TOTAL EXPENSES*	3	**1 267 570**	**1 154 563**
NET SURPLUS/(DEFICIT)*		**(49 037)**	**(55 632)**
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to net surplus/deficit			
Changes in asset revaluation surplus*	22	10 565	(44 814)
Transfers from Reserves		-	678
TOTAL OTHER COMPREHENSIVE INCOME*		**10 565**	**(44 136)**
COMPREHENSIVE RESULT*		**(38 472)**	**(99 768)**

[1] Includes Department of Corporate and Digital Development and Department of Infrastructure, Planning and Logistics service charges.

* Refer to note 30 for the 2019-2020 restatement.

The comprehensive operating statement is to be read in conjunction with the notes to the financial statements.

TOP END HEALTH SERVICE

Balance sheet

As at 30 June 2021

	Note	2021	2020 Restated*	1 July 2019 Restated*
		$000	$000	$000
ASSETS				
Current assets				
Cash and deposits	10	45 185	56 224	38 650
Receivables	12	44 006	54 917	72 089
Inventories	13	12 803	5 383	7 353
Total current assets		**101 994**	**116 524**	**118 092**
Non-current assets				
Property, plant and equipment*	15,16,23	743 052	742 926	773 358
Total non-current assets*		**743 052**	**742 926**	**773 358**
TOTAL ASSETS*		**845 046**	**859 450**	**891 450**
LIABILITIES				
Current liabilities				
Payables	17	106 750	86 086	87 383
Borrowings and advances*	18	6 667	6 975	1 775
Provisions*	19	101 693	124 355	107 427
Other liabilities	20	4 118	5 155	4 643
Total current liabilities*		**219 228**	**222 571**	**201 228**
Non-current liabilities				
Borrowings and advances*	18	27 817	32 873	16 911
Other liabilities	20	17 903	19 317	20 730
Total non-current liabilities*		**45 720**	**52 190**	**37 641**
TOTAL LIABILITIES*		**264 948**	**274 761**	**238 869**
NET ASSETS*		**580 098**	**584 689**	**652 581**
EQUITY				
Capital		749 926	716 047	684 170
Asset revaluation surplus*	22	134 014	123 449	168 263
Accumulated funds*		(303 842)	(254 807)	(199 852)
TOTAL EQUITY*		**580 098**	**584 689**	**652 581**

* Refer to note 30 for the 2019-2020 restatement.

The balance sheet is to be read in conjunction with the notes to the financial statements.

TOP END HEALTH SERVICE

Statement of changes in equity

For the year ended 30 June 2021

	Note	Equity at 1 July	Comprehensive result	Transactions with owners in their capacity as owners	Equity at 30 June
		$000	$000	$000	$000
2020-21					
Accumulated funds		(254 807)	(49 037)	-	(303 842)
Asset revaluation reserve	22	123 449	10 565	-	134 014
Capital – transactions with owners					
Equity injections					
Equity transfers in		760 283	-	33 880	794 163
Other equity injections		52 874	-	-	52 874
Equity withdrawals					
Capital withdrawal		(92 475)	-	-	(92 475)
Equity transfers out		(4 635)	-	-	(4 635)
		716 047	-	33 880	749 926
Total equity at end of financial year		**584 689**	**(38 472)**	**33 880**	**580 098**
2019-20 – Restated*					
Accumulated funds*		(202 565)	(55 632)	-	(258 198)
Adjustment on adoption of AASB 15 and AASB 1058		2 740	-	-	2 740
Transfers from reserves		(27)	678	-	651
		(199 852)	(54 954)	-	(254 807)
Asset revaluation reserve*	22	168 263	(44 814)	-	123 449
Capital – transactions with owners					
Equity injections					
Equity transfers in		728 595	-	31 688	760 283
Other equity injections		52 685	-	189	52 874
Equity withdrawals					
Capital withdrawal		(92 475)	-	-	(92 475)
Equity transfers out		(4 635)	-	-	(4 635)
		684 170	-	31 877	716 047
Total equity at end of financial year*		**652 581**	**(99 768)**	**31 877**	**584 689**

* Refer to note 30 for the 2019-2020 restatement.

The statement of changes in equity is to be read in conjunction with the notes to the financial statements.

TOP END HEALTH SERVICE

Cash flow statement

For the year ended 30 June 2021

	Note	2021 $000	2020 Restated* $000
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating receipts			
Grants and subsidies received			
Current		723 020	641 699
Receipts from sales of goods and services		477 443	484 409
Total operating receipts		**1 200 463**	**1 126 108**
Operating payments			
Payments to employees		(725 877)	(665 013)
Payments for goods and services*		(413 988)	(383 734)
Grants and subsidies paid			
Current		(58 373)	(47 928)
Capital		(1 721)	(1 516)
Interest paid*		(1 081)	(1 226)
Total operating payments*		**(1 201 040)**	**(1 099 417)**
Net cash from/(used in) operating activities*	11	**(577)**	**26 691**
CASH FLOWS FROM INVESTING ACTIVITIES			
Investing receipts			
Proceeds from asset sales	6	46	5
Total investing receipts		**46**	**5**
Investing payments			
Purchases of assets		(3 506)	(2 708)
Total investing payments		**(3 506)**	**(2 708)**
Net cash from/(used in) investing activities		**(3 460)**	**(2 703)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Financing receipts			
Deposits received		29	28
Equity injections			
Other equity injections		-	189
Total financing receipts		**29**	**217**
Financing payments			
Repayment of borrowings			
Lease liabilities payments*		(7 031)	(6 631)
Total financing payments*		**(7 031)**	**(6 631)**
Net cash from/(used in) financing activities*	11	**(7 002)**	**(6 414)**
Net increase/(decrease) in cash held		(11 039)	17 574
Cash at beginning of financial year		56 224	38 650
CASH AT END OF FINANCIAL YEAR	10	**45 185**	**56 224**

* Refer to note 30 for the 2019-2020 restatement.

The cash flow statement is to be read in conjunction with the notes to the financial statements.

TOP END HEALTH SERVICE

Index of notes to the financial statements

TOP END HEALTH SERVICE

1. Objectives and funding

The Top End Health Service's (Health Service) mission is to improve the health status and wellbeing of all people in the Northern Territory, and in particular the top end.

The Health Service is predominantly funded by and is dependent, on the receipt of Northern Territory and Commonwealth activity based and block funding paid through the Department of Health. The financial statements encompass all funds through which the Health Service controls resources to carry on its functions and deliver outputs. For reporting purposes, outputs delivered by the Health Service are summarised into several output groups. Note 3 provides summarised financial information in the form of a comprehensive operating statement by output group.

2. Statement of significant accounting policies

a) Statement of compliance

The financial statements have been prepared in accordance with the requirements of the *Financial Management Act 1995* and related Treasurer's Directions. The *Financial Management Act 1995* requires the Health Service to prepare financial statements for the year ended 30 June based on the form determined by the Treasurer. The form of Health Service financial statements should include:

1) a certification of the financial statements
2) a comprehensive operating statement
3) a balance sheet
4) a statement of changes in equity
5) a cash flow statement
6) applicable explanatory notes to the financial statements.

b) Basis of accounting

The financial statements have been prepared using the accrual basis of accounting, which recognises the effect of financial transactions and events when they occur, rather than when cash is paid out or received. As part of the preparation of the financial statements, all intra-agency transactions and balances have been eliminated.

Except where stated, the financial statements have also been prepared in accordance with the historical cost convention.

As of 1 July 2021 the functions of the Health Service will transfer to Department of Health. Accordingly, this is the last set of financial statements published. Given there is no cessation of functions or operations, the going concern basis of accounting has still been applied with no discontinued operations disclosed. For additional information relating to the transfer, refer to note 27 – Events subsequent to balance date.

The form of the Health Service financial statements is also consistent with the requirements of Australian accounting standards. The effects of all relevant new and revised standards and interpretations issued by the Australian Accounting Standards Board (AASB) that are effective for the current annual reporting period have been evaluated.

Standards and interpretations effective from 2020-21

Several amending standards and AASB interpretations have been issued that apply to the current reporting periods, but are considered to have no impact on public sector reporting.

Standards and interpretations issued but not yet effective

No Australian accounting standards have been early adopted for 2020-21.

Several other amending standards and AASB interpretations have been issued that apply to future reporting periods but are considered to have limited impact on public sector reporting.

c) Reporting entity

The financial statements cover the Health Service as an individual reporting entity. The Health Service is a statutory body which is established under section 17 of the *Health Services Act 2014* and section 3 of the Health Service Regulations. For financial reporting purposes, the Health Service is a not-for-profit entity.

The principal place of business of the Health Service is: Royal Darwin Hospital, Rocklands Drive, Tiwi Northern Territory 0810.

d) Health Service and Territory items

The financial statements of the Health Service include income, expenses, assets, liabilities and equity over which the Health Service has control (Health Service items). Certain items, while managed by the Health Service, are controlled and recorded by the Territory rather than the Health Service (Territory items). Territory items are recognised and recorded in the Central Holding Authority as discussed below.

Central Holding Authority

The Central Holding Authority is the 'parent body' that represents the government's ownership interest in government-controlled entities.

The Central Holding Authority also records all Territory items, such as income, expenses, assets and liabilities controlled by the government and managed by agencies on behalf of the government. The main Territory item is Territory income, which includes taxation and royalty revenue, Commonwealth general purpose funding (such as GST revenue), fines, and statutory fees and charges.

The Central Holding Authority also holds certain Territory assets not assigned to agencies as well as certain Territory liabilities that are not practical or effective to assign to individual agencies such as unfunded superannuation and long service leave.

The Central Holding Authority recognises and records all Territory items, and as such, these items are not included in the Health Service's financial statements. However, as the Health Service is accountable for certain Territory items managed on behalf of the government, these items have been separately disclosed in Note 29 – Schedule of administered Territory items.

e) Comparatives

Where necessary, comparative information for the 2019-20 financial year has been reclassified to provide consistency with current year disclosures. Further, note 30 outlines changes that have been made to comparative balances.

f) Presentation and rounding of amounts

Amounts in the financial statements and notes to the financial statements are presented in Australian dollars and have been rounded to the nearest thousand dollars, with amounts of $500 or less being

rounded down to zero. Figures in the financial statements and notes may not equate due to rounding. Some prior year figures have been adjusted for corrections to rounding.

g) Changes in accounting policies

There have been no changes to accounting policies adopted in 2020-21 as a result of management decisions.

h) Accounting judgments and estimates

The preparation of the financial report requires the making of judgments and estimates that affect the recognised amounts of assets, liabilities, revenues and expenses and the disclosure of contingent liabilities. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgments and estimates that have significant effects on the financial statements are disclosed below and in Note 19 – Provisions to the financial statements.

Subsequent events

In 2020-21, a misapplication of a payroll tax exemption under the *Payroll Tax Act 2009* back dating to 2016-17 was identified. The Commissioner of Taxation issued a notice of assessment on 20 July 2021 for a payroll tax liability of $47.4 million up to 30 June 2021. This assessment included $8.6 million for penalty tax and penalty interest on the 2016-17 to 2019-20 portion of the debt, refer to note 30 for details of the changes to 2019-2020 comparative balances.

On 11 August 2021, in accordance with section 35(2)(a) of the *Financial Management Act 1995*, the Treasurer approved a waiver extinguishing the payroll tax liability in full.

i) Goods and services tax

Income, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred on a purchase of goods and services is not recoverable from the Australian Tax Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables 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 balance sheet.

Cash flows are included in the cash flow statement on a gross basis. The GST components of cash flows arising from investing and financing activities, which are recoverable from, or payable to, the ATO are classified as operating cash flows. Commitments and contingencies are disclosed net of the amount of GST recoverable or payable unless otherwise specified.

j) Contributions by and distributions to the government

The Health Service may receive contributions from the government where the government is acting as owner of the Health Service. Conversely, the Health Service may make distributions to government. In accordance with the *Financial Management Act 1995* and Treasurer's Directions, certain types of contributions and distributions, including those relating to administrative restructures,

have been designated as contributions by, and distributions to, government. These designated contributions and distributions are treated by the Health Service as adjustments to equity.

The statement of changes in equity provides additional information in relation to contributions by, and distributions to, government.

k) Impact of COVID-19

There was a considerable increase in staffing due to additional requirements of screening at all hospital entrances, COVID-19 testing, cleaning and the COVID-19 hotline. There were also lengthy delays with overseas sourced medical and non-medical supplies and increased demand for personal protective equipment. Since COVID-19 there has also been an increase in leave liability.

3. Comprehensive operating statement by output group

	Note	Top End Hospitals		Community Treatment and Extended Care		Primary Health Care		Top End Wide Support Services		Disease Prevention and Health Protection		Total	
		2021	2020	2021	2020	2021	2020	2021	2020 Restated*	2021	2020	2021	2020 Restated*
		$000	$000	$000	$000	$000	$000	$000	$000	$000	$000	$000	$000
INCOME													
Grants and subsidies revenue													
Current	4a	25 113	28 748	11 136	15 521	37 010	37 929	646 522	557 008	3 239	2 494	723 020	641 699
Sales of goods and services	4b	70 369	61 594	516	628	5 251	6 098	360 661	363 165	24	11	436 821	431 495
Interest revenue		-	-	-	-	14	-	-	-	-	-	14	-
Goods and services received free of charge	5	-	-	-	-	-	-	26 481	23 571	-	-	26 481	23 571
Other income	4c	875	323	-	1	-	167	1 414	1 674	-	-	2 289	2 166
Reversal of payroll tax provision	4c	-	-	-	-	-	-	29 908	-	-	-	29 908	-
TOTAL INCOME		**96 357**	**90,665**	**11 652**	**16 150**	**42 275**	**44 194**	**1 064 986**	**945 417**	**3 263**	**2 505**	**1 218 533**	**1 098 931**
EXPENSES													
Employee expenses*		549 355	501 532	53 949	53 418	101 157	101 175	17 005	23 529	23 363	10 257	744 829	689 911
Administrative expenses													
Purchases of goods and services*	7	205 101	184 979	7 478	8 843	23 498	22 845	140 670	120 924	5 332	2 827	382 079	340 418
Depreciation and amortisation*	15,16	35 935	6 120	1 001	229	7 883	1 703	4 890	40 480	13	2	49 722	48 534
Other administrative expenses[1]		1 284	1 198	117	(1)	894	233	27 446	23 591	-	-	29 741	25 021
Grants and subsidies expenses													
Current		107	91	3 095	2 732	23 382	20 319	31 789	24 736	-	50	58 373	47 928
Capital		-	-	-	-	-	-	1 721	1 516	-	-	1 721	1 516
Loss on disposal of assets		(9)	9	(2)	-	-	-	35	-	-	-	24	9
Interest expenses*	8	(753)	143	4	7	209	224	1 620	852	1	-	1 081	1 226
TOTAL EXPENSES*		**791 020**	**694 072**	**65 642**	**65 228**	**157 023**	**146 499**	**225 177**	**235 628**	**28 708**	**13 136**	**1 267 570**	**1 154 563**
NET SURPLUS/(DEFICIT)*		**(694 663)**	**(603 407)**	**(53 990)**	**(49 078)**	**(114 748)**	**(102 305)**	**839 809**	**709 789**	**(25 445)**	**(10 631)**	**(49 037)**	**(55 632)**
OTHER COMPREHENSIVE INCOME													
Items that will not be reclassified to net surplus/(deficit)													
Changes in asset revaluation surplus*	22	-	-	-	-	-	-	10 565	(44 814)	-	-	10 565	(44 814)
Transfers from Reserves		-	-	-	-	-	-	-	678	-	-	-	678
TOTAL OTHER COMPREHENSIVE INCOME*		**-**	**-**	**-**	**-**	**-**	**-**	**10 565**	**(44 136)**	**-**	**-**	**10 565**	**(44 136)**
COMPREHENSIVE RESULT*		**(694 663)**	**(603 407)**	**(53 990)**	**(49 078)**	**(114 748)**	**(102 305)**	**850 374**	**665 653**	**(25 445)**	**(10 631)**	**(38 472)**	**(99 768)**

[1] Includes Department of Corporate and Digital Development and Department of Infrastructure, Planning and Logistics service charges.

* Refer to note 30 for the 2019-2020 restatement.

This comprehensive operating statement by output group is to be read in conjunction with the notes to the financial statements.

Income

Income encompasses both revenue and gains.

Income is recognised at the fair value of the consideration received, exclusive of the amount of GST. Exchanges of goods or services of the same nature and value without any cash consideration being exchanged are not recognised as income.

4. Revenue

a) Grants and subsidies revenue

	2021			2020		
	$000 Revenue from contracts with customers	$000 Other	$000 Total	$000 Revenue from contracts with customers	$000 Other	$000 Total
Current grants	43 253	679 767	723 020	41 290	600 409	641 699
Total grants and subsidies revenue	**43 253**	**679 767**	**723 020**	**41 290**	**600 409**	**641 699**

Grants revenue is recognised at fair value exclusive of the amount of GST.

Where a grant agreement is enforceable and has sufficiently specific performance obligations for the Health Service to transfer goods or services to the grantor or a third party beneficiary, the transaction is accounted for under AASB 15. In this case, revenue is initially deferred as a contract liability when received in advance and recognised as or when the performance obligations are satisfied.

The Health Service's contracts with customers is for the delivery of health services to the community. Funding is generally received upfront, and the Health Service typically satisfies obligations and recognises revenue as services are being delivered as specified in the agreement.

A financing component for consideration is only recognised if it is significant to the contract and the period between the transfer of goods and services and receipt of consideration is more than one year. For the 2020-21 and 2019-20 reporting periods, there were no adjustments for the effects of a significant financing component.

Where grant agreements do not meet criteria detailed above, it is accounted for under AASB 1058 and income is recognised on receipt of funding except for capital grants revenue received for the purchase or construction of non-financial assets to be controlled by the Health Service. Capital grants with enforceable contracts and sufficiently specific obligations are recognised as an unearned revenue liability when received and subsequently recognised progressively as revenue as or when the Health Service satisfies its obligations under the agreement. Where a non-financial asset is purchased, revenue is recognised at the point in time the asset is acquired and control transfers to the Health Service.

Revenue from contracts with customers have been disaggregated below into categories to enable users of these financial statements to understand the nature, amount, timing and uncertainty of income and cash flows. These categories include a description of the type of product or service line, type of customer and timing of transfer of goods and services.

Grant agreements that satisfy recognition requirements under AASB 15 are disaggregated below.

	2021 $000	2020 Restated* $000
Type of good and service:		
Service delivery	41 712	41 290
Other	1 541	-
Total revenue from contracts with customers by good or service	**43 253**	**41 290**
Type of customer:		
Australian Government entities		
State and territory governments[1]	29 852	29 005
Non-government entities	13 401	12 285
Total revenue from contracts with customers by type of customer	**43 253**	**41 290**
Timing of transfer of goods and services:		
Overtime	32 257	29 567
Point in time	10 996	11 723
Total revenue from contracts with customers by timing of transfer	**43 253**	**41 290**

1 The comparative for 2019-20 has been restated for customer type from Australian Government entities to State and territory governments by $29.005 million.[

b) Sales of goods and services

	2021			2020		
	$000 Revenue from contracts with customers	$000 Other	$000 Total	$000 Revenue from contracts with customers	$000 Other	$000 Total
Sales of goods and services	77 093	359 728	436 821	64 237	367 258	431 495
Total sales of goods and services	**77 093**	**359 728**	**436 821**	**64 237**	**367 258**	**431 495**

Sale of goods

Revenue from sales of goods is recognised when the Health Service satisfies a performance obligation by transferring the promised goods to the buyer. The Health Service typically satisfies its performance obligations when goods are transferred to buyer. The payments are typically due within 30 days of invoice, or as per contract specified.

Revenue from these sales are based on the price specified in the contract, and revenue is only recognised to the extent that it is highly probable a significant reversal will not occur. There is no element of financing present as sales are made with a short credit term.

Rendering of services

Revenue from rendering of services is recognised when the Health Service satisfies the performance obligation by transferring the promised health related services, such as hospital services, pharmaceutical benefit schemes and pathology services. The Health Service typically satisfies its performance obligations when the service is performed, which is usually satisfied at a point in time when the service is completed.

TOP END HEALTH SERVICE

Revenue from contracts with customers have been disaggregated below into categories to enable users of these financial statements to understand the nature, amount, timing and uncertainty of income and cash flows. These categories include a description of the type of product or service line, type of customer and timing of transfer of goods and services.

	2021	2020
	$000	$000
Type of good and service:		
Service delivery	75 543	63 320
Others	1 550	917
Total revenue from contracts with customers by good or service	**77 093**	**64 237**
Type of customer:		
Australian Government entities	7 391	8 520
State and territory governments	6 938	2 594
Non-government entities	62 764	53 123
Total revenue from contracts with customers by type of customer	**77 093**	**64 237**
Timing of transfer of goods and services:		
Point in time	77 093	64 237
Total revenue from contracts with customers by timing of transfer	**77 093**	**64 237**

c) Other income

	2021			2020		
	$000 Revenue from contracts with customers	$000 Other	$000 Total	$000 Revenue from contracts with customers	$000 Other	$000 Total
Other income	-	2 288	2 288	11	2 155	2 166
Reversal of payroll tax provision	-	29 908	29 908	-	-	-
Total other income	**-**	**32 197**	**32 197**	**11**	**2 155**	**2 166**

Revenue from contracts with customers have been disaggregated below into categories to enable users of these financial statements to understand the nature, amount, timing and uncertainty of income and cash flows. These categories include a description of the type of product or service line, type of customer and timing of transfer of goods and services.

	2021	2020
	$000	$000
Type of good and service:		
Service delivery	-	11
Total revenue from contracts with customers by good or service	**-**	11
Type of customer:		
Non-government entities	**-**	11
Total revenue from contracts with customers by type of customer	-	11
Timing of transfer of goods and services:		
Overtime	-	11
Total revenue from contracts with customers by timing of transfer	**-**	**11**

5. Goods and services received free of charge

	2021	2020
	$000	$000
Corporate and information services	2 205	1 393
Repairs and maintenance	24 276	22 178
Total goods and services free of charge	**26 481**	**23 571**

Resources received free of charge are recognised as revenue when, and only when, a fair value can be reliably determined and the services would have been purchased if they had not been donated. Use of those resources is recognised as an expense. Resources received free of charge are recorded as either revenue or gains depending on their nature.

Repairs and maintenance expenses and associated employee costs are centralised and provided by the Department of Infrastructure, Planning and Logistics and forms part of goods and services free of charge of the Health Service. Corporate services staff and functions are also centralised and provided by Department of Corporate and Digital Development and forms part of goods and services free of charge of the Health Service.

6. Loss on disposal of assets

	2021	2020
	$000	$000
Net proceeds from the disposal of non-current assets	46	5
Less: Carrying value of non-current assets disposed	(72)	(14)
Loss on the disposal of non-current assets	**(26)**	**(9)**
Proceeds from sale of minor assets	2	-
Total loss on disposal of assets	**(24)**	**(9)**

7. Purchases of goods and services

	2021	2020 Restated*
	$000	$000
The net surplus/(deficit) has been arrived at after charging the following expenses:		
Goods and services expenses:		
Consultants [1]	1 819	227
Advertising [2]	7	51
Marketing and promotion [3]	319	291
Document production	1 133	854
Legal expenses [4]	1 641	6 061
Recruitment [5]	4 740	4 546
Training and study	2 873	2 215
Official duty fares	9 097	7 786
Travelling allowance	1 131	988
Information technology charges and communications	21 960	19 491
Agent service arrangements	71 811	54 511
Client travel	65 018	62 018
Cross border patient charges	17 424	12 561
Medical/dental supplies and services	107 934	93 646
Property management	26 572	28 954
Other*	48 600	46 218
	382 079	**340 418**

[1] Includes marketing, promotion and Information Technology consultants.
[2] Does not include recruitment related advertising or advertising for marketing and promotion.
[3] Includes advertising for marketing and promotion but excludes marketing and promotion consultants' expenses which are incorporated in the consultants' category.
[4] Includes legal fees, claim and settlement costs.
[5] Includes recruitment-related advertising costs.
* Refer to note 30 for the 2019-2020 restatement.

Purchases of goods and services generally represent the day-to-day running costs incurred in normal operations, including supplies and service costs recognised in the reporting period in which they are incurred.

8. Interest expense

	2021	2020 Restated*
	$000	$000
Interest from lease liabilities*	1 081	1 226
Total interest expense	**1 081**	**1 226**

* Refer to note 30 for the 2019-2020 restatement.

Interest expenses consist of interest and other costs incurred in connection with the borrowing of funds. It includes interest on loans and advances and lease liabilities.

9. Write-offs, postponements, waiver, gifts and ex gratia payments

	2021 $000	No. of trans.	2020 $000	No. of trans.
Write-offs, postponements and waivers under the *Financial Management Act 1995*				
Represented by:				
Amounts written off, postponed and waived by delegates				
Irrecoverable amounts payable to the Territory or Health Service written off	106	172	213	432
Losses or deficiencies of money written off	1	5	-	-
Public property written off	-	-	1 299	1 888
Total written off, postponed and waived by delegates	**107**	**177**	**1 512**	**2 320**
Amounts written off, postponed and waived by the Treasurer				
Irrecoverable amounts payable to the Territory or Health Service written off	-	-	101	79
Losses or deficiencies of money written off	-	-	-	-
Total written off, postponed and waived by the Treasurer	**-**	**-**	**101**	**79**
Write-offs, postponements and waivers authorised under other legislation				
Gifts under *Financial Management Act 1995*				
Gifts by Treasurer	-	27	79	3
Total gifts under *Financial Management Act 1995*	**-**	**27**	**79**	**3**

10. Cash and deposits

	2021	2020
	$000	$000
Cash on hand	15	19
Cash at bank	45 170	56 205
Total cash and deposits	**45 185**	**56 224**

For the purposes of the balance sheet and the cash flow statement, cash includes cash on hand, cash at bank and cash equivalents. Cash equivalents are highly liquid short-term investments that are readily convertible to cash. Cash at bank includes monies held in the Accountable Officer's Trust Account that are ultimately payable to the beneficial owner – refer also to Note 28.

11. Cash flow reconciliation

a) Reconciliation of cash

The total of Health Service 'Cash and deposits' of $45.2 million recorded in the balance sheet is consistent with that recorded as 'Cash' in the cash flow statement.

Reconciliation of net surplus/(deficit) to net cash from operating activities

	2021	2020 Restated*
	$000	$000
Net surplus/(deficit)*	(49 037)	(55 632)
Non-cash items:		
Depreciation and amortisation*	49 722	48 534
Asset write-offs/write-downs	457	1 326
Asset donations/gifts	6	79
Gain/(loss) on disposal of assets	(448)	(302)
Reversal of payroll tax provision	(29 908)	-
Changes in assets and liabilities:		
Decrease in receivables	10 911	17 173
increase in inventories	(7 708)	811
Increase in payables	20 664	(1 297)
Increase in provision for employee benefits	11 267	11 272
Increase in other provisions*	(4 021)	5 657
Decrease in other deferred income	(2 480)	(930)
Net cash from/(used in) operating activities*	**(577)**	**26 691**

* Refer to note 30 for the 2019-2020 restatement.

a) Reconciliation of liabilities arising from financing activities

2020-21

		Cash flows			Other		
	1 July	Lease liabilities repayments	Other	Total cash flows	Other	Total other	30 June
		$000	$000	$000	$000	$000	$000
Deposits held	2 047	-	29	29	-	-	2 076
Borrowings and advances	39 847	(7 031)	-	(7 031)	1 668	1 668	34 484
Equity Injections/Withdrawals	716 047	-	-	-	33 879	33 879	749 926
Total	**757 941**	**(7 031)**	**29**	**(7 002)**	**35 547**	**35 547**	**786 486**

2019-20 Restated*

		Cash flows			Other		
	1 July	Lease liabilities repayments	Other	Total cash flows	Other	Total other	30 June
		$000	$000	$000	$000	$000	$000
Deposits held	2 019	-	28	28	-	-	2 047
Borrowings and advances*	44 276	(6 631)	-	(6 631)	2 202	2 202	39 847
Equity Injections/Withdrawals	684 170	-	189	189	31 688	31 688	716 047
Total	**730 465**	**(6 631)**	**217**	**(6 414)**	**33 890**	**33 890**	**757 941**

* Refer to note 30 for the 2019-2020 restatement.

b) Non-cash financing and investing activities

Lease transactions

During the financial year, the Health Service recorded right-of-use assets for the lease of land, building, plant and equipment with an aggregate value of $26.7 million compared with a value of $32.8 million in 2019-20.

During the financial year, the Health Service acquired buildings and equipment with an aggregate fair value of $33.9 million compared to $31.7 million in 2019-20 by non-cash transfers from the Department of Infrastructure, Planning and Logistics.

During the financial year, the Health Service acquired medical equipment with an aggregate fair value of $0.5 million compared to $0.3 million in 2019-20 by non-cash transfers donated by various organisations.

12. Receivables

	2021	2020 Restated*
	$000	$000
Current		
Accounts receivable	647	982
Less: loss allowance	(167)	(197)
	480	**785**
Contract receivables	9 713	8 272
Less: loss allowance	(1 242)	(374)
	8 471	**7 898**
Accrued contract revenue	30 923	35 957
Less: loss allowance	-	-
	30 923	**35 957**
GST receivables	2 424	2 959
Prepayments[1]	1 708	7 107
Other receivables	-	210
	4 132	**10 276**
Total receivables	**44 006**	**54 917**

[1] The comparative for 2019-20 has been restated to include prepayments of $7.1 million.

Receivables are initially recognised when the Health Service becomes a party to the contractual provisions of the instrument and are measured at fair value less any directly attributable transaction costs. Receivables include contract receivables, accounts receivable, accrued contract revenue and other receivables.

Receivables are subsequently measured at amortised cost using the effective interest method, less any impairments.

Accounts receivable and contract receivables are generally settled within 30 days and other receivables within 30 days.

The loss allowance reflects lifetime expected credit losses and represents the amount of receivables the Health Service estimates are likely to be uncollectible and are considered doubtful.

Accrued contract revenue

Accrued contract revenue is recognised from contracts with customers where the Health Service's right to consideration in exchange for goods transferred to customers or works that have been completed but have not been billed at the reporting date. Once the Health Service's rights to payment becomes unconditional, usually on issue of an invoice, accrued contract revenue balances are reclassified as contract receivables. Accrued revenue that does not arise from contracts with customers are reported as part of other receivables.

Credit risk exposure of receivables

Receivables are monitored on an ongoing basis to ensure exposure to bad debts is not significant. The entity applies the simplified approach to measuring expected credit losses. This approach recognises a loss allowance based on lifetime expected credit losses for all accounts receivables and contracts receivables. To measure expected credit losses, receivables have been grouped based on shared risk characteristics and days past due.

The expected loss rates are based on historical observed loss rates, adjusted to reflect current and forward-looking information.

In accordance with the provisions of the *Financial Management Act 1995*, receivables are written-off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery includes a failure to make contractual payments for a period greater than 30 days past due.

Due to COVID-19, the Health Service's credit risk exposure has increased and is reflected in the expected credit losses reported.

The loss allowance for receivables and reconciliation as at the reporting date is disclosed below.

Loss allowance for receivables

	2021				2020			
	Gross Receivables	Loss rate	Expected credit losses	Net receivables	Gross receivables	Loss rate	Expected credit losses	Net receivables
	$000	%	$000	$000	$000	%	$000	$000
Internal receivables								
Not overdue	93	-	-	93	9	-	-	9
Overdue for less than 30 days	10	-	-	10	3	-	-	3
Overdue for 30 to 60 days	-	-	-	-	-	-	-	-
Overdue for more than 60 days	34	-	-	34	34	-	-	34
Total internal receivables	**137**	**-**	**-**	**137**	**46**	**-**	**-**	**46**
External receivables								
Not overdue	2 596	7	(176)	2 420	2 323	3	(79)	2 244
Overdue for less than 30 days	1 320	8	(110)	1 210	1 452	2	(28)	1 424
Overdue for 30 to 60 days	548	8	(45)	503	660	4	(26)	634
Overdue for more than 60 days	5 759	17	(1 078)	4 681	4 773	9	(438)	4 335
Total external receivables	**10 223**	**-**	**(1 409)**	**8 814**	**9 208**	**-**	**(571)**	**8 637**

Total amounts disclosed exclude statutory amounts and prepayments; and include contract receivables and accrued contract revenue.

Reconciliation of loss allowance for receivables

	2021	2020
	$000	$000
External receivables		
Opening balance	571	1 131
Written off during the year	(107)	(314)
Increase/decrease in allowance recognised in profit or loss	945	(246)
Total external receivables	**1 409**	**571**

Prepayments

Prepayments represent payments in advance of receipt of goods and services or that part of expenditure made in one accounting period covering a term extending beyond that period.

13. Inventories

	2021	2020
	$000	$000
Inventories held for distribution		
At cost	12 803	5 383
Total inventories	**12 803**	**5 383**

During the year the Health Service was required to write-off $0.3 million compared with $1.2 million in 2019-20 of inventory, the majority being pharmaceuticals due to their short shelf life and the necessity to keep certain lifesaving items on hand.

Inventories include assets held either for sale (general inventories) or distribution at no or nominal consideration in the ordinary course of business operations.

General inventories are valued at the lower of cost and net realisable value, while those held for distribution are carried at the lower of cost and current replacement cost. Cost of inventories includes all costs associated with bringing the inventories to their present location and condition. When inventories are acquired at no or nominal consideration, the cost will be the current replacement cost at date of acquisition.

The cost of inventories are assigned using a combination of first in, first out or weighted average cost formula, or using specific identification of their individual costs.

Inventory held for distribution is regularly assessed for obsolescence and loss.

14. Other assets

a) Health Service as a lessor

Leases under which the Health Service assumes substantially all the risks and rewards of ownership of an asset are classified as finance leases. Other leases are classified as operating leases.

Subleases are classified by reference to the right-of-use asset arising from the head lease, rather than by reference to the underlying asset. A sublease is an arrangement where the underlying asset

is re-leased by a lessee (intermediate lessor) to another party, and the lease (head lease) between the head lessor and original lessee remains in effect.

Finance leases

At the lease commencement date, the Health Service recognises a receivable for assets held under a finance lease in its statement of financial position at an amount equal to the net investment in the lease. The net investment in leases is classified as financial assets less amortised cost and equals the lease payments receivable by a lessor and the unguaranteed residual value, plus initial direct costs, discounted using the interest rate implicit in the lease initial direct costs.

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

The Health Service does not have any finance lease or sublease arrangements.

Operating leases

An operating lease is a lease other than a finance lease. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the comprehensive operating statement due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the underlying asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

The Health Service owns land that is under operating lease arrangements with rentals payable monthly. Lease payments for some contracts include Consumer Price Index increases, but there are no other variable lease payments that depend on an index or rate.

The leases are predominantly to non-government health service providers with a number being under peppercorn lease arrangements.

Future minimum undiscounted rentals receivable under non-cancellable operating lease as at 30 June are as follows:

	2021	2020
	$000	$000
Not later than one year	1 890	1 428
Later than one year and not later than five years	6 845	5 669
Later than five years	13 886	13 663
Total	**22 621**	**20 760**

15. Property, plant and equipment

a) Total property, plant and equipment

	2021	2020 Restated*
	$000	$000
Land		
At fair value	**37 330**	**37 574**
Buildings*		
At fair value	1 303 817	1 259 999
Less: accumulated depreciation	(635 421)	(598 754)
	668 396	**661 225**
Plant and equipment		
At fair value	85 209	81 523
Less: accumulated depreciation	(54 217)	(47 951)
	30 992	**33 572**
Transport equipment*		
At fair value	30 947	31 075
Less: accumulated depreciation	(24 613)	(20 520)
	6 334	**10 555**
Total Property, Plant and Equipment*	**743 052**	**742 926**

* Refer to note 30 for the 2019-2020 restatement.

The net carrying amount includes the balance related to concessionary leases which are right-of-use assets under leases that have significantly below-market terms and conditions principally to enable the Health Service to further its objectives.

2021 Property, plant and equipment reconciliations

Property, plant and equipment includes right-of-use assets under AASB 16 Leases. Further information on right-of-use assets are disclosed in Note 16. A reconciliation of the carrying amount of property, plant and equipment at the beginning and end year is set out below:

	Land	Buildings	Plant and equipment	Transport equipment	Total
	$000	$000	$000	$000	$000
Carrying amount as at 1 July 2020	37 574	661 225	33 572	10 555	742 926
Additions	-	2 027	3 507	34	5 568
Disposals	-	-	(145)	-	(145)
Depreciation/amortisation expense	(150)	(38 566)	(6 711)	(4 295)	(49 722)
Additions/disposals from asset transfers	-	33 469	769	-	34 238
Revaluation increments/decrements	(28)	10 593	-	-	10 565
Remeasurement ROU asset	(66)	(352)	-	40	(378)
Carrying amount as at 30 June 2021	**37 330**	**668 396**	**30 992**	**6 334**	**743 052**

2020 Property, plant and equipment reconciliations

Property, plant and equipment includes right-of-use assets under AASB 16 Leases. Further information on right-of-use assets are disclosed in Note 16. A reconciliation of the carrying amount of property, plant and equipment at the beginning and end year is set out below:

Restated*	Land	Buildings	Plant and equipment	Transport equipment	Total
	$000	$000	$000	$000	$000
Adjusted carrying amount as at 1 July 2019*	36 911	710 975	37 254	13 807	798 947
Additions	302	255	2 797	1 042	4 396
Disposals	-	-	(155)	-	(155)
Depreciation/amortisation expense*	(152)	(37 531)	(6 636)	(4 215)	(48 534)
Additions/disposals from asset transfers	-	32 340	312	(79)	32 573
Revaluation increments/decrements*	513	(44 814)	-	-	(44 301)
Carrying amount as at 30 June 2020*	**37 574**	**661 225**	**33 572**	**10 555**	**742 926**

* Refer to note 30 for the 2019-2020 restatement.

b) Property, plant and equipment held and used by the Health Service

A reconciliation of the carrying amount of property, plant and equipment held and used by the Health Service is set out below:

	Land	Buildings	Plant and equipment	Transport Equipment	Total
	$000	$000	$000	$000	$000
Carrying amount as at 1 July	37 574	556 728	33 572	10 555	638 430
Additions	-	2 027	3 507	34	5 568
Disposals	-	-	(145)	-	(145)
Depreciation/amortisation expense	(150)	(34 811)	(6 711)	(4 295)	(45 967)
Additions/disposals from asset transfers	-	29 660	769	-	30 429
Revaluation increments/decrements	(28)	10 593	-	-	10 565
Remeasurement of ROU Assets	(66)	2 272	-	40	2 246
Carrying amount as at 30 June 2021	**37 330**	**566 470**	**30 992**	**6 334**	**641 126**

	Land	Buildings	Plant and equipment	Transport equipment	Total
	$000	$000	$000	$000	$000
Restated*					
Carrying amount as at 1 July 2019*	36 911	607 611	37 254	13 807	695 583
Additions	302	255	2 797	1 042	4 396
Disposals	-	-	(155)	-	(155)
Depreciation/amortisation expense*	(152)	(32 820)	(6 636)	(4 215)	(43 823)
Additions/disposals from asset transfers	-	26 496	312	(79)	26 729
Revaluation increments/decrements*	513	(44 814)	-	-	(44 301)
Impairment losses reversed	-	-	-	-	-
Carrying amount as at 30 June 2020*	**37 574**	**556 728**	**33 572**	**10 555**	**638 429**

* Refer to note 30 for the 2019-2020 restatement.

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

A reconciliation of the carrying amount of property, plant and equipment where Health Service is lessor under operating leases is set out below:

	Land	Buildings	Plant and equipment	Transport equipment	Total
	$000	$000	$000	$000	$000
Carrying amount as at 1 July 2020*	-	104 497	-	-	104 497
Depreciation/amortisation expense	-	(3 755)	-	-	(3 755)
Additions/disposals from asset transfers	-	3 809	-	-	3 809
Remeasurement of ROU Assets	-	(2 625)	-	-	(2 625)
Carrying amount as at 30 June 2021	**-**	**101 926**	**-**	**-**	**101 926**

	Land	Buildings	Plant and equipment	Transport equipment	Total
	$000	$000	$000	$000	$000
Restated*					
Carrying amount as at 1 July 2019*	-	103 364	-	-	103 364
Depreciation/amortisation expense*	-	(4 711)	-	-	(4 711)
Additions/disposals from asset transfers	-	5 844	-	-	5 844
Carrying amount as at 30 June 2020*	**-**	**104 497**	**-**	**-**	**104 497**

Acquisitions

Property, plant and equipment are initially recognised at cost and subsequently revalued at fair value less accumulated depreciation and impairment. Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire the asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the requirements of other accounting standards.

All items of property, plant and equipment with a cost or other value, equal to or greater than $10 000 are recognised in the year of acquisition and depreciated as outlined below. Items of property, plant and equipment below the $10 000 threshold are expensed in the year of acquisition.

The construction cost of property, plant and equipment includes the cost of materials and direct labour, and an appropriate proportion of fixed and variable overheads.

Complex assets

Major items of plant and equipment comprising a number of components that have different useful lives, are accounted for as separate assets. The components may be replaced during the useful life of the complex asset.

Subsequent additional costs

Costs incurred on property, plant and equipment subsequent to initial acquisition are capitalised when it is probable that future economic benefits in excess of the originally assessed performance of the asset will flow to the Health Service in future years. Where these costs represent separate components of a complex asset, they are accounted for as separate assets and separately depreciated over their expected useful lives.

Construction (work in progress)

As part of the Northern Territory's financial management framework, the Department of Infrastructure, Planning and Logistics is responsible for managing general government capital works projects on a whole of government basis. Therefore appropriation for all Health Service capital works is provided directly to the Department of Infrastructure, Planning and Logistics and the cost of construction work in progress is recognised as an asset of that department. Once completed, capital works assets are transferred to the Health Service.

Revaluations and impairment

Revaluation of assets

Subsequent to initial recognition, assets belonging to the following classes of non-current assets are revalued with sufficient regularity to ensure the carrying amount of these assets does not differ materially from their fair value at reporting date:

- land
- buildings.

Plant and equipment are stated at historical cost less depreciation, which is deemed to equate to fair value.

For right-of-use assets, the net present value of the remaining lease payments is often an appropriate proxy for the fair value of relevant right-of-use assets at the time of initial recognition. Subsequently, right-of-use assets are stated at cost less amortisation, which is deemed to equate to fair value.

For right-of-use assets under leases that have significantly below-market terms and conditions principally to enable the Health Service to further its objectives, the Health Service has elected to measure the asset at cost. These right-of-use assets are not subject to revaluation.

The latest revaluations as at 30 June 2021 were Remote Health Clinics. The valuer was Colliers International (NT) Pty Limited. Refer to Note 23: Fair value for additional disclosures.

Impairment of assets

An asset is said to be impaired when the asset's carrying amount exceeds its recoverable amount.

Non-current physical and intangible Health Service assets are assessed for indicators of impairment on an annual basis or whenever there is indication of impairment. If an indicator of impairment exists, the Health Service determines the asset's recoverable amount. The asset's recoverable amount is determined as the higher of the asset's current replacement cost and fair value less costs to sell. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

Impairment losses are recognised in the comprehensive operating statement. They are disclosed as an expense unless the asset is carried at a revalued amount. Where the asset is measured at a

revalued amount, the impairment loss is offset against the asset revaluation surplus for that class of asset to the extent an available balance exists in the asset revaluation surplus.

In certain situations, an impairment loss may subsequently be reversed. Where an impairment loss is subsequently reversed, the carrying amount of the asset is increased to the revised estimate of its recoverable amount. A reversal of an impairment loss is recognised in the comprehensive operating statement as income, unless the asset is carried at a revalued amount, in which case the impairment reversal results in an increase in the asset revaluation surplus. Note 22 provides additional information in relation to the asset revaluation surplus.

Health Service property, plant and equipment assets were assessed for impairment as at 30 June 2021. No impairment adjustments were required as a result of this review.

Depreciation and amortisation expense

Items of property, plant and equipment, including buildings but excluding land, have limited useful lives and are depreciated or amortised using the straight-line method over their estimated useful lives.

Amortisation applies in relation to intangible non-current assets with limited useful lives and is calculated and accounted for in a similar manner to depreciation.

The estimated useful lives for each class of asset are in accordance with the Treasurer's Directions and are determined as follows:

	2021 and 2020
Buildings	50 years
Sheds/demountables	10-20 years
Plant and equipment:	
Computer hardware	3-6 years
Office equipment	5-10 years
Medical equipment	5-15 years
Furniture and fittings	10 years
Catering equipment	5-15 years
Laundry equipment	5-15 years

Assets are depreciated or amortised from the date of acquisition or from the time an asset is completed and held ready for use.

The estimated useful lives disclosed above includes the useful lives of right-of-use assets under AASB 16. For further detail, refer to Note 16 .

16. Health Service as a lessee

The Health Service leases land, buildings, property plant and equipment and motor vehicles. Lease contracts are typically made for fixed periods of 10 or more years for land, two to six years for buildings, one to four years for property, plant and equipment and one to five years for motor vehicles but may have extension options. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

Extension options are included in a number of land, building, property, plant and equipment and motor vehicle lease contracts. These terms are used to maximise operational flexibility in terms of

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

Potential future cash outflows of $2.4 million have not been included in the lease liability because it is not reasonably certain the leases will be extended (or not terminated). The assessment is reviewed if a significant event or a significant change in circumstances occurs that affects this assessment and is within the control of the lessee.

The Health Service has elected to recognise payments for short-term leases and low value leases as expenses on a straight-line basis, instead of recognising a right-of-use asset and lease liability. Short-term leases are leases with a lease term of 12 months or less with no purchase option. Low value assets are assets with a fair value of $10 000 or less when new and not subject to a sublease arrangement comprise mainly property, plant and equipment and motor vehicles.

Right-of-use asset

The following table presents right-of-use assets included in the carrying amounts of property, plant and equipment at Note 15.

	Land	Buildings	Plant and equipment	Transport Equipment	Total
	$000	$000	$000	$000	$000
Balance as at 1 July 2020	5 001	11 874	5 596	10 280	32 751
Additions	-	2 027	-	34	2 061
Disposals	-	-	-	-	-
Amortisation expense	(150)	(2 171)	(1 237)	(4 222)	(7 780)
Revaluation increments/decrements including remeasurement	(66)	(353)	-	41	(378)
Impairment losses	-	-	-	-	-
Carrying amount as at 30 June 2021	**4 785**	**11 377**	**4 359**	**6 133**	**26 654**

Restated*	Land	Buildings	Plant and equipment	Transport Equipment	Total
	$000	$000	$000	$000	$000
Balance as at 1 July 2019*	4 337	13 693	6 638	13 459	38 127
Additions	302	255	168	963	1 688
Disposals	-	-	-	-	-
Amortisation expense*	(152)	(2 074)	(1 210)	(4 142)	(7 578)
Revaluation increments/decrements including remeasurement	514	-	-	-	514
Impairment losses	-	-	-	-	-
Carrying amount as at 30 June 2020*	**5 001**	**11 874**	**5 596**	**10 280**	**32 751**

* Refer to note 30 for the 2019-2020 restatement.

The following amounts were recognised in the comprehensive operating statement for the year in respect of leases where the Health Service is the lessee:

	2021	2020 Restated*
	$000	$000
Amortisation expense of right-of-use assets*	7 780	7 578
Interest expense on lease liabilities*	1 081	1 226
Expense relating to short-term leases*	819	1 040
Total amount recognised in the comprehensive operating statement*	**9 680**	**9 844**

* Refer to note 30 for the 2019-2020 restatement.

Recognition and measurement

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

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

The Health Service recognises right-of-use assets at the commencement date of the lease (the date the underlying asset is available for use). Right-of-use assets are initially measured at the amount of initial measurement of the lease liability, adjusted by any lease payments made at or before the commencement date and lease incentives, any initial direct costs incurred, and estimated costs of dismantling and removing the asset or restoring the site.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

	2021	2020
Land	10 or more years	10 or more years
Building	2 to 6 years	2 to 6 years
Plant and equipment	1 to 4 years	1 to 4 years
Motor vehicle	1 to 5 years	1 to 5 years

If ownership of the leased asset transfers to the Health Service at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are subsequently measured at fair value which approximates costs except for those arising from leases that have significantly below-market terms and conditions principally to enable the Health Service to further its objectives and are also subject to impairment.

The right-of-use assets are subject to remeasurement principles consistent with the lease liability including indexation and market rent review that approximates fair value and only revalued where a trigger or event may indicate their carrying amount does not equal fair value.

Right-of-use assets under leases at significantly below-market terms and conditions that are entered into principally to enable the Health Service to further its objectives, are measured at cost.

These right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, subject to impairment. They are not subject to revaluation.

17. Payables

	2021	2020
	$000	$000
Accounts payable	1 382	1 305
Accrued expenses[1]	105 368	84 781
Total payables	**106 750**	**86 086**

[1]Includes liability for cross border patient expenses and other accrued operational expenses

Liabilities for accounts payable and other amounts payable are carried at cost, which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Health Service. Accounts payable are normally settled within 20 days from receipt of valid of invoices under $1 million or 30 days for invoices over $1 million.

18. Borrowings and advances

	2021	2020 Restated*
	$000	$000
Current		
Lease liabilities*	6 667	6 974
Total current*	**6 667**	**6 974**
Non-current		
Lease liabilities*	27 817	32 873
Total non-current*	**27 817**	**32 873**
Total borrowings and advances*	**34 484**	**39 847**

* Refer to note 30 for the 2019-2020 restatement.

Borrowings and advances are recorded initially at fair value, net of transaction costs. Subsequent to initial recognition, these are measured at amortised cost using the effective interest method. Gains and losses are recognised in the net result when the liabilities are derecognised as well as through the amortisation process.

Lease liabilities

At the commencement date of the lease where the Health Service is the lessee, the Health Service recognises lease liabilities measured at the present value of lease payments to be made over the lease term. Lease payments include:

- fixed payments (including in substance fixed payments) less any lease incentives receivable
- variable lease payments that depend on an index or a rate
- amounts expected to be paid under residual value guarantees
- exercise price of a purchase options reasonably certain to be exercised by the Health Service
- payments of penalties for terminating the lease, if the lease term reflects the Health Service exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for the Health Service's leases, the Northern Territory Treasury Corporation's institutional bond rate is used as the incremental borrowing rate.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (such as changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The following table presents liabilities under leases.

	2021	2020 Restated*
	$000	$000
Balance as at 1 July*	39 847	44 276
Additions/remeasurements	588	2 202
Interest expenses*	1 081	1 226
Payments*	(7 032)	(7 857)
Balance as at 30 June*	**34 484**	**39 847**

The Health Service had total cash outflows for leases of $8.1 million in 2021 compared with $7.9 million in 2020.

Future minimum lease payments under non-cancellable leases not recorded as liability are as follows:

	2021		2020 Restated*	
	Internal	External	Internal	External
	$000	$000	$000	$000
Within one year*	-	-	623	-
Later than one year and not later than five years*	-	-	-	-
Later than five years	-	-	-	-
	-	-	**623**	-

* Refer to note 30 for the 2019-2020 restatement.

19. Provisions

	2021 $000	2020 Restated* $000
Current		
Employee benefits		
Recreation leave	81 814	71 307
Leave loading	9 022	8 231
Recreation leave fares	146	177
Other current provisions		
Other provisions includes superannuation, fringe benefits and payroll tax and other provisions[1*]	10 711	44 640
Total provisions*	**101 693**	**124 355**
Reconciliations of provisions		
Balance as at 1 July*	44 640	38 984
Additional provisions recognised*	3 463	9 371
Reductions arising from payments	(7 484)	(3 715)
Reversal of payroll tax provision	(29 908)	-
Balance as at 30 June*	**10 711**	**44 640**

[1] Additional provisions recognised includes $1.3 million for payroll tax on entitlements for non-hospital based employees which were previously treated as exempt.

* Refer to Note 30 for the 2019-2020 restatement.

The Health Service employed 5,250 employees as at 30 June 2021 compared to 4,960 employees as at 30 June 2020.

Employee benefits

Provision is made for employee benefits accumulated as a result of employees rendering services up to the reporting date. These benefits include wages and salaries and recreation leave. Liabilities arising in respect of wages and salaries, recreation leave and other employee benefit liabilities that fall due within 12 months of reporting date are classified as current liabilities and are measured at amounts expected to be paid. Non-current employee benefit liabilities that fall due after 12 months of the reporting date are measured at present value, calculated using the government long-term bond rate.

No provision is made for sick leave, which is non-vesting, as the anticipated pattern of future sick leave to be taken is less than the entitlement accruing in each reporting period.

Employee benefit expenses are recognised on a net basis in respect of the following categories:

- wages and salaries, non-monetary benefits, recreation leave and other leave entitlements
- other types of employee benefits.

As part of the Northern Territory Government's financial management framework, the Central Holding Authority assumes the long service leave liabilities of government agencies, including Top

End Health Service and therefore no long service leave liability is recognised in the Health Service's financial statements.

Superannuation

Employees' superannuation entitlements are provided through the:

- Northern Territory Government and Public Authorities Superannuation Scheme (NTGPASS)
- Commonwealth Superannuation Scheme (CSS)
- or non-government employee nominated schemes for those employees commencing on or after 10 August 1999.

The Health Service makes superannuation contributions on behalf of its employees to the Central Holding Authority or non-government employee-nominated schemes. Superannuation liabilities related to the government superannuation schemes are held by the Central Holding Authority and therefore not recognised in the Health Service's financial statements.

20. Other liabilities

	2021	2020
	$000	$000
Current		
Deposit held	2 077	2 048
Unearned contract revenue	2 041	3 107
	4 118	**5 155**
Non-current		
Unearned contract revenue	17 903	19 317
	17 903	**19 317**
Total other liabilities	**22 021**	**24 472**

Unearned contract revenue

Unearned contract revenue relate to consideration received in advance from customers in respect of grants relating to external programs. Unearned contract revenue balances as at 30 June 2021 is $19.9 million compared with $22.4 million at 1 July 2020. Changes in unearned contract revenue during the year is largely due to timing of delivery of services.

Of the amount included in the unearned contract revenue balance as at 1 July 2020, $3.1 million has been recognised as revenue in 2020-21.

The Health Service anticipates to recognise as revenue, any liabilities for unsatisfied obligations as at the end of the reporting period in accordance with the time bands below:

	2021	2020
	$000	$000
Not later than one year	2 041	3 107
Later than one year and not later than five years	5 654	5 654
Later than five years	12 249	13 663
Total	**19 944**	**22 424**

21. Commitments

Commitments are those contracted as at 30 June where the amount of the future commitment can be reliably measured.

Disclosures in relation to capital and other commitments are detailed below:

	2021		2020 Restated*	
	Internal	External	Internal	External
	$000	$000	$000	$000
Other expenditure commitments				
Other non-cancellable expenditure commitments not recognised as liabilities are payable as follows:	-	-	-	-
Within one year*	-	54 849	-	54 613
Later than one year and not later than five years*	-	152 028	-	60 348
	-	**206 877**	**-**	**114 961**

* The other expenditure commitments payable within one year comparative has been restated to include additional commitments for various funding agreements totalling $9.7 million.

22. Reserves

Asset revaluation surplus

(i) Nature and purpose of the asset revaluation surplus

The asset revaluation surplus includes the net revaluation increments and decrements arising from the revaluation of non-current assets. Impairment adjustments may also be recognised in the asset revaluation surplus.

	Land		Buildings		Total	
	2021	2020	2021	2020 Restated*	2021	2020 Restated*
	$000	$000	$000	$000	$000	$000
(ii) Movements in the asset revaluation surplus						
Balance as at 1 July	16 839	16 839	106 610	151 424	123 449	168 263
Increment/decrement*	(28)	-	10 593	(44 814)	10 565	(44 814)
Balance as at 30 June*	**16 811**	**16 839**	**117 203**	**106 610**	**134 014**	**123 449**

* Refer to Note 30 for the 2019-2020 restatement.

23. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The highest and best use takes into account the use of the asset that is physically possible, legally permissible and financially feasible.

When measuring fair value, the valuation techniques used maximise the use of relevant observable inputs and minimise the use of unobservable inputs. Unobservable inputs are used to the extent that sufficient relevant and reliable observable inputs are not available for similar assets/liabilities.

Observable inputs are publicly available data relevant to the characteristics of the assets/liabilities being valued. Observable inputs used by the Health Service include, but are not limited to, published sales data for land and general office buildings.

Unobservable inputs are data, assumptions and judgments not available publicly but relevant to the characteristics of the assets/liabilities being valued. Such inputs include internal Health Service adjustments to observable data to take account of particular and potentially unique characteristics/functionality of assets/liabilities and assessments of physical condition and remaining useful life.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the following fair value hierarchy based on the inputs used:

Level 1 – inputs are quoted prices in active markets for identical assets or liabilities

Level 2 – inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 – inputs are unobservable.

The fair value of financial instruments is determined on the following basis:

- the fair value of cash, deposits, advances, receivables and payables approximates their carrying amount, which is also their amortised cost
- the fair value of derivative financial instruments are derived using current market yields and exchange rates appropriate to the instrument
- the fair value of other monetary financial assets and liabilities is based on discounting to present value the expected future cash flows by applying current market interest rates for assets and liabilities with similar risk profiles.

a) Fair value hierarchy

The Health Service does not recognise any financial assets or liabilities at fair value as these are recognised at amortised cost. The carrying amounts of these financial assets and liabilities approximates their fair value.

The table below presents non-financial assets recognised at fair value in the balance sheet categorised by levels of inputs used to compute fair value.

	Level 1		Level 2		Level 3		Total fair value	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20 Restated*	2020-21	2019-20 Restated*
	$000	$000	$000	$000	$000	$000	$000	$000
Assets								
Land [1]	-	-	-	-	37 330	37 574	37 330	37 574
Buildings[1*]	-	-	-	-	668 396	661 225	668 396	661 225
Plant & Equipment[1*]	-	-	-	-	37 326	44 127	37 326	44 127
Total assets*	**-**	**-**	**-**	**-**	**743 052**	**742 926**	**743 052**	**742 926**

[1] Refer note 15.

* Refer to note 30 for the 2019-2020 restatement.

There were no transfers between levels during 2020-21.

b) Valuation techniques and inputs

Valuation techniques used to measure fair value in 2020-21 are:

	Level 3 techniques
Asset classes	
Land	Cost approach
Buildings	Cost approach
Plant and equipment	Cost approach

There were no changes in valuation techniques from 2019-20 to 2020-21.

Level 3 fair values of specialised buildings and infrastructure were determined by computing their current replacement costs because an active market does not exist for such facilities. The current replacement cost was based on a combination of internal records of the historical cost of the facilities, adjusted for contemporary technology and construction approaches. Significant judgement was also used in assessing the remaining service potential of the facilities, given local environmental conditions, projected usage, and records of the current condition of the facilities.

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c) Additional information for level 3 fair value measurements

(i) Reconciliation of recurring level 3 fair value measurements of non-financial assets

	Land	Buildings	Plant and equipment
	$000	$000	$000
2020-21			
Fair value as at 1 July 2020	37 574	661 225	44 127
Additions	-	35 496	4 310
Disposals	-	-	(145)
Depreciation	(150)	(38 566)	(11 006)
Revaluation increments/decrements	(28)	10 593	-
Remeasurements	(66)	(352)	40
Fair value as at 30 June 2021	**37 330**	**668 396**	**37 326**
2019-20 Restated*			
Fair value at 1 July 2019*	36 911	710 975	51 061
Additions	302	32 595	4 072
Disposals	-	-	(155)
Depreciation*	(152)	(37 531)	(10 851)
Revaluation increments/decrements*	513	(44 814)	-
Remeasurements	-	-	-
Fair value as at 30 June 2020*	**37 574**	**661 225**	**44 127**

* Refer to note 30 for the 2019-2020 restatement.

24. Financial instruments

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and liabilities are recognised on the balance sheet when the Health Service becomes a party to the contractual provisions of the financial instrument. The Health Service's financial instruments include cash and deposits; receivables; payables; and borrowings.

Due to the nature of operating activities, certain financial assets and financial liabilities arise under statutory obligations rather than a contract. Such financial assets and liabilities do not meet the definition of financial instruments as per AASB 132 Financial Instruments: Presentation. These include statutory receivables arising from taxes including GST and penalties.

The Health Service has limited exposure to financial risks.

Exposure to interest rate risk, foreign exchange risk, credit risk, price risk and liquidity risk arise in the normal course of activities. The Northern Territory Government's investments, loans and placements, and borrowings are predominantly managed through the Northern Territory Treasury Corporation adopting strategies to minimise risk. Derivative financial arrangements are also utilised to manage financial risks inherent in the management of these financial instruments. These arrangements include swaps, forward interest rate agreements and other hedging instruments to manage fluctuations in interest or exchange rates.

a) Categories of financial instruments

The carrying amounts of the Health Service's financial assets and liabilities are disclosed in the table below:

	Fair value through profit or loss				
	Mandatorily at fair value	Designated at fair value	Amortised cost	Fair value through other comprehensive income	Total
	$000	$000	$000	$000	$000
2020-21					
Cash and deposits	-	-	45 185	-	45 185
Receivables[1]	-	-	8 953	-	8 953
Total financial assets	**-**	-	**54 138**	-	**54 138**
Deposits held	-	-	1 186	-	1 186
Payables	-	-	106 750	-	106 750
Lease liabilities	-	-	34 484	-	34 484
Total financial liabilities	**-**	**-**	**142 420**	**-**	**142 420**
2019-20 – Restated*					
Cash and deposits	-	-	56 224	-	56 224
Receivables[2]	-	-	8 730	-	8 730
Total financial assets	-	-	**64 954**	-	**64 954**
Deposits held	-	-	1 177	-	1 177
Payables	-	-	86 086	-	86 086
Lease liabilities*	-	-	39 847	-	39 847
Total financial liabilities*	-	-	**127 110**	-	**127 110**

[1] Total amounts disclosed exclude statutory amounts, prepaid expenses and accrued contract revenue.
[2] Restated to exclude statutory amounts, prepaid expenses and accrued contract revenue.
* Refer to note 30 for the 2019-2020 restatement.

Categories of financial instruments

The Health Service's financial instruments are classified in accordance with AASB 9.

Financial assets are classified under the following category of amortised cost.

These classification are based on the Health Service's business model for managing the financial assets and the contractual terms of the cash flows.

Financial instruments are reclassified when and only when the Health Service's business model for managing those assets changes.

Financial assets at amortised cost

Financial assets are classified at amortised cost when they are held by the Health Service to collect the contractual cash flows which are solely payments of principal and interest.

These assets are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less impairment. The Health Service's financial assets categorised at amortised cost include receivables, advances paid, leases receivables, term deposits and certain debt securities.

Financial liabilities at amortised cost

Financial liabilities at amortised cost are initially measured at fair value, net of directly attributable transaction costs. These are subsequently measured at amortised cost using the effective interest rate method. The Health Service's financial liabilities categorised at amortised cost include all accounts payable, deposits held and lease liabilities.

b) Credit risk

Credit risk is the risk that one party to a financial instrument will cause financial loss for the other party by failing to discharge an obligation.

The Health Service has limited credit risk exposure (risk of default). In respect of any dealings with organisations external to the government, the Health Service has adopted a policy of only dealing with credit-worthy organisations and obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial loss from defaults.

The carrying amount of financial assets recorded in the financial statements, net of any allowances for losses, represents the Health Service's maximum exposure to credit risk without taking account of the value of any collateral or other security obtained.

Credit risk relating to receivables is disclosed in Note 12.

c) Liquidity risk

Liquidity risk is the risk the Health Service will not be able to meet its financial obligations as they fall due. The Health Service's approach to managing liquidity is to ensure it will always have sufficient funds to meet its liabilities when they fall due. This is achieved by ensuring minimum levels of cash are held in the Health Service bank account to meet various current employee and supplier liabilities. The Health Service's exposure to liquidity risk is minimal. Cash injections are available from the Central Holding Authority in the event of one-off extraordinary expenditure items arising that deplete cash to levels that compromise the Health Service's ability to meet its financial obligations.

The following tables detail the Health Service's remaining contractual maturity for its financial liabilities, calculated based on undiscounted cash flows at reporting date. The undiscounted cash

flows in these tables differ from the amounts included in the balance sheet, which are based on discounted cash flows.

2021 Maturity analysis for financial liabilities

	Carrying amount	Less than a year	1 to 5 years	More than 5 years	Total
	$000	$000	$000	$000	$000
Liabilities					
Deposits held	1 186	1 186	-	-	1 186
Payables	106 750	106 750	-	-	106 750
Lease liabilities	34 484	6 776	20 863	10 752	38 391
Total financial liabilities	**142 420**	**114 712**	**20 863**	**10 752**	**146 327**

2020 Maturity analysis for financial liabilities – Restated*

	Carrying amount	Less than a year	1 to 5 years	More than 5 years	Total
	$000	$000	$000	$000	$000
Liabilities					
Deposits held[1]	1 177	1 177	-	-	1 177
Payables	86 086	86 086	-	-	86 086
Lease liabilities*	39 847	7 819	25 723	7 476	41 018
Total financial liabilities	**127 110**	**95 082**	**25 723**	**7 476**	**128 281**

[1]Restated to exclude the Accountable Officer's Trust Account.

* Refer to note 30 for the 2019-2020 restatement.

d) Market risk

Market risk is the risk the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. It comprises interest rate risk, price risk and currency risk.

e) Interest rate risk

The Health Service is not exposed to interest risk as the Health Service's financial assets and financial liabilities, with the exception of finance leases are non-interest bearing. Finance lease arrangements are established on a fixed interest rate and therefore do not expose the Health Service to interest rate risk.

f) Currency risk

The Health Service is not exposed to currency risk as the Health Service does not hold borrowings denominated in foreign currencies or transactional currency exposures arising from purchases in a foreign currency.

25. Related parties

(i) Related parties

The Health Service is a government administrative entity and is wholly owned and controlled by the Northern Territory Government. Related parties of the Health Service include:

- the portfolio minister and key management personnel (KMP) because they have authority and responsibility for planning, directing and controlling the activities of the Health Service directly
- close family members of the portfolio minister or KMP including spouses, children and dependants
- all public sector entities that are controlled and consolidated into the whole of government financial statements
- any entities controlled or jointly controlled by KMP's or the portfolio minister, or controlled or jointly controlled by their close family members.

(ii) Key management personnel

Key management personnel of the Health Service are those persons having authority and responsibility for planning, directing and controlling the activities of Health Service. These include the Minister for Health, the Chief Executive Officer, the Chief Operating Officer and other members of the executive leadership team.

(iii) Remuneration of key management personnel

The details below excludes the salaries and other benefits of the Minister for Health as the minister's remunerations and allowances are payable by the Department of the Legislative Assembly and consequently disclosed within the Treasurer's annual financial statements. They also exclude the Chief Executive Officer as these details are disclosed in the Department of Health financial statements.

The aggregate compensation of key management personnel of the Health Service is set out below:

	2021	2020
	$000	$000
Short-term benefits	781	874
Post-employment benefits	63	61
Total	**844**	**935**

(iv) Related party transactions

Transactions with Northern Territory Government-controlled entities

The following table provides quantitative information about related party transactions entered into during the year with all other Northern Territory Government-controlled entities.

2021

Related party	Revenue from related parties	Payments to related parties	Amounts owed by related parties	Amounts owed to related parties
	$000	$000	$000	$000
All NTG departments	1 101 518	163 763	3 679	4 689

2020

Related party	Revenue from related parties	Payments to related parties	Amounts owed by related parties	Amounts owed to related parties
	$000	$000	$000	$000
All NTG departments	1 000 571	111 608	304	4 782

Payments to related parties predominantly relate to the Department of Health and Department of Corporate and Digital Development for corporate services provided.

Other related party transactions are as follows:

Given the breadth and depth of Northern Territory Government activities, related parties will transact with the Territory public sector in a manner consistent with other members of the public including paying stamp duty and other government fees and charges and therefore these transactions have not been disclosed.

The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received. No expense has been recognised in the current year for bad or doubtful debts in respect of the amounts owed by related parties.

26. Contingent liabilities and contingent assets

a) Contingent liabilities

The Health Service has a number of current legal proceedings but due to the nature of these cases and the uncertainty of any potential liability, no value can be attributed to these cases at 30 June 2021. In addition, the attribution of value to these cases also has the potential to prejudice the outcome of the proceedings.

The Health Service has granted a series of health-related indemnities for various purposes including to specialist medical practitioners employed or undertaking work in public hospitals, medical professional requested to give expert advice on inquires before the Medical Board and midwives.

Although risks associated with health indemnities are potentially high, the beneficiaries of the indemnities are highly trained and qualified professionals. The indemnities generally cannot be called upon where there is willful or gross misconduct on the part of the beneficiary.

In addition, the Health Service has entered into an agreement with the Darwin Private Hospital to assist in providing medical services to public patients in response to the COVID-19 pandemic. This agreement contains an indemnity for these medical professionals.

The Health Service has granted a number of indemnities to the contractor and financier for aero medical services for loss incurred from terminating such financial arrangements early or breach of obligations under various deeds. These are standard terms in most contracts and do not operate to substantively increase or change the risk to the Health Service under the current contract structure.

Indemnities are granted to Commonwealth and other entities involved in funding programs undertaken by the Health Service. Under these indemnities, the Health Service generally accepts liability for damage or losses occurring as a result of the programs and acknowledges that, while the Commonwealth or another party has contributed financially, the Health Service is ultimately liable for the consequences of the program.

b) Contingent assets

The Health Service had no contingent assets as at 30 June 2021 or 30 June 2020.

27. Events subsequent to balance date

The Health Service was restructured under the *Health Services Act 2021* which came into force on 1 July 2021. As a result, all functions within Top End Health Service have transferred to the Department of Health.

In 2020-21, a misapplication of a payroll tax exemption under the *Payroll Tax Act 2009* back dating to 2016-17 was identified. The Commissioner of Taxation issued a notice of assessment on 20 July 2021 for a payroll tax liability of $47.4 million up to 30 June 2021. This assessment included $8.6 million for penalty tax and penalty interest on the 2016-17 to 2019-20 portion of the debt, refer to note 30 for details of the changes to 2019-2020 comparative balances.

On 11 August 2021, in accordance with section 35(2)(a) of the *Financial Management Act 1995*, the Treasurer approved a waiver extinguishing the payroll tax liability in full.

28. Accountable officer's trust account

In accordance with section 7 of the *Financial Management Act 1995* an Accountable Officer's Trust Account has been established for the receipt of money to be held in trust. A summary of activity is shown below:

Nature of trust money	Opening balance 1 July 2020	Receipts	Payments	Closing balance 30 June 2021
	$000	$000	$000	$000
Private Practice Revenue	725	182	(164)	743
Bond money	113	60	(61)	112
Unclaimed money	33	3	-	36
	871	**245**	**(225)**	**891**

29. Schedule of administered Territory items

The following Territory items are managed by the Health Service on behalf of the government and are recorded in the Central Holding Authority (refer Note 2(d)).

	2021	2020
	$000	$000
TERRITORY INCOME AND EXPENSES		
Income		
Other income	-	23
Total income	**-**	**23**
Expenses		
Other administrative expenses	-	23
Total expenses	**-**	**23**
Territory income less expenses	**-**	**-**

30. Restated comparative financial statements due to corrections of prior period errors and misstatements

The 2019-20 comparatives for property, plant and equipment have been restated due to an overstatement in net assets and total equity of $169 million, arising from a revaluation of the Royal Darwin, Katherine and Gove District hospitals in 2019-20. This has resulted in a reduction to property, plant and equipment balances and asset revaluation reserves by $169 million. As the restatement only affected the closing balances for 2019-20, there is no effect on the 2019-20 opening balance and therefore these balances have not been restated.

The 2019-20 comparatives for right-of-use assets and lease liabilities have been restated to reflect use and control of aircraft in contracts with Careflight and Westpac. This has resulted in the reclassification of other operating expenses of $2.3 million, to depreciation and amortisation expense of $2.4 million and interest expense of $0.6 million, with a net worsening to the net deficit balance of $0.7 million. Additionally, property, plant and equipment balances increased by $6 million and borrowings by $12.6 million, with a reduction to net assets and equity of $6.6 million. As this restatement also impacts prior financial years, the 2019-20 opening balances have also been restated to increase property, plant and equipment balances by $8.4 million and borrowings by $14.3 million, with a net reduction to net assets and equity of $5.9 million.

The 2019-20 comparatives for provisions have been restated due to the misapplication of a payroll tax exemption under the *Payroll Tax Act 2009*. The restated amount excludes penalty interest and penalty tax and covers the years 2016-17 to 2019-20. This has resulted in an increase in total liabilities of $29.9 million. As this restatement also impacts prior financial years, the 2019-20 opening balances have also been restated to increase provisions and accumulated funds by $21.8 million, with a net reduction to net assets and equity of $21.8 million.

a) Comprehensive operating statement extract – for the comparative year ended 30 June 2020

	Note	Previously reported for 2020	Correction of Error Adjustment	2020 Restated
		$000	$000	$000
TOTAL INCOME	3	**1 098 931**	**-**	**1 098 931**
Employee expenses		681 824	8 087	689 911
Purchases of goods and services	7	342 754	(2 336)	340 418
Depreciation and amortisation	15,16	46 136	2 398	48 534
Interest expenses	8	601	625	1 226
TOTAL EXPENSES[1]	3	**1 145 789**	**8 775**	**1 154 563**
NET SURPLUS/(DEFICIT)		**(46 858)**	**(8 775)**	**(55 632)**
OTHER COMPREHENSIVE INCOME				
Changes in asset revaluation surplus		124 202	(169 016)	(44 814)
Transfer from reserves		678	-	678
TOTAL OTHER COMPREHENSIVE INCOME		**124 880**	**(169 015)**	**(44 136)**
COMPREHENSIVE RESULT		**78 022**	**(177 790)**	**(99 768)**

[1] Only expenditure items impacted by the restatement have been included in the table and as such, the addition of these balances will not equate to total expenses.

TOP END HEALTH SERVICE

b) Balance sheet extract – as at 1 July 2019

	Note	Previously reported for 1 July 2019	Correction of error adjustment	1 July 2019 Restated
		$000	$000	$000
ASSETS				
Total current assets		**118 092**	**-**	**118 092**
Non-Current Assets				
Property, Plant and Equipment	15,16, 22,23	764 963	8 395	773 358
Total Non-Current Assets		**764 963**	**8 395**	**773 358**
TOTAL ASSETS		**883 055**	**8 395**	**891 450**
LIABILITIES				
Borrowing and advances	18	64	1 711	1 775
Provisions	23	85 606	21 821	107 427
Total current liabilities		**177 696**	**23 532**	**201 228**
Borrowings and advances	18	4 319	12 591	16 911
Total non-current liabilities		**25 049**	**12 591**	**37 641**
TOTAL LIABILITIES		**202 745**	**36 123**	**238 869**
NET ASSETS		**680 310**	**(27 729)**	**652 581**
EQUITY				
Accumulated Funds		(172 123)	(27 729)	(199 852)
Asset Revaluation Reserve	22	168 263		168 263
Capital		684 170	-	684 170
Total equity at end of financial year		**680 310**	**(27 729)**	**652 581**

c) Balance sheet extract – as at 30 June 2020 for the 2020 comparative year

	Note	Previously reported for 2020	Correction of error adjustment	2020 Restated
		$000	$000	$000
ASSETS				
Total current assets		**116 524**	**-**	**116 524**
Non-Current Assets				
Property, Plant and Equipment	15,16, 22,23	905 946	(163 020)	742 926
Total Non-Current Assets		**905 946**	**(163 020)**	**742 926**
TOTAL ASSETS		**1 022 470**	**(163 020)**	**859 450**
LIABILITIES				
Borrowing and advances	18	5 183	1 792	6 975
Provisions	23	94 447	29 908	124 355
Total current liabilities		**190 871**	**31 700**	**222 571**
Borrowings and advances	18	22 073	10 800	32 873
Total non-current liabilities		**41 390**	**10 800**	**52 190**
TOTAL LIABILITIES		**232 261**	**42 500**	**274 761**
NET ASSETS		**790 209**	**(205 520)**	**584 689**
EQUITY				
Accumulated Funds		(218 303)	(36 504)	(254 807)
Asset Revaluation Reserve	22	292 465	(169 016)	123 449
Capital		716 047	-	716 047
Total equity at end of financial year		**790 209**	**(205 520)**	**584 689**

* Only balance sheet items impacted by the restatement have been included in the table and as such, the addition of these balances may not equate to total equity.

TOP END HEALTH SERVICE

d) Statement of changes in equity extract – for the comparative year ended 30 June 2020

	Previously reported for 2020				Correction of error adjustment		2020 Restated			
	Equity at 1 July 2019	Comprehensive result	Transactions with owners in their capacity as owners	Equity at 30 June 2020	Equity at 1 July 2019	Comprehensive result	Restated equity at 1 July 2019	Comprehensive result	Transactions with owners in their capacity as owners	Restated equity at 30 June 2020
	$000	$000	$000	$000	$000	$000	$000	$000	$000	$000
Accumulated Funds	**(148 453)**	**(46 858)**	**-**	**(195 311)**	**(27 729)**	**(8 775)**	**(176 182)**	**(55 632)**	**-**	**(231 815)**
Total accumulated funds	**(172 123)**	**(46 180)**	**-**	**(218 303)**	**(27 729)**	**(8 775)**	**(199 852)**	**(54 954)**	**-**	**(254 807)**
Asset Revaluation Reserve	**168 263**	**124 202**	**-**	**292 465**	**-**	**(169 016)**	**168 263**	**(44 814)**	**-**	**123 449**
Total capital transactions with owners	**684 170**	**-**	**31 877**	**716 047**	**-**	**-**	**684 170**	**-**	**31 877**	**716 047**
Total equity at the end of financial year	**680 310**	**78 022**	**31 877**	**790 209**	**(27 729)**	**(175 611)**	**652 582**	**(99 768)**	**31 877**	**584 689**

* Only balance sheet items impacted by the restatement have been included in the table and as such, the addition of these balances may not equate to total equity.

TOP END HEALTH SERVICE

e) Cash Flow Statement extract – for the comparative year ended 30 June 2020

	Note	Previously reported for 2020 $000	Correction of Error Adjustment	2020 Restated $000
CASH FLOWS FROM OPERATING				
Operating payments				
Payments for goods and services		(386 070)	2 336	(383 734)
Interest paid		(601)	(625)	(1 226)
Total operating payments		**(1 101 128)**	**1 711**	**(1 099 417)**
Net cash from operating activities	11	**24 980**	**1 711**	**26 691**
Financing payments				
Repayment of borrowings				
Lease liabilities payments		(4 919)	(1 712)	(6 631)
Total financing payments		**(4 919)**	**(1 712)**	**(6 631)**
Net cash from/(used in) financing	11	**(4 703)**	**(1 711)**	**(6 414)**
Net increase in cash held		17 574	-	17 574
Cash at beginning of financial year		38 650	-	38 650
CASH AT END OF FINANCIAL YEAR	10	**56 224**	**-**	**56 224**

* Only expenditure items impacted by the restatement have been included in the table and as such, the addition of these balances will not equate to total cash flows.

31. Budgetary information

Comprehensive operating statement	2020-21 Actual	2020-21 Original budget	Variance	Note
	$000	$000	$000	
INCOME				
Grants and subsidies revenue				
Current	723 020	670 649	52 371	1
Sales of goods and services	436 821	443 599	(6 778)	
Interest revenue	14	-	14	
Goods and services received free of charge	26 481	26 413	68	
Other income	2 288	1 604	684	2
Reversal of payroll tax provision	29 908	-	29 908	3
TOTAL INCOME	**1 218 533**	**1 142 265**	**76 268**	
EXPENSES				
Employee expenses	744 829	692 564	52 265	4
Administrative expenses				
Purchases of goods and services	382 079	365 830	16 249	
Depreciation and amortisation	49 722	46 575	3 147	
Other administrative expenses	29 741	26 413	3 328	5
Grants and subsidies expenses			-	
Current	58 373	48 176	10 197	6
Capital	1 721	989	732	7
Interest expenses	1 081	394	687	8
Loss on disposal of assets	24	-	24	
TOTAL EXPENSES	**1 267 570**	**1 180 941**	**86 629**	
NET SURPLUS/(DEFICIT)	**(49 037)**	**(38 676)**	**(10 361)**	
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified to net surplus/deficit				
Changes in asset revaluation surplus	10 565	-	10 565	9
TOTAL OTHER COMPREHENSIVE INCOME	**10 565**	-	**10 565**	
COMPREHENSIVE RESULT	**(38 472)**	**(38 676)**	**(204)**	

Notes:

The following note descriptions relate to variances greater than 10 per cent or where multiple significant variances have occurred:

1 Predominantly relates to increased funding for the National Partnership for COVID-19 Response not included in original budget and additional Territory pandemic funding received during the year. Additional funding was also received for specialist training positions and research collaborations.
2 Medical equipment acquired for nil consideration and other miscellaneous revenue not reflected in original budget.
3 Reversal of payroll tax provision, refer to note 30 for 2019-2020 restatement.
4 Predominantly relates to increased expenditure related to the National Partnership for COVID-19 Response not included in the original budget and additional Territory pandemic funding received during the year. Additional funding was also received for specialist training positions and research collaborations.
5 Repayments of funding for Commonwealth and other programs, as well as an increase in doubtful debts expense.
6 Relates to COVID-19 aeromedical and ambulatory services.
7 Late payment for installation of a Computerised Tomography scanner at Gove District Hospital.
8 Recognition of lease of medical evacuation aircraft.
9 Revaluation of remote health clinics in the financial year.

TOP END HEALTH SERVICE

Balance Sheet	2020-21 Actual	2020-21 Original budget	Variance	Note
	$000	$000	$000	
ASSETS				
Current assets				
Cash and deposits	45 185	56 060	(10 875)	1
Receivables	42 298	47 807	(5 509)	2
Inventories	12 803	5 383	7 420	3
Prepayments	1 708	7 107	(5 399)	4
Total current assets	**101 994**	**116 357**	**(14 363)**	
Non-current assets				
Property, plant and equipment	743 052	861 477	(118 425)	5
Other assets	-	50	(50)	
Total non-current assets	**743 052**	**861 527**	**(118 475)**	
TOTAL ASSETS	**845 046**	**977 884**	**(132 838)**	
LIABILITIES				
Current liabilities				
Deposits held	2 077	2 047	30	
Payables	106 750	86 081	20 669	6
Borrowings and advances	6 667	6 667	-	
Provisions	101 693	94 449	7 244	
Other liabilities	2 041	2 826	(785)	7
Total current liabilities	**219 228**	**192 070**	**27 158**	
Non-current liabilities				
Borrowings and advances	27 817	16 378	11 439	8
Other liabilities	17 903	17 903	-	
Total non-current liabilities	**45 720**	**34 281**	**11 439**	
TOTAL LIABILITIES	**264 948**	**226 351**	**38 597**	
NET ASSETS	**580 098**	**751 533**	**(171 435)**	
EQUITY				
Capital	749 926	716 047	33 879	
Reserves	134 015	292 465	(158 450)	5
Accumulated funds	(303 843)	(256 979)	(46 864)	
TOTAL EQUITY	**580 098**	**751 533**	**(171 435)**	

Notes:

The following note descriptions relate to variances greater than 10 percent or where multiple significant variances have occurred.
1 Lower cash balance due to deficit outcome.
2 Lower cross border receivables.
3 Higher medical and dental supplies inventory on hand due to COVID-19 response requirements.
4 Timing of medical evacuation services payments
5 Overstatement of hospital assets in prior year.
6 Higher cross border payables and other goods and services.
7 Lower unearned revenue relating to contracts with customers.
8 Predominantly due to the recognition of lease of medical evacuation aircraft and additional buildings.

TOP END HEALTH SERVICE

Cash flow statement	2020-21 Actual $000	2020-21 Original budget $000	Variance $000	Note
CASH FLOWS FROM OPERATING ACTIVITIES				
Operating receipts				
Grants and subsidies received				
Current	723 020	670 649	52 371	1
Receipts from sales of goods and services	477 443	443 509	33 934	
Total operating receipts	**1 200 463**	**1 114 158**	**86 305**	
Operating payments				
Payments to employees	(725 877)	(692 564)	(33 313)	
Payments for goods and services	(413 988)	(365 830)	(48 158)	1
Grants and subsidies paid				
Current	(58 373)	(48 176)	(10 197)	2
Capital	(1 721)	(989)	(732)	3
Interest paid	(1 081)	(394)	(687)	4
Total operating payments	**(1 201 040)**	**(1 107 953)**	**(93 087)**	
Net cash from/(used in) operating activities	**(577)**	**(6 205)**	**(6 782)**	
CASH FLOWS FROM INVESTING ACTIVITIES				
Investing receipts				
Proceeds from asset sales	46	-	46	
Total investing receipts	**46**	**-**	**46**	
Investing payments				
Purchases of assets	(3 506)	2 159	(1 347)	5
Total investing payments	**(3 506)**	**2 159**	**(1 347)**	
Net cash from/(used in) investing activities	**(3 460)**	**(2 159)**	**(1 301)**	
CASH FLOWS FROM FINANCING ACTIVITIES				
Financing receipts				
Deposits received	29	-	**29**	
Total financing receipts	**29**	**-**	**29**	
Financing payments				
Lease liabilities payments	(7 031)	(4 210)	(2 821)	4
Total financing payments	**(7 031)**	**(4 210)**	**(2 821)**	
Net cash from/(used in) financing activities	**(7 002)**	**(4 210)**	**(2 792)**	
Net increase/(decrease) in cash held	(11 039)	(164)	(10 875)	
Cash at beginning of financial year	56 224	56 224	-	
CASH AT END OF FINANCIAL YEAR	**45 185**	**56 060**	**(10 875)**	

Notes:
The following note descriptions relate to variances greater than 10 per cent or where multiple significant variances have occurred.

1 Predominantly relates to increased funding for the National Partnership for COVID-19 Response not included in original budget and additional Territory pandemic funding received during the year. Additional funding was also received for specialist training positions and research collaborations.
2 Relates to COVID-19 aeromedical and ambulatory services.
3 Late payment for installation of a Computerised Tomography scanner at Gove District Hospital.
4 Predominantly due to the recognition of lease of medical evacuation aircraft and additional buildings.
5 Additional plant and equipment for COVID-19 activities.

Central Australia Health Service Financial Statements

Northern Territory
Auditor-General's Office
Auditing for Parliament

GPO Box 4594
Darwin NT 0801

(08) 8999 7155
https://ago.nt.gov.au

2022-0020 - Auditee Transmittal

Dr Frank Daly
Chief Executive
Department of Health
PO Box 40596
Casuarina NT 0811

29 September 2021

Dear Dr Frank Daly

Central Australia Health Service

I have now reported to the Minister for Health on the financial report prepared by the Central Australia Health Service. Enclosed is the financial report, together with my audit report.

Yours sincerely

Julie Crisp
Auditor-General for the Northern Territory

attach

Northern Territory
Auditor-General's Office
Auditing for Parliament

GPO Box 4594
Darwin NT 0801

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2022-0020 - Ministerial Transmittal

Copy for Auditee information only

The Honourable Natasha Fyles MLA
Minister for Health
c/- Parliament House
State Square
Darwin NT 0800

29 September 2021

Dear Minister

Central Australia Health Service

In accordance with Section 10(3) of the *Financial Management Act 1995* the Accountable Officer of the Central Australia Health Service has submitted for my audit a financial statement comprising a balance sheet, a comprehensive operating statement, a statement of changes in equity, a cash flow statement and associated notes to the financial statement. A copy of the financial statement is enclosed together with my audit report thereon.

In accordance with Section 10(4) of the Act a copy of my audit report and the financial statement should be laid before the Legislative Assembly.

Yours sincerely

Original Signed

Julie Crisp
Auditor-General for the Northern Territory

attach

Auditor-General

Independent Auditor's Report to the Minister for Health

Central Australia Health Service

Opinion

I have audited the accompanying financial report of Central Australia Health Service, which comprises the balance sheet as at 30 June 2021, and the comprehensive operating statement, statement of changes in equity and cash flow statement for the year then ended, a summary of significant accounting policies and other explanatory notes, and the certification of the financial statements by the Accountable Officer.

In my opinion, the financial report gives a true and fair view, in all material respects, of the financial position of Central Australia Health Service as at 30 June 2021, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards.

Basis for Opinion

I conducted my audit in accordance with 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 Central Australia Health Service in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matter – Restatement of comparative balances

I draw attention to Note 29 to the financial statements, which states that the amounts reported in the previously issued financial statements for the year ended 30 June 2020 have been restated and disclosed as comparatives in the financial report. My opinion is not modified in respect of these matters.

Emphasis of matter – Restructure of health services

I draw attention to Note 26 to the financial statements, which states that Central Australia Health Service was restructured under the *Health Services Act 2021* which came into effect on 1 July 2021 and has resulted in all functions of Central Australia Health Service transferring to the Northern Territory Department of Health. As a result, Central Australia Health Service will cease to exist as a reporting entity. As the functions of Central Australia Health Service will continue, the going concern basis of accounting has been applied as disclosed in Note 2b) to the financial statements. My opinion is not modified in respect of these matters.

Responsibilities of the Accountable Officer for the Financial Report

The Accountable Officer is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and for such internal control as the Accountable Officer determines is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the ability of Central Australia Health Service to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate Central Australia Health Service or to cease operations, or has no realistic alternative but to do so.

Level 9 Northern Territory House 22 Mitchell Street Darwin 0800 Tel: 08 8999 7155

Those charged with governance are responsible for overseeing the financial reporting process of Central Australia Health Service.

Auditor's Responsibilities for the Audit of the Financial Report

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 the financial report.

As part of an audit in accordance with the 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 internal control within Central Australia Health Service.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management'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 ability of Central Australia Health Service 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 my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report however future events or conditions may cause Central Australia Health Service 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.

I communicate with those charged with governance regarding, 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 my audit.

Julie Crisp
Auditor-General for the Northern Territory

Darwin, Northern Territory

29 September 2021

Level 9 Northern Territory House 22 Mitchell Street Darwin 0800 Tel: 08 8999 7155

CENTRAL AUSTRALIA HEALTH SERVICE

Certification of the financial statements

We certify that the attached financial statements for the Central Australia Health Service have been prepared based on proper accounts and records in accordance with the prescribed format, the *Financial Management Act 1995* and Treasurer's Directions.

We further state that the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement, and notes to and forming part of the financial statements, presents fairly the financial performance and cash flows for the year ended 30 June 2021 and the financial position on that date.

At the time of signing, we are not aware of any circumstances that would render the particulars included in the financial statements misleading or inaccurate.

Dr Frank Daly

Chief Executive Officer

15 September 2021

Naomi Heinrich

A/Regional Executive Director

15 September 2021

Murray Brown

Chief Finance Officer

15 September 2021

CENTRAL AUSTRALIA HEALTH SERVICE

Comprehensive operating statement

For the year ended 30 June 2021

	Note	2021 $000	2020 Restated* $000
INCOME			
Taxation revenue			
Grants and subsidies revenue			
Current	4a	233 930	201 964
Sales of goods and services	4b	232 599	233 120
Goods and services received free of charge	5	7 475	7 349
Other income	4c	304	441
Reversal of payroll tax provision	29	13 547	-
TOTAL INCOME	3	**487 855**	**442 874**
EXPENSES			
Employee expenses*		302 149	285 498
Administrative expenses			
Purchases of goods and services	6	141 313	128 193
Depreciation and amortisation	14, 15	16 501	16 398
Other administrative expenses[1]		7 881	7 910
Grants and subsidies expenses			
Current		18 840	17 048
Capital		737	650
Interest expenses	7	256	221
TOTAL EXPENSES*	3	**487 677**	**455 918**
NET SURPLUS/(DEFICIT)*		**178**	**(13 044)**
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to net surplus/deficit			
Changes in asset revaluation surplus*		2 485	16 765
Transfer from reserves		-	133
TOTAL OTHER COMPREHENSIVE INCOME*		**2 485**	**16 898**
COMPREHENSIVE RESULT*		**2 663**	**3 854**

*Refer to Note 29 for 2019-20 restatement.

[1] Includes Department of Corporate and Digital Development, Department of Infrastructure, Planning and Logistics and Department of Health service charges.

The comprehensive operating statement is to be read in conjunction with the notes to the financial statements.

CENTRAL AUSTRALIA HEALTH SERVICE

Balance sheet

As at 30 June 2021

	Note	2021*	2020 Restated	1 July 2019 Restated*
		$000	$000	
ASSETS				
Current assets				
Cash and deposits	9	53 756	39 835	31 929
Receivables	11	64 492	59 584	63 327
Inventories	12	2 916	1 508	1 215
Total current assets		**121 164**	**100 927**	**96 471**
Non-current assets				
Property, plant and equipment*	14,15,	244 745	240 699	217 387
Total non-current assets*		**244 745**	**240 699**	**217 387**
TOTAL ASSETS*		**365 909**	**341 626**	**313 858**
LIABILITIES				
Current liabilities				
Payables	16	84 952	66 893	67 543
Borrowings and advances	17	3 483	3 548	9
Provisions*	18	35 401	43 403	36 999
Other liabilities	19	2 218	2 810	1 516
Total current liabilities*		**126 054**	**116 654**	**106 067**
Non-current liabilities				
Borrowings and advances	17	16 269	9 537	659
Total non-current liabilities		**16 269**	**9 537**	**659**
TOTAL LIABILITIES*		**142 323**	**126 191**	**106 726**
NET ASSETS*		**223 586**	**215 435**	**207 132**
EQUITY				
Capital		296 629	291 141	286 692
Asset revaluation surplus*	21	29 504	27 019	10 254
Accumulated funds*		(102 547)	(102 725)	(89 814)
TOTAL EQUITY		**223 586**	**215 435**	**207 132**

*Refer to Note 29 for 2019-20 restatement.

The balance sheet is to be read in conjunction with the notes to the financial statements.

CENTRAL AUSTRALIA HEALTH SERVICE

Statement of changes in equity

For the year ended 30 June 2021

	Note	Equity at 1 July	Comprehensive result	Transactions with owners in their capacity as owners	Equity at 30 June
		$000	$000	$000	$000
2020-21					
Accumulated funds					
Accumulated funds*		(102 725)	178	-	(102 547)
		(102 725)	178	-	(102 547)
Reserves – restated*	21	27 019	2 485	-	29 504
		27 019	2 485	-	29 504
Capital – transactions with owners					
Equity injections					
Equity transfers in		276 249	-	5 597	281 846
Other equity injections		49 799	-	-	49 799
Equity withdrawals					
Capital withdrawal		(33 627)	-	-	(33 627)
Equity transfers out		(1 280)	-	(109)	(1 389)
		291 141	-	5 488	296 629
Total equity at end of financial year		**215 435**	**2663**	**5 488**	**223 586**
2019-20 Restated*					
Accumulated funds*		(89 814)	(13 044)	-	(102 858)
Transfers from reserves		-	133	-	133
		(89 814)	(12 911)	-	(102 725)
Reserves*	21	10 254	16 765	-	27 019
		10 254	16 765	-	27 019
Capital – transactions with owners					
Equity injections					
Equity transfers in		270 421	-	5 828	276 249
Other equity injections		49 778	-	21	49 799
Equity withdrawals					
Capital withdrawal		(32 227)	-	(1 400)	(33 627)
Equity transfers out		(1 280)	-	-	(1 280)
		286 692	-	4 449	291 141
Total equity at end of financial year*		**207 132**	**3 854**	**4 449**	**215 435**

*Refer to Note 29 for 2019-20 restatement.

The statement of changes in equity is to be read in conjunction with the notes to the financial statements.

CENTRAL AUSTRALIA HEALTH SERVICE

Cash flow statement

For the year ended 30 June 2021

	Note	2021	2020
		$000	$000
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating receipts			
Grants and subsidies received			
Current		233 930	201 964
Receipts from sales of goods and services		239 084	250 306
Total operating receipts		**473 014**	**452 270**
Operating payments			
Payments to employees		(294 428)	(277 184)
Payments for goods and services		(139 060)	(142 870)
Grants and subsidies paid			
Current		(18 839)	(17 048)
Capital		(737)	(650)
Interest paid		(256)	(221)
Total operating payments		**(453 320)**	**(437 973)**
Net cash from/(used in) operating activities	10	**19 694**	**14 297**
CASH FLOWS FROM INVESTING ACTIVITIES			
Investing payments			
Purchases of assets		(1 963)	(2 005)
Total investing payments		**(1 963)**	**(2 005)**
Net cash from/(used in) investing activities		**(1 963)**	**(2 005)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Financing receipts			
Deposits received		125	17
Equity injections		-	21
Total financing receipts		**125**	**38**
Financing payments			
Lease liabilities payments		(3 935)	(3 024)
Equity withdrawals		-	(1 400)
Total financing payments		**(3 935)**	**(4 424)**
Net cash from/(used in) financing activities	10	**(3 810)**	**(4 386)**
Net increase/(decrease) in cash held		13 921	7 906
Cash at beginning of financial year		39 835	31 929
CASH AT END OF FINANCIAL YEAR	9	**53 756**	**39 835**

The cash flow statement is to be read in conjunction with the notes to the financial statements.

CENTRAL AUSTRALIA HEALTH SERVICE

Index of notes to the financial statements

CENTRAL AUSTRALIA HEALTH SERVICE

1. Objectives and funding

The Central Australia Health Service's (Health Service) mission is to improve the health status and wellbeing of all Territorians in the central Australia region.

The Health Service is predominantly funded by, and is dependent, on the receipt of Territory and Commonwealth activity based and block funding paid through the Department of Health. The financial statements encompass all funds through which the Health Service controls resources to carry on its functions and deliver outputs. For reporting purposes, outputs delivered by the Health Service are summarised into several output groups. Note 3 provides summarised financial information in the form of a comprehensive operating statement by output group.

2. Statement of significant accounting policies

a) Statement of compliance

The financial statements have been prepared in accordance with the requirements of the *Financial Management Act 1995* and related Treasurer's Directions. The *Financial Management Act 1995* requires the Health Service to prepare financial statements for the year ended 30 June based on the form determined by the Treasurer. The form of Health Service financial statements should include:

1) a certification of the financial statements
2) a comprehensive operating statement
3) a balance sheet
4) a statement of changes in equity
5) a cash flow statement
6) applicable explanatory notes to the financial statements.

b) Basis of accounting

The financial statements have been prepared using the accrual basis of accounting, which recognises the effect of financial transactions and events when they occur, rather than when cash is paid out or received. As part of the preparation of the financial statements, all intra Health Service transactions and balances have been eliminated.

Except where stated, the financial statements have also been prepared in accordance with the historical cost convention.

As of 1 July 2021 the functions of the Health Service will transfer to the Department of Health. Accordingly, this is the last set of financial statements published. Given there is no cessation of functions or operations, the going concern basis of accounting has still been applied with no discontinued operations disclosed. For additional information relating to the transfer, refer to Note 26 - Events subsequent to balance date.

Standards and interpretations effective from 2020-21

Several other amending standards and AASB interpretations have been issued that apply to the current reporting periods, but are considered to have no impact on public sector reporting.

Standards and interpretations issued but not yet effective

No Australian accounting standards have been early adopted for 2020-21.

Several other amending standards and AASB interpretations have been issued that apply to future reporting periods but are considered to have limited impact on public sector reporting.

c) Reporting entity

The financial statements cover the Health Service as an individual reporting entity. The Health Service is a statutory body which is established under section 17 of the *Health Services Act 2014* and section 3 of the Health Service regulations. For financial reporting purposes, the Health Service is a not-for-profit entity.

The principal place of business of the Health Service is: 1st Floor Eurilpa House, Alice Springs Northern Territory 0870.

d) Health Service and Territory items

The financial statements of the Health Service include income, expenses, assets, liabilities and equity over which the Health Service has control (Health Service items). Certain items, while managed by the Health Service, are controlled and recorded by the Territory rather than the Health Service (Territory items). Territory items are recognised and recorded in the Central Holding Authority as discussed below.

Central Holding Authority

The Central Holding Authority is the 'parent body' that represents the government's ownership interest in government-controlled entities.

The Central Holding Authority also records all Territory items, such as income, expenses, assets and liabilities controlled by the government and managed by Health Service on behalf of the government. The main Territory item is Territory income, which includes taxation and royalty revenue, Commonwealth general purpose funding (such as GST revenue), fines, and statutory fees and charges.

The Central Holding Authority also holds certain Territory assets not assigned to Health Service as well as certain Territory liabilities that are not practical or effective to assign to individual agencies such as unfunded superannuation and long service leave.

The Central Holding Authority recognises and records all Territory items, and as such, these items are not included in the Health Service's financial statements. However, as the Health Service is accountable for certain Territory items managed on behalf of the government, these items have been separately disclosed in Note 28 – Schedule of administered Territory items.

e) Comparatives

Where necessary, comparative information for the 2019-20 financial year has been reclassified to provide consistency with current year disclosures. Further, Note 29 outlines changes that have been made to comparative balances.

f) Presentation and rounding of amounts

Amounts in the financial statements and notes to the financial statements are presented in Australian dollars and have been rounded to the nearest thousand dollars, with amounts of $500 or less being rounded down to zero. Figures in the financial statements and notes may not equate due to rounding. Some prior year figures have been adjusted for corrections to rounding.

g) Changes in accounting policies

There have been no changes to accounting policies adopted in 2020-21 as a result of management decisions.

h) Accounting judgments and estimates

The preparation of the financial report requires the making of judgments and estimates that affect the recognised amounts of assets, liabilities, revenues and expenses and the disclosure of contingent liabilities. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgments and estimates that have significant effects on the financial statements are disclosed below and in Note 18 – Provisions to the financial statements.

Subsequent events

The Health Service was restructured under the *Health Services Act 2021* which came into force on 1 July 2021. As a result, all functions of Central Australia Health Service have transferred to the Department of Health.

In 2020-21, a misapplication of a payroll tax exemption under *Payroll Tax Act 2009* backdating to 2016-17 was identified. In June 2021 it was identified that the application of a payroll tax exemption under the *Payroll Tax Act 2009* had been applied incorrectly for non-public hospital wages within the Health Service (refer to Note 29). The Commissioner of Taxation issued a notice of assessment on 20 July 2021 for a payroll tax liability of $21.9 million up to 30 June 2021. This assessment included $3.87 million for penalty tax and penalty interest on the 2016-17 to 2019-20 portion of the debt.

On 11 September 2021 in accordance with section 35(2) (a) of the *Financial Management Act 1995* the Treasurer approved a waiver of the payroll tax liability in full.

i) Goods and services tax

Income, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred on a purchase of goods and services is not recoverable

from the Australian Tax Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables 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 balance sheet.

Cash flows are included in the cash flow statement on a gross basis. The GST components of cash flows arising from investing and financing activities, which are recoverable from, or payable to, the ATO are classified as operating cash flows. Commitments and contingencies are disclosed net of the amount of GST recoverable or payable unless otherwise specified.

j) Contributions by and distributions to government

The Health Service may receive contributions from the government where the government is acting as owner of the Health Service. Conversely, the Health Service may make distributions to the government. In accordance with the *Financial Management Act 1995* and Treasurer's Directions, certain types of contributions and distributions, including those relating to administrative restructures, have been designated as contributions by, and distributions to, government. These designated contributions and distributions are treated by the Health Service as adjustments to equity.

The statement of changes in equity provides additional information in relation to contributions by, and distributions to, government.

k) Impact of COVID-19

There were lengthy delays to receive overseas sourced medical and non-medical supplies and increased demand for personal protective equipment. There was a considerable increase in staffing due to additional border control requirements and other COVID-19 related operations. Since COVID-19, there has been increased shortages of clinical staff and leave liability.

3. Comprehensive operating statement by output group

	Note	Central Australia Hospital		Community Treatment and Extended Care		Primary Health Care		Central Australia Wide Support Services		Disease Prevention and Health Protection		Total	
		2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020 Restated
		$000	$000	$000	$000	$000	$000	$000	$000	$000	$000	$000	$000
INCOME													
Grants and subsidies revenue													
Current	4a	7 795	9 639	5 244	4 112	19 168	18 965	199 983	166 052	1 740	3 196	233 930	201 964
Sales of goods and services	4b	11 039	12 786	200	232	3 466	3 695	217 874	216 386	20	21	232 599	233 120
Goods and services received free of charge	5	-	-	-	-	-	-	7 475	7 349	-	-	7 475	7 349
Other income	4c	154	166	6	138	144	99	-	38	-	-	304	441
Reversal of payroll tax provision	29	-	-	-	-	-	-	13 547	-	-	-	13 547	-
TOTAL INCOME		**18 988**	**22 591**	**5 450**	**4 482**	**22 778**	**22 759**	**438 879**	**389 825**	**1 760**	**3 217**	**487 855**	**442 874**
EXPENSES													
Employee expenses*		207 237	195 317	27 020	23 079	53 997	53 741	6 779	9 114	7 116	4 247	302 149	285 498
Administrative expenses													
Purchases of goods and services	6	69 158	66 852	2 951	2 718	13 251	12 838	53 973	43 853	1 980	1 932	141 313	128 193
Depreciation and amortisation	14,15	10 215	10 805	478	315	4 343	4 101	1 337	1 104	128	73	16 501	16 398
Other administrative expenses[1]		186	111	55	3	120	96	7 475	7 700	45	-	7 881	7 910
Grants and subsidies expenses													
Current		965	876	918	918	1 269	1 251	15 466	14 003	222	-	18 840	17 048
Capital		-	-	-	-	-	-	737	650	-	-	737	650
Interest expenses	7	31	39	12	13	160	141	51	26	2	2	256	221
TOTAL EXPENSES*		**287 792**	**274 000**	**31 434**	**27 046**	**73 140**	**72 168**	**85 818**	**76 450**	**9 493**	**6 254**	**487 677**	**455 918**
NET SURPLUS/(DEFICIT)*		**(268 804)**	**(251 409)**	**(25 984)**	**(22 564)**	**(50 362)**	**(49 409)**	**353 061**	**313 375**	**(7 733)**	**(3 037)**	**178**	**(13 044)**
OTHER COMPREHENSIVE INCOME													
Changes in assets		-	-	-	-	-	-	2 485	16 765	-	-	2 485	16 765
Transfers from reserves		-	-	-	-	-	-	-	133	-	-	-	133
TOTAL OTHER COMPREHENSIVE INCOME*		**-**	**-**	**-**	**-**	**-**	**-**	**2 485**	**16 898**	**-**	**-**	**2 485**	**16 898**
COMPREHENSIVE RESULT*		**(268 804)**	**(251 409)**	**(25 984)**	**(22 564)**	**(50 362)**	**(49 409)**	**355 546**	**330 273**	**(7 733)**	**(3 037)**	**2 663**	**3 854**

[1] Includes Department of Corporate and Digital Development and Department of Infrastructure, Planning and Logistics service charges.

*Refer to Note 29 for 2019-20 restatement.

This comprehensive operating statement by output group is to be read in conjunction with the notes to the financial statements.

Income

Income encompasses both revenue and gains.

Income is recognised at the fair value of the consideration received, exclusive of the amount of GST. Exchanges of goods or services of the same nature and value without any cash consideration being exchanged are not recognised as income.

4. Revenue

a) Grants and subsidies revenue

	2021			2020		
	$000	$000	$000	$000	$000	$000
	Revenue from contracts with customers	Other	Total	Revenue from contracts with customers	Other	Total
Current grants	16 930	217 000	233 930	15 973	185 991	201 964
Total grants and subsidies revenue	**16 930**	**217 000**	**233 930**	**15 973**	**185 991**	**201 964**

Grants revenue is recognised at fair value exclusive of the amount of GST.

Where a grant agreement is enforceable and has sufficiently specific performance obligations for the Health Service to transfer goods or services to the grantor or a third party beneficiary, the transaction is accounted for under AASB 15. The Health Service has applied the principles of AASB15 and has recognised revenue as or when the performance obligations are satisfied, if performance obligations are not satisfied the Health Service has recorded the revenue as a deferred contract liability.

The Health Service's contracts with customers are for the delivery of health services to the community. Funding is generally received upfront, and the Health Service typically satisfies obligations and recognises revenue as services are being delivered as specified in the agreement.

A financing component for consideration is only recognised if it is significant to the contract and the period between the transfer of goods and services and receipt of consideration is more than one year. For the 2020-21 and 2019-20 reporting periods, there were no adjustments for the effects of a significant financing component.

Where grant agreements do not meet criteria above, it is accounted for under AASB 1058 and income is recognised on receipt of funding except for capital grants revenue received for the purchase or construction of non-financial assets to be controlled by the Health Service. Capital grants with enforceable contracts and sufficiently specific obligations are recognised as an unearned revenue liability when received and subsequently recognised progressively as revenue as or when the Health Service satisfies its obligations under the agreement. Where a non-financial asset is purchased, revenue is recognised at the point in time the asset is acquired and control transfers to the Health Service.

Revenue from contracts with customers have been disaggregated below into categories to enable users of these financial statements to understand the nature, amount, timing and uncertainty of income and cash flows. These categories include a description of the type of product or service line, type of customer and timing of transfer of goods and services.

Grant agreements that satisfy recognition requirements under AASB 15 are disaggregated below.

	2021	2020
	$000	$000
Type of good and service		
Service delivery	16 930	15 917
Research services	-	56
Total revenue from contracts with customers by good or service	**16 930**	**15 973**
Type of customer:		
Australian Government entities	3 909	4 202
State and territory governments[1]	6 406	6 969
Non-government entities	6 615	4 802
Total revenue from contracts with customers by type of customer	**16 930**	**15 973**
Timing of transfer of goods and services:		
Overtime	13 552	12 096
Point in time	3 378	3 877
Total revenue from contracts with customers by timing of transfer	**16 930**	**15 973**

[1]Comparative reclassified to include state and territory government component.

b) Sales of goods and services

	2021			2020		
	$000 Revenue from contracts with customers	$000 Other	$000 Total	$000 Revenue from contracts with customers	$000 Other	$000 Total
Sales of goods and services	29 219	203 380	232 599	30 508	202 612	233 120
Total sales of goods and services	**29 219**	**203 380**	**232 599**	**30 508**	**202 612**	**233 120**

Sale of goods

Revenue from sales of goods is recognised when the Health Service satisfies a performance obligation by transferring the promised goods to the buyer. The Health Service typically satisfies its performance obligations when goods are transferred to buyer. The payments are typically due within 30 days of invoice, or as per contract specified.

Revenue from these sales are based on the price specified in the contract, and revenue is only recognised to the extent that it is highly probable a significant reversal will not occur. There is no element of financing present as sales are made with a short credit term.

Rendering of services

Revenue from rendering of services is recognised when the Health Service satisfies the performance obligation by transferring the promised health related services, such as hospital services and cross border activity. The Health Service typically satisfies its performance obligations when the service is performed, which is usually satisfied at a point in time when the service is completed.

Revenue from contracts with customers have been disaggregated below into categories to enable users of these financial statements to understand the nature, amount, timing and uncertainty of income and cash flows. These categories include a description of the type of product or service line, type of customer and timing of transfer of goods and services.

	2021	2020
	$000	$000
Type of good and service:		
Service delivery	27 660	28 764
Sales of inventory	1 539	1 723
Research services	20	21
Total revenue from contracts with customers by good or service	**29 219**	**30 508**
Type of customer:		
Australian Government entities	27	4 745
State and territory governments	17 429	15 525
Non-government entities	11 763	10 238
Total revenue from contracts with customers by type of customer	**29 219**	**30 508**
Timing of transfer of goods and services:		
Point in time	29 219	30 508
Total revenue from contracts with customers by timing of transfer	**29 219**	**30 508**

c) Other income

	2021			2020		
	$000	$000	$000	$000	$000	$000
	Revenue from contracts with customers	Other	Total	Revenue from contracts with customers	Other	Total
Other income	109	195	304	31	410	441
Reversal of payroll tax provision	-	13 547	13 547	-	-	-
Total other income	**109**	**13 742**	**13 851**	**31**	**410**	**441**

Revenue from contracts with customers have been disaggregated below into categories to enable users of these financial statements to understand the nature, amount, timing and uncertainty of income and cash flows. These categories include a description of the type of product or service line, type of customer and timing of transfer of goods and services.

	2021	2020
	$000	$000
Type of good and service:		
Service delivery	109	31
Total revenue from contracts with customers by good or service	**109**	**31**
Type of customer:		
Australian Government entities	-	31
Non-government entities	109	-
Total revenue from contracts with customers by type of customer	**109**	**31**
Timing of transfer of goods and services:		
Overtime	109	31
Total revenue from contracts with customers by timing of transfer	**109**	**31**

5. Goods and services received free of charge

	2021	2020
	$000	$000
Corporate and information services	1 030	932
Infrastructure, repairs and maintenance	6 445	6 417
	7 475	**7 349**

Resources received free of charge are recognised as revenue when, and only when, a fair value can be reliably determined and the services would have been purchased if they had not been donated. Use of those resources is recognised as an expense. Resources received free of charge are recorded as either revenue or gains depending on their nature.

Repairs and maintenance expenses and associated employee costs are centralised and provided by the Department of Infrastructure, Planning and Logistics and forms part of goods and services free of charge of the Health Service.

Corporate services staff and functions are also centralised and provided by Department of Corporate and Digital Development and forms part of goods and services free of charge of the Health Service.

6. Purchases of goods and services

	2021	2020
The net surplus/(deficit) has been arrived at after charging the following expenses:	$000	$000
Goods and services expenses:		
Consultants [1]	423	429
Advertising [2]	2	3
Marketing and promotion [3]	203	106
Document production	265	240
Legal expenses [4]	205	60
Recruitment [5]	3 399	3 518
Training and study	1 143	693
Official duty fares	1 856	1 638
Travelling allowance	802	650
Information technology charges and communications	8 798	6 574
Agent service agreements [6]	38 766	30 555
Client travel	5 649	5 880
Cross border patient charges	19 804	16 668
Medical/dental supplies and services	33 095	33 129
Other	26 903	28 050
	141 313	**128 193**

[1] Includes marketing, promotion and information technology consultants.

[2] Does not include recruitment, advertising or marketing and promotion advertising.

[3] Includes advertising for marketing and promotion but excludes marketing and promotion consultants' expenses, which are incorporated in the consultants' category.

[4] Includes legal fees, claim and settlement costs.

[5] Includes recruitment-related advertising costs.

[6] Shared services provided to the Department of Health.

Purchases of goods and services generally represent the day-to-day running costs incurred in normal operations, including supplies and service costs recognised in the reporting period in which they are incurred.

7. Interest expense

	2021	2020
	$000	$000
Interest from lease liabilities	256	221
Total	**256**	**221**

Interest expenses consist of interest and other costs incurred in connection with the borrowing of funds. It includes interest on lease liabilities.

8. Write-offs, postponements, waiver, gifts and ex gratia payments

	2021	No. of trans.	2020	No. of trans.
	$000		$000	
Write-offs, postponements and waivers under the *Financial Management Act 1995*				
Represented by:				
Amounts written off, postponed and waived by delegates				
Irrecoverable amounts payable to the Health Service written off	36	34	77	52
Losses or deficiencies of money written off	-	2	-	-
Public property written off	-	-	11	79
Total written off, postponed and waived by delegates	**36**	**36**	**88**	**131**
Amounts written off, postponed and waived by the Treasurer				
Irrecoverable amounts payable to the Health Service written off	13	1	15	1
Total written off, postponed and waived by the Treasurer	**13**	**1**	**15**	**1**
Write-offs, postponements and waivers authorised under other legislation				
Gifts under the *Financial Management Act 1995*				
Gifts by Treasurer	**34**	**2**	**-**	**-**

9. Cash and deposits

	2021	2020
	$000	$000
Cash on hand	6	7
Cash at bank	53 750	39 828
	53 756	**39 835**

For the purposes of the balance sheet and the cash flow statement, cash includes cash on hand, cash at bank and cash equivalents. Cash equivalents are highly liquid short-term investments that are readily convertible to cash. Cash at bank includes monies held in the Accountable Officer's Trust Account that are ultimately payable to the beneficial owner – refer also to Note 27.

10. Cash flow reconciliation

a) Reconciliation of cash

The total of Health Service cash and deposits of $53.8 million recorded in the balance sheet is consistent with that recorded as cash in the cash flow statement.

Reconciliation of net surplus/(deficit) to net cash from operating activities

	2021	2020 Restated*
	$000	$000
Net surplus/(deficit)*	**178**	**(13 044)**
Non-cash items:		
Depreciation and amortisation	16 501	16 398
Asset write-offs/write-downs	85	474
Asset donations/gifts	34	-
(Gain) on disposal of assets	(117)	-
Reversal of payroll tax provision	(13 547)	-
Changes in assets and liabilities:		
Increase in receivables	(4 909)	3 744
Increase in inventories	(1 418)	(304)
Increase in payables	18 058	(650)
Increase in provision for employee benefits	3 845	2 480
Increase in other provisions*	1 701	3 923
Decrease in other liabilities	(717)	1 276
Net cash from/(used in) operating activities	**19 694**	**14 297**

*Refer to Note 29 for 2019-20 restatement.

CENTRAL AUSTRALIA HEALTH SERVICE

b) Reconciliation of liabilities arising from financing activities

2020-21

		Cash flows				Other - non cash			
	1 July	Deposits received	Lease liabilities repayments	Other	Total cash flows	Lease Acquisitions and other movements	Equity related other changes	Total other	30 June
	$000	$000	$000	$000	$000	$000	$000	$000	$000
Deposits held	1 227	125	-	-	125	-	-	-	1 352
Borrowings and advances	13 085	-	(3 935)	-	(3 935)	10 602	-	10 602	19 752
Equity Injections/withdrawals	291 141	-	-	-	-	-	5 488	5 488	296 629
Total	**305 453**	**125**	**(3 935)**	**-**	**(3 810)**	**10 602**	**5 488**	**16 090**	**317 733**

2019-20

		Cash flows				Other - non cash			
	1 July	Deposits received	Lease liabilities repayments	Other	Total cash flows	Lease Acquisitions and other movements	Equity related other changes	Total other	30 June
	$000		$000		$000	$000	$000	$000	$000
Deposits held	1 210	17	-	-	17	-	-	-	1 227
Borrowings and advances	13 473	-	(3 024)	-	(3 024)	2 636	-	2 636	13 085
Equity Injections/withdrawals	286 692	-	-	(1 379)	(1 379)	-	5 828	5 828	291 141
Total	**301 375**	**17**	**(3 024)**	**(1 379)**	**(4 386)**	**2 636**	**5 828**	**8 464**	**305 453**

c) Non-cash financing and investing activities

Lease transactions

During the financial year, the Health Service recorded right-of-use assets for the lease of land, buildings, plant and equipment with an aggregate value of $19.6 million ($15.3 million in 2020).

11. Receivables

	2021	2020
	$000	$000
Current		
Accounts receivable	241	465
less: loss allowance	(95)	(114)
	146	**351**
Contract receivables	2 093	1 635
less: loss allowance	(205)	(52)
	1 888	**1 583**
Accrued contract revenue	61 096	55 231
less: loss allowance	-	-
	61 096	**55 231**
GST receivables	1 071	831
Prepayments[1]	276	275
Other receivables	(387)	911
	960	**2 017**
Non-current		
Prepayments[1]	402	402
Other receivables	-	-
	402	**402**
Total receivables	**64 492**	**59 584**

[1] The comparative for 2019-20 has been restated to include prepayments of $0.7 million.

Receivables are initially recognised when the Health Service becomes a party to the contractual provisions of the instrument and are measured at fair value less any directly attributable transaction costs. Receivables include contract receivables, accounts receivable, accrued contract revenue and other receivables.

Receivables are subsequently measured at amortised cost using the effective interest method, less any impairments.

Accounts receivable and contract receivables are generally settled within 30 days and other receivables within 30 days.

The loss allowance reflects lifetime expected credit losses and represents the amount of receivables the Health Service estimates are likely to be uncollectible and are considered doubtful.

Accrued contract revenue

Accrued contract revenue is recognised from contracts with customers where the Health Service's right to consideration in exchange for goods transferred to customers or works that have been completed but have not been billed. Once the Health Service's rights to payment becomes unconditional, usually on issue of an invoice, accrued contract revenue balances are reclassified as contract receivables. Accrued revenue that does not arise from contracts with customers are reported as part of other receivables.

Credit risk exposure of receivables

Receivables are monitored on an ongoing basis to ensure exposure to bad debts is not significant. The entity applies the simplified approach to measuring expected credit losses. This approach recognises a loss allowance based on lifetime expected credit losses for all accounts receivables and contract receivables. To measure expected credit losses, receivables have been grouped based on shared risk characteristics and days past due.

The expected loss rates are based on historical observed loss rates, adjusted to reflect current and forward-looking information.

In accordance with the provisions of the *Financial Management Act 1995*, receivables are written-off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery includes a failure to make contractual payments for a period greater than 30 days past due.

Due to COVID-19, the Health Service's credit risk exposure has increased and is reflected in the expected credit losses reported.

The loss allowance for receivables and reconciliation as at the reporting date is disclosed below:

Loss allowance for receivables

	2021				2020			
Internal receivables	Gross receivables	Loss rate	Expected credit losses	Net receivables	Gross receivables	Loss rate	Expected credit losses	Net receivables
	$000	%	$000	$000	$000	%	$000	$000
Not overdue	6	-	-	6	137	-	-	137
Overdue for less than 30 days	-	-	-	-	-	-	-	-
Overdue for 30 to 60 days	-	-	-	-	-	-	-	-
Overdue for more than 60 days	28	-	-	28	28	-	-	28
Total internal receivables	**34**	**-**	**-**	**34**	**165**	**-**	**-**	**165**
External receivables								
Not overdue	1 051	9	(95)	956	640	8	(53)	587
Overdue for less than 30 days	194	10	(20)	174	146	9	(13)	133
Overdue for 30 to 60 days	46	13	(6)	40	79	5	(4)	75
Overdue for more than 60 days	1 009	18	(179)	830	1 070	9	(96)	974
Total external receivables	**2 300**	**-**	**(300)**	**2 000**	**1 935**	**-**	**(166)**	**1 769**

Total amounts disclosed exclude statutory amounts and prepayments; and include contract receivables and accrued contract revenue.

Reconciliation of loss allowance for receivables

	2021	2020
External receivables	$000	$000
Opening balance	166	155
Written off during the year	(49)	(92)
Increase in allowance recognised in profit or loss	183	103
Total external receivables	**300**	**166**

Prepayments

Prepayments represent payments in advance of receipt of goods and services or that part of expenditure made in one accounting period covering a term extending beyond that period.

12. Inventories

	2021	2020
	$000	$000
Inventories held for distribution		
At current replacement cost	2 916	1 508
Total inventories	**2 916**	**1 508**

During the year the Health Service was required to write-off $10 thousand compared to $11 thousand in 2019-20 of inventories, the majority being pharmaceuticals due to their short shelf life and the necessity to keep certain lifesaving items on hand.

Inventories include assets held for distribution at no or nominal consideration in the ordinary course of business operations.

General inventories are valued at the lower of cost and net realisable value, while those held for distribution are carried at the lower of cost and current replacement cost. Cost of inventories includes all costs associated with bringing the inventories to their present location and condition. When inventories are acquired at no or nominal consideration, the cost will be the current replacement cost at date of acquisition.

The cost of inventories are assigned using a mixture of first in, first out or weighted average cost formula, or using specific identification of their individual costs.

Inventory held for distribution is regularly assessed for obsolescence and loss.

13. Other assets

a) Health Service as a lessor

Leases under which the Health Service assumes substantially all the risks and rewards of ownership of an asset are classified as finance leases. Other leases are classified as operating leases.

Subleases are classified by reference to the right-of-use asset arising from the head lease, rather than by reference to the underlying asset. A sublease is an arrangement where the underlying asset is re-leased by a lessee (intermediate lessor) to another party, and the lease (head lease) between the head lessor and original lessee remains in effect.

Operating leases

An operating lease is a lease other than a finance lease. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the comprehensive operating statement due to its operating nature. Initial direct costs incurred in negotiating and arranging an

operating lease are added to the carrying amount of the underlying asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

The Health Service owns land and building that is leased to two non-government organisations under operating lease arrangements as a peppercorn lease. The property is leased to conduct health research projects and support medical student studies and placements.

The Health Service also subleases land and one building to a non-government organisation to provide accommodation services for patients.

14. Property, plant and equipment

a) Total property, plant and equipment

	2021	2020 Restated*
	$000	$000
Land*		
At fair value	**9 308**	**9 191**
Buildings*		
At fair value	451 511	431 898
less: accumulated depreciation	(228 701)	(213 495)
	222 810	**218 403**
Plant and equipment		
At fair value	38 854	36 749
less: accumulated depreciation	(26 227)	(23 644)
	12 627	**13 105**
Total property, plant and equipment*	**244 745**	**240 699**

*Refer to Note 29 for 2019-20 restatement.

2021 Property, plant and equipment reconciliations

Property, plant and equipment includes right-of-use assets under AASB 16 Leases. Further information on right-of-use assets is disclosed in Note 15. A reconciliation of the carrying amount of property, plant and equipment at the beginning and end year is set out below:

Restated*	Land	Buildings	Plant and equipment	Total
	$000	$000	$000	$000
Carrying amount as at 1 July 2020 - restated*	9 191	218 403	13 105	240 699
Additions	157	11 544	2 917	14 618
Depreciation/amortisation expense	(81)	(12 812)	(3 608)	(16 501)
Additions/disposals from asset transfers		5 254	161	5 415
Revaluation increments/decrements	41	421	59	521
Impairment losses	-	-	(7)	(7)
Carrying amount as at 30 June 2021	**9 308**	**222 810**	**12 627**	**244 745**

*Refer to Note 29 for 2019-20 restatement.

2020 Property, plant and equipment reconciliations - Restated

Property, plant and equipment includes right-of-use assets under AASB 16 Leases. Further information on right-of-use assets is disclosed in Note. A reconciliation of the carrying amount of property, plant and equipment at the beginning and end year is set out below:

	Land	Buildings	Plant and equipment	Total
	$000	$000	$000	$000
Carrying amount as at 1 July 2019	4 403	204 487	7 876	216 766
Reclassification	621	-	-	621
Recognition of right-of-use assets on initial adoption of AASB 16	1 743	6 794	4 267	12 804
Adjusted carrying amount as at 1 July 2019	**6 767**	**211 281**	**12 143**	**230 191**
Additions	-	-	2 005	2 005
Additions of right-of-use assets	100	576	1 962	2 638
Depreciation expense - asset owned	-	(11 477)	(1 651)	(13 128)
Amortisation expense - right-of-use asset	(71)	(1 701)	(1 498)	(3 270)
Additions/disposals from asset transfers	-	5 354	144	5 498
Revaluation increments/decrements*	2 395	14 370	-	16 765
Carrying amount as at 30 June 2020*	**9 191**	**218 403**	**13 105**	**240 699**

*Refer to Note 29 for 2019-20 restatement.

b) Property, plant and equipment held and used by the Health Service

A reconciliation of the carrying amount of property, plant and equipment held and used by the Health Service is set out below:

	Land	Buildings	Plant and Equipment	Total
	$000	$000	$000	$000
Carrying amount as at 1 July 2020 - restated	9 157	217 931	13 105	240 193
Additions	157	11 544	2 917	14 618
Depreciation/amortisation expense	(81)	(12 765)	(3 608)	(16 454)
Additions/disposals from asset transfers	-	5 254	161	5 415
Revaluation increments/decrements	41	421	59	521
Impairment losses	-	-	(7)	(7)
Carrying amount as at 30 June 2021	**9 274**	**222 385**	**12 627**	**244 286**

	Land	Buildings	Plant and equipment	Total
	$000	$000	$000	$000
Carrying amount as at 1 July 2019	4 369	203 968	7 876	216 213
Reclassification	621	-	-	621
Recognition of right-of-use assets on initial adoption of AASB 16	1 743	6 794	4 267	12 804
Adjusted carrying amount as at 1 July 2019	**6 733**	**210 762**	**12 143**	**229 638**
Additions	-	-	2 005	2 005
Additions of right-of-use assets	100	576	1 962	2 638
Depreciation expense - asset owned	-	(11 430)	(1 651)	(13 081)
Amortisation expense - right-of-use asset	(71)	(1 701)	(1 498)	(3 270)
Additions/disposals from asset transfers	-	5 354	144	5 498
Revaluation increments/decrements	2 395	14 370	-	16 765
Carrying amount as at 30 June 2020	**9 157**	**217 931**	**13 105**	**240 193**

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

A reconciliation of the carrying amount of property, plant and equipment where Health Service is lessor under operating leases is set out below:

2021	Land	Building	Total
	$000	$000	$000
Balance at 1 July 2020			
Gross carrying amount	34	567	601
Accumulated depreciation/amortisation	-	(95)	(95)
Carrying amount as at 1 July 2020	**34**	**472**	**506**
Depreciation/amortisation expense	-	(47)	(47)
Carrying amount as at 30 June 2021	**34**	**425**	**459**

2020	Land	Building	Total
Balance at 1 July 2019	$000	$000	$000
Gross carrying amount	34	567	601
Accumulated depreciation/amortisation	-	(48)	(47)
Carrying amount as at 1 July 2019	**34**	**519**	**554**
Depreciation/amortisation expense	-	(48)	(48)
Carrying amount as at 30 June 2020	**34**	**472**	**506**

Acquisitions

Property, plant and equipment are initially recognised at cost and subsequently revalued at fair value less accumulated depreciation and impairment. Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire the asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the requirements of other accounting standards.

All items of property, plant and equipment with a cost or other value, equal to or greater than $10,000 are recognised in the year of acquisition and depreciated as outlined below. Items of property, plant and equipment below the $10,000 threshold are expensed in the year of acquisition.

The construction cost of property, plant and equipment includes the cost of materials and direct labour, and an appropriate proportion of fixed and variable overheads.

Complex asset

Major items of plant and equipment comprising a number of components that have different useful lives, are accounted for as separate assets. The components may be replaced during the useful life of the complex asset.

Subsequent additional costs

Costs incurred on property, plant and equipment subsequent to initial acquisition are capitalised when it is probable that future economic benefits in excess of the originally assessed performance of the asset will flow to the Health Service in future years. Where these costs represent separate components of a complex asset, they are accounted for as separate assets and separately depreciated over their expected useful lives.

Construction (work in progress)

As part of the Northern Territory government's financial management framework, the Department of Infrastructure, Planning and Logistics is responsible for managing general government capital works projects on a whole of government basis. Therefore, appropriation for all Health Service capital works is provided directly to the Department of Infrastructure, Planning and Logistics and the cost of construction work in progress is recognised as an asset of that department. Once completed, capital works assets are transferred to the Health Service.

Revaluations and impairment

Revaluation of assets

Subsequent to initial recognition, assets belonging to the following classes of non-current assets are revalued with sufficient regularity to ensure the carrying amount of these assets does not differ materially from their fair value at reporting date:

- land
- buildings.

Plant and equipment are stated at historical cost less depreciation, which is deemed to equate to fair value.

For right-of-use assets, the net present value of the remaining lease payments is often an appropriate proxy for the fair value of relevant right-of-use assets at the time of initial recognition. Subsequently, right-of-use assets are stated at cost less amortisation, which is deemed to equate to fair value.

For right-of-use assets under leases that have significantly below-market terms and conditions principally to enable the Health Service to further its objectives, the Health Service has elected to measure the asset at cost. These right-of-use assets are not subject to revaluation.

The latest revaluations as at 30 June 2021 were remote health clinics. The valuer was Colliers International (NT) Pty Limited. Refer to Note 22 Fair value for additional disclosures.

Impairment of assets

An asset is said to be impaired when the asset's carrying amount exceeds its recoverable amount.

Non-current physical and intangible Health Service assets are assessed for indicators of impairment on an annual basis or whenever there is indication of impairment. If an indicator of impairment exists, the Health Service determines the asset's recoverable amount. The asset's recoverable amount is determined as the higher of the asset's current replacement cost and fair value less costs to sell. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

Impairment losses are recognised in the comprehensive operating statement. They are disclosed as an expense unless the asset is carried at a revalued amount. Where the asset is measured at a revalued amount, the impairment loss is offset against the asset revaluation surplus for that class of asset to the extent an available balance exists in the asset revaluation surplus.

In certain situations, an impairment loss may subsequently be reversed. Where an impairment loss is subsequently reversed, the carrying amount of the asset is increased to the revised estimate of its recoverable amount. A reversal of an impairment loss is recognised in the comprehensive operating statement as income, unless the asset is carried at a revalued amount, in which case the impairment reversal results in an increase in the asset revaluation surplus. Note 21 provides additional information in relation to the asset revaluation surplus.

Health Service property, plant and equipment assets were assessed for impairment as at 30 June 2021. No impairment adjustments were required as a result of this review.

Depreciation and amortisation expense

Items of property, plant and equipment, including buildings but excluding land, have limited useful lives and are depreciated or amortised using the straight-line method over their estimated useful lives.

Amortisation applies in relation to intangible non-current assets with limited useful lives and is calculated and accounted for in a similar manner to depreciation.

The estimated useful lives for each class of asset are in accordance with the Treasurer's Directions and are determined as follows:

	2021	2020
Buildings	50 years	50 years
Plant and equipment		
Computer hardware	3-6 years	3-6 years
Office equipment	5-10 years	5-10 years
Medical equipment	5-15 years	5-15 years
Furniture and fittings	10 years	10 years
Catering equipment	5-15 years	5-15 years
Laundry equipment	5-15 years	5-15 years

Assets are depreciated or amortised from the date of acquisition or from the time an asset is completed and held ready for use.

The estimated useful lives disclosed above includes the useful lives of right-of-use assets under AASB 16. For further detail, refer to Note 15.

15. Health Service as a lessee

The Health Services leases land, buildings, plant and equipment and motor vehicles. Lease contracts are typically made for fixed periods of 10 or more years for land, two to six years for buildings, one to four years for plant and equipment and one to five years for motor vehicles, but may have extension options. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

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

Right-of-use asset

The following table presents right-of-use assets included in the carrying amounts of property, plant and equipment at Note 14.

	Land	Buildings	Plant and equipment	Total
	$000	$000	$000	$000
Balance as at 1 July 2020	2 393	5 669	4 731	12 793
Additions	157	11 544	955	12 656
Amortisation expense	(81)	(1 951)	(1 898)	(3 930)
Revaluation increments/decrements including remeasurement	65	(2 087)	59	(1 963)
Transfer in/out	-	-	4	4
Impairment adjustment	-	-	(4)	(4)
Carrying amount as at 30 June 2021	**2 534**	**13 175**	**3 847**	**19 556**

	Land	Buildings	Plant and equipment	Total
	$000	$000	$000	$000
Balance as at 1 July 2019	2 364	6 794	4 267	13 425
Additions	-	576	1 962	2 538
Amortisation expense	(71)	(1 701)	(1 498)	(3 270)
Revaluation increments/decrements including remeasurement	100	-	-	100
Carrying amount as at 30 June 2020	**2 393**	**5 669**	**4 731**	**12 793**

The following amounts were recognised in the comprehensive operating statement for the year in respect of leases where the Health Service is the lessee:

	2021	2020
	$000	$000
Amortisation expense of right-of-use assets	3 930	3 270
Interest expense on lease liabilities	256	221
Expense relating to short-term leases	91	189
Expense relating to leases of low-value assets	3	193
Total amount recognised in the comprehensive operating statement	**4 280**	**3 873**

Recognition and measurement

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

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

The Health Services recognises right-of-use assets at the commencement date of the lease (the date the underlying asset is available for use). Right-of-use assets are initially measured at the amount of initial measurement of the lease liability, adjusted by any lease payments made at or before the commencement date and lease incentives, any initial direct costs incurred, and estimated costs of dismantling and removing the asset or restoring the site.

	2021 and 2020
Land	10 or more years
Building	2 to 6 years
Plant and equipment	1 to 4 years
Motor Vehicles	1 to 5 years

If ownership of the leased asset transfers to the Health Service at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are subsequently measured at fair value which approximates costs except for those arising from leases that have significantly below-market terms and conditions principally to enable the Health Service to further its objectives and are also subject to impairment.

The right-of-use assets are subject to remeasurement principles consistent with the lease liability including indexation and market rent review that approximates fair value and only revalued where a trigger or event may indicate their carrying amount does not equal fair value.

16. Payables

	2021	2020
	$000	$000
Accounts payable	462	399
Accrued expenses	84 490	66 494
Total payables	**84 952**	**66 893**

Liabilities for accounts payable and other amounts payable are carried at cost, which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Health Service. Accounts payable are normally settled within 20 days from receipt of valid of invoices under $1 million or 30 days for invoices over $1 million.

17. Borrowings and advances

	2021	2020
Current	$000	$000
Finance lease liabilities	3 483	3 548
Non current		
Finance lease liabilities	16 269	9 537
Total borrowings and advances	**19 752**	**13 085**

Borrowings and advances are recorded initially at fair value, net of transaction costs. Subsequent to initial recognition, these are measured at amortised cost using the effective interest method. Gains and losses are recognised in the net result when the liabilities are derecognised as well as through the amortisation process.

Lease liabilities

At the commencement date of the lease where the Health Service is the lessee, the Health Service recognises lease liabilities measured at the present value of lease payments to be made over the lease term. Lease payments include:

- fixed payments (including in substance fixed payments) less any lease incentives receivable
- variable lease payments that depend on an index or a rate
- amounts expected to be paid under residual value guarantees
- exercise price of a purchase options reasonably certain to be exercised by the Health Service
- payments of penalties for terminating the lease, if the lease term reflects the Health Service exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for the Health Service's leases, the Northern Territory Treasury Corporation's institutional bond rate is used as the incremental borrowing rate.

The following table presents liabilities under leases.	2021 $000	2020 $000
Balance at 1 July	13 085	13 473
Additions/remeasurements	10 602	2 636
Interest expenses	256	221
Payments	(4 191)	(3 245)
Balance at 30 June	**19 752**	**13 085**

The Health Service had total cash outflows for leases of $3.9 million in 2021 compared to $3 million in 2020.

Future minimum lease payments under non-cancellable leases not recorded as liability are as follows:

	2021		2020	
	Internal	External	Internal	External
	$000	$000	$000	$000
Within one year	95	-	82	-
Later than one year and not later than five years	1	-	1	-
Later than five years	2	-	1	-
	98	**-**	**84**	**-**

18. Provisions

	2021 $000	2020 Restated* $000
Current		
Employee benefits		
Recreation leave	27 833	24 290
Leave loading	3 351	3 052
Recreation leave fares and other benefits	31	29
Other current provisions		
Other provisions includes provisions for superannuation and fringe benefit and payroll tax provision* [1]	4 186	16 032
Total provisions	**35 401**	**43 403**
Reconciliations of other current provisions		
Balance as at 1 July*	16 032	12 108
Additional provisions recognised*	1 765	4 165
Reductions arising from payments	(64)	(241)
Reversal of payroll tax provision	(13 547)	-
Balance as at 30 June*	**4 186**	**16 032**

Notes
*Refer to Note 29 for 2019-20 restatement.
[1] Additional provisions recognised includes provision for $0.5 million for payroll tax on entitlements for non- hospital based employees which were previously treated as exempt. Refer to note 2(h) – accounting judgements and estimates.

The Health Service employed 2,013 employees as at 30 June 2021 (1,958 employees as at 30 June 2020).

Employee benefits

Provision is made for employee benefits accumulated as a result of employees rendering services up to the reporting date. These benefits include wages and salaries and recreation leave. Liabilities arising in respect of wages and salaries, recreation leave and other employee benefit liabilities that fall due within 12 months of reporting date are classified as current liabilities and are measured at amounts expected to be paid. Non-current employee benefit liabilities that fall due after 12 months of the reporting date are measured at present value, calculated using the government long-term bond rate.

No provision is made for sick leave, which is non-vesting, as the anticipated pattern of future sick leave to be taken is less than the entitlement accruing in each reporting period.

Employee benefit expenses are recognised on a net basis in respect of the following categories:

- wages and salaries, non-monetary benefits, recreation leave and other leave entitlements
- other types of employee benefits.

As part of the Northern Territory government's financial management framework, the Central Holding Authority assumes the long service leave liabilities of Health Service and therefore, no long service leave liability is recognised in the Health Service's financial statements.

Superannuation

Employees' superannuation entitlements are provided through the:

- Northern Territory Government and Public Authorities Superannuation Scheme (NTGPASS)
- Commonwealth Superannuation Scheme (CSS)
- or non-government employee nominated schemes for those employees commencing on or after 10 September 1999.

The Health Service makes superannuation contributions on behalf of its employees to the Central Holding Authority or non-government employee-nominated schemes. Superannuation liabilities related to the government superannuation schemes are held by the Central Holding Authority and therefore not recognised in the Health Service's financial statements.

19. Other liabilities

	2021	2020
	$000	$000
Current		
Deposits held	1 352	1 227
Unearned contract revenue	866	1 583
Total other liabilities	**2 218**	**2 810**

Unearned contract revenue

Unearned contract revenue relates to consideration received in advance from customers in respect of grants relating to external programs. Unearned contract revenue balances as at 30 June 2021 are $0.9 million compared to a balance as at 1 July 2020 of $1.6 million. Changes in unearned contract revenue during the year is largely due to timing of delivery of services.

Of the amount included in the unearned contract revenue balance as at 1 July 2020, $1.3 million has been recognised as revenue in 2020-21.

The Health Service anticipates to recognise as revenue, any liabilities for unsatisfied obligations as at the end of the reporting period in accordance with the time bands below:

	2021	2020
	$000	$000
Not later than one year	886	1 294
Later than one year and not later than five years	-	289
Total	**886**	**1 583**

20. Commitments

Commitments are those contracted as at 30 June where the amount of the future commitment can be reliably measured.

Disclosures in relation to capital and other commitments are detailed below:

	2021		2020	
	Internal	External	Internal	External
	$000	$000	$000	$000
(i) Capital expenditure commitments				
Capital expenditure commitments primarily related to the capital works programs. Capital expenditure commitments contracted for at balance date but not recognised as liabilities are payable as follows:				
Within one year	-	3 961	-	-
	-	**3 961**	**-**	**-**
(ii) Other expenditure commitments				
Other non-cancellable expenditure commitments not recognised as liabilities are payable as follows:				
Within one year	-	20 542	-	18 500
Later than one year and not later than five years	-	43 931	-	7 819
	-	**64 473**	**-**	**26 319**

21. Reserves

Asset revaluation surplus

(i) Nature and purpose of the asset revaluation surplus

The asset revaluation surplus includes the net revaluation increments and decrements arising from the revaluation of non-current assets. Impairment adjustments may also be recognised in the asset revaluation surplus.

	Land		Buildings		Total	
	2021	2020	2021	2020 Restated*	2021	2020 Restated*
	$000	$000	$000	$000	$000	$000
Balance as at 1 July*	3 974	1 579	23 045	8 675	27 019	10 254
Increment/(decrement)	(23)	2 395	2 508	14 370	2 485	16 765
Balance as at 30 June	**3 951**	**3 974**	**25 553**	**23 045**	**29 504**	**27 019**

*Refer to Note 29 for 2019-20 restatement.

22. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The highest and best use takes into account the use of the asset that is physically possible, legally permissible and financially feasible.

When measuring fair value, the valuation techniques used maximise the use of relevant observable inputs and minimise the use of unobservable inputs. Unobservable inputs are used to the extent that sufficient relevant and reliable observable inputs are not available for similar assets/liabilities.

Observable inputs are publicly available data relevant to the characteristics of the assets/liabilities being valued. Observable inputs used by the Health Service include, but are not limited to, published sales data for land and general office buildings.

Unobservable inputs are data, assumptions and judgments not available publicly but relevant to the characteristics of the assets/liabilities being valued. Such inputs include internal Health Service adjustments to observable data to take account of particular and potentially unique characteristics/functionality of assets/liabilities and assessments of physical condition and remaining useful life.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the following fair value hierarchy based on the inputs used:

Level 1 – inputs are quoted prices in active markets for identical assets or liabilities

Level 2 – inputs are inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 – inputs are unobservable.

The fair value of financial instruments is determined on the following basis:

- the fair value of cash, deposits, advances, receivables and payables approximates their carrying amount, which is also their amortised cost
- the fair value of derivative financial instruments are derived using current market yields and exchange rates appropriate to the instrument
- the fair value of other monetary financial assets and liabilities is based on discounting to present value the expected future cash flows by applying current market interest rates for assets and liabilities with similar risk profiles.

a) Fair value hierarchy

The Health Service does not recognise any financial assets or liabilities at fair value as these are recognised at amortised cost. The carrying amounts of these financial assets and liabilities approximates their fair value.

The table below presents non-financial assets recognised at fair value in the balance sheet categorised by levels of inputs used to compute fair value.

	Level 1		Level 2		Level 3		Total fair value	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20 Restated*	2020-21	2019-20 Restated*
	$000	$000	$000	$000	$000	$000	$000	$000
Assets								
Land (Note 14)	-	-	-	-	9 308	9 191	9 308	9 191
Buildings (Note 14)	-	-	-	-	222 810	218 403	222 810	218 403
Plant and equipment (Note 14)	-	-	-	-	12 627	13 105	12 627	13 105
Total assets	**-**	**-**	**-**	**-**	**244 745**	**240 699**	**244 745**	**240 699**

*Refer to Note 29 for 2019-20 restatement.

There were no transfers between levels during 2020-21.

b) Valuation techniques and inputs

Valuation techniques used to measure fair value in 2020-21 are:

	Level 3 techniques
Asset classes	
Land	Cost approach
Buildings	Cost approach
Buildings	Cost approach

There were no changes in valuation techniques from 2019-20 to 2020-21.

Level 3 fair values of specialised buildings and infrastructure were determined by computing their current replacement costs because an active market does not exist for such facilities. The current replacement cost was based on a combination of internal records of the historical cost of the facilities, adjusted for contemporary technology and construction approaches. Significant judgement was also

used in assessing the remaining service potential of the facilities, given local environmental conditions, projected usage, and records of the current condition of the facilities.

c) Additional information for level 3 fair value measurements

(i) Reconciliation of recurring level 3 fair value measurements of non-financial assets

	Land	Buildings	Plant and equipment
	$000	$000	$000
2020-21			
Fair value as at 1 July 2020	9 191	218 403	13 105
Additions	157	16 798	3 078
Depreciation and amortisation	(81)	(12 812)	(3 608)
Gains/losses recognised in other comprehensive income	(23)	2 508	-
Remeasurement right-of-use assets	64	(2 087)	52
Fair value as at 30 June 2021	**9 308**	**222 810**	**12 627**
2019-20 Restated*			
Fair value at 1 July 2019	**6 767**	**211 281**	**12 143**
Additions	-	-	2 005
Additions of right-of-use assets	100	576	1 962
Depreciation	-	(11 477)	(1 651)
Amortisation expense – right-of-use asset	(71)	(1 701)	(1 498)
Additions/disposals from asset transfers	-	5 354	144
Gains/losses recognised in other comprehensive income (Restated)	2 395	14 370	-
Fair value as at 30 June 2020	**9 191**	**218 403**	**13 105**

*Refer to Note 29 for 2019-20 restatement.

Sensitivity analysis

Unobservable inputs used in computing the fair value of buildings include the historical cost and the consumed economic benefit for each building. Given the large number of Health Service buildings, it is not practical to compute a relevant summary measure for the unobservable inputs. In respect of sensitivity of fair value to changes in input value, a higher historical cost results in a higher fair value and greater consumption of economic benefit lowers fair value.

23. Financial instruments

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and liabilities are recognised on the balance sheet when the Health Service becomes a party to the contractual provisions of the financial instrument. The Health Service's financial instruments include cash and deposits; receivables; advances paid; investment in shares; payables; advances received; borrowings and derivatives.

Due to the nature of operating activities, certain financial assets and financial liabilities arise under statutory obligations rather than a contract. Such financial assets and liabilities do not meet the definition of financial instruments as per AASB 132 Financial Instruments: Presentation. These include statutory receivables arising from taxes including GST and penalties.

The Health Service has limited exposure to financial risks.

Exposure to interest rate risk, foreign exchange risk, credit risk, price risk and liquidity risk arise in the normal course of activities. The Northern Territory Government's investments, loans and placements, and borrowings are predominantly managed through the Northern Territory Treasury Corporation adopting strategies to minimise risk. Derivative financial arrangements are also utilised to manage financial risks inherent in the management of these financial instruments. These arrangements include swaps, forward interest rate agreements and other hedging instruments to manage fluctuations in interest or exchange rates.

a) Categories of financial instruments

The carrying amounts of the Health Service's financial assets and liabilities by category are disclosed in the table below.

	Fair value through profit or loss				
	Mandatorily at fair value	Designated at fair value	Amortised cost	Fair value through other comprehensive income	Total
	$000	$000	$000	$000	$000
2020-21					
Cash and deposits	-	-	53 756	-	53 756
Receivables[1]	-	-	1 647	-	1 647
Total financial assets	**-**	-	**55 403**	**-**	**55 403**
Deposits held[1]	-	-	571	-	571
Payables[1]	-	-	84 952	-	84 952
Finance lease liabilities	-	-	19 752	-	19 752
Total financial liabilities	**-**	**-**	**105 275**	**-**	**105 275**
2019-20					
Cash and deposits	-	-	39 835	-	39 835
Receivables[2]	-	-	1 337[2]	-	1 337
Total financial assets	**-**	**-**	**41 172**	**-**	**41 172**
Deposits held[1]	-	-	498	-	498
Payables	-	-	66 893	-	66 893
Finance lease liabilities	-	-	13 085	-	13 085
Total financial liabilities	**-**	**-**	**80 476**	**-**	**80 476**

[1] Total amounts disclosed exclude statutory amounts, prepaid expenses and accrued contract revenue.
[2] Restated to exclude statutory amounts, prepaid expenses and accrued contract revenue.

Categories of financial instruments

The Health Service's financial instruments are classified in accordance with AASB 9.

Financial assets are classified under the following category:

- amortised cost.

Financial liabilities are classified under the following category:

- amortised cost.

These classification are based on the Health Service's business model for managing the financial assets and the contractual terms of the cash flows. Where assets are measured at fair value, gains and losses will either be recorded in profit or loss, or other comprehensive income.

Financial instruments are reclassified when and only when the Health Service's business model for managing those assets changes.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Financial assets at amortised cost

Financial assets are classified at amortised cost when they are held by the Health Service to collect the contractual cash flows and the contractual cash flows are solely payments of principal and interest.

These assets are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less impairment. The Health Service's financial assets categorised at amortised cost include receivables, advances paid, leases receivables, term deposits and certain debt securities.

Financial liabilities at amortised cost

Financial liabilities at amortised cost are initially measured at fair value, net of directly attributable transaction costs. These are subsequently measured at amortised cost using the effective interest rate method. The Health Service's financial liabilities categorised at amortised cost include all accounts payable, deposits held, advances received, lease liabilities and borrowings.

b) Credit risk

Credit risk is the risk that one party to a financial instrument will cause financial loss for the other party by failing to discharge an obligation.

The Health Service has limited credit risk exposure (risk of default). In respect of any dealings with organisations external to the government, the Health Service has adopted a policy of only dealing with credit-worthy organisations and obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial loss from defaults.

The carrying amount of financial assets recorded in the financial statements, net of any allowances for losses, represents the Health Service's maximum exposure to credit risk without taking account of the value of any collateral or other security obtained.

Credit risk relating to receivables is disclosed in Note 11.

c) Liquidity risk

Liquidity risk is the risk the Health Service will not be able to meet its financial obligations as they fall due. The Health Service's approach to managing liquidity is to ensure it will always have sufficient funds to meet its liabilities when they fall due. This is achieved by ensuring minimum levels of cash

are held in the Health Service bank account to meet various current employee and supplier liabilities. The Health Service's exposure to liquidity risk is minimal. Cash injections are available from the Central Holding Authority in the event of one-off extraordinary expenditure items arising that deplete cash to levels that compromise the Health Service's ability to meet its financial obligations.

The following tables detail the Health Service's remaining contractual maturity for its financial liabilities, calculated based on undiscounted cash flows at reporting date. The undiscounted cash flows in these tables differ from the amounts included in the balance sheet, which are based on discounted cash flows.

2021 Maturity analysis for financial liabilities

	Carrying amount	Less than a year	1 to 5 years	More than 5 years	Total
	$000	$000	$000	$000	$000
Liabilities					
Deposits held	1 352	1 352	-	-	1 352
Payables	84 952	84 952	-	-	84 952
Lease liabilities	19 752	4 404	11 242	12 098	27 744
Total financial liabilities	**106 056**	**90 708**	**11 242**	**12 098**	**114 048**

2020 Maturity analysis for financial liabilities

	Carrying amount	Less than a year	1 to 5 years	More than 5 years	Total
	$000	$000	$000	$000	$000
Liabilities					
Deposits held	1 227	1 227	-	-	1 227
Payables	66 893	66 893	-	-	66 893
Lease liabilities	13 085	3 222	8 356	3 746	15 324
Total financial liabilities	**81 205**	**71 342**	**8 356**	**3 746**	**83 444**

d) Market risk

Market risk is the risk the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. It comprises interest rate risk, price risk and currency risk.

(i) Interest rate risk

Central Australia Health Service has very limited exposure to interest rate risk as Heath Service's financial assets and liabilities are non-interest bearing. Lease arrangements are established on a fixed interest rate and therefore do not expose the Health Service to interest rate risk.

(ii) Price risk

The Health Service is not exposed to price risk as the Health Service does not hold units in unit trusts.

(iii) Currency risk

The Health Service is not exposed to currency risk as the Health Service does not hold borrowings denominated in foreign currencies or transactional currency exposures arising from purchases in a foreign currency.

24. Related parties

(i) Related parties

The Health Service is a government business division and is wholly owned and controlled by the Northern Territory Government. Related parties of the Health Service include:

- the portfolio minister and key management personnel (KMP) because they have authority and responsibility for planning directing and controlling the activities of the department directly
- close family members of the portfolio minister or KMP including spouses children and dependants
- all public sector entities that are controlled and consolidated into the whole of government financial statements
- any entities controlled or jointly controlled by KMP's or the portfolio minister or controlled or jointly controlled by their close family members.

(ii) Key management personnel

Key management personnel of the Health Service are those persons having authority and responsibility for planning, directing and controlling the activities of Health Service. These include the Minister for Health, the Chief Executive Officer, the Chief Operating Officer and other members of the executive leadership team.

(iii) Remuneration of key management personnel

The details below excludes the salaries and other benefits of Minister for Health as the Minister's remunerations and allowances are payable by the Department of the Legislative Assembly and consequently disclosed within the Treasurer's annual financial statements. They also exclude the Chief Executive Officer as these details are disclosed in the Department of Health financial statements.

The aggregate compensation of key management personnel of Health Service is set out below:

	2021	2020
	$000	$000
Short-term benefits	1 314	1 229
Post-employment benefits	113	110
Termination benefits	267	-
Total	**1 694**	**1 339**

2021

Related party	Revenue from related parties	Payments to related parties	Amounts owed by related parties	Amounts owed to related parties
	$000	$000	$000	$000
All NTG departments	440 092	77 044	952	1 554

2020

Related party	Revenue from related parties	Payments to related parties	Amounts owed by related parties	Amounts owed to related parties
	$000	$000	$000	$000
All NTG departments	339 330	56 528	231	1 135

Significant payments to related parties include corporate service charges to the Department of Health and the Department of Corporate and Digital Development.

Other related party transactions are as follows:

Given the breadth and depth of Northern Territory Government activities, related parties will transact with the Territory public sector in a manner consistent with other members of the public including paying stamp duty and other government fees and charges and therefore these transactions have not been disclosed.

The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received. No expense has been recognised in the current year for bad or doubtful debts in respect of the amounts owed by related parties.

25. Contingent liabilities and contingent assets

a) Contingent liabilities

The Health Service has one current legal proceeding but due to the nature of the case and the uncertainty of any potential liability, no value can be attributed to this case at 30 June 2021. In addition, the attribution of value to the case also has the potential to prejudice the outcome of the proceedings.

The Health Service has granted a series of health-related indemnities for various purposes including to specialist medical practitioners employed or undertaking work in public hospitals medical professional requested to give expert advice on inquires before the Medical Board and midwives.

Although risks associated with health indemnities are potentially high the beneficiaries of the indemnities are highly trained and qualified professionals. The indemnities generally cannot be called upon where there is willful or gross misconduct on the part of the beneficiary.

Indemnities are granted to Commonwealth and other entities involved in funding programs undertaken by the Health Service. Under these indemnities the Health Service generally accepts liability for damage or losses occurring as a result of the programs and acknowledges that while the Commonwealth or another party has contributed financially the Health Service is ultimately liable for the consequences of the program.

b) Contingent assets

The Health Service had no contingent assets as at 30 June 2021 or 30 June 2020.

26. Events subsequent to balance date

The Health Service was restructured under the *Health Services Act 2021* which came into force on 1 July 2021. As a result, all functions within Central Australia Health Service have transferred to the Department of Health.

In 2020-21, a misapplication of a payroll tax exemption under *Payroll Tax Act 2009* backdating to 2016-17 was identified. In June 2021 it was identified that the application of a payroll tax exemption under the *Payroll Tax Act 2009* had been applied incorrectly for non-public hospital wages within the Health Service (refer to Note 29). The Commissioner of Taxation issued a notice of assessment on 20 July 2021 for a payroll tax liability of $21.9 million up to 30 June 2021. This assessment included $3.87 million for penalty tax and penalty interest on the 2016-17 to 2019-20 portion of the debt.

On 11 September 2021 in accordance with section 35(2) (a) of the *Financial Management Act 1995* the Treasurer approved a waiver of the payroll tax liability in full.

27. Accountable officer's trust account

In accordance with section 7 of the *Financial Management Act 1995,* an Accountable Officer's Trust Account has been established for the receipt of money to be held in trust. A summary of activity is shown below:

Nature of trust money	Opening balance 1 July 2020	Receipts	Payments	Closing balance 30 June 2021
	$000	$000	$000	$000
Private practice money	474	267	(207)	534
Bond money	219	100	(108)	211
Unclaimed money	36	-	-	36
Total	**729**	**367**	**(315)**	**781**

28. Schedule of administered Territory items

The following Territory items are managed by the Health Service on behalf of the government and are recorded in the Central Holding Authority (refer Note 2(d)).

	2021	2020
	$000	$000
TERRITORY INCOME AND EXPENSES		
Income		
Other income	-	61
Total income	**-**	**61**
Expenses		
Other administrative expenses	-	61
Total expenses	**-**	**61**
Territory income less expenses	**-**	**-**

29. Restated comparative financial statements due to corrections of prior period errors and misstatements

The 2019-20 comparatives for property, plant and equipment have been restated due to an overstatement in net assets and total equity of $28.6 million, arising from a revaluation of the Alice Springs and Tennant Creek hospitals in 2019-20.

This has resulted in a reduction to the property, plant and equipment balance and asset revaluation reserve by $28.6 million. As the restatement only affected the closing balances for 2019-20, there is no effect on the 2019-20 opening balance and therefore these balances have not been restated.

The 2019-20 comparatives for provisions have been restated due to the misapplication of a payroll tax exemption under the *Payroll Tax Act 2009*. The restated amount excludes penalty interest and penalty tax and covers the years 2016-17 to 2019-20. This has resulted in an increase in total liabilities of $13.55 million. As this restatement also impacts prior financial years, the 2019-20 opening balances have also been restated to increase provisions and accumulated funds by $9.7 million, with a net reduction to net assets and equity of $9.7 million.

a) Comprehensive operating statement extract – for the comparative year ended 30 June 2020

	Note	Previously reported for 2020	Correction of error Adjustment	2020 Restated
		$000	$000	$000
Total income	3	**442 874**	**-**	**442 874**
EXPENSES				
Employee Expenses		281 646	3 852	285 498
Total expenses		**452 066**	**3 852**	**455 918**
Net surplus/(deficit)		**(9 192)**	**(3 852)**	**(13 044)**
OTHER COMPREHENSIVE INCOME				
Changes in asset revaluation surplus		45 379	(28 614)	16 765
Transfer from reserves		133	-	133
TOTAL OTHER COMPREHENSIVE INCOME		**45 512**	**(28 614)**	**16 898**
COMPREHENSIVE RESULT		**36 320**	**(32 466)**	**3 854**

b) Balance sheet extract – as at 1 July 2019

	Previously reported for 1 July 2019	Correction of error adjustment	1 July 2019 restated
	$000	$000	$000
LIABILITIES			
Provisions	27 304	9 695	36 999
Total current liabilities	**96 372**	**9 695**	**106 067**
TOTAL LIABILITIES	**97 031**	**9 695**	**106 726**
NET ASSETS	**216 827**	**(9 695)**	**207 132**
EQUITY			
Capital	286 692	-	286 692
Reserves	10 254	-	10 254
Accumulated funds	(80 119)	(9 695)	(89 814)
TOTAL EQUITY	**216 827**	**(9 695)**	**207 132**

c) Balance sheet extract - as at 30 June 2020 comparative year

	Note	Previously reported for 2020	Correction of error adjustment	2020 restated
		$000	$000	$000
ASSETS				
Total current assets		**100 927**	**-**	**100 927**
Non-current assets				
Property, plant and equipment	14,15,22	269 313	(28 614)	240 699
Total non-current assets		**269 313**	**-**	**240 699**
TOTAL ASSETS		**370 240**	**(28 614)**	**341 626**
LIABILITIES				
Current liabilities				
Provisions		29 856	13 547	43 403
Total current liabilities		**103 107**	**13 547**	**116 654**
Total non-current liabilities		9 537	-	9 537
TOTAL LIABILITIES		**112 644**	**-**	**126 191**
NET ASSETS		**257 596**	**(42 161)**	**215 435**
EQUITY				
Capital		291 141	-	291 141
Reserves	26	55 633	(28 614)	27 019
Accumulated funds	29	(89 178)	(13 547)	(102 725)
TOTAL EQUITY		**257 596**	**(42 161)**	**215 435**

CENTRAL AUSTRALIA HEALTH SERVICE

d) Statement of changes in equity extract – for the comparative year ended 30 June 2020

	Previously reported for 2020					2019-20 restated			
Accumulated Funds	Equity at 1 July $000	Comprehensive result $000	Transactions with owners in their capacity as owners $000	Equity at 30 June $000	Correction of error adjustment	Equity at 1 July $000	Comprehensive result $000	Transactions with owners in their capacity as owners $000	Equity at 30 June $000
Total accumulated funds	**(80 119)**	**(9 059)**	**-**	**(89 178)**	**(13 547)**	**(89 814)**	**(12 911)**	**-**	**(102 725)**
Total reserves	**10 254**	**45 379**	**-**	**55 633**	**(28 614)**	**10 254**	**16 765**	**-**	**27 019**
Total capital transactions with owners	**286 692**	**-**	**4 449**	**291 141**	**-**	**286 692**	**-**	**4 449**	**291 141**
Total equity at the end of financial year	**216 827**	**36 320**	**4 449**	**257 596**	**(42 161)**	**207 132**	**3 854**	**4 449**	**215 435**

30. Budgetary information

Comprehensive operating statement	2020-21 Actual	2020-21 Original budget	Variance	Note
	$000	$000	$000	
INCOME				
Grants and subsidies revenue				
Current	233 930	225 347	8 583	
Sales of goods and services	232 599	247 026	(14 427)	
Goods and services received free of charge	7 475	-	7 475	1
Other income	304	30	274	2
Reversal of payroll tax provision	13 547	-	13 547	3
TOTAL INCOME	**487 855**	**472 403**	**15 452**	
EXPENSES				
Employee expenses	302 149	309 101	(6 952)	
Administrative expenses				
Purchases of goods and services	141 313	133 119	8 194	
Depreciation and amortisation	16 501	15 444	1 057	
Other administrative expenses	7 881	8 081	(200)	
Grants and subsidies expenses				
Current	18 840	21 252	(2 412)	4
Capital	737	445	292	5
Interest expenses	256	135	121	6
TOTAL EXPENSES	**487 677**	**487 577**	**100**	
NET SURPLUS/(DEFICIT)	**178**	**(15 174)**	**(14 996)**	
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified to net surplus/(deficit)				
Changes in asset revaluation surplus	2 485	-	2 485	7
TOTAL OTHER COMPREHENSIVE INCOME	**2 485**	**-**	**2 485**	
COMPREHENSIVE RESULT	**2 663**	**(15 174)**	**17 837**	

Notes:

The following note descriptions relate to variances greater than 10 per cent or where multiple significant variances have occurred.

1. Corporate and information services under the Department of Corporate and Digital Development and infrastructure and repairs and maintenance functions under the Department of Infrastructure, Planning and Logistics not reflected in original budget.
2. Gain from cessation of leases not reflected in original budget. Includes prior year refunds and various recoveries.
3. Reversal of payroll tax provision, refer to Note-29 Restatements.
4. Timing of budget transfer to Top End Health Service related to the Northern Territory Remote Aboriginal Investment remote Alcohol and Drug funding.
5. Relates to increased funding towards ambulatory services.
6. Relates to additional building leases in the financial year.
7. Revaluation of remote health clinics in the financial year.

CENTRAL AUSTRALIA HEALTH SERVICE

Balance Sheet	2020-21 Actual	2020-21 Original budget	Variance	Note
	$000	$000	$000	
ASSETS				
Current assets				
Cash and deposits	53 756	33 556	20 200	1
Receivables	64 492	59 582	4 910	
Inventories	2 916	1 508	1 408	2
Total current assets	**121 164**	**94 646**	**26 518**	
Non-current assets				
Property plant and equipment	244 745	256 651	(11 906)	
Total non-current assets	**244 745**	**256 651**	**(11 906)**	
TOTAL ASSETS	**365 909**	**351 297**	**14 612**	
LIABILITIES				
Current liabilities				
Deposits held	1 352	1 227	125	
Payables	84 952	66 893	18 059	3
Borrowings and advances	3 483	10 850	(7 367)	4
Provisions	35 401	29 857	5 544	5
Other liabilities	866	48	818	6
Total current liabilities	**126 054**	**108 875**	**17 179**	
Non-current liabilities				
Borrowings and advances	16 269	-	16 269	3
Total non-current liabilities	**16 269**	**-**	**16 269**	
TOTAL LIABILITIES	**142 323**	**108 875**	**33 448**	
NET ASSETS	**223 586**	**242 422**	**(18 836)**	
EQUITY				
Capital	296 629	291 141	5 488	
Reserves	29 504	55 633	(26 129)	7
Accumulated funds	(102 547)	(104 352)	1 805	
TOTAL EQUITY	**223 586**	**242 422**	**(18 836)**	

Notes:

The following note descriptions relate to variances greater than 10 per cent or where multiple significant variances have occurred.

1. Timing of payments and associated increase in payables.
2. Higher medical and dental supplies inventory on hand due to COVID-19 response requirements.
3. Increase in cross-border charges owing to other Australian jurisdictions.
4. Additional buildings leased during the year.
5. Increase in employee leave entitlements and associated on-costs.
6. Mainly unearned revenue for the National Partnership Agreement - Improving Trachoma control for Aboriginal Australians
7. Restatement of revaluation of hospital assets.

CENTRAL AUSTRALIA HEALTH SERVICE

Cash flow statement	2020-21 Actual	2020-21 Original budget	Variance	Note
	$000	$000	$000	
CASH FLOWS FROM OPERATING ACTIVITIES				
Operating receipts				
Grants and subsidies received				
Current	233 930	225 347	8 583	
Receipts from sales of goods and services	239 084	237 440	1 644	
Total operating receipts	**473 014**	**462 787**	**10 227**	
Operating payments				
Payments to employees	(294 428)	(309 101)	14 673	
Payments for goods and services	(139 060)	(133 119)	(5 941)	
Grants and subsidies paid				
Current	(18 839)	(21 252)	2 413	1
Capital	(737)	(445)	(292)	2
Interest paid	(256)	(135)	(121)	3
Total operating payments	**(453 320)**	**(464 052)**	**10 732**	
Net cash from/(used in) operating activities	**19 694**	**(1 265)**	**20 959**	
CASH FLOWS FROM INVESTING ACTIVITIES				
Investing payments				
Purchases of assets	(1 963)	(2 780)	817	4
Total investing payments	**(1 963)**	**(2 780)**	**817**	
Net cash from/(used in) investing activities	**(1 963)**	**(2 780)**	**817**	
CASH FLOWS FROM FINANCING ACTIVITIES				
Financing receipts				
Deposits received	125	-	125	5
Total financing receipts	**125**	**-**	**125**	
Financing payments				
Finance lease payments	(3 935)	(2 234)	(1 701)	3
Total financing payments	**(3 935)**	**(2 234)**	**(1 701)**	
Net cash from/(used in) financing activities	**(3 810)**	**(2 234)**	**(1 576)**	
Net increase/(decrease) in cash held	13 921	(6 279)	20 200	
Cash at beginning of financial year	39 835	39 835	-	
CASH AT END OF FINANCIAL YEAR	**53 756**	**33 556**	**20 200**	

Notes:

The following note descriptions relate to variances greater than 10 per cent or where multiple significant variances have occurred.

1. Timing of budget transfer to Top End Health Service related to the Northern Territory Remote Aboriginal Investment remote Alcohol and Drug funding.
2. Relates to increased funding towards ambulatory services.
3. Relates to additional building leases in the financial year.
4. Relates to timing of receipt of Oral Health dental container.
5. Increase in Accountable Officer's Trust Account transactions.

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Appendices

Glossary

ACCHO
Aboriginal Community Controlled Health Organisation

ACHS
Australian Council on Healthcare Standards

AGPAL
Australian General Practice Accreditation Limited

AHPPC
Australian Health Protection Principal Committee

AOD
Alcohol and other drugs

ARF
Acute rheumatic fever

ASH
Alice Springs Hospital

CAHS
Central Australia Health Service

CE
Chief Executive Officer

CHO
Chief Health Officer

DoH
Department of Health

EMT
Emergency Medical Team

FTE
Fulltime equivalent

HU5K-PF
Healthy Under 5 Kids – Partnering with Families

ICT
Information and communication technology

ISR
Incident severity rating

NCCTRC
National Critical Care and Trauma Response Centre

NEP
National efficient price

NSQHS
National Safety and Quality Health Service Standards

NT
Northern Territory

NTPS
Northern Territory Public Sector

NT PHN
Northern Territory Primary Heath Network

PET
Position Emission Tomography

PHACE
Public Health and Clinical Excellence

PHC
Primary Health Care

PRH
Palmerston Regional Hospital

PSEMA
Public Sector Employment Management Act

RHD
Rheumatic heart disease

SAB
Staphylococcus aureus bacteraemia

SDA
Service Delivery Agreement

TB
Tuberculosis

TEHS
Top End Health Service

WAU
Weighted activity unit

WHS
Work health and safety

WPP
Work partnership plan

Grant recipients

DEPARTMENT OF HEALTH

ORGANISATION	Total Payments (2021FY)
ABORIGINAL MEDICAL SERVICES ALLIANCE NORTHERN TERRITORY ABORIGINAL CORPORATION	750,000.00
AFL NORTHERN TERRITORY LIMITED	12,000.00
AKEYULERRE ABORIGINAL CORPORATION	10,000.00
ALAWA ABORIGINAL CORPORATION	9,000.00
ALICE SPRINGS MC KHANA	10,000.00
ALICE SPRINGS TOWN COUNCIL	37,980.00
AMITY COMMUNITY SERVICES INC	497,271.00
ANGLICARE N.T. LTD.	936,009.00
ANYINGINYI HEALTH ABORIGINAL CORPORATION	907,500.00
ARID LANDS ENVIRONMENT CENTRE INC	35,000.00
ARLPWE ARTISTS ABORIGINAL CORPORATION	30,000.00
ARRUWURRA ADMIN SERVICES PTY LTD	65,760.00
ARTBACK NT INCORPORATED	4,000.00
ARTHRITIS FOUNDATION OF THE NORTHERN TERRITORY INC	90,673.00
ASSOCIATION OF ALCOHOL AND OTHER DRUG AGENCIES NT INCORPORATED	170,242.00
ASTHMA FOUNDATION NT INC	314,342.00
ATYENHENGE-ATHERRE ABORIGINAL CORPORATION	25,000.00
AUSTRALIAN BREASTFEEDING ASSOCIATION	22,242.00
AUSTRALIAN RED CROSS SOCIETY	20,500.00
BARKLY REGION ALCOHOL AND DRUG ABUSE ADVISORY GROUP ABORIGINAL CORPORATION	2,029,679.71
BARKLY REGIONAL COUNCIL	210,311.81
BELYUEN COMMUNITY GOVERMENT COUNCIL	30,500.00
BELYUEN SCHOOL	20,000.00
BEREAVED PARENT SUPPORT NT INC	116,690.00
BEYOND BLUE LIMITED	42,910.00
BINJARI COMMUNITY ABORIGINAL CORPORATION	19,000.00
BORROLOOLA SCHOOL COUNCIL	5,000.00
BRIAN DALLISTON	34,000.00
BROTHERS RUGBY LEAGUE CLUB	8,500.00
BUSHMOB ABORIGINAL CORPORATION	1,883,855.00
CAAPS ABORIGINAL CORPORATION	1,552,006.73

CANCER COUNCIL OF THE NORTHERN TERRITORY INCORPORATED	331,447.00
CANTEEN CREEK OWAIRTILLA ABORIGINAL CORPORATION	25,000.00
CATHOLICCARE NT	797,080.64
CENTRAL AUSTRALIAN ABORIGINAL CONGRESS ABORIGINAL CORPORATION	1,207,584.00
CHARLES DARWIN UNIVERSITY	45,169.91
CHILDBIRTH EDUCATION ASSOCIATION (ALICE SPRINGS) INCORPORATED	61,856.00
CHILDBIRTH EDUCATION ASSOCIATION DARWIN INC	43,221.00
CITY OF DARWIN	15,000.00
COME TALK WITH ME NT INC	4,000.00
COOMALIE COMMUNITY GOVERNMENT COUNCIL	22,915.50
CORRUGATED IRON YOUTH ARTS INC	58,300.00
DANILA DILBA BILURU BUTJI BINNILUTLUM HEALTH SERVICE ABORIGINAL CORPORATION	2,379,759.00
DARWIN DAY SURGERY PTY LTD	74,447.20
DARWIN OFF-ROAD CYCLISTS (DORC) INCORPORATED	2,000.00
DARWIN PRIVATE HOSPITAL PTY LTD	256,813.00
DEAKIN UNIVERSITY	50,000.00
DEEWIN KIRIM ABORIGINAL CORPORATION	36,000.00
DEMED ABORIGINAL CORPORATION	12,000.00
DIABETES ASSOCIATION OF THE NT INC	877,356.00
DRUG AND ALCOHOL SERVICES AUSTRALIA LTD	2,209,654.00
EASA INC	215,608.00
EAST ARNHEM REGIONAL COUNCIL	303,800.00
EASTERN HEALTH	77,342.00
ELLIOTT SCHOOL	500.00
EMMA LUPIN	10,000.00
FIJI NATIONAL UNIVERSITY	106,035.68
FLINDERS UNIVERSITY	45,318.00
FORSTER FOUNDATION FOR DRUG REHABILITATION	1,110,475.00
FOUNDATION OF REHABILITATION WITH ABORIGINAL ALCOHOL RELATED DIFFICULTIES ABORIGINAL CORPORATION	1,572,246.00
GAP YOUTH AND COMMUNITY CENTRE ABORIGINAL CORPORATION	20,000.00
GREEN RIVER ABORIGINAL CORPORATION	28,500.00
GROW	212,298.00
GUNBALANYA COMMUNITY SCHOOL	27,000.00
GURINDJI ABORIGINAL CORPORATION RNTBC	2,000.00
HEALTH NETWORK NORTHERN TERRITORY LTD	235,098.00

HOLYOAKE ALICE SPRINGS INC	781,995.00
IGNITE POTENTIAL INCORPORATED	6,000.00
IMOVE AUSTRALIA LTD	128,556.00
INDIGENOUS ALLIED HEALTH AUSTRALIA	4,500.00
INJALAK ARTS & CRAFTS ABORIGINAL CORPORATION	12,000.00
JAMES MONCK	13,000.00
JAMIE MILLIER	70,000.00
JAWOYN ASSOCIATION ABORIGINAL CORPORATION	46,000.00
JILAMARA ARTS AND CRAFTS ASSOCIATION	2,000.00
JILKMINGGAN COMMUNITY ABORIGINAL CORPORATION	31,963.00
JOAN WASHINGTON	8,500.00
JULALIKARI COUNCIL ABORIGINAL CORPORATION	30,000.00
KALANO COMMUNITY ASSOCIATION ABORIGINAL CORPORATION	717,095.00
KARDU DIMININ CORPORATION LIMITED	40,500.00
KARUNGKARNI ART AND CULTURE ABORIGINAL CORPORATION	15,000.00
KATHERINE ISOLATED CHILDREN'S SERVICE INC	13,000.00
KATHERINE REGIONAL ARTS INCORPORATED	7,500.00
KATHERINE TOWN COUNCIL	37,602.80
KATHERINE WEST HEALTH BOARD ABORIGINAL CORPORATION	1,373,649.00
KERRY NANKIVELL	14,000.00
KIDSAFE NT INCORPORATED	132,422.00
KRISTELLA TRAINING PTY LTD	8,000.00
KURDIJI ABORIGINAL CORPORATION	31,000.00
LARRAKIA NATION ABORIGINAL CORPORATION	350,285.00
LAYNHAPUY HOMELANDS ABORIGINAL CORPORATION	80,000.00
LIFE EDUCATION NT INCORPORATED	25,000.00
LIFELINE AUSTRALIA	102,130.00
LIFELINE CENTRAL AUSTRALIA INC	438,378.00
LITCHFIELD COUNCIL	12,240.00
MABUNJI ABORIGINAL RESOURCE INDIGENOUS CORPORATION	40,000.00
MACDONNELL REGIONAL COUNCIL	294,665.46
MALA'LA HEALTH SERVICE ABORIGINAL CORPORATION	46,500.00
MANTIYUPWI FAMILY TRUST	6,000.00
MATES IN CONSTRUCTION (QLD & NT) LTD	80,000.00
MENTAL HEALTH ASSOCIATION OF CENTRAL AUST INC	1,299,524.00

MENTAL ILLNESS FELLOWSHIP OF AUSTRALIA (NT)	489,987.00
MENZIES SCHOOL OF HEALTH RESEARCH	5,378,696.00
MICHAEL FISO	5,000.00
MISSION AUSTRALIA	4,571,817.00
MIWATJ HEALTH ABORIGINAL CORPORATION	2,145,000.00
NATIONAL HEART FOUNDATION OF AUSTRALIA	34,000.00
NEAMI LIMITED	300,000.00
NGAANYATJARRA PITJANTJATJARA YANKUNYTJATJARA WOMEN'S COUNCIL ABORIGINAL CORPORATION	25,000.00
NGUKURR ART ABORIGINAL CORPORATION	2,000.00
NON-RESIDENT NEPALI ASSOCIATION AUSTRALIA LIMITED	3,000.00
NORTH AUSTRALIAN ABORIGINAL FAMILY LEGAL SERVICE - ABORIGINAL CORPORATION	7,000.00
NORTH AUSTRALIAN ABORIGINAL JUSTICE AGENCY LTD	20,000.00
NORTHERN TERRITORY AIDS AND HEPATITIS COUNCIL INC	1,288,782.00
NORTHERN TERRITORY MENTAL HEALTH COALITION	310,520.00
NORTHERN TERRITORY RUGBY UNION INC	8,000.00
NOUS GROUP PTY. LTD.	30,000.00
OZ HELP FOUNDATION LTD	26,631.00
PALMERSTON AND REGIONAL BASKETBALL ASSOCIATION	18,474.00
PALMERSTON COLLEGE COUNCIL INC	9,200.00
PIRLANGIMPI INDIGENOUS CORPORATION FOR COMMUNITY DEVELOPMENT	9,000.00
REBECCA FORREST	1,500.00
RED DUST HEALING PTY LTD	25,000.00
RED LILY HEALTH BOARD (ABORIGINAL CORPORATION)	10,000.00
RIRRATJINGU ABORIGINAL CORPORATION	21,350.00
ROPER GULF REGIONAL COUNCIL	38,524.00
ROTARY CLUB OF LITCHFIELD/PALMERSTON	3,000.00
RUBY GAEA DARWIN CENTRE AGAINST SEXUAL VIOLENCE INC	423,062.00
SCHOOL GROUP MANAGEMENT COUNCIL BARKLY	13,637.36
SUDHA COUTINHO	9,700.00
SUNRISE HEALTH SERVICE ABORIGINAL CORPORATION	1,422,800.00
TANGENTYERE COUNCIL ABORIGINAL CORPORATION	1,083,000.00
TANYAH NASIR CONSULTING SERVICES	10,000.00
THAMARRURR DEVELOPMENT CORPORATION LTD	80,000.00
THAMARRURR YOUTH INDIGENOUS CORPORATION	20,000.00
THE ARNHEM LAND PROGRESS ABORIGINAL CORPORATION	30,000.00

THE CENTRAL AUSTRALIAN ABORIGINAL ALCOHOL PROGRAMMES UNIT ABORIGINAL CORPORATION	1,762,165.00
THE HUB OF RESPECT INC	21,975.00
THE ROTARY CLUB OF KATHERINE INCORPORATED	8,745.00
THE TRUSTEE FOR ANTI-CANCER FOUNDATION OF SOUTH AUSTRALIA	78,915.00
THE TRUSTEE FOR FARAH FAMILY TRUST	15,000.00
THE TRUSTEE FOR SLIDE YOUTH DANCE THEATRE TRUST	9,000.00
THE TRUSTEE FOR THE MARGARET LIM FAMILY TRUST	19,000.00
THE YMCA OF THE NORTHERN TERRITORY YOUTH & COMMUNITY SERVICES LTD	79,000.00
THOMAS SHILLING	12,000.00
TIM BRENTON CONSULTANCY PTY LTD	5,000.00
TIWI DESIGNS ABORIGINAL CORPORATION	30,000.00
TIWI ISLANDS REGIONAL COUNCIL	57,000.00
TIWI TRAINING & EMPLOYMENT PTY LTD	9,000.00
TOP END ASSOCIATION FOR MENTAL HEALTH INC.	5,213,221.00
TOP END MENTAL HEALTH CONSUMER ORGANISATION INC	255,164.00
TOP END ROAD RACING ASSOCIATION INC	19,947.00
TOP GEAR (AUST) PTY LTD	25,000.00
TRUSTEE FOR THE SALVATION ARMY (NT) PROPERTY TRUST	1,296,517.00
TWO TWO ONE INC.	20,000.00
UMNT INCORPORATED	5,000.00
UNIVERSITY OF TASMANIA	20,000.00
VICTORIA DALY REGIONAL COUNCIL	25,719.00
WAGAIT SHIRE COUNCIL	14,974.00
WALKING OFF THE WAR WITHIN INC.	3,000.00
WALTJA TJUTANGKU PALYAPAYI (ABORIGINAL CORPORATION)	30,000.00
WANTA ABORIGINAL CORPORATION	261,000.00
WARLPIRI YOUTH DEVELOPMENT ABORIGINAL CORPORATION	77,804.00
WEST ARNHEM REGIONAL COUNCIL	8,840.00
WEST DALY REGIONAL COUNCIL	18,110.00
WILLIAM IVORY	27,000.00
WUGULARR SCHOOL COUNCIL INC	39,000.00
WURLI-WURLINJANG ABORIGINAL CORPORATION	1,518,195.63
YUGUL MANGI DEVELOPMENT ABORIGINAL CORPORATION	81,500.00
YWCA AUSTRALIA	10,000.00
TOTAL	**57,625,273.43**

TOP END HEALTH SERVICE

ORGANISATION	Total Payments (2021FY)
CANCER COUNCIL OF THE NORTHERN TERRITORY INCORPORATED	19,639.00
CAREFLIGHT LIMITED	6,454,545.45
DANILA DILBA BILURU BUTJI BINNILUTLUM HEALTH SERVICE ABORIGINAL CORPORATION	406,013.00
FAMILY PLANNING WELFARE ASSN OF NT INC	925,170.00
FLINDERS UNIVERSITY	612,073.00
KATHERINE WEST HEALTH BOARD ABORIGINAL CORPORATION	4,339,415.00
KFMP GROUP PTY LTD	265,000.00
LAYNHAPUY HOMELANDS ABORIGINAL CORPORATION	137,013.00
MALA'LA HEALTH SERVICE ABORIGINAL CORPORATION	3,668,035.83
MIWATJ HEALTH ABORIGINAL CORPORATION	9,088,463.00
PEPPIMENARTI ASSOCIATION INCORPORATED	969,475.00
ST JOHN AMBULANCE AUSTRALIA NT INC	25,990,925.78
SUNRISE HEALTH SERVICE ABORIGINAL CORPORATION	4,518,519.00
WURLI-WURLINJANG ABORIGINAL CORPORATION	350,308.00
YWCA AUSTRALIA	1,064,161.01
TOTAL	**19,576,883.72**

CENTRAL AUSTRALIA HEALTH SERVICE

ORGANISATION	Total Payments (2021FY)
ABORIGINAL HOSTELS LIMITED	788,460.50
ANYINGINYI HEALTH ABORIGINAL CORPORATION	406,013.00
CENTRAL AUSTRALIAN ABORIGINAL CONGRESS ABORIGINAL CORPORATION	1,457,584.00
KATHERINE WEST HEALTH BOARD ABORIGINAL CORPORATION	140,000.00
LIFE EDUCATION NT INCORPORATED	81,500.00
NINTI TRAINING LIMITED	323,305.00
ROYAL FLYING DOCTOR SERVICE OF AUSTRALIA CENTRAL OPERATIONS	5,350,602.00
ST JOHN AMBULANCE AUSTRALIA NT INC	11,029,419.22
TOTAL	**58,808,756.07**

TOTAL	**136,010,913.22**

Legislation

ACTS ADMINISTERED BY THE DEPARTMENT OF HEALTH

Alcohol Harm Reduction Act 2017

Cancer (Registration) Act 2009

Carers Recognition Act 2006

Disability Services Act 1993

Emergency Medical Operations Act 1973

Food Act 2004

Health Practitioner Regulation (National Uniform Legislation) Act 2010

Health Practitioners Act 2004 (except part 3)

Health Services Act 2014

Medical Services Act 1982

Medicines, Poisons and Therapeutic Goods Act 2012

Mental Health and Related Services Act 1998 (except part 15)

National Disability Insurance Scheme (Worker Clearance) Act 2020

National Disability Insurance Scheme Authorisations Act 2019

National Health Funding Pool and Administration (National Uniform Legislation) Act 2012

Notifiable Diseases Act 1981

Private Hospitals Act 1981

Public and Environmental Health Act 2011

Radiation Protection Act 2004

Termination of Pregnancy Law Reform Act 2017

Tobacco Control Act 2002 (except provisions about smoking in liquor licenced premises, licensing and enforcement)

Transplantation and Anatomy Act 1979

Volatile Substance Abuse Prevention Act 2005

Water Supply and Sewerage Services Act 2000 (sections 46, 49(3) and 50(2))

REGULATIONS ADMINISTERED BY THE DEPARTMENT OF HEALTH

Alcohol Harm Reduction Regulations 2017

Cancer (Registration) Regulations 2010

Food Regulations 2014

Health Services Regulations 2014

Medical Services (Traffic, Parking and General Conduct) By-Laws 2017

Medicines, Poisons and Therapeutic Goods Regulations 2014

Mental Health and Related Services Regulations 2009

Public and Environmental Health Regulations 2014

Radiation Protection Regulations 2007

Termination of Pregnancy Law Reform Regulations 2017

Tobacco Control Regulations 2002

Volatile Substance Abuse Prevention Regulations 2006

DEPARTMENT OF **HEALTH**

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NORTHERN TERRITORY GOVERNMENT