



Audit Committee Meeting

13 May 2026



local councils working together to protect the health of the community



**EASTERN HEALTH AUTHORITY
AUDIT COMMITTEE MEETING**

Wednesday 13 May 2026

Notice is hereby given that a meeting of the Audit Committee of Eastern Health Authority will be held at EHA's offices at **101 Payneham Road, St Peters** on Wednesday 13 May 2026 commencing at 5:00pm.

A handwritten signature in black ink, appearing to read 'M Livori', is positioned above the printed name of the Chief Executive Officer.

**MICHAEL LIVORI
CHIEF EXECUTIVE OFFICER**

AGENDA

EASTERN HEALTH AUTHORITY AUDIT COMMITTEE MEETING

Wednesday 13 May 2026

Commencing at 5:00 pm

1. Opening

2. Acknowledgement of Traditional Owners

We acknowledge this land that we meet on today is the traditional land of the Kurna People and that we respect their spiritual relationship with their country.

3. Opening Statement

We seek understanding and guidance in our debate, as we make decisions for the management of the Eastern Health Authority, that will impact the public health on those that reside, study, work in and visit the constituent councils that the Eastern Health Authority Charter provides services to.

4. Apologies

5. Minutes

Recommendation

That the minutes of the meeting of the Audit Committee held on 5 November 2025 as printed and circulated be taken as read and confirmed.

6. Matters arising from the minutes

7. Reports

7.1. Finance Report and Second (December 2025) Budget Review for 2025-26 10
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8. EHA FY 2026 Workplan 102

9. EHA Adopted Policies 103

10. Closure of meeting

EASTERN HEALTH AUTHORITY AUDIT COMMITTEE

Minutes of the Audit Committee meeting held at the EHA's offices at 101 Payneham Road, St Peters on 5 November 2025 commencing at 5:00 pm.

MEMBERS PRESENT:

Madeleine Harding	Presiding Member (Independent)
Natalie Caon	Independent Member
Peter Cornish	

In attendance:

M Livori	Chief Executive Officer
A Fahey	Manager, Administration & Compliance

1 OPENING

The meeting was declared open by the Presiding Member at 5:00 pm.

2 ACKNOWLEDGEMENTS OF TRADITIONAL OWNERS:

We acknowledge this land that we meet on today is the traditional land of the Kurna People and that we respect their spiritual relationship with their country.

3 OPENING STATEMENT:

We seek understanding and guidance in our debate, as we make decisions for the management of the Eastern Health Authority, that will impact the public health on those that reside, study, work in and visit the constituent councils that the Eastern Health Authority Charter provides services to.

4 APOLOGIES

5 CONFIRMATION OF MINUTES

N Caon moved:

RECOMMENDATION

That:

The minutes of the previous Audit Committee meeting be taken as read and confirmed.

Seconded by P Cornish

CARRIED UNANIMOUSLY

1: 112025

6 MATTERS ARISING FROM THE MINUTES

7 ADMINISTRATION REPORTS

7.1 FINANCE REPORT AND FIRST (SEPTEMBER 2025) BUDGET REVIEW FOR 2025/2026

P Cornish moved:

RECOMMENDATION

That:

1. The Finance Report and First (September 2025) Budget Review for 2025/2026 report be received and presented to the Board of Management at its 19 November 2025 meeting.
2. The revised financial forecast for 2025/2026 is noted.

Seconded by N Caon

CARRIED UNANIMOUSLY 2: 112025

7.2 BALANCE DATE AUDIT MANAGEMENT LETTER: FINANCIAL YEAR ENDED 30 JUNE 2025

P Cornish moved:

RECOMMENDATION

That:

1. Balance Date Audit Management Letter: Financial Year Ended 30 June 2025 report be received.
2. The inclusion of the Certification of Auditor's Independence and the Independent Auditor's Report into the final version of the General Purpose Financial Reports for the year ended 30 June 2025 is noted.

Seconded by N Caon

CARRIED UNANIMOUSLY 3: 112025

7.3 ANNUAL BUSINESS PLAN 2024/2025 PERFORMANCE EVALUATION

N Caon moved:

RECOMMENDATION

That:

The Annual Business Plan 2024/2025 Performance Evaluation report is received.

Seconded by P Cornish

CARRIED UNANIMOUSLY 4: 112025

7.4 AUDIT COMMITTEE TERMS OF REFERENCE

P Cornish moved:

RECOMMENDATION

That:

1. The report regarding the Eastern Health Authority Audit Committee Terms of Reference is received.
2. The Eastern Health Authority Audit Committee Terms of Reference as amended marked attachment 2 to this report are referred to the Board of Management for adoption.

Seconded by N Caon

CARRIED UNANIMOUSLY 5: 112025

7.5 DEBT COLLECTION POLICY

P Cornish moved:

RECOMMENDATION

That:

1. The report regarding the Debt Collection Policy as amended is received.
2. The Debt Collection Policy as amended marked attachment 2 to the Debt Collection Policy report is endorsed and referred to the Board of Management for adoption.

Seconded by N Caon

CARRIED UNANIMOUSLY 6: 112025

7.6 CORPORATE RISK SUMMARY

N Caon moved:

RECOMMENDATION

That:

1. The Risk Management – Updated Corporate Risk Summary Report is received.
2. The updated Corporate Risk Summary as amended marked attachment 1 to this report is endorsed.

Seconded by P Cornish

CARRIED UNANIMOUSLY

7: 112025

7.7 EASTERN HEALTH AUTHORITY 2025 WORKPLAN

7.8 EASTERN HEALTH AUTHORITY 2026 WORKPLAN

7.9 EASTERN HEALTH AUTHORITY ADOPTED POLICIES

8 CORRESPONDENCE

9 OTHER BUSINESS

10 CLOSURE OF MEETING

Presiding member, Madeleine Harding, declared the meeting closed at 6:30pm.

7.1 FINANCE REPORT AND SECOND (DECEMBER 2025) BUDGET REVIEW FOR 2025/2026

Author: Michael Livori

Ref: AF25/100

Summary

To ensure that Eastern Health Authority (EHA) operates in accordance with its adopted budget, ongoing monitoring of financial performance is conducted, and statutory budget reviews are considered regularly.

Regulation 9 of the Local Government (Financial Management) Regulations 2011 requires a Regional Subsidiary to reconsider its budget a minimum of three times per year.

The Second Quarter (Q2) Budget Review relates to the period between 1 July 2025 and 31 December 2025. The report was considered and endorsed by the Board of Management at its meeting held on 18 February 2026.

Report

The table below gives a simple analysis of year-to-date income, expenditure, and operating result.

Eastern Health Authority - Financial Statement (Level 1)				
1 July 2025 - 31 December 2025				
	Actual	Budgeted	\$ Variation	% Variation
Total Operating Expenditure	\$1,268,737	\$1,459,033	(\$190,296)	-13%
Total Operating Income	\$1,339,624	\$1,382,250	(\$42,625)	-3%
Operating Result	\$70,888	(\$76,784)	\$147,671	-192%

For the reporting period, income was **\$42,625 (3%)** below budget, while expenditure was \$190,296 (13%) under budget, resulting in a positive variance of \$147,671 compared to the year-to-date budget. Attachment 1 contains additional information, including year to date performance for individual budget lines.

Variations to the YTD budget exceeding \$5,000 are listed in the following table along with corresponding explanatory comments. The table also includes a number of requested budget variations which are detailed below.

Upgrade of Electronic Records Management System.

EHA is currently running an unsupported version of Content Manager, our current Electronic Records Management System. The system was developed by Micro Focus, and support for this version ended on 31 March 2024.

FYB is an IT services and consulting company that specialises in helping organisations manage their information, records and compliance. While FYB continues to provide day-to-day operational support for EHA, if a significant issue occurs that requires escalation to the software vendor, that option is no longer available. This increases risk for EHA, particularly in relation to security vulnerabilities, system stability, and our ability to recover

quickly from a major incident. As the system continues to age, these risks will only increase.

It is recommended that the Content Manager system be upgraded to a supported version. Doing so will reduce security and operational risk, restore access to vendor support, and ensure the system remains compatible with modern technology. Upgrading now will also help avoid higher costs, greater disruption, and increased risk associated with delaying the upgrade further. The costs associated with the upgrade are estimated to be \$40K.

Office Maintenance

The EHA offices are showing normal wear and tear and are due for a refresh. No major works have been completed since the offices opened in 2012, and some minor maintenance will ensure that the space reflects the standard we want for our people and the professional image we present externally. Addressing these issues now will help avoid larger costs and greater disruption in the future.

Works to be undertaken

- Painting and minor wall repairs: All walls within the EHA offices will be painted and minor wall repairs will be undertaken throughout the office facility. While some areas require more attention than others, a full repaint is recommended to ensure a consistent and refreshed finish throughout.
- Kitchen flooring replacement: The kitchen floor has deteriorated due to heavy foot traffic, with large areas showing divots. The floor cannot be repolished or resealed and requires full replacement.
- Polishing and sealing of the Nurses Work Room. Whilst the flooring has deteriorated within this area, the foot traffic is significantly less and therefore the floor can be repaired to a good standard that would be acceptable.
- Ceiling panelling. There are a number of panels have been stained by historic roof leaks. Only the affected panels will be replaced.
- Work benches
 - Kitchen: The island benchtop requires new laminate to address surface chipping.
 - Nurses Work Room: The workbench requires new laminate, and a new sink will be installed.
- Cabinets – Office area: Built in cabinets require attention to their laminate edges and surfaces address wear issues.
- Office Chairs / Desk Requirements: Ergonomic workstation assessments completed in 2025 identified that many existing chairs are well past their recommended replacement timeframe. Most office chairs should be replaced every 7–10 years; many currently in use have worn padding, faulty bases, wheels, or height adjustment mechanisms.

Key Benefits

- A clean, refreshed workspace improves morale, focus, and pride in the workplace, contributing positively to staff wellbeing and retention.

- The works will address worn surfaces and minor issues before they become safety or maintenance risks.
- The office is often the first impression for clients, partners, and potential employees. A well-maintained space reinforces professionalism and trust.
- Regular maintenance such as painting and minor upgrades extends the life of the office and helps avoid more costly repairs in the future.

The total estimated costs for the office maintenance and furniture replacement is estimated to be \$40K. They can be staged to minimise disruption and are expected to deliver long-term value through improved staff experience and reduced maintenance risk.

Replacement of Computer Tablets

EHA field officers use Computer Tablets (Microsoft Surface Pros) during field inspections to digitise workflows and improve operational efficiency. The current Tablets (eight) are out of warranty in June 2025.

Comunet has advised that continuing to use these devices beyond the warranty period could expose EHA to increased operational and financial risks. If a device were to fail whether due to battery issues, screen damage, or storage problems, the repair costs would be fully borne by EHA as opposed to potential warranty works. Beyond the financial impact, downtime caused by device failure would reduce productivity, as EHOs would be without the necessary tools to carry out their work efficiently.

Out-of-warranty devices also raise security and compatibility concerns. They may no longer receive critical firmware updates or fully support current operating systems and applications, leaving EHA vulnerable to security risks and operational inefficiencies.

Refreshing our Surface Pro fleet proactively would:

- Ensure reliable, uninterrupted performance for EHOs in the field
- Strengthen our security posture by keeping devices up to date
- Align with predictable IT lifecycle management and budgeting practices

By replacing these devices in June 2026, we can avoid unexpected costs, reduce employee downtime, and maintain business continuity.

It is recommended that allowance be made for the replacement of these tablets in the current budget. The estimated cost for the 8 tablets is \$25K.

A revised 2025/2026 budget incorporating these requests is provided as attachment 2. All of the requested variations can be accommodated by reallocating funds from within the existing budget and without any change to the estimated year end budget result.

Summary Table of Funding Statement Operating Variations				
Favourable variances are shown in green and unfavourable variances are shown in red.				
Description	YTD Budget	YTD Actual	Variation	Comment
Operating Income				
Food Inspection fees	\$70,000	\$61,728	(\$8,272)	Reduction in inspections due to availability of staff
Fines & Expiation Fees	\$20,000	\$1,800	(\$18,200)	Less than budgeted expiations issued this period. No budget variation requested.
Food Auditing	\$60,000	\$38,827	(\$21,172)	Timing of audits due to availability of auditors. No budget variation requested.
Interest on Investments	\$22,500	\$28,359	\$5,859	Increase in investment income received.
Total of Income Variations Requested				nil
Operating Expenditure				
Employee Costs	\$1,063,000	\$917,191	(\$145,809)	Time in filling vacant positions. (\$85K) variation requested.
Financial Support Services	\$20,000	\$8,900	(\$11,100)	Financial Support expenses less than budgeted YTD
Maintenance	\$19,500	\$20,285	\$785	Office maintenance and furniture replacement as per report. \$40K variation requested.
Legal	\$10,000	\$4,845	(\$5,155)	Legal expenses less than budgeted YTD
IT Support	\$32,000	\$32,490	\$490	Costs associated with upgrade of Records Management System and configuring tablets. \$45K variation requested.
Total of Operating Expenditure Variations Requested				\$0K
Net Result of Operating Variations Requested				\$0K
Capital Expenditure Variation – Purchase of Tablets				\$25K

Cash Management

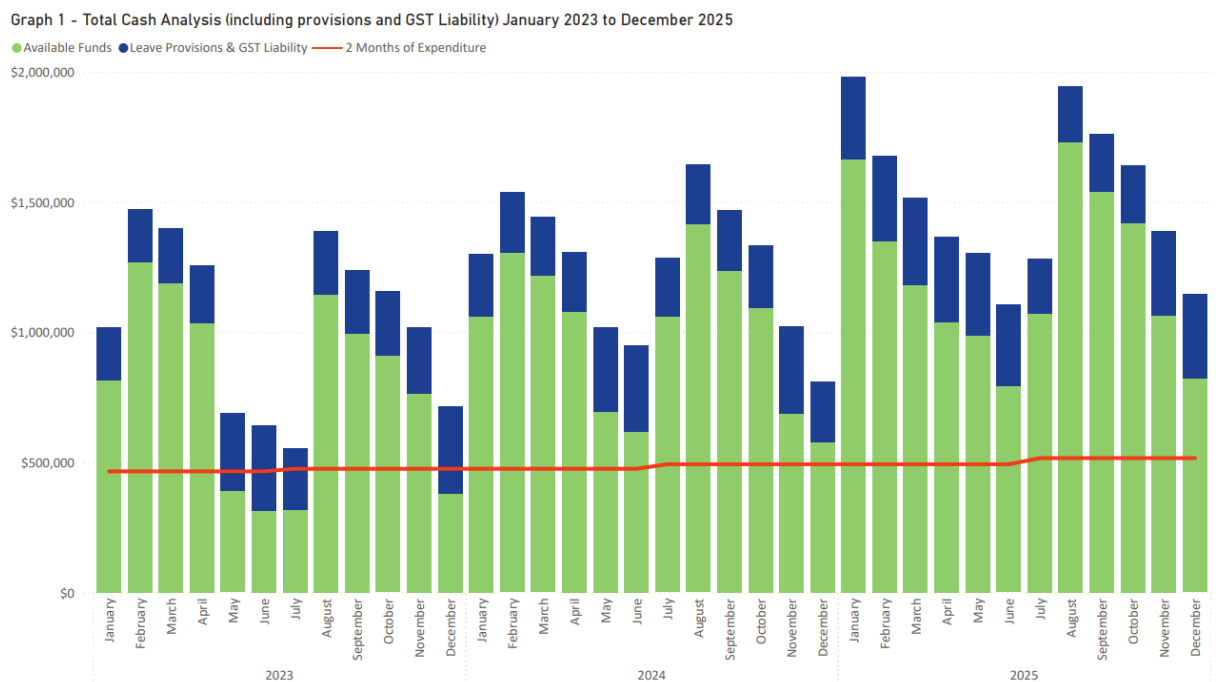
EHA does not currently have borrowing facilities to access cash. Cash and cash equivalents are the sole means for managing finances. The EHA Audit Committee and Board of Management have previously agreed that a minimum of two months' operating expenditure should be maintained as the target minimum available cash on hand to ensure adequate liquidity.

The projected annual operating expenditure for EHA in 2026 is \$3,093,400, requiring working capital of \$257,783 per month to cover salaries and other operating costs. The target minimum cash level is currently \$515,566.

Graph 1 – Total Cash Analysis

The “*Total Cash Analysis*” graph shows the total level of cash on hand including leave provisions and GST liability. As the GST and leave liabilities are committed funds they are not included in the definition of *available cash*.

Available cash is defined as *Total cash* less GST and leave liabilities for the purposes of the target minimum cash levels.



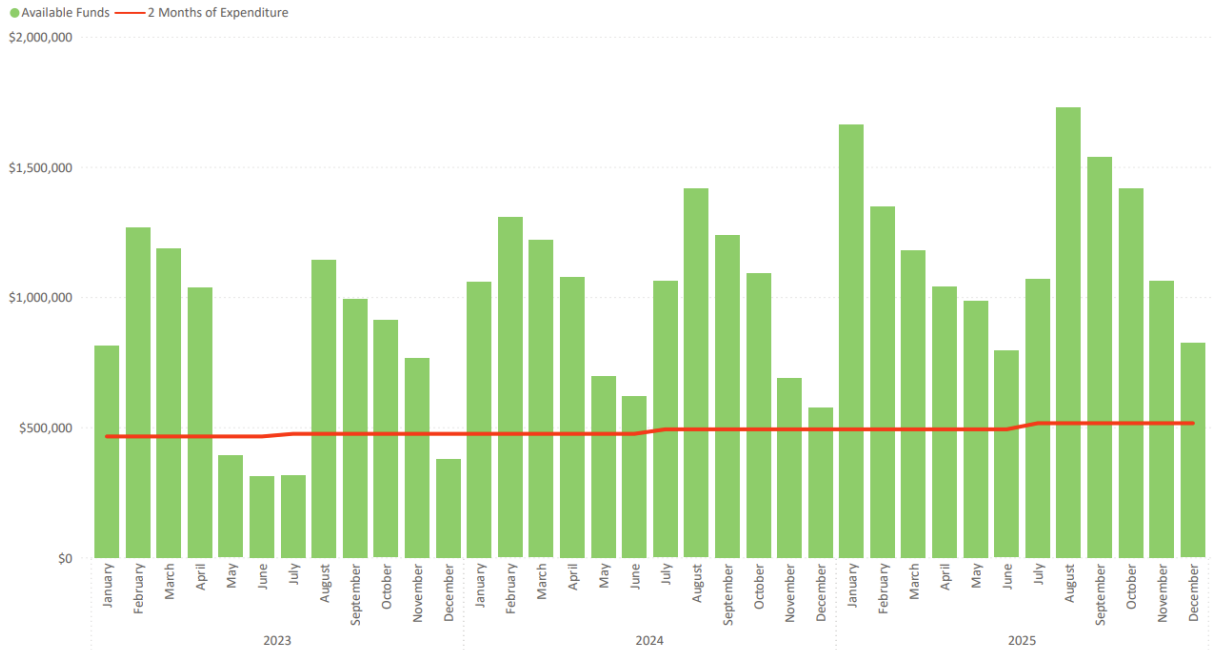
Graph 2 – “*Available Cash Analysis*” provides details regarding *available cash* over the previous three-year period. It indicates that *available cash* was \$823,447 on 31 December 2025 compared with \$1,539,367 on 30 September 2025.

The graph also demonstrates that:

- Cash flows display cyclical patterns influenced by the timing of six-monthly council contributions.
- July and December are typically when cash levels are at their lowest, prior to receipt of payments from Constituent Councils.

- Cash levels increase in August and January/February following the six-monthly payments from Constituent Councils.
- January and July each year are key months for monitoring cash levels.
- In seven months during this period, available funds were below the target threshold.
- As a result of surplus outcomes in 2024 and 2025, the target levels have been maintained since January 2024.

Graph 2 - Available Cash Analysis January 2023 to December 2025



Due to the nature of EHA’s cash flows, there will be times when EHA carries significant levels of cash. In the past Councils who may not have a complete understanding of the nature of EHA cash flows have reasonably queried the reason EHA carries these high levels of cash at certain times of the year.

If the level of *available cash* significantly exceeds the threshold set by the Audit Committee at the most critical times of the year for an ongoing period, considerations will be made in relation to providing Constituent Councils with a cash distribution. The last cash distribution made to Constituent Councils was for \$200,000 (collectively) in 2016. Constituent Councils received a proportion of the cash distribution based on their equity share in EHA.

RECOMMENDATION

That:

1. The Finance Report and Second (December 2025) Budget Review for 2025/2026 report be received.
2. The revised financial forecast for 2025/2026 is noted.

Eastern Health Authority - Financial Statement (Level 3)				
1 July 2025 to 31 December 2025				
Income	Actual	Budgeted	\$ Variation	% Variation
Constituent Council Income				
City of Burnside	\$314,406	\$314,406	\$0	0%
City of Campbelltown	\$288,761	\$288,761	\$0	0%
City of NPS	\$333,850	\$333,850	\$0	0%
City of Prospect	\$121,514	\$121,514	\$0	0%
Town of Walkerville	\$41,969	\$41,969	\$0	0%
Total Constituent Council Contributions	\$1,100,500	\$1,100,500	\$0	0%
Statutory Charges				
Food Inspection fees	\$61,728	\$70,000	(\$8,272)	-12%
Legionella registration and Inspection	\$2,053	\$4,750	(\$2,697)	-57%
SRF Licenses	\$0	\$0	\$0	0%
Fines & Expiation Fees	\$1,800	\$20,000	(\$18,200)	-91%
Total Statutory Charges	\$65,581	\$94,750	(\$29,169)	-31%
User Charges				
Immunisation: Service Provision	\$40,000	\$40,000	\$0	0%
Immunisation: Clinic Vaccines	\$49,812	\$45,000	\$4,812	11%
Immunisation: Worksites Vaccines	\$0	\$0	\$0	0%
Food Auditing	\$38,827	\$60,000	(\$21,172)	-35%
Food Safety Training	\$0	\$0	\$0	0%
Total User Charges	\$128,639	\$145,000	(\$16,360)	-11%
Grants, Subsidies, Contributions				
Immunisation School Program	\$0	\$0	\$0	0%
Immunisation:ACIR	\$16,320	\$16,000	\$320	2%
Total Grants, Subsidies, Contributions	\$16,320	\$16,000	\$320	2%
Investment Income				
Interest on investments	\$28,359	\$22,500	\$5,859	26%
Total Investment Income	\$28,359	\$22,500	\$5,859	26%
Other Income				
Motor Vehicle re-imburements	\$0	\$0	\$0	0%
Sundry Income	\$225	\$3,500	(\$3,275)	-94%
Total Other Income	\$225	\$3,500	(\$3,275)	-94%
Total Income	\$1,339,624	\$1,382,250	(\$42,625)	-3%

Eastern Health Authority - Financial Statement (Level 3)				
1 July 2025 to 31 December 2025				
Expenditure	Actual	Budgeted	\$ Variation	% Variation
Employee Costs				
Salaries & Wages	\$793,095	\$920,000	(\$126,905)	-14%
Superannuation	\$94,950	\$109,000	(\$14,050)	-13%
Workers Compensation	\$10,980	\$10,500	\$480	5%
Employee Leave - LSL Accruals	\$16,665	\$22,000	(\$5,335)	-24%
Medical Officer Retainer	\$1,500	\$1,500	\$0	0%
Total Employee Costs	\$917,191	\$1,063,000	(\$145,809)	-14%
Prescribed Expenses				
Auditing and Accounting	\$15,495	\$17,000	(\$1,505)	-9%
Financial Support Services	\$8,900	\$20,000	(\$11,100)	-56%
Insurance	\$34,201	\$39,000	(\$4,799)	-12%
Maintenance	\$20,285	\$19,500	\$785	4%
Vehicle Leasing/maintenance	\$34,145	\$37,500	(\$3,355)	-9%
Total Prescribed Expenses	\$113,025	\$133,000	(\$19,975)	-15%
Rent and Plant Leasing				
Electricity	\$5,501	\$8,000	(\$2,499)	-31%
Plant Leasing Photocopier	\$1,341	\$1,200	\$141	12%
Rent	\$62,323	\$62,000	\$323	1%
Water	\$0	\$150	(\$150)	-100%
Gas	\$0	\$1,350	(\$1,350)	-100%
Total Rent and Plant Leasing	\$69,164	\$72,700	(\$3,536)	-5%
IT Licensing and Support				
IT Licences	\$27,758	\$32,000	(\$4,242)	-13%
IT Support	\$32,491	\$32,000	\$491	2%
Internet	\$3,711	\$3,000	\$711	24%
IT Other	\$204	\$1,000	(\$796)	-80%
Total IT Licensing and Support	\$64,163	\$68,000	(\$3,837)	-6%
Administration				
Administration Sundry	\$8,229	\$5,000	\$3,229	65%
Accreditation Fees	\$357	\$1,333	(\$976)	-73%
Governance Expenses	\$6,808	\$6,000	\$808	13%
Bank Charges	\$740	\$2,000	(\$1,260)	-63%
Public Health Sundry	\$756	\$2,500	(\$1,744)	-70%
Fringe Benefits Tax	\$11,220	\$8,000	\$3,220	40%
Health Promotion	\$4,635	\$4,500	\$135	3%
Legal	\$4,845	\$10,000	(\$5,155)	-52%
Printing & Stationery & Postage	\$10,240	\$12,000	(\$1,760)	-15%
Telephone	\$7,298	\$8,500	(\$1,202)	-14%
Occupational Health & Safety	\$7,309	\$10,000	(\$2,691)	-27%
Staff Amenities	\$753	\$2,500	(\$1,747)	-70%
Staff Training	\$5,220	\$7,500	(\$2,280)	-30%
Human Resource Sundry	\$5,324	\$8,000	(\$2,676)	-33%
Total Administration	\$73,734	\$87,833	(\$14,099)	-16%

Eastern Health Authority - Financial Statement (Level 3)				
1 July 2025 to 31 December 2025				
Immunisation				
Immunisation SBP Consumables	\$3,133	\$6,000	(\$2,867)	-48%
Immunisation Clinic Vaccines	\$27,396	\$27,500	(\$104)	0%
Total Immunisation	\$30,529	\$33,500	(\$2,971)	-9%
Income Protection	\$0	\$0	\$0	0%
Total Uniforms/Income protection	\$0	\$0	\$0	0%
Sampling				
Legionella Testing	\$930	\$1,000	(\$70)	-7%
Total Sampling	\$930	\$1,000	(\$70)	-7%
Total Materials, contracts and other expenses	\$1,268,737	\$1,459,033	(\$190,296)	-13%
Total Operating Expenditure	\$1,268,737	\$1,459,033	(\$190,296)	-13%
Total Operating Income	\$1,339,624	\$1,382,250	(\$42,625)	-3%
Operating Result	\$70,888	(\$76,784)	\$147,671	-192%

EASTERN HEALTH AUTHORITY STATEMENT OF COMPREHENSIVE INCOME					
FOR THE YEAR ENDING 30 June 2026					
AUDITED RESULT 2024/2025		ADOPTED BUDGET 2025/2026	SEPTEMBER REVIEW	DECEMBER REVIEW	REVISED BUDGET 2025/2026
	<u>INCOME</u>				
2,094,100	Council Contributions	2,201,000		-	2,201,000
164,917	Statutory Charges	191,400	-	-	191,400
338,543	User Charges	390,000	-	-	390,000
248,910	Grants, subsidies and contributions	259,000	-	-	259,000
52,777	Investment Income	45,000	-	-	45,000
20,971	Other Income	7,000	-	-	7,000
2,920,218	TOTAL INCOME	3,093,400	-	-	3,093,400
	<u>EXPENSES</u>				
1,823,552	Employee Costs	2,196,000	-	(85,000)	2,111,000
649,271	Materials, contracts and other expenses	849,400	-	85,000	934,400
64,887	Finance Charges	-	-	-	-
183,012	Depreciation	48,000	-	-	48,000
2,720,722	TOTAL EXPENSES	3,093,400	-	-	3,093,400
199,496	Operating Surplus/(Deficit)	-	-	-	-
(7,604)	Net gain (loss) on disposal of assets	-	-	-	-
191,892	Net Surplus/(Deficit)	-	-	-	-
191,892	Total Comprehensive Income	-	-	-	-

EASTERN HEALTH AUTHORITY STATEMENT OF CASH FLOWS					
FOR THE YEAR ENDING 30 June 2026					
AUDITED RESULT 2024/2025		ADOPTED BUDGET 2025/2026	SEPTEMBER REVIEW	DECEMBER REVIEW	REVISED BUDGET 2023/2024
	CASHFLOWS FROM OPERATING ACTIVITIES				
	Receipts				
	Council Contributions	2,201,000	-	-	2,201,000
2,282,569	Fees & other charges	191,400	-	-	191,400
164,917	User Charges	390,000	-	-	390,000
384,115	Investment Receipts	45,000	-	-	45,000
52,357	Grants utilised for operating purposes	259,000	-	-	259,000
248,910	Other	7,000	-	-	7,000
521	Payments				
	Employee costs	(2,196,000)		85,000	(2,111,000)
(1,923,959)	Materials, contracts & other expenses	(849,400)		(85,000)	(934,400)
(844,973)	Finance Payments	-	-	-	-
296,984	Net Cash Provided/(Used) by Operating Activities	48,000	-	-	48,000
	CASH FLOWS FROM FINANCING ACTIVITIES				
	Loans Received	-	-	-	-
	Repayment of Borrowings	-	-	-	-
(113,513)	Repayment of Finance Lease Liabilities	-	-	-	-
(113,513)	Net Cash Provided/(Used) by Financing Activities	-	-	-	-
	CASH FLOWS FROM INVESTING ACTIVITIES				
	Receipts				
	Sale of Replaced Assets	-	-	-	-
	Payments				
(24,609)	Expenditure on renewal / replacements of assets	-	-	(25,000)	(25,000)
	Expenditure on new / upgraded assets	-	-	-	-
	Distributions paid to constituent Councils	-	-	-	-
(24,609)	Net Cash Provided/(Used) by Investing Activities	-	-	(25,000)	(25,000)
158,862	NET INCREASE (DECREASE) IN CASH HELD	48,000	-	(25,000)	23,000
954,882	CASH AND CASH EQUIVALENTS AT BEGINNING OF REPORTING PERIOD	1,002,882	110,863	-	1,113,745
1,113,744	CASH AND CASH EQUIVALENTS AT END OF REPORTING PERIOD	1,050,882	110,863	(25,000)	1,111,745

EASTERN HEALTH AUTHORITY STATEMENT OF FINANCIAL POSITION					
FOR THE YEAR ENDING 30 June 2026					
AUDITED RESULT 2024/2025		ADOPTED BUDGET 2025/2026	SEPTEMBER REVIEW	DECEMBER REVIEW	REVISED BUDGET 2023/2024
	CURRENT ASSETS				
1,113,744	Cash and Cash Equivalents	1,050,882	110,863	(25,000)	1,136,745
146,035	Trade & Other Receivables	187,908	(41,873)	-	146,035
1,259,779	TOTAL CURRENT ASSETS	1,238,790	68,990	(25,000)	1,282,780
	NON-CURRENT ASSETS				
1,244,915	Infrastructure, property, plant and equipment	903,746	293,169	25,000	1,221,915
1,244,915	TOTAL NON-CURRENT ASSETS	903,746	293,169	25,000	1,221,915
2,504,694	TOTAL ASSETS	2,142,536	362,159	-	2,504,695
	CURRENT LIABILITIES				
80,132	Trade & Other Payables	198,870	(118,738)	-	80,132
285,472	Provisions	289,788	(4,316)	-	285,472
126,237	Borrowings	139,565	(13,328)	-	126,237
491,841	TOTAL CURRENT LIABILITIES	628,223	(136,382)	-	491,841
	NON-CURRENT LIABILITIES				
28,687	Provisions	33,030	(4,343)	-	28,687
1,093,202	Borrowings	782,210	310,992	-	1,093,202
1,121,889	TOTAL NON-CURRENT LIABILITIES	815,240	306,649	-	1,121,889
1,613,730	TOTAL LIABILITIES	1,443,463	170,267	-	1,613,730
767,938	NET CURRENT ASSETS/(CURRENT LIABILITIES)	610,567	205,372	(25,000)	790,939
890,964	NET ASSETS	699,073	191,892	-	890,965
	EQUITY				
890,964	Accumulated Surplus/(Deficit)	699,073	191,892	-	890,965
890,964	TOTAL EQUITY	699,073	191,892	-	890,965

EASTERN HEALTH AUTHORITY STATEMENT OF CHANGES IN EQUITY					
FOR THE YEAR ENDING 30 June 2026					
AUDITED RESULT 2024/2025		ADOPTED BUDGET 2025/2026	SEPTEMBER REVIEW	DECEMBER REVIEW	REVISED BUDGET 2023/2024
	<u>ACCUMULATED SURPLUS</u>				
699,073	Balance at beginning of period	699,073	191,892		890,965
191,892	Net Surplus/(Deficit)	-	-	-	-
890,965	BALANCE AT END OF PERIOD	699,073	191,892	-	890,965
	<u>TOTAL EQUITY</u>				
699,073	Balance at beginning of period	699,073	191,892	-	890,965
191,892	Net Surplus/(Deficit)	-	-	-	-
890,965	BALANCE AT END OF PERIOD	699,073	191,892	-	890,965

7.2 DRAFT ANNUAL BUSINESS PLAN AND BUDGETED FINANCIAL STATEMENTS FOR 2026/2027

Author: Michael Livori

Ref: AF26/48

Summary

In accordance with the *Local Government Act 1999*, Schedule 2, Part 2 Section 25:

- (1) *a regional subsidiary must have a budget for each financial year*
- (2) *each budget of a regional subsidiary*
 - (a) *must deal with each principal activity of the subsidiary on a separate basis; and*
 - (b) *must be consistent with its business plan; and*
 - (c) *must comply with standards and principles prescribed by the regulations; and*
 - (d) *must be adopted after 31 May for the ensuing financial year, and before a date fixed by the constituent councils; and*
 - (e) *must be provided to the constituent councils in accordance with the regulations.*

The Eastern Health Authority (EHA) Charter clause 8 states:

8.1 Contents of the Business Plan

- a) EHA must each year develop in accordance with this clause a business plan which supports and informs its annual budget.
- b) In addition to the requirements for the Business Plan set out in clause 24(6) of Schedule 2 to the Act, the Business Plan will include:
 - (a) a description of how EHA's functions relate to the delivery of the Regional Public Health Plan and the Business Plan;
 - (b) financial estimates of revenue and expenditure necessary for the delivery of the Regional Public Health Plan;
 - (c) performance targets which EHA is to pursue in respect of the Regional Public Health Plan.
- c) A draft of the Business Plan will be provided to the Constituent Councils on a date to be determined for the endorsement of the majority of those councils.
- d) The Board must provide a copy of the adopted annual Business Plan and budget to the Chief Executive Officers of each Constituent Council within five business days of its adoption.

Report

Development of the 2026/2027 EHA Annual Business Plan (ABP)

- On 4 March 2026, a Budget Workshop was held to provide Board Members and Audit Committee members with information in relation to the development of the 2026/2027 ABP and Budget.
- As per the agreed budget development process, a draft ABP and budget was subsequently endorsed by the Board of Management via a circular resolution (refer attachments 1 and 2), prior to being provided to Constituent Councils for consideration.

Draft ABP 2026/2027

EHA has developed a Draft Annual Business Plan and Budget for the next 12 months that aligns with the strategic objectives contained within EHA’s Strategic Plan – Towards 2033. The ABP will guide the efficient and effective delivery of our day-to-day operations and details how we will measure and monitor performance.

Towards 2033 Strategic Priorities

1. *Deliver great public and environmental health services*
2. *Grow our immunisation programs*
3. *Strengthen food safety practices across our region*
4. *Govern well and demonstrate leadership within the public health sector*



Annual Business Plan Overview

Strategic Priority	Supporting Actions
Priority 1 Deliver great public and environmental health services	<ol style="list-style-type: none"> 1. Continue to update EHA's wastewater register and communicate key information regarding service schedules to affected properties and updates, in accordance with the SA Public Health (Wastewater) Regulations 2013. 2. Create a set of public health templates for EHOs to use when investigating public health complaints and communicating findings and required actions to businesses and residents. 3. Continue to provide feedback to SA Health on the review of Public Health Regulations, as required. 4. Commence the review and update of EHA's Emergency Public Health Management Plan.
Priority 2 Grow our immunisation programs	<ol style="list-style-type: none"> 5. Increase awareness of EHA's public immunisation clinic program by leveraging various communication channels, including EHA's and councils' social media platforms, community newsletters, and other local advertising channels, to reach a wider audience. 6. Continue to uphold strong governance and ensure the successful delivery of EHA's public clinic immunisation program, fully aligned with the National Immunisation Program (NIP) Schedule. 7. Deliver the School Immunisation Program (SIP) in accordance with the SA Health Service Agreement contract. In partnership with SA Health, develop and distribute communication toolkits for schools and families to facilitate clear and effective information sharing. 8. Develop a business case for providing immunisation services to non-Constituent Councils, based on available opportunities. 9. Explore additional opportunities within the community to promote EHA's services, such as partnering with local organisations, utilising local media platforms.
Priority 3 Strengthen food safety practices across our region	<ol style="list-style-type: none"> 10. Review and update the food business 'Welcome Pack' to provide up-to-date and relevant information for new food businesses. 11. Diversify the delivery of food safety training materials through social media and face-to-face training. 12. Undertake a performance evaluation of food safety inspection practices provided by EHA.

Strategic Priority	Supporting Actions
Priority 4 Govern well and demonstrate leadership within the public health sector	<p>13. Revise Annual Business Plan Structure to align with EHA Strategic Plan – Towards 2033.</p> <p>14. Distribution of targeted quarterly performance reports for Constituent Councils to supplement Board reports.</p> <p>15. Deliver upon request a presentation highlighting strengths and benefits of centralised service delivery model for Constituent Council Elected Members.</p> <p>16. Workplace Health and Safety (WHS) Performance – Effectively identifying and mitigating workplace hazards to ensure the health, safety, and wellbeing of employees, with measurable outcomes.</p>

Budget Overview

The forecast for the 2026/2027 financial year is that EHA's operating result will be a break-even result. A total of \$2,281,900 will be raised through contributions from our Constituent Councils. This represents a 3.68% increase in overall collective contributions from the previous year.

Operating Activity	(\$'000s)
Total Income	\$3,114
<i>Less</i>	
Employee costs	\$2,199
Operating Expenditure	\$ 857
Depreciation	\$ 58
Net Surplus (Deficit)	(\$0) Break-even

The key assumptions and influences that have been used to prepare the 2026-27 Budget are summarised below.

- Generally, a business as usual approach
- CPI December 2025 - 3.8%
- Annual public sector wage growth – December 2025 – 4.0%
- Current Enterprise Agreement expires 30 June 2026
- No Changes to the 2026 or 2027 School Immunisation Program

Budgeted Financial Statements can be found in the ABP document and consist of a Statement of Comprehensive Income, Statement of Financial Position, Statement of Cash Flows and Statement of Changes in Equity.

Our performance against this Annual Business Plan will be reported in August 2026 and will be reflected in our Annual Report.

Funding the Business Plan and the Budget

The component of income required from Constituent Councils to fund EHA operations is determined by a formula contained within the EHA Charter. Aside from a 5% nominal administrative component that is shared equally (1% per council), costs are shared on a proportional basis, dependent upon the numbers of individual public health activities conducted by EHA on behalf of Constituent Councils.

As detailed previously, there is a 3.68% increase in overall collective contributions requested from Constituent Councils for 2026/2027. From a longer-term perspective, and as seen in Table 1, the average increases in contributions requested for Constituent Councils over the last 13 financial years has been 2.91%.

Table 1: Annual increase in total contributions requested from Constituent Councils for 2026/2027.

Combined Council Requested Contributions	Net Cost	\$ change previous year	% Change previous year
2013/2014	\$ 1,576,207		
2014/2015	\$ 1,576,605	\$ 398	0.03%
2015/2016	\$ 1,609,308	\$ 32,703	2.07%
2016/2017	\$ 1,641,055	\$ 31,747	1.97%
2017/2018	\$ 1,680,870	\$ 39,815	2.43%
2018/2019	\$ 1,723,023	\$ 42,153	2.51%
2019/2020	\$ 1,757,120	\$ 34,097	1.98%
2020/2021	\$ 1,790,674	\$ 33,554	1.91%
2021/2022	\$ 1,828,263	\$ 37,589	2.10%
2022/2023	\$ 1,828,000	\$ (263)	-0.01%
2023/2024	\$ 1,970,200	\$ 142,200	7.78%
2024/2025	\$ 2,094,100	\$ 123,900	6.29%
2025/2026	\$ 2,201,000	\$ 106,900	5.10%
2026/2027	\$ 2,281,900	\$ 80,900	3.68%
Average Annual Increase for 13 year period			2.91%

Table 2 details the contribution required from each Constituent Council using the revised formula including the change from the previous year. While there is a 3.68% overall increase in contributions, the revised formula and changes to activity proportion have the effect of redistributing costs between constituent councils.

Table 2: Constituent Council proportion and contributions for 2026/2027

Council Contributions Required for 2026/2027							
		Burnside	Campbelltown	NPSP	Prospect	Walkerville	Total
Expenditure	\$ 3,114,400						
Less Income	\$ 832,500						
Constituent Council Distribution	\$ -						
Total Required Operating contributions	\$ 2,281,900						
Constituent Council Contribution proportion		28.45%	26.34%	30.30%	11.21%	3.69%	100.00%
Required Contribution 2026/2027		\$ 649,168	\$ 601,115	\$ 691,412	\$ 255,906	\$ 84,299	\$ 2,281,900
Previous Year Comparison							
		Burnside	Campbelltown	NPSP	Prospect	Walkerville	Total
Contribution proportion 2025/2026		28.57%	26.24%	30.34%	11.04%	3.81%	100.00%
Change in council contribution share		-0.12%	0.10%	-0.04%	0.17%	-0.12%	0.00%
Required Contribution 2025/2026		\$ 628,812	\$ 577,522	\$ 667,700	\$ 243,028	\$ 83,938	\$ 2,201,000
Change in Contributions \$		\$ 20,356	\$ 23,593	\$ 23,712	\$ 12,878	\$ 361	\$ 80,900
Change in Contribution %		3.24%	4.09%	3.55%	5.30%	0.43%	3.68%

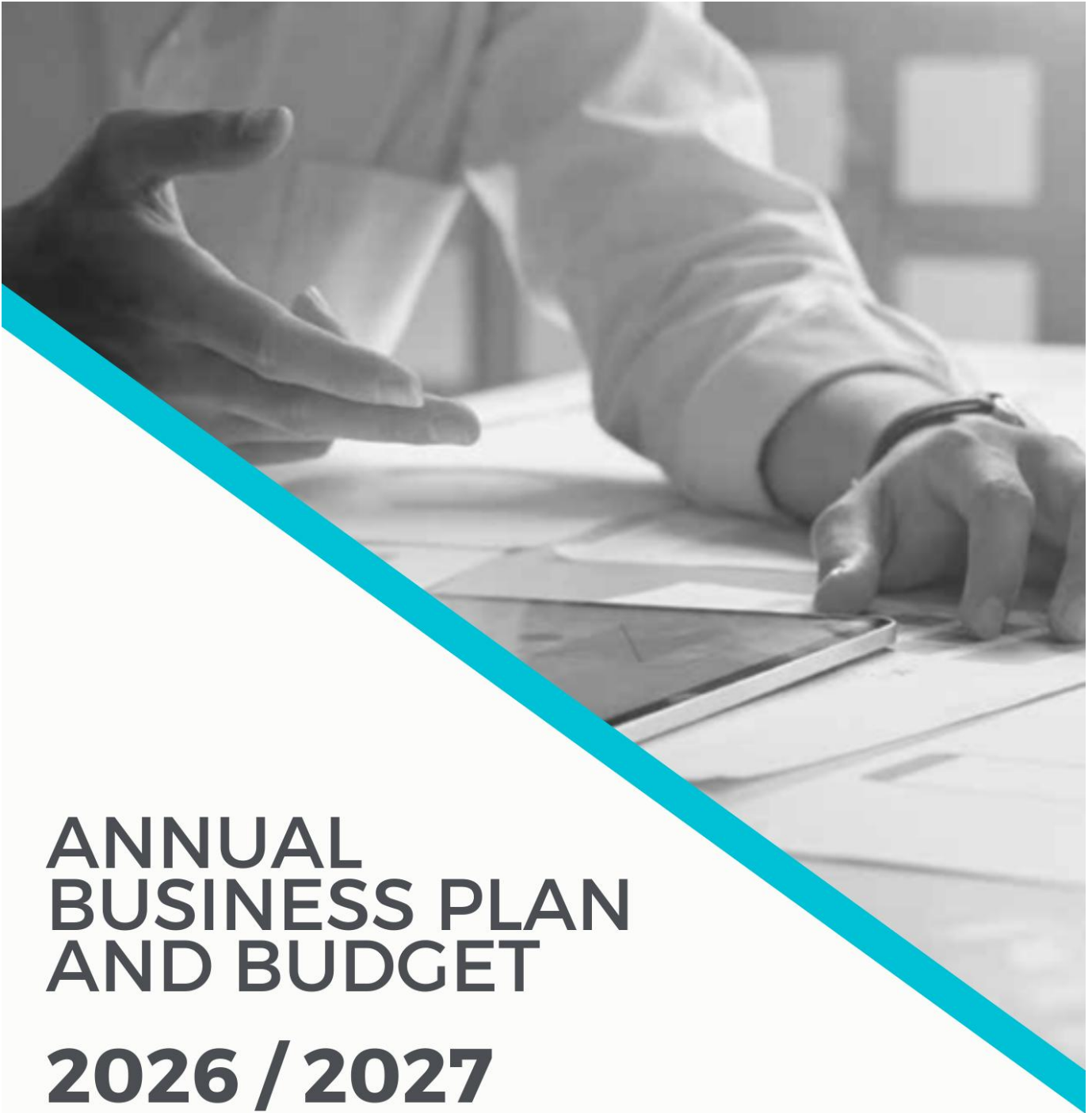
Process from here

- Constituent Council feedback and a final budget will be considered for adoption at the Board of Management meeting to be held on 24 June 2026.
- A copy of the budget will be provided to the Chief Executive Officer of each Constituent Council within 5 days of its adoption.

RECOMMENDATION

That:

The Draft Annual Business Plan and Budgeted Financial Statements for 2026/2027 Report is received.



ANNUAL BUSINESS PLAN AND BUDGET

2026 / 2027



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About Eastern Health Authority

Eastern Health Authority (EHA) is a regional subsidiary established under the Local Government Act 1999. Located in Adelaide's eastern and inner northern suburbs, EHA has a long and proud history of protecting the health, safety and wellbeing of these communities currently comprising approximately 173,603 residents.

Vision

To protect and enhance the health, safety and wellbeing of our region.

Mission

To be a trusted leader in providing evidence-based services, advice and advocacy on public health protection on behalf of our Constituent Councils.

Constituent Councils

- City of Burnside
- Campbelltown City Council
- City of Norwood Payneham and St Peters
- City of Prospect
- Town of Walkerville.

Guided by the functions and powers outlined in its Charter, EHA provides centralised service delivery and operates as the “combined environmental health department” of each council in the region.

EHA's success is built on our singular and dedicated focus on public and environmental health, specialist and passionate staff, and strong and open relationships with our Constituent Councils. EHA also effectively advocates on public health matters as a united regional voice.

The approach represents outstanding value for money for ratepayers and means our communities enjoy the highest standards of environmental health services, which continue to evolve, but generally include:

- Inspection and regulation of food premises
- Immunisation
- Hygiene and sanitation control
- Monitoring and regulation of communicable and infectious disease
- Licencing and monitoring of Supported Residential Facilities (SRFs).

EHA's services are delivered by a small and highly skilled team and overseen by a Board of Management comprised of two representatives from each of the Constituent Councils. EHA is funded by contributions from Constituent Councils, service delivery income and grant revenue.

Key Statistics

Population Served	173,603
Staffing	25 Staff (18 FTE)
Number of Inspections Undertaken	1,811
Number of Immunisations Administered	19,673
Total Budget	\$3,114K
Grant Funding Received	\$265K
User Income Generated	\$336K
Constituent Council Contributions	\$2,281K

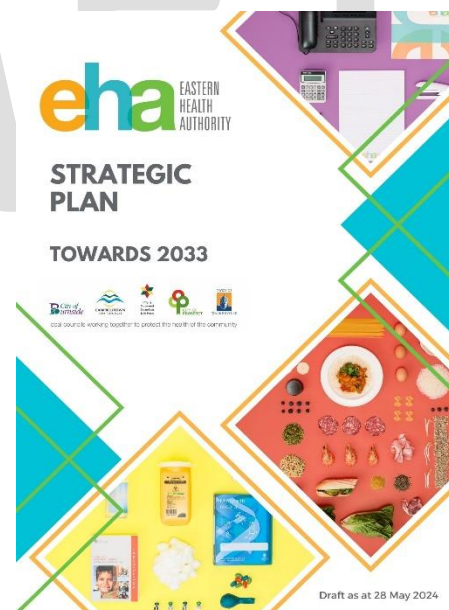
Developing our Annual Business Plan

EHA has developed an Annual Business Plan (ABP) and Budget that outlines its objectives and activities for the upcoming financial year, specifying its financial requirements and how it will measure and monitor performance.

The ABP is aligned to our strategic priorities as set out in our *Strategic Plan – Towards 2033* and demonstrates our commitment to good governance and fulfilling our responsibilities as outlined in our Charter.

Towards 2033 Strategic Priorities

1. Deliver great public and environmental health services
2. Grow our immunisation programs
3. Strengthen food safety practices across our region
4. Govern well and demonstrate leadership within the public health sector



Strategic Influences

The environment in which EHA and our Constituent Councils operate is always changing. When preparing the ABP, EHA has considered the key influences that we need to be aware of and respond to throughout the next 12 months.

The major external factors that we have taken into consideration in the preparation of our ABP are summarised below through a PESTEL analysis.

<p>P Political</p>	<ul style="list-style-type: none"> • Changes in state and local government focus, direction and policies • Changes to service expectations.
<p>E Economic</p>	<ul style="list-style-type: none"> • Labour costs and Enterprise Agreement obligations. • Service and Programming changes. • Stable school immunisation programming.
<p>S Social</p>	<ul style="list-style-type: none"> • Community attitudes to vaccines. • Community expectations of environmental health. • Community attitude towards compliance.
<p>T Technological</p>	<ul style="list-style-type: none"> • Increased functionality from enhanced immunisation database. • Data collection and analysis. • Online services and information provision.
<p>E Environmental</p>	<ul style="list-style-type: none"> • Environmental health impacts of a changing climate. • Increased risk of emergency events from a changing climate. • Disease from pests.
<p>L Legal</p>	<ul style="list-style-type: none"> • Public health legislation and regulations (including reporting). • Training and compliance requirements. • Registration and licensing systems.

Annual Business Plan Overview

Summary

Strategic Priority	Supporting Actions
Priority 1 Deliver great public and environmental health services	<ol style="list-style-type: none"> 1. Continue to update EHA's wastewater register and communicate key information regarding service schedules to affected properties and updates accordance with the SA Public Health (Wastewater) Regulations 2013. 2. Create a set of public health templates for EHO's to use when investigating public health complaints and communicating findings and required actions to businesses and residents. 3. Continue to provide feedback to SA Health on the review of Public Health Regulations review as required. 4. Commence the review and update of EHA's Emergency Public Health Management Plan.
Priority 2 Grow our immunisation programs	<ol style="list-style-type: none"> 5. Increase awareness of EHA's public immunisation clinic program by leveraging the various communication channels including use of EHA's and council's social media platforms, community newsletters, and other local advertising channels, to reach a wider audience. 6. Continue to uphold strong governance and ensure the successful delivery of EHA's public clinic immunisation program, fully aligned with the National Immunisation Program (NIP) Schedule. 7. Deliver the School Immunisation Program (SIP) in accordance with the SA Health Service Agreement contract. In partnership with SA Health, develop and distribute communication toolkits for schools and families to facilitate clear and effective information sharing. 8. Develop a business case for providing immunisation services to non-Constituent Councils, based on available opportunities. 9. Explore additional opportunities within the community to promote EHA's services, such as partnering with local organisations, utilising local media platforms.

Strategic Priority	Supporting Actions
Priority 3 Strengthen food safety practices across our region	10. Review and update the food business 'Welcome Pack' to provide up to date and relevant information for new food business. 11. Diversify the delivery of food safety training materials through social media and face to face training. 12. Undertake a performance evaluation of food safety inspection practices provided by EHA.
Priority 4 Govern well and demonstrate leadership within the public health sector	13. Revise Annual Business Plan Structure to align with EHA Strategic Plan – Towards 2033. 14. Distribution of targeted quarterly performance reports for Constituent Councils to supplement Board reports. 15. Deliver upon request a presentation highlighting strengths and benefits of centralised service delivery model for Constituent Council Elected Members. 16. Workplace Health and Safety (WHS) Performance – Effectively identifying and mitigating workplace hazards to ensure the health, safety, and wellbeing of employees, with measurable outcomes.

Strategic Priority 1 – Deliver great public and environmental health services

Outcomes and Key Performance Indicators

Outcome	KPIs
1.1 The health and safety of our communities is strengthened through our environmental health services.	<ul style="list-style-type: none"> EHA meets at least 95% of public health inspection requirements in accordance with legislation and adopted service standards. At least 90% of public health complaints are acknowledged within 48hrs and investigated within EHA's adopted service standards.
1.2 Residents and businesses take action to reduce public health risks because of our proactive communications and education.	<ul style="list-style-type: none"> 100% of public pools and spas receive communication regarding communicable diseases prior to the summer season. Use EHA's social media platforms to publish five posts including public health messaging. Distribute public health communication / education material targeted to residents and or businesses three times a year or as required by SA Health for Constituent Councils to publish.

<p>1.3 Actively engaging with other organisations results in wider and more effective efforts to manage public health risks across the region.</p>	<ul style="list-style-type: none"> • Continue to actively attend all scheduled State Interagency Hoarding and Squalor Network Meetings. • Host at least two information sessions for new Constituent Council employees to communicate EHA's service provisions.
<p>1.4 Resilience to climate and emergency risks across our region is strengthened through the delivery of our public and environmental health services.</p>	<ul style="list-style-type: none"> • Attend and participate in all Scheduled Eastern Adelaide Zone Emergency Management Committee meetings. • Participate in at least one business continuity or emergency management plan exercise each year, or as requested.

Core Services

EHA is committed to delivering the following core services in support of achieving its Strategic Priorities and Supporting Outcomes:

- Comply with relevant legislation and reporting requirements in undertaking assessments and investigating complaints to ensure appropriate standards are met in regulated premises:
 - Public swimming pools and spas
 - Cooling towers and warm water systems
 - Personal care and body art
 - Onsite wastewater management systems
- Deliver multi-agency responses to public health enquiries and complaints within the built environment that give rise to public health risk.
- Provide information, advice and resources to households and businesses to assist with the management of public health risks.
- Contribute to and promote inter-agency management of residents impacted by hoarding and squalor.
- Develop, maintain, and distribute a comprehensive range of health education and promotion material to educate the community and promote good public health supporting areas of focus identified by SA Health.
- Assess applications under the Supported Residential Facilities legislation and undertake inspections and investigations to ensure residents receive an appropriate level of care.
- EHA conduct unannounced audits of all single license and non-dual Support Residential Facilities each year.
- Liaise with Constituent Councils and Eastern Adelaide Zone Emergency Management Committee to ensure integration of emergency management arrangements.
- Provide public and environmental health information to the community and businesses during emergencies to minimise public health consequences of emergency events.
- Actively collaborate and participate in the State Inter-agency Hoarding and Squalor group (SAHSN).

Supporting Actions

Supporting Actions	Why this matters?	Strategic Alignment
1. Continue to update EHA's wastewater register and communicate key information regarding service schedules to affected properties and updates accordance with the SA Public Health (Wastewater) Regulations 2013.	Maintaining an up-to-date wastewater register is essential to ensure these systems can be monitored. Using the information gathered allows for communication to be made regarding maintenance and how to identify public health risks that arise from wastewater systems on their property.	1.1 1.2
2. Create a set of public health templates for EHO's to use when investigating public health complaints and communicating findings and required actions to businesses and residents.	Templates encourage a consistent approach to investigation and ensure that the community is receiving clear and correct information regarding management of public health risks.	1.1 1.2
3. Continue to provide feedback to SA Health on the review of Public Health Regulations review as required.	EHA's key responsibility is to administer the Public Health Act and its associated Regulations. Providing feedback to the review of the Regulations enables EHA to address what is working well and areas of change to enable these legislative tools to be effective to ensure residents are provided with a safe and healthy lifestyle.	1.1
4. Commence a review and updating of EHA's Emergency Management Plan.	A new Local Government Emergency Management Framework and Council Management Policy Template has been released. Updating EHA's Emergency Management Plan will strengthen clarity, consistency and safety in how EHA prepares for emergency management activities.	1.4

Strategic Priority 2 – Grow our immunisation programs

Outcomes and Key Performance Indicators

Outcome	KPIs
2.1 Contribute to reducing the spread of preventable disease through effective immunisation programs that are delivered in accordance with legislation and standards.	<ul style="list-style-type: none"> • Annual public clinic performance evaluation completed. • Service surveys are completed at the conclusion of both the annual School Immunisation Program and the Workplace Flu Program. • Annually conduct an internal review to ensure immunisation services are being delivered in full compliance with relevant legislation and standards.
2.2 Our immunisation programs are highly valued and trusted by the community because they are accessible, efficient and client centric.	<ul style="list-style-type: none"> • At least 75% of public clinic bookings will be made online, improving convenience for clients. • All eligible students are offered vaccinations through the School Immunisation Program (SIP). • Clinic Timetable is annually reviewed in consultation with Constituent Councils. Timetable for the new calendar year is published by first week of December. • Host at least two information sessions for new Constituent Council employees to communicate EHA's immunisation service provisions.
2.3 More people are immunised, and EHA's revenue streams are further diversified, through new immunisation programs and activities that deliver a net benefit to Constituent Councils.	<ul style="list-style-type: none"> • Aim to reach a renewal rate of at least 60% for the Workplace Flu Immunisation Program.
2.4 Support advocacy with funders and regulators for improved funding to make our immunisation programs more sustainable.	<ul style="list-style-type: none"> • Continue to advocate as appropriate no reduction in the level of State Government funded provided to EHA to deliver immunisation services.

Core Services

EHA is committed to delivering the following core services in support of achieving its Strategic Priorities and Supporting Outcomes:

- Deliver the School Immunisation Program in alignment with the SA Health Service Agreement, ensuring the program meets all required standards and effectively serves the needs of students and the broader community.
- Ensure effective governance and delivery of a public health immunisation program in compliance with relevant legislation and EHA's adopted service standards.
- Promote and offer a professional Workplace Immunisation Program on a fee-for-service basis.
- Promote EHA's public immunisation clinic program in line with EHA's marketing strategies.

- Provide Constituent Councils with educational and promotional materials related to immunisation.
- Promote EHA's online booking system for immunisation appointments, improving accessibility and convenience for clients.
- Engage in discussions with SA Health and the Local Government Association regarding funding and support for the delivery of local government immunisation services.
- Annual Cold Chain audit and pharmaceutical refrigerator maintenance undertaken.
- Continued focus on conducting thorough catch-up immunisation history assessments to ensure individuals are up to date with their immunisations.

Supporting Actions

Supporting Actions	Why this matters?	Strategic Alignment
1. Increase awareness of EHA's public immunisation clinic program by leveraging the various communication channels including use of EHA's and council's social media platforms, community newsletters, and other local advertising channels, to reach a wider audience.	Raising awareness of EHA's immunisation services improves community access to timely, evidence-based vaccinations and helps increase overall immunisation coverage to a wider and more diverse audience, ensuring important information is accessible, visible, and trusted. This focus helps boost immunisation uptake, supports equitable access across different population groups, and strengthens overall community protection by reducing preventable disease risks.	2.2
2. Continue to uphold strong governance and ensure the successful delivery of EHA's public clinic immunisation program, fully aligned with the National Immunisation Program (NIP) Schedule.	<p>Reviewing all required immunisation policies, ensuring they remain current, supports safe and consistent service delivery, and effectively reduces operational risks.</p> <p>Providing monthly updates on vaccine developments and the NIP keeps the team informed, and fully aligned with national requirements, ensuring they can deliver EHA's public clinic immunisation program safely, accurately, and to a consistently high standard.</p>	2.1 2.2
3. Deliver the School Immunisation Program (SIP) in accordance with the SA Health Service Agreement contract. In partnership with SA Health, develop and distribute communication toolkits for schools and families to facilitate clear and effective information sharing.	Providing schools and parents with relevant information strengthens community confidence in immunisation and support high immunisation coverage rates.	2.1 2.2

4. Develop a business case for providing immunisation services to non-Constituent Councils, based on available opportunities.	Expanding EHA's services beyond the Constituent Council areas may strengthen the sustainability and community value of EHA's immunisation program long-term.	2.3
5. Explore additional opportunities within the community to promote EHA's services, such as partnering with local organisations, utilising local media platforms.	Expanding working relationships with local trusted organisations increases EHA's visibility within the local community and increases community confidence in EHA's services.	2.3

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Strategic Priority 3 – Strengthen food safety practices across our region

Outcomes and Key Performance Indicators

Outcome	KPIs
3.1 Contribute to the control of preventable illness through the effective monitoring and enforcement of food safety standards in our region.	<ul style="list-style-type: none"> Conduct at least 90% of required 'high risk' Priority 1 and Priority 2 food business inspections. At least 90% of food complaints are responded to within 48 hours and investigated within EHA's adopted service standards.
3.2 Food businesses take action to reduce food safety risks because of our proactive communication and education, and relationship building.	<ul style="list-style-type: none"> The average star given under the SA Health Food Star Rating Scheme is increasing annually. At least 95% of all new food businesses sent an electronic EHA Welcome Pack following notification. Provide at least three food safety training session annually. Use EHA's social media platforms to publish at least five posts including food safety messaging. Distribute food safety communication / education material targeted to residents and or businesses three times a year or as required by SA Health for Constituent Councils to publish. Host at least two information sessions for new Constituent Council employees to communicate EHA's service provisions.

Core Services

EHA is committed to delivering the following core services in support of achieving its Strategic Priorities and Supporting Outcomes:

- Monitor and maintain a register of all food businesses operating within EHA's jurisdiction.
- Conduct routine food business assessments using an appropriate food safety rating tool to ensure compliance with the Food Act 2001 and Food Safety Standards.
- Undertake enforcement action in relation to breaches of the Food Act 2001 and Food Safety Standards and follow up actions to ensure compliance is achieved.
- Implement the voluntary SA Health Food Star Rating Scheme.
- Respond to food-related customer complaints in accordance with customer service standards and SA Health guidelines and maintain a register of all food related complaints.
- Respond to food recalls in accordance with SA Health recommendations.
- Engage with applicants and provide advice to Constituent Councils about development applications and the structural fit out of new food businesses.
- Assess risks, conduct safety assessments where required and provide educational materials for temporary food businesses and temporary events.

- Provide reports on food safety assessments investigations and actions to the Board, Constituent Councils and SA Health.
- Provide food safety training for food businesses within EHA's Constituent Council area.
- Collate food safety newsletters to be distributed to EHA's food businesses.
- Develop and maintain a comprehensive range of health education and promotion material on food safety related issues and in particular areas of focus identified by SA Health.

Supporting Actions

Supporting Actions	Why this matters?	Strategic Alignment
1. Review and update the new food business, 'Welcome Pack' to provide up to date and relevant information for new food business.	Providing businesses with relevant information encourages compliance with food safety standards. An updated information pack can provide necessary information for food businesses on fit out requirements, training, food safety practices to ensure they are aware of relevant food safety standards upon commencing their business.	3.1 3.2
2. Diversify the delivery of food safety training materials through social media and face to face training.	Requirements for training for food businesses have been updated in previous years with the introduction of Food Safety Standard 3.2.2A. This has impacted the way food businesses engage in training materials. Exploring alternative delivery methods for food safety training to meet current needs of food businesses can contribute to improved food safety practices.	3.2
3. Undertake a performance evaluation of food safety inspection practices provided by EHA.	The purpose of the evaluation is to identify opportunities to continually improve and maintain a high-quality food safety inspection that comply with relevant legislation.	3.1

Strategic Priority 4 – Govern well and demonstrate leadership within the public health sector

Outcomes and Key Performance Indicators

Outcome	KPIs
4.1 EHA is effectively governed in accordance with the EHA Charter and other legislation we operate under.	<ul style="list-style-type: none"> • No instances of non-compliance with the EHA Charter. • No instances of non-compliance with the reporting requirements to external bodies required by legislation. • Ongoing review and implementation as required of identified risk controls in the EHA Corporate Risk Plan.
4.2 EHA is valued by its Constituent Councils as a result of regular and two-way communication.	<ul style="list-style-type: none"> • Meet with Constituent Council nominated contacts at least four times per year. • Provide an Annual Report to Constituent Councils by 30 September. • All Constituent Councils participate in EHA's Annual Business Plan and Budget setting process.
4.3 EHA is known and trusted as a thought leader and effective advocate on public and environmental health matters.	<ul style="list-style-type: none"> • Written submissions on public health reform proposals are endorsed by the Board. • Attend meetings of the Environmental Managers Forum.
4.4 Systems and technology allow us to innovate, work more efficiently and achieve stronger public health and safety outcomes.	<ul style="list-style-type: none"> • Deliver planned system enhancements to Content Manager. • Complete WHS inspections onsite and offsite digitally and report to ensure compliance with a focus to improve safety monitoring. • Reduce preparation time with the introduce of Power BI for our immunisation clinic reporting. • Develop, test, and maintain a Business Continuity Plan to ensure critical operations continue during disruptions, measured by completion of annual testing and plan updates. • Complete a Records Management Review to ensure compliance and efficiency.
4.5 We provide a safe, healthy and rewarding work environment.	<ul style="list-style-type: none"> • Review and maintain WHS systems to ensure compliance and a safe workplace. • Conduct regular monitoring, with input from the Work Safety Committee, to identify areas for improvement and assess the effectiveness of safety and wellness initiatives.

- Promote a safe workplace through active Work Safety Committee oversight, minimizing notifiable WHS incidents, and ensuring completion of required WHS training.
- Provide annual health checks, skin clinics, and mental health sessions to support employee wellbeing, psychological safety, and resilience.

Core Services

EHA is committed to delivering the following Core Services in support of achieving its Strategic Priorities and Supporting Outcomes:

- Prepare and monitor a Long-Term Financial Plan.
- Monitor and maintain our Corporate Risk Plan.
- Make submissions on public health reforms on behalf of Constituent Councils.
- Compile and submit all periodic reports on EHAs activities required by legislation (Public Health Act, Food Act, Safe Drinking Water Act etc.).
- Explore the potential for the expansion of service provision to areas outside of current Constituent Councils.
- Foster team cohesiveness and support effective teamwork.
- Provide systems for a safe working environment with appropriate Work Health and Safety (WHS) practices in place.
- Provide professional development opportunities for staff and encourage membership of relevant professional organisations.

Supporting Actions

Supporting Actions	Why this matters?	Strategic Alignment
1. Revise Annual Business Plan Structure to align with EHA Strategic Plan – Towards 2033.	Constituent Councils have determined to adopt a new approach to public health planning in the next iteration. In response, EHA has developed its Strategic Plan – “Towards 2033”, which will guide our work beyond 2025, ensuring it remains strategically focused and aligned with council priorities.	4.1
2. Distribution of targeted quarterly performance reports for Constituent Councils to supplement Board reports.	Quarterly reports provide easily digestible performance data in a dashboard format, highlighting EHA’s high-level service delivery. This strengthens transparency and council engagement.	4.2
3. Deliver upon request a presentation highlighting strengths and benefits of centralised service delivery model for Constituent Council Elected Members.	Presentations demonstrate EHA’s value as a centralised provider, fostering strategic engagement, relationships, and understanding of public health service delivery.	4.2

<p>4. Workplace Health and Safety (WHS) Performance – Effectively identifying and mitigating workplace hazards to ensure the health, safety, and wellbeing of employees, with measurable outcomes.</p>	<p>Effective identification and mitigation of workplace hazards to ensure legal compliance, reduced risk, and demonstrate EHA’s commitment to a safe, healthy, and rewarding work environment.</p> <p>Measuring performance and implementing improvements builds trust with employees, clients, and Constituent Council members.</p>	<p>4.4</p>
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Budget Overview

EHA forecasts the following operating result for the upcoming financial year.

Operating result Deficit/Surplus/Breakeven (\$0)

A total of \$2,281,900 will be raised through contributions from Constituent Councils, which represents a 3.68 % increase in overall collective contributions when compared to the previous year.

Operating Activity	(\$'000s)
Total Income	\$3,114
Less	
Employee costs	\$2,199
Operating Expenditure	\$857
Depreciation	\$58
Net Surplus (Deficit)	\$0

The key assumptions and influences that have been used to prepare the 2026-27 Budget are summarised below.

- Generally, a business as usual approach
- CPI Adelaide – December 2025 - 3.8%
- Annual public sector wage growth – December 2025 – 4.0%
- Current Enterprise Agreement expires 30 June 2026
- No Changes to the 2026 or 2027 School Immunisation Program

Budgeted Financial Statements can be found on pages 20 - 23 and consist of:

- Statement of Comprehensive Income
- Statement of Financial Position
- Statement of Cash Flows
- Statement of Changes in Equity.

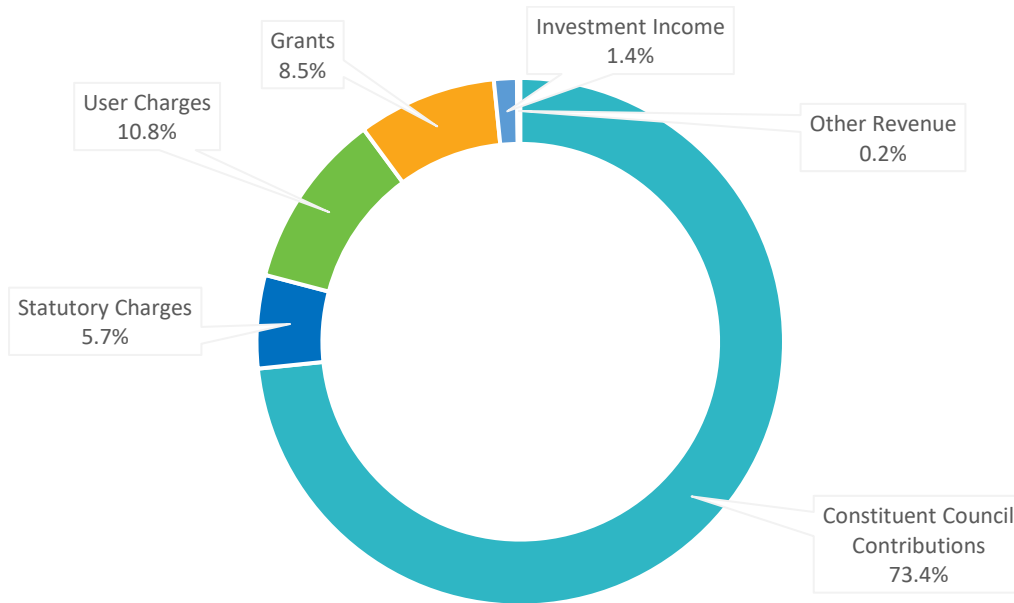
Our performance against this ABP will be reported in our Annual Report, which will be provided to Constituent Councils by 30 September 2026.

Funding the Annual Business Plan

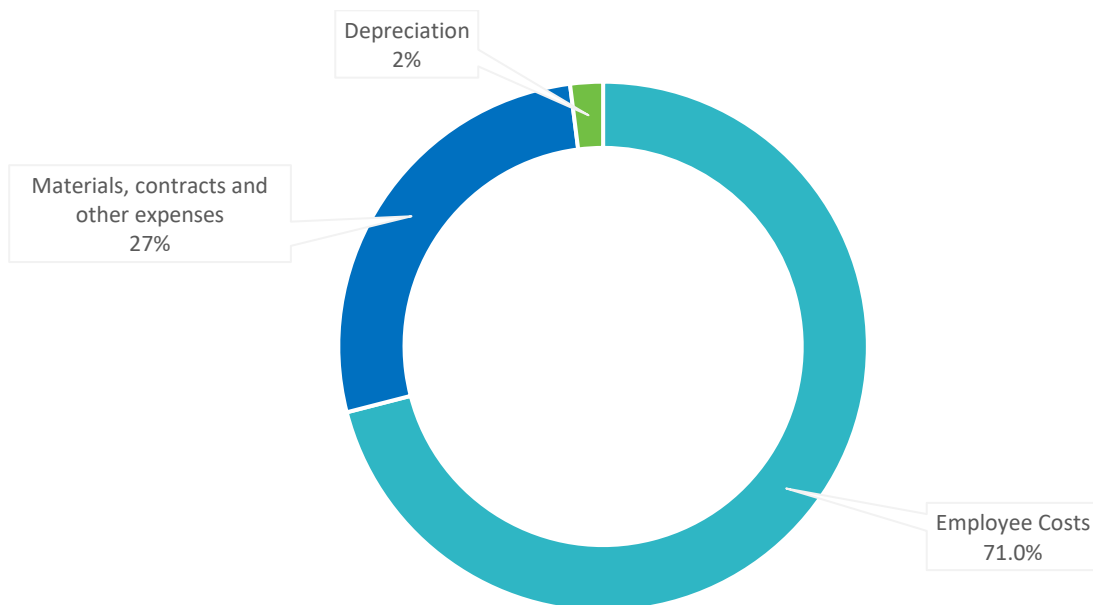
The component of income required from Constituent Councils to fund EHA operations is determined by a formula contained within the EHA Charter.

Aside for a 5% nominal administrative component that is shared equally (1% per council), costs are shared on a proportional basis, dependent upon the numbers of individual public health activities conducted by EHA on behalf of Constituent Councils.

Sources of Operating Revenue



Expenditure Breakdown



2026-27 Budget

Statement of Comprehensive Income

Statement of Comprehensive Income	Adopted Budget 2025/26 ¹	Draft Budget 2026/27 ²
Income		
Council contributions	2,201,000	2,281,900
Statutory charges	191,400	179,000
User charges	390,000	336,500
Grants, subsidies and contributions	259,000	265,000
Investment income	45,000	45,000
Other income	7,000	7,000
Total income	3,093,400	3,114,400
Expenses		
Employee costs	2,196,000	2,199,000
Materials, contracts and other expenses	849,400	857,400
Finance charges	-	-
Depreciation	48,000	58,000
Total Expenses	3,093,400	3,114,400
Operating Surplus / (Deficit)	-	-
Net gain (loss) on disposal of assets	-	-
Net Surplus / (Deficit)	-	-
Total Comprehensive Income	-	-

¹ As at 30 December 2026

² For year ending 30 June 2027

Statement of Cash Flows

Statement of Cash Flows	Adopted Budget 2025/26 ³	Draft Budget 2026/27 ⁴
Cashflow from Operating Activities		
Council contributions	2,201,000	2,281,900
Fees and other charges	191,400	179,000
User charges	390,000	336,500
Investment receipts	45,000	45,000
Grants utilised for operating purposes	259,000	265,000
Other	7,000	7,000
Payments		
Employee costs	(2,196,000)	(2,199,000)
Materials, contracts and other expenses	(849,400)	(857,400)
Finance payments	-	-
Net Cash Provided / (Used) by Operating Activities	48,000	58,000
Cash Flows from Financing Activities	-	-
Loans Received	-	-
Repayment of borrowings	-	-
Repayment of finance lease liabilities	-	-
Net Cash Provided / (Used) by Financing Activities	-	-
Cash Flows from Investing Activities		
Receipts	-	-
Sale of replaced assets	-	-
Payments	-	-
Expenditure on renewal / replacement of assets	-	-
Expenditure on new / upgraded assets	-	-
Distributions paid to Constituent Councils	-	-
Net Cash Provided / (Used) by Investing Activities	-	-
Net Increase (Decrease) in Cash Held	48,000	58,000
Cash and Cash Equivalents at start of reporting period	1,002,882	1,050,882
Cash and Cash Equivalents at end of reporting period	1,050,882	1,108,882

³ As at 30 December 2026

⁴ For year ending 30 June 2027

Statement of Financial Position

Statement of Financial Position	Adopted Budget 2025/26 ⁵	Draft Budget 2026/27 ⁶
Current Assets		
Cash and Cash Equivalents	1,050,882	1,108,882
Trade and Other Receivables	187,908	187,908
Total Current Assets	1,238,790	1,296,790
Non-Current Assets		
Infrastructure, property, plant and equipment	903,746	903,746
Total Non-Current Assets	903,746	903,746
Total Assets	2,142,536	2,200,536
Current Liabilities		
Trade and Other Payables	198,870	198,870
Provisions	289,788	289,788
Borrowings	139,565	139,565
Total Current Liabilities	628,223	628,223
Non-Current Liabilities		
Provisions	33,030	33,030
Borrowings	782,210	782,210
Total Non-Current Liabilities	815,240	815,240
Total Liabilities	1,443,463	1,443,463
Net Current Assets / (Current Liabilities)	610,567	668,567
Net Assets	699,073	757,073
Equity		
Accumulated Surplus / (Deficit)	699,073	699,073
Total Equity	699,073	699,073

⁵ As at 30 December 2026

⁶ For year ending 30 June 2027

Statement of Changes in Equity

Statement of Changes in Equity	Adopted Budget 2025/26 ⁷	Draft Budget 2026/27 ⁸
Accumulated Surplus		
Balance at beginning of period	699,073	699,073
Net surplus / (Deficit)	-	-
Balance at end of period	699,073	699,073
Total Equity		
Balance at beginning of period	699,073	699,073
Net surplus / (Deficit)	-	-
Balance at end of period	699,073	699,073

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⁷ As at 30 December 2026

⁸ For year ending 30 June 2027

EASTERN HEALTH AUTHORITY

Minute of a decision by the Board of Management of Eastern Health Authority (EHA) made via circular resolution.

Resolution Proposed by Circular Resolution

1.0 DRAFT ANNUAL BUSINESS PLAN AND BUDGETED FINANCIAL STATEMENTS FOR 2026/2027

1. The Draft Annual Business Plan and Budgeted Financial Statements for 2026/2027 Report is received.
2. The Draft Annual Business Plan and Budgeted Financial Statements for 2026/2027 provided as attachment 1 to this report is endorsed.
3. The Draft Annual Business Plan and Budgeted Financial Statements for 2026/2027 provided as attachment 1 to this report is provided to Constituent Councils for endorsement.

There were eight (8) votes in favour, zero (0) votes against. Eight (8) votes were received before the prescribed date and time in the notice of Friday 27 March 2026 5:00pm.

Votes received before prescribed date and time	Vote
Cr M Noble	Yes
Cr M Daws	Yes
Cr K Moorhouse	Yes
Cr K Barnett	Yes
Cr P Cornish	Yes
Cr J Nenke	Yes
Cr J Allanson	Yes
Cr C Granozio	Yes



Date: 31 March 2026

Michael Livori

Chief Executive Officer

7.3 FINANCE REPORT AND THIRD (MARCH 2026) BUDGET REVIEW FOR 2025/2026

Author: Michael Livori

Ref: AF25/100

Summary

To ensure that Eastern Health Authority (EHA) operates in accordance with its adopted budget, ongoing monitoring of financial performance is conducted, and statutory budget reviews are considered regularly. Regulation 9 of the Local Government (Financial Management) Regulations 2011 requires a Regional Subsidiary to reconsider its budget a minimum of three times per year.

The Third Quarter (Q3) Budget Review relates to the period between 1 July 2025 and 31 March 2026. The report was considered and endorsed by the Board of Management at its meeting held on 29 April 2026.

Report

The table below gives a simple analysis of year-to-date income, expenditure, and operating result.

Eastern Health Authority - Financial Statement (Level 1)				
1 July 2025 to 31 March 2026				
	Actual	Budgeted	\$ Variation	% Variation
Total Operating Expenditure	\$1,904,262	\$2,118,800	(\$214,538)	-10%
Total Operating Income	\$2,692,767	\$2,752,125	(\$59,358)	-2%
Operating Result	\$788,506	\$633,325	\$155,181	25%

For the reporting period, income was \$59,358 (2%) below budget, while expenditure was \$214,538 (10%) under budget, resulting in a positive variance of \$155,181 compared to the year-to-date budget. Attachment 1 contains additional information, including year to date performance for individual budget lines. Variations to the YTD budget exceeding \$5,000 are listed in the following table along with corresponding explanatory comments.

Summary Table of Funding Statement Operating Variations				
Favourable variances are shown in green and unfavourable variances are shown in red.				
Description	YTD Budget	YTD Actual	Variation	Comment
Operating Income				
Food Inspection fees	\$105,000	\$91,313	(\$13,687)	Reduction in inspections due to availability of staff.
Fines & Expiation Fees	\$30,000	\$5,300	(\$24,700)	Less than budgeted expiations issued this period.
Food Auditing	\$90,000	\$59,802	(\$30,198)	Revision of audit arrangements.
Interest on Investments	\$33,750	\$41,286	\$7,536	Increase in investment income received.
Total of Income Variations Requested				NIL

Summary Table of Funding Statement Operating Variations				
Favourable variances are shown in green and unfavourable variances are shown in red.				
Description	YTD Budget	YTD Actual	Variation	Comment
Operating Expenditure				
Employee Costs	\$1,500,250	\$1,323,401	(\$176,849)	Time in filling vacant positions.
Financial Support Services	\$35,000	\$15,495	(\$23,038)	Financial Support expenses less than budgeted YTD.
IT Support	\$44,500	\$51,033	\$6,534	Additional support required for various issues.
Admin Sundry	\$7,500	\$13,248	\$5,748	Increase relates to offset records storage.
Total of Operating Expenditure Variations Requested				\$0K
Net Result of Operating Variations Requested				\$0K

There is no operational budget variations requested or required in this review.

Cash Management

EHA does not currently have borrowing facilities to access cash. Cash and cash equivalents are the sole means for managing finances. The EHA Audit Committee and Board of Management have previously agreed that a minimum of two months’ operating expenditure should be maintained as the target minimum available cash on hand to ensure adequate liquidity.

The projected annual operating expenditure for EHA in 2026 is \$3,093,400, requiring working capital of \$257,783 per month to cover salaries and other operating costs. The target minimum cash level is currently \$515,566.

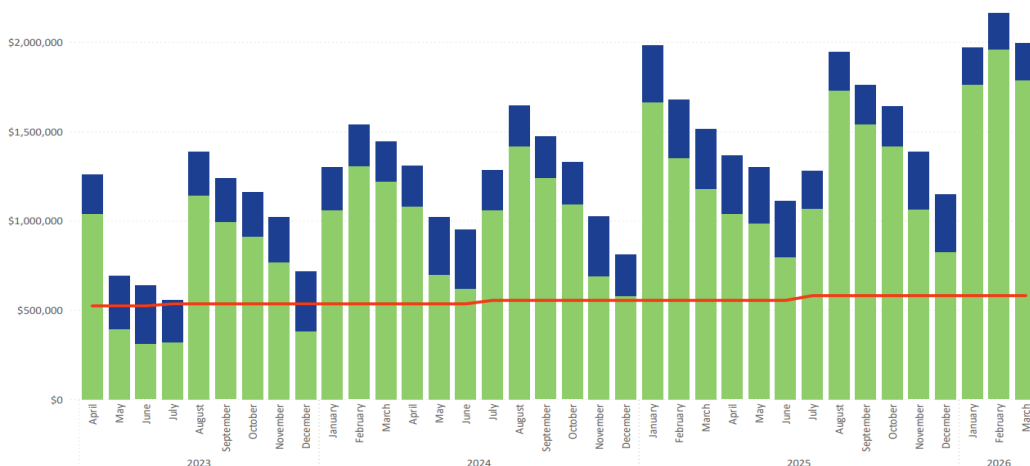
Graph 1 – Total Cash Analysis

The “Total Cash Analysis” graph shows the total level of cash on hand including leave provisions and GST liability. As the GST and leave liabilities are committed funds they are not included in the definition of *available cash*.

Available cash is defined as *Total cash* less GST and leave liabilities for the purposes of the target minimum cash levels.

Graph 1 - Total Cash Analysis (including provisions and GST Liability) April 2023 to March 2026

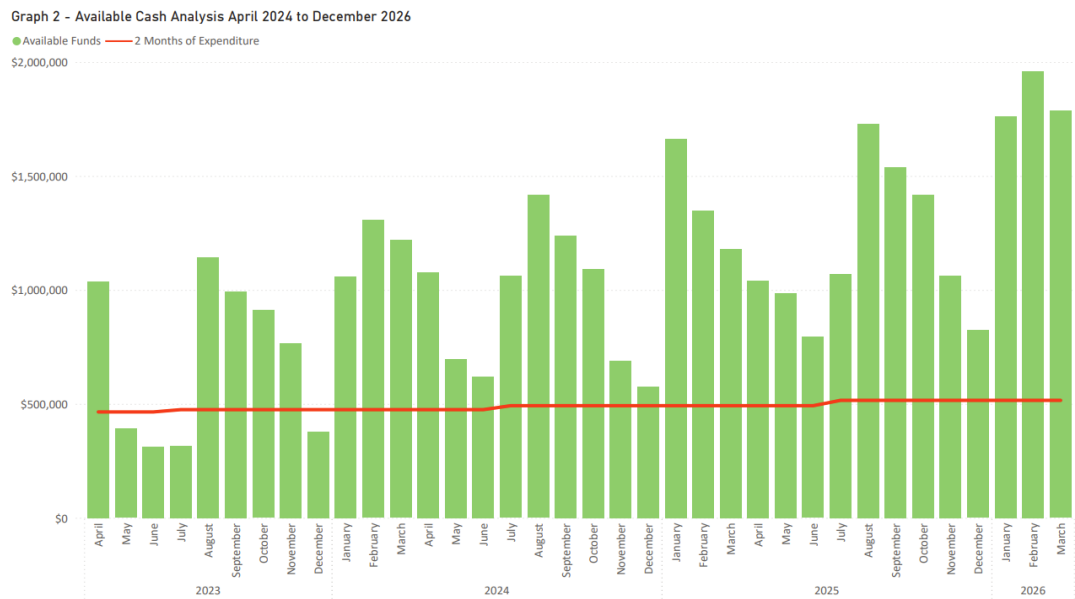
● Available Funds ● Leave Provisions & GST Liability — 2 Months of Expenditure



Graph 2 – “Available Cash Analysis” provides details regarding *available cash* over the previous three-year period. It indicates that *available cash* was \$1,785,551 on 31 March 2026 compared with \$823,447.49 on 30 December 2025.

The graph also demonstrates that:

- Cash flows display cyclical patterns influenced by the timing of six-monthly council contributions.
- July and December are typically when cash levels are at their lowest, prior to receipt of six-monthly payments from Constituent Councils.
- As a result of surplus outcomes in 2024 and 2025, the target levels have been maintained since January 2024.



Due to the nature of EHA’s cash flows, there will be times when EHA carries significant levels of cash. In the past Councils who may not have a complete understanding of the nature of EHA cash flows have reasonably queried the reason EHA carries these high levels of cash at certain times of the year.

If the level of *available cash* significantly exceeds the threshold set by the Audit Committee at the most critical times of the year for an ongoing period, considerations will be made in relation to providing Constituent Councils with a cash distribution. The last cash distribution made to Constituent Councils was for \$200,000 (collectively) in 2016. Constituent Councils received a proportion of the cash distribution based on their equity share in EHA.

RECOMMENDATION

That:

1. The Finance Report and Third (March 2026) Budget Review for 2025/2026 report be received.
2. The revised financial forecast for 2025/2026 is noted.

Eastern Health Authority - Financial Statement (Level 3)				
1 July 2025 to 31 March 2026				
Income	Actual	Budgeted	\$ Variation	% Variation
Constituent Council Income				
City of Burnside	\$628,812	\$628,812	\$0	0%
City of Campbelltown	\$577,522	\$577,522	\$0	0%
City of NPS	\$667,700	\$667,700	\$0	0%
City of Prospect	\$243,028	\$243,028	\$0	0%
Town of Walkerville	\$83,938	\$83,938	\$0	0%
Total Constituent Council Contributions	\$2,201,000	\$2,201,000	\$0	0%
Statutory Charges				
Food Inspection fees	\$91,313	\$105,000	(\$13,687)	-13%
Legionella registration and Inspection	\$4,715	\$7,125	(\$2,410)	-34%
SRF Licenses	\$0	\$0	\$0	0%
Fines & Expiation Fees	\$5,300	\$30,000	(\$24,700)	-82%
Total Statutory Charges	\$101,328	\$142,125	(\$40,797)	-29%
User Charges				
Immunisation: Service Provision	\$60,000	\$60,000	\$0	0%
Immunisation: Clinic Vaccines	\$72,198	\$67,500	\$4,698	7%
Immunisation: Worksites Vaccines	\$14,680	\$15,000	(\$320)	-2%
Food Auditing	\$59,802	\$90,000	(\$30,198)	-34%
Total User Charges	\$206,679	\$232,500	(\$25,821)	-11%
Grants, Subsidies, Contributions				
Immunisation School Program	\$115,807	\$117,500	(\$1,693)	-1%
Immunisation:ACIR	\$19,716	\$20,000	(\$284)	-1%
Total Grants, Subsidies, Contributions	\$135,523	\$137,500	(\$1,977)	-1%
Investment Income				
Interest on investments	\$41,286	\$33,750	\$7,536	22%
Total Investment Income	\$41,286	\$33,750	\$7,536	22%
Other Income				
Sundry Income	\$6,951	\$5,250	\$1,701	32%
Total Other Income	\$6,951	\$5,250	\$1,701	32%
Total Income	\$2,692,768	\$2,752,125	(\$59,357)	-2%

Eastern Health Authority - Financial Statement (Level 3)				
1 July 2025 to 31 March 2026				
Expenditure	Actual	Budgeted	\$ Variation	% Variation
Employee Costs				
Salaries & Wages	\$1,145,198	\$1,295,000	(\$149,802)	-12%
Superannuation	\$136,775	\$161,000	(\$24,225)	-15%
Workers Compensation	\$16,470	\$15,750	\$720	5%
Employee Leave - LSL Accruals	\$23,459	\$25,500	(\$2,041)	-8%
Medical Officer Retainer	\$1,500	\$3,000	(\$1,500)	-50%
Total Employee Costs	\$1,323,401	\$1,500,250	(\$176,849)	-12%
Prescribed Expenses				
Auditing and Accounting	\$15,495	\$17,000	(\$1,505)	-9%
Financial Support Services	\$11,963	\$35,000	(\$23,038)	-66%
Insurance	\$46,973	\$46,750	\$223	0%
Maintenance	\$33,681	\$32,250	\$1,431	4%
Vehicle Leasing/maintenance	\$54,218	\$56,250	(\$2,032)	-4%
Total Prescribed Expenses	\$162,330	\$187,250	(\$24,920)	-13%
Rent and Plant Leasing				
Electricity	\$8,262	\$12,000	(\$3,737)	-31%
Plant Leasing Photocopier	\$1,724	\$1,800	(\$77)	-4%
Rent	\$104,700	\$103,333	\$1,366	1%
Water	\$0	\$225	(\$225)	0%
Gas	\$0	\$2,025	(\$2,025)	0%
Total Rent and Plant Leasing	\$114,686	\$119,383	(\$4,698)	-4%
IT Licensing and Support				
IT Licences	\$50,011	\$48,000	\$2,011	4%
IT Support	\$51,033	\$44,500	\$6,534	15%
Internet	\$5,670	\$4,500	\$1,170	26%
IT Other	\$399	\$1,500	(\$1,101)	-73%
Total IT Licensing and Support	\$107,113	\$98,500	\$8,613	9%
Administration				
Administration Sundry	\$13,248	\$7,500	\$5,748	77%
Accreditation Fees	\$714	\$2,667	(\$1,953)	-73%
Governance Expenses	\$7,819	\$9,000	(\$1,181)	-13%
Bank Charges	\$1,059	\$3,000	(\$1,941)	-65%
Public Health Sundry	\$1,328	\$3,750	(\$2,422)	-65%
Fringe Benefits Tax	\$16,830	\$12,000	\$4,830	40%
Health Promotion	\$8,417	\$9,000	(\$583)	-6%
Legal	\$11,299	\$15,000	(\$3,701)	-25%
Printing & Stationery & Postage	\$19,514	\$18,000	\$1,514	8%
Telephone	\$10,811	\$12,750	(\$1,939)	-15%
Work Health & Safety	\$8,584	\$13,500	(\$4,916)	-36%
Staff Amenities	\$1,201	\$3,750	(\$2,549)	-68%
Staff Training	\$13,416	\$16,250	(\$2,834)	-17%
Human Resource Sundry	\$6,661	\$10,500	(\$3,839)	-37%
Total Administration	\$120,902	\$136,667	(\$15,765)	-12%

Eastern Health Authority - Financial Statement (Level 3)				
1 July 2025 to 31 March 2026				
Immunisation				
Immunisation Consumables	\$6,905	\$9,000	(\$2,095)	-23%
Immunisation Clinic Vaccines	\$43,965	\$41,250	\$2,715	7%
Immunisation Worksite Vaccines	\$23,250	\$25,000	(\$1,750)	-7%
Total Immunisation	\$74,120	\$75,250	(\$1,130)	-2%
Income Protection	\$0	\$0	\$0	0%
Total Uniforms/Income protection	\$0	\$0	\$0	0%
Sampling				
Legionella Testing	\$1,710	\$1,500	\$210	14%
Total Sampling	\$1,710	\$1,500	\$210	14%
Total Materials, contracts and other expenses	\$1,904,262	\$2,118,800	(\$214,538)	-10%
Total Operating Expenditure	\$1,904,262	\$2,118,800	(\$214,538)	-10%
Total Operating Income	\$2,692,768	\$2,752,125	(\$59,357)	-2%
Operating Result	\$788,506	\$633,325	\$155,181	25%

EASTERN HEALTH AUTHORITY STATEMENT OF COMPREHENSIVE INCOME						
FOR THE YEAR ENDING 30 June 2026						
AUDITED RESULT 2024/2025		ADOPTED BUDGET 2025/2026	SEPTEMBER REVIEW	DECEMBER REVIEW	MARCH REVIEW	REVISED BUDGET 2025/2026
	INCOME					
2,094,100	Council Contributions	2,201,000	-	-	-	2,201,000
164,917	Statutory Charges	191,400	-	-	-	191,400
338,543	User Charges	390,000	-	-	-	390,000
248,910	Grants, subsidies and contributions	259,000	-	-	-	259,000
52,777	Investment Income	45,000	-	-	-	45,000
20,971	Other Income	7,000	-	-	-	7,000
2,920,218	TOTAL INCOME	3,093,400	-	-	-	3,093,400
	EXPENSES					
1,823,552	Employee Costs	2,196,000	-	(85,000)	-	2,111,000
649,271	Materials, contracts and other expenses	849,400	-	85,000	-	934,400
64,887	Finance Charges	-	-	-	-	-
183,012	Depreciation	48,000	-	-	-	48,000
2,720,722	TOTAL EXPENSES	3,093,400	-	-	-	3,093,400
199,496	Operating Surplus/(Deficit)	-	-	-	-	-
(7,604)	Net gain (loss) on disposal of assets	-	-	-	-	-
191,892	Net Surplus/(Deficit)	-	-	-	-	-
191,892	Total Comprehensive Income	-	-	-	-	-

EASTERN HEALTH AUTHORITY STATEMENT OF CASH FLOWS						
FOR THE YEAR ENDING 30 June 2026						
AUDITED RESULT 2024/2025		ADOPTED BUDGET 2025/2026	SEPTEMBER REVIEW	DECEMBER REVIEW	MARCH REVIEW	REVISED BUDGET 2023/2024
	CASHFLOWS FROM OPERATING ACTIVITIES					
	Receipts					
	Council Contributions	2,201,000	-	-	-	2,201,000
2,282,569	Fees & other charges	191,400	-	-	-	191,400
164,917	User Charges	390,000	-	-	-	390,000
384,115	Investment Receipts	45,000	-	-	-	45,000
52,357	Grants utilised for operating purposes	259,000	-	-	-	259,000
248,910	Other	7,000	-	-	-	7,000
521	Payments					
	Employee costs	(2,196,000)		85,000	-	(2,111,000)
(1,923,959)	Materials, contracts & other expenses	(849,400)		(85,000)	-	(934,400)
(844,973)	Finance Payments	-	-	-	-	-
296,984	Net Cash Provided/(Used) by Operating Activities	48,000	-	-	-	48,000
	CASH FLOWS FROM FINANCING ACTIVITIES					
-	Loans Received	-	-	-	-	-
-	Repayment of Borrowings	-	-	-	-	-
(113,513)	Repayment of Finance Lease Liabilities	-	-	-	-	-
(113,513)	Net Cash Provided/(Used) by Financing Activities	-	-	-	-	-
	CASH FLOWS FROM INVESTING ACTIVITIES					
-	Receipts					
-	Sale of Replaced Assets	-	-	-	-	-
-	Payments					
(24,609)	Expenditure on renewal / replacements of assets	-	-	(25,000)	-	(25,000)
-	Expenditure on new / upgraded assets	-	-	-	-	-
-	Distributions paid to constituent Councils	-	-	-	-	-
(24,609)	Net Cash Provided/(Used) by Investing Activities	-	-	(25,000)	-	(25,000)
158,862	NET INCREASE (DECREASE) IN CASH HELD	48,000	-	(25,000)	-	23,000
954,882	CASH AND CASH EQUIVALENTS AT BEGINNING OF REPORTING PERIOD	1,002,882	110,863	-	-	1,113,745
1,113,744	CASH AND CASH EQUIVALENTS AT END OF REPORTING PERIOD	1,050,882	110,863	(25,000)	-	1,111,745

EASTERN HEALTH AUTHORITY STATEMENT OF FINANCIAL POSITION						
FOR THE YEAR ENDING 30 June 2026						
AUDITED RESULT 2024/2025		ADOPTED BUDGET 2025/2026	SEPTEMBER REVIEW	DECEMBER REVIEW	MARCH REVIEW	REVISED BUDGET 2023/2024
	CURRENT ASSETS					
1,113,744	Cash and Cash Equivalents	1,050,882	110,863	(25,000)	-	1,136,745
146,035	Trade & Other Receivables	187,908	(41,873)	-	-	146,035
1,259,779	TOTAL CURRENT ASSETS	1,238,790	68,990	(25,000)	-	1,282,780
	NON-CURRENT ASSETS					
1,244,915	Infrastructure, property, plant and equipment	903,746	293,169	25,000	-	1,221,915
1,244,915	TOTAL NON-CURRENT ASSETS	903,746	293,169	25,000	-	1,221,915
2,504,694	TOTAL ASSETS	2,142,536	362,159	-	-	2,504,695
	CURRENT LIABILITIES					
80,132	Trade & Other Payables	198,870	(118,738)	-	-	80,132
285,472	Provisions	289,788	(4,316)	-	-	285,472
126,237	Borrowings	139,565	(13,328)	-	-	126,237
491,841	TOTAL CURRENT LIABILITIES	628,223	(136,382)	-	-	491,841
	NON-CURRENT LIABILITIES					
28,687	Provisions	33,030	(4,343)	-	-	28,687
1,093,202	Borrowings	782,210	310,992	-	-	1,093,202
1,121,889	TOTAL NON-CURRENT LIABILITIES	815,240	306,649	-	-	1,121,889
1,613,730	TOTAL LIABILITIES	1,443,463	170,267	-	-	1,613,730
767,938	NET CURRENT ASSETS/(CURRENT LIABILITIES)	610,567	205,372	(25,000)	-	790,939
890,964	NET ASSETS	699,073	191,892	-	-	890,965
	EQUITY					
890,964	Accumulated Surplus/(Deficit)	699,073	191,892	-	-	890,965
890,964	TOTAL EQUITY	699,073	191,892	-	-	890,965

EASTERN HEALTH AUTHORITY STATEMENT OF CHANGES IN EQUITY						
FOR THE YEAR ENDING 30 June 2026						
AUDITED RESULT 2024/2025		ADOPTED BUDGET 2025/2026	SEPTEMBER REVIEW	DECEMBER REVIEW	MARCH REVIEW	REVISED BUDGET 2023/2024
	ACCUMULATED SURPLUS					
699,073	Balance at beginning of period	699,073	191,892		-	890,965
191,892	Net Surplus/(Deficit)	-	-	-	-	-
890,965	BALANCE AT END OF PERIOD	699,073	191,892	-	-	890,965
	TOTAL EQUITY					
699,073	Balance at beginning of period	699,073	191,892	-	-	890,965
191,892	Net Surplus/(Deficit)	-	-	-	-	-
890,965	BALANCE AT END OF PERIOD	699,073	191,892	-	-	890,965

7.4 REVIEW OF EASTERN HEALTH AUTHORITY INTERNAL CONTROLS REGISTER

Author: Michael Livori
Ref: AF17/82

Summary

The Eastern Health Authority (EHA) Internal Controls Register has been reviewed and an amended document is presented for consideration, comment and endorsement.

Report

The Internal Controls Register is a generic financial procedure's manual specifically designed for smaller organisations such as EHA. The generic procedures detailed in the manual clearly document the actions required to address identified risks and who is the responsible officer.

The document has now been reviewed and some minor amendments have been made. These amendments are marked in red within the document for ease of reference and a copy is provided as attachment 1 for your consideration.

A summary of changes are detailed below:

Minor adjustment to the reporting responsibilities.

Minor adjustments to the "Procedures" and "Actions Required" sections to align with updated procedural practices and documents.

RECOMMENDATION

That:

1. The report regarding the Review of Eastern Health Authority Internal Controls Register is received.
2. The Internal Controls Register is endorsed.

Background

Hi Everyone! As you are all aware we decided to take up the challenge of creating a generic procedures manual and hope that it will be of assistance to you in relation to the internal control's opinion. We understand that many Authority's have taken up the Deloitte Control Track software, however, as you may or may not be aware, Control Track only assesses what people think they are doing to address a risk rather than what is actually done in practice. In order to get an unqualified internal control's opinion, documented processes are required which auditors can audit against (i.e. a framework) with supporting evidence to back this up. We believe that having generic procedures which clearly document the action to address a risk and identifies the responsible officer will be advantageous for every Authority.

Instructions

Where there is a yellow coloured cell is basically where information is required. Beginning with the 'input' tab, you will need to type in the Authority's name, the relevant responsible officer's name and their position title. Please note that the date is automatically updated every time the sheet is accessed. Next, work through each individual process and assign the responsible officer who performs the action that addresses the risk.

You will also notice a commentary box for each procedure. Use this box wisely as we believe this is perhaps the most important part of the document. Why you may be asking? Well basically it's all about the evidence. If there is no evidence to show what you say you're doing is actually happening, then it's very hard for the auditors to believe that the control was effective for the whole of the year. For example, if the bank reconciliation is reconciled on a monthly basis and is independently reviewed by management, we suggest that the commentary box can reference the sign off page by management.

When responsible officers take leave, the manual can also act as a reference tool of the necessary actions to take to ensure ongoing control effectiveness. Also, if a responsible officer was to leave the Authority, then the manual can simply be updated with the new staff name. Please note that it is not just a matter of updating the responsible officer in the input sheet as you will also need to go through the document to update the selection throughout. This, at a glance, may seem like a tedious process but we believe that this serves as a great induction tool to ensure that the new responsible officer understands their internal control roles.

Reporting

We suggest that only one copy of this template should be maintained. A PDF copy should be used for reference by staff and auditors.

Require further assistance?

Feel free to contact us for further assistance. We will provide fixed price quotes for any assistance that may be required. If other Authorities would like to use this tool we would appreciate it if you could ask them to contact us directly. That way we can keep track of its use in the event of any further enhancements.

Feedback

We value your opinion and would appreciate some feedback on what you think about this generic procedures manual or how we can improve it. Thank you!

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Eastern Health Authority

Last updated:

~~25/07/2025~~ 27/04/2026

Staff Name

Amanda Fahey

Michael Livori	Chief Executive Officer
Amanda Fahey	Manager - Administration and Compliance
Creative Auditing	Financial Consultant
Imogen Hall	Administration Officer
Receipting Staff	Receipting Staff
Nadia Conci	Manager- Environmental Health & Immunisation
Dianne Harvey (MyBiz Connections)	Financial Consultant
EHO Staff	
[Staff name]	[Position title]
[Staff name]	[Position title]
[Staff name]	[Position title]
[Staff name]	[Position title]
[Staff name]	[Position title]



Internal Controls Register

Contents

1	Introduction
	<u>Strategic Financial Planning</u>
2	Annual business plan and budget
3	Management reporting
4	Ledgers and journals
	<u>Assets</u>
5	Fixed assets
	<u>Revenue</u>
6	Debtors other than rates
7	Receipting
	<u>Expenses</u>
8	Payroll
9	Purchases and payments

Introduction

1. Internal Control System

The Institute of Internal Auditors describes internal controls as “any action taken by management, the board, and other parties to manage risk and increase the likelihood that established objectives and goals will be achieved”. EHA's internal control system consists of procedures, policies, and practices implemented to manage areas of highest risk to the organisation, including to safeguard assets, ensure accuracy in financial reporting, promote operational efficiency, and comply with laws and regulations.

EHA's Internal Controls Register documents these procedures, policies, and practices in the following key areas:

Strategic Financial Planning

Assets

Revenues

Expenses

2. Legislative Framework

The Local Government Act 1999 is the key legislation governing EHA's operations. When designing and implementing the internal controls within this register, only those provisions applicable to EHA have been considered (refer to the LGA Finance Provisions tab for details).

3. Assurance Activities

EHA has several independent processes in place to ensure its internal control system is implemented and operating effectively, this includes:

External Audit – Review internal controls and conduct independent testing (as required) to minimise the likelihood of material errors in the financial reports and fraud.

Local Government Association Mutual Liability Scheme (LGAMLS) – Review the system in place to manage the worker health and safety.

If required, EHA also engage subject matter experts to provide independent guidance or advice on specific areas of risk, for example, legal or IT security.

2.0 Annual business plan and budget

2.1 Objective

That the annual business plan and budget reflects EHA's strategic objectives.

2.2	Risks:		Procedure:	Action	Name	Position Title	Commentary and/or Actions Required including Due Date (if applicable)	
	1	Annual business plan and budget does not reflect strategic objectives.	a	The Chief Executive Officer ensures that there is a robust and rigorous process to establish the annual business plan and budget to ensure that they are consistent with the objectives of the Regional Public Health Plan Strategic Plan Towards 2033 .	Approved by:	Michael Livori	Chief Executive Officer	A workshop is held each year in March with the Board of Management members. The CEO presents a powerpoint presentation which is provided to inform the Board of Management and Audit Committee of the process and timeline for the preparation and adoption of the Annual Business Plan and Budget for the relevant year. Opportunities are provided to the Board Members and Constituent Councils to provide feedback on the current service delivery and draft Plan and Budget.
	2	Unrealistic budgets.	a	The department managers are to base their budgets on realistic and achievable assumptions.	Generated by:	Michael Livori	Chief Executive Officer	Assumptions included in the EHA Annual Business Plan.
			b	The department managers are to approve relevant budgets.	Approved by:	Michael Livori	Chief Executive Officer	The Draft Annual Business Plan and Budget is thoroughly reviewed by Managers and CEO prior to presenting to the Board of Management.
			c	The department managers ensure that budgets are amended, compared to the previous year, to take into account significant changes in operations.	Reviewed by:	Michael Livori	Chief Executive Officer	Each review period any variances in budget vs actual is thoroughly investigated and budget reviews if required by CEO.
			d	All amendments to budgets are approved per the Local Government Act	Approved by:	Michael Livori	Chief Executive Officer	Approved by Board of Management and Constituent Councils
	3	Budgets are inaccurately reported.	a	Original and revised budgets reconciled to the data in the financial system for accuracy by appropriate level of managements; identified variances are investigated.	Reconciled by:	Michael Livori	Chief Executive Officer	Reconciled to Accounting system once Budget Variations adopted by the Board of Management
			b	The first, second, third quarterly and end of previous financial year's budget reviews are prepared, considered by the Board of Management and tabled in accordance with Schedule 2 of the Act.	Prepared by:	Michael Livori	Chief Executive Officer	Any changes to the financials that arise as a result of these reviews are then actioned in MYOB Accounting Software
			c	Budget information is loaded at the activity level. Where practicable, the budget is timed over the twelve months.	Input by:	Michael Livori	Chief Executive Officer	Actioned in MYOB Accounting Software with assistance from Imogen Hall
			d	Access to budget information is restricted to appropriately authorised personnel.	Checked by:	Michael Livori	Chief Executive Officer	Security Settings set by Administrator of MYOB to limits placed depending on functions required of staff.

2.0 Annual business plan and budget

2.1 Objective

That the annual business plan and budget reflects EHA's strategic objectives.

2.2	Risks:		Procedure:	Action	Name	Position Title	Commentary and/or Actions Required including Due Date (if applicable)
		e	Managers are trained to understand and are held accountable for their budgets.	Reviewed by:	Michael Livori	Chief Executive Officer	Consultation and discussions throughout the preparation and adoption process of the Annual Business Plan and Budget. Manager, Admin / Compliance to work with Manager, Environmental Health /Immunisation. to train and balance access for accounting process each EOM.

3.0 Management reporting

3.1 Objective

EHA's financial operations are reviewed and responded to appropriately.

3.2	Risks:			Procedure:	Action	Name	Position Title	Commentary and/or Actions Required including Due Date (if applicable)	
1	EHA's financial operations are not reviewed and responded to appropriately.	a		Department managers are clearly informed of their duties and responsibilities in relation to reporting.	Informed by:	Michael Livori	Chief Executive Officer	Managers have areas of responsibility in their Position Descriptions. and tasks in Work Plans	
			b		Reviewing roles and responsibilities are designated in accordance with Delegations of Authority.	Approved by:	Michael Livori	Chief Executive Officer	Delegations review to Board of Management
			c		A reporting timetable is developed to ensure the appropriate reports are produced, reviewed and tabled in accordance with Schedule 2 of the Act and the EHA Charter.	Developed by:	Amanda Fahey	Manager - Administration and Compliance	A timetable is prepared for End of Financial Year Timeline and distributed to the Accountant and Auditors of EHA to ensure compliance with deadlines. The annual timetable is to be drafted and distributed in April prior to preparation for End of Financial Year.
			d		The timetable (as mentioned above) is checked to ensure that management is reviewing the appropriate information on a regular and timely basis.	Checked by:	Amanda Fahey	Manager - Administration and Compliance	Agenda item noted on Fortnightly Management Meeting as EOFY timing & Audit Review. In addition the EOM timeline Monthly working calendar and checklist has also been developed to ensure all financial requirements are met Monthly, Quarterly and Annually. Financial Management Regulations are noted within Schedule 2 of the Act and the EHA Charter.

4.0 **Ledgers and Journals**

4.1 **Objective**

The monitoring and maintenance of EHA's general ledger. Checking that all control accounts are reconciled and the ledger balances to nil every month. Preparing journal entries as required. Creating, re-naming and deleting accounts (masterfile amendments). Preparing general ledger reports.

4.2	Risks:			Procedure:	Action	Name	Position Title	Commentary and/or Actions Required including Due Date (if applicable)
	1	General ledger does not contain accurate financial information as a result of inaccurate journals which are not detected in routine review processes.	a	When a new account is created in the Chart of accounts it is checked for input accuracy.	Checked by:	Imogen Hall	Administration Officer	Form has been developed to authorise all new account numbers and/or changes made to existing account numbers in MYOB. Form to be signed by CEO.
			b	Access in MYOB for transaction input or masterfile amendment is limited.	Processed by:	Imogen Hall	Administration Officer	Security is monitored in MYOB setup and access to General Journal area is restricted per USER access.
			c	Transaction processing is checked for accuracy. Errors are corrected by a further journal or masterfile amendment.	Checked by:	Amanda Fahey	Manager - Administration and Compliance	Monthly reconciliation of cash accounts by Administration Officer and Manager - Administration and Compliance as per the EOM process. All financial reports to be signed off by CEO.
			d	The audit trail is verified to source documentation.	Verified by:	Creative Auditing	Financial Consultant	Document any audit trail verification.

4.0 **Ledgers and Journals**

4.1 **Objective**

The monitoring and maintenance of EHA's general ledger. Checking that all control accounts are reconciled and the ledger balances to nil every month. Preparing journal entries as required. Creating, re-naming and deleting accounts (masterfile amendments). Preparing general ledger reports.

4.2	Risks:		Procedure:	Action	Name	Position Title	Commentary and/or Actions Required including Due Date (if applicable)
		e	All authorisation of journals is controlled by MYOB user role profiles which prevent unauthorised journals being created or posted by inappropriate personnel.	Approved by:	Michael Livori	Chief Executive Officer	Register of MYOB users and access has been created and is kept in records management system.
		f	General ledger reconciliations (including control and clearing accounts) are prepared on a monthly basis; all reconciliations are independently reviewed through the EOFY external audit process.	Reviewed by:	Imogen Hall	Administration Officer	EOM checklist with P&L review listed initiatives a General Ledger review, including controllable and clearing accounts with Administration Officer and Manager - Administration & Compliance . External Audit is conducted at EOFY.
		g	Some supporting documentation is electronically stored, and in the case of uploaded journals the file used to upload the transactions contains additional information regarding reason and or/description.	Stored by:	Creative Auditing	Financial Consultant	As processed in MYOB accounting system.

4.0 **Ledgers and Journals**4.1 **Objective**

The monitoring and maintenance of EHA's general ledger. Checking that all control accounts are reconciled and the ledger balances to nil every month. Preparing journal entries as required. Creating, re-naming and deleting accounts (masterfile amendments). Preparing general ledger reports.

4.2	Risks:		Procedure:	Action	Name	Position Title	Commentary and/or Actions Required including Due Date (if applicable)
	2	Data contained within the general ledger (and subsidiary records) is permanently lost.	a	Formal IT disaster recovery plan adopted by EHA including the off-site backup of data, program and documentation.	Approved by: Michael Livori	Chief Executive Officer	IT Disaster Recovery Plan tested February 2026.
			b	All updates and changes to data tables are authorised, tested and documented.	Checked by: Michael Livori	Chief Executive Officer	
			c	Access to the computerised general ledger is controlled by the user and role profiles within the system.	Approved by: Michael Livori	Chief Executive Officer	Document any review of system reports detailing user role and profiles.
	3	EHA's statutory reports and other statutory returns provide inaccurate financial information and do not comply with statutory reporting requirements.	a	Relevant personnel responsible for preparing statutory reports are provided regular training to keep abreast of changes to reporting requirements.	Prepared by: Creative Auditing	Financial Consultant	
			b	Financial reports prepared by suitably qualified staff.	Checked by: Creative Auditing	Financial Consultant	
			c	Regular liaison with external auditor.	Liaison by: Michael Livori	Chief Executive Officer	Accountant and Auditor have online access to MYOB Accounting Software.
			d	Actual results are compared to budget regularly; management reviews and investigates significant variances.	Compared by: Michael Livori	Chief Executive Officer	Quarterly budget reviews presented to the Board of Management for adoption.
			e	Appropriate working papers are prepared and reviewed to support the financial statement balances during the statement preparation process.	Reviewed by: Creative Auditing	Financial Consultant	All working papers are scanned into electronic records management system.

5.0 Fixed Assets

5.1 Objective

That an adequate record is kept of all EHA assets and the record is kept up to date.

5.2	Risks:		Procedure:	Action	Name	Position Title	Commentary and/or Actions Required including Due Date (if applicable)
1	Fixed asset acquisitions are fictitious, inaccurately recorded or not recorded at all.	a	The recording of an asset needs to be authorised.	Approved by:	Michael Livori	Chief Executive Officer	All purchases authorised by CEO prior to payment. On receipt of goods, asset is entered into the Accounting System.
		b	A check is made that all assets that should be recorded are recorded.	Checked by:	Creative Auditing	Financial Consultant	Regular updates to the EHA Asset Register and internal asset listing are completed by Administration Officer. Financial Consultant conducts checks twice a year at interim and balance day audit.
		c	A check is made that payroll is appropriately costed.	Checked by:	Michael Livori	Chief Executive Officer	Payroll expenses are tracked as part of the EOM process, this includes updating of YTD salaries report which also costs out against yearly budget. "Actual" hours and staff allocations are recorded against budgeted numbers to track costings for future forecasting.
		d	Fixed assets are recorded.	Recorded by:	Imogen Hall	Administration Officer	EHA Asset Register updated as required and reconciled quarterly monthly and at the end of the financial year.
		e	Errors are fixed by a general or asset sub-system journal.	Processed by:	Creative Auditing	Financial Consultant	Journals are created at the end of the financial year, unless identified earlier.
		f	Asset registers are updated and reconciled to the general ledger on a regular basis.	Reconciled by:	Creative Auditing	Financial Consultant	Last reconciled 30/06/2025.
		g	Activity recorded in fixed asset register is reviewed by management and compared to the capital budget.	Reviewed by:	Creative Auditing	Financial Consultant	Each qtr budget review the fixed asset register is compared against the capital budget as a check point.
2	Fixed assets are not valued correctly.	a	Periodic revaluations are carried out (in the order of every 3 to 5 years) and carrying amounts are reviewed annually to ensure they remain fairly stated.	Requested by:	Michael Livori	Chief Executive Officer	Valuation completed in Q1 2025/26.
		b	Management reviews depreciation rates and methodology annually to ensure that methods used to depreciate fixed assets are still appropriate in accordance with the asset impairment and asset revaluation policies.	Reviewed by:	Creative Auditing	Financial Consultant	Depreciation review is done annually in consultation with Accountant at each development of Annual Business Plan and Budget.

5.0 Fixed Assets

5.1 Objective

That an adequate record is kept of all EHA assets and the record is kept up to date.

5.2	Risks:			Procedure:	Action	Name	Position Title	Commentary and/or Actions Required including Due Date (if applicable)
	3	Depreciation charges are either invalid, not recorded at all or are inaccurately recorded.	a	Management reviews depreciation rates and methodology annually to ensure that methods used to depreciate fixed assets are still appropriate in accordance with the asset impairment and asset revaluation policies.	Reviewed by:	Creative Auditing	Financial Consultant	Agenda item on the timetable for End of Financial Year Timeline to ensure depreciation of fixed assets for year end is correct.

6.0 Debtors other than rates

6.1 Objective

The raising, monitoring and collection of debtors other than rates.

6.2	Risks:		Procedure:	Action	Name	Position Title	Commentary and/or Actions Required including Due Date (if applicable)
1	Debtors invoices and credit notes are either inaccurately recorded or not recorded at all.	a	An invoice is requested to be raised.	Requested by:	Imogen Hall	Administration officer	Administration Officer to raise invoice upon receipt of request. Pro-forma request for invoice is regularly reviewed when required in line with price variations.
		b	Debtors input is posted. Incorrect input can be amended.	Input by:	Imogen Hall	Administration officer	
		c	Invoices raised are reviewed for completeness and accuracy.	Reviewed by:	Imogen Hall	Administration Officer	Invoices are crossed checked prior to being emailed.
		d	Statements of accounts receivable are emailed to debtors	Prepared by:	Imogen Hall	Administration officer	Monthly follow up plan as per Debt Collection Standard Operating Procedure.
		e	Errors discovered after an invoice is raised are corrected by processing a 'debtors journal'.	Processed by:	Imogen Hall	Administration Officer	Any errors identified are submitted by the Administration Officer to the Manager, Administration and Compliance for correction approval. Evidence of error retained and filed in Records Management System as per processed in MYOB.
		f	A copy of the debtor's invoices is retained.	Retained by:	Imogen Hall	Administration Officer	Recorded in MYOB Accounting Software.
		g	Payments are received via the receipting system.	Receipted by:	Imogen Hall	Administration Officer	Payment method is recorded in the accounting system (MYOB) including cheque numbers or electronic payment details.
		h	Debtors outstanding are reconciled to the general ledger control accounts on a monthly basis.	Reconciled by:	Creative Auditing	Financial Consultant	Evidence of end of year reconciliation retained and filed in EHA's Records Management System. Monthly debtors reports are maintained by Administration Officer.
		i	Audit trails and reconciliations are independently reviewed.	Reviewed by:	Creative Auditing	Financial Consultant	Creative Auditing has online access to the MYOB file.

6.0 Debtors other than rates

6.1 Objective

The raising, monitoring and collection of debtors other than rates.

6.2	Risks:		Procedure:	Action	Name	Position Title	Commentary and/or Actions Required including Due Date (if applicable)
		j	Debtors and revenue are compared to budget regularly and significant variances investigated.	Investigated by:	Michael Livori	Chief Executive Officer	Monthly debtors report is balanced to the GL account as part of EOM process. Outstanding debtors and all variances are followed up monthly weekly per the reporting process.
		k	Credit notes are processed independently of the debtors processing function.	Processed by:	Imogen Hall	Administration Officer	Credits are processed by Administration Officer following evidence provided to the Chief Executive Officer. Evidence of credit retained in Content Manager as per processed in MYOB. If amount of credit required is minimal, this can be held in account for next inspection.
2	An appropriate provision for doubtful debts is not recorded accurately.	a	Management reviews the provision for doubtful debts on a regular basis.	Reviewed by:	Michael Livori	Chief Executive Officer	Pro-forma form completed for any doubtful debt. Authorised by Manager and CEO. EOFY provision for doubtful debt is to be finalised by May of the current financial year.
		b	Management reviews the debtors ageing profile on a regular basis and investigates any outstanding items.	Reviewed by:	Amanda Fahey	Manager - Administration and Compliance	If an issue with a debtor is identified and unable to be resolved by the Administration Officer, it is submitted to CEO for review. as-an-agenda-item-on-the-Management-Meeting-resolution.
		c	Debtors and revenue are to be compared by management to the budget regularly significant variances are investigated.	Reviewed by:	Michael Livori	Chief Executive Officer	
		d	Management is to approve all bad debt write-offs and movements in the provision for doubtful debts, in line with the Debt Collection Policy.	Approved by:	Michael Livori	Chief Executive Officer	Refer to EHA's Debt Collection Policy. Debts will be written off when all reasonable attempts to recover outstanding amounts have been made or the costs of recovery are likely to equal or exceed the amount to be recovered.

7.0 Receipting

7.1 Objective

Accountability of monies due to EHA.

7.2 Risks:			Procedure:	Action	Name	Position Title	Commentary and/or Actions Required including Due Date (if applicable)
1	Cash float is inadequately safeguarded	a	The cash float is stored in secured facilities.	Stored by:	Imogen Hall	Administration Officer	Stored in locked cupboard in reception.
		b	Access (i.e. passwords or keys) to the cash float safes/registers is limited to appropriately designated staff.	Limited to:	Imogen Hall	Administration Officer	Keys are stored separately. All administration staff have access to tin for clinic purposes.
		c	A register for cash floats is maintained.	Maintained by:	Imogen Hall	Administration Officer	\$200 float. Cash Register is reconciled at the beginning and end of every clinic. Admin staff rostered onto clinic sign to verify reconciliation has been completed.
		d	The cash float is reconciled on a regular basis and these reconciliations are reviewed by the and Administration Officer & Manager - Administration & Compliance	Reconciled by:	Receipting Staff	Receipting Staff	Cash Register is reconciled at the beginning and end of every clinic.
Reviewed by:	Imogen Hall			Administration Officer	Any discrepancies are picked up when processing the bank statement reconciliation.		
2	Receipts are either inaccurately recorded or not recorded at all	a	Receipts are recorded. Service users/customers are provided with a copy of the receipt on request and total weekly receipts (per register) are balanced to receipts deposited at bank.	Performed by:	Imogen Hall	Administration Officer	Current banking received is minimal, therefore this task is completed as part of the EOM processes. Evidence of weekly balancing of receipts retained. MYOB is reconciled to both the cash float and deposits recorded.

7.0 Receipting

7.1 Objective

Accountability of monies due to EHA.

7.2	Risks:		Procedure:	Action	Name	Position Title	Commentary and/or Actions Required including Due Date (if applicable)	
			b	Bank statements are reconciled to the general ledger monthly.	Reconciled by:	Imogen Hall	Administration Officer	Monthly reconciliation documented and signed by Manager - Administration and Compliance and CEO.
	3	Receipts are not deposited at the bank on a timely basis.	a	Cash receipts are deposited regularly at the bank by a person independent from the initial recording of the cash receipts.	Deposited by:	Imogen Hall	Administration Officer	Banking completed as required. Unless, funds received are minimal it is then completed as part of the EOM requirements.
			b	Cash is physically transferred to the bank in a secure manner.	Transferred by:	Imogen Hall	Administration Officer	
	4	Offsite collection of monies is not handled correctly.	a	Receipts are provided for monies received where requested.	Provided by:	Imogen Hall	Administration Officer	
			b	Cash floats are reconciled on a regular basis and these reconciliations are signed by the Chief Executive Officer.	Reviewed by:	Imogen Hall	Administration Officer	Cash Register is reconciled at the beginning and end of every clinic. Spot checks to be completed by both Manager - Administration & Compliance and CEO.

8.0 Payroll

8.1 Objective

Preparation of payroll for EHA staff. Staff are paid fortnightly by direct bank credit. Tasks include, leave recording, superannuation payments, and workers compensation claims.

8.2	Risks:		Procedure:	Action	Name	Position Title	Commentary and/or Actions Required including Due Date (if applicable)
1	Employee provisions are either inaccurately recorded or not recorded at all.	a	i	Staff requests for leave require approval.	Approved by:	Michael Livori	Chief Executive Officer Refer to EHA's Template of Leave Application Form.
			ii	Taken leave is recorded independent from the approval.	Recorded by:	Imogen Hall	Administration Officer Leave taken is recorded in MYOB as part of the fortnightly Payroll process. Leave forms are filed in the records management system under the employees personnel file.
		b	The methodology used to calculate salary sacrifice calculations and employee provisions to ensure consistency with statutory reporting requirements is reviewed.	Reviewed by:	Dianne Harvey (MyBiz Connections)	Financial Consultant All calculations are authorised by CEO prior to adjustment in pay and reviewed.	
		c	Employee provisions are reviewed on a regular basis.	Reviewed by:	Creative Auditing	Financial Consultant Creative Auditing has access to the online MYOB file.	
		d	Actual employee costs and employee provisions are compared to budget on a regular basis and significant variances investigated.	Performed by:	Michael Livori	Chief Executive Officer Payroll expenses are tracked as part of EOM process, this includes updating of YTD salaries report which also costs out against yearly budget.	
		e	Access to payroll/provision masterfiles is restricted to designated and qualified staff.	Accessible by:	Michael Livori	Chief Executive Officer Access to payroll in MYOB restricted to Finance Administration Officer and Senior Management team.	

8.0 Payroll

8.1 **Objective**

Preparation of payroll for EHA staff. Staff are paid fortnightly by direct bank credit. Tasks include, leave recording, superannuation payments, and workers compensation claims.

8.2	Risks:		Procedure:	Action	Name	Position Title	Commentary and/or Actions Required including Due Date (if applicable)	
	2 Payroll calculations are inaccurate	a	i Timesheets are checked.	Checked by:	Departmental Managers		Relevant Managers responsible for checking Timebooks and Flexitime system.	
			ii Timesheets are authorised.	Authorised by:	Departmental Managers		Relevant Managers responsible for checking Timebooks and Flexitime system.	
			iii Timesheet are checked for logic, additions and input codes are added.	Checked by:	Departmental Managers		Relevant Managers responsible for checking Timebooks and Flexitime system.	
			b	Leave applications entitlements are checked.	Checked by:	Imogen Hall	Administration Officer	Calculations prepared are recorded and saved into Personnel masterfiles in MYOB.
			c	Overtime applications are checked and authorised.	Authorised by:	Michael Livori	Chief Executive Officer	Overtime forms prepared are recorded and saved Personnel masterfiles in MYOB.
			d	i Masterfile changes are authorised.	Authorised by:	Michael Livori	Chief Executive Officer	CEO to authorise changes to Personnel masterfiles in MYOB.
				ii Masterfile changes are independently checked for correct input.	Checked by:	Michael Livori	Chief Executive Officer	Evidence of independent review of masterfile changes as per fortnightly pay cycle authorisation from CEO.

8.0 Payroll

8.1 **Objective**

Preparation of payroll for EHA staff. Staff are paid fortnightly by direct bank credit. Tasks include, leave recording, superannuation payments, and workers compensation claims.

8.2	Risks:		Procedure:	Action	Name	Position Title	Commentary and/or Actions Required including Due Date (if applicable)	
		e	i	Errors in a timesheet require the submission of an amended sheet.	Checked by:	Dianne Harvey (MyBiz Connections)	Financial Consultant	
			ii	Other input errors are corrected during pay preparation or in a subsequent pay	Input by:	Dianne Harvey (MyBiz Connections)	Financial Consultant	
		f		The update to the general ledger is performed once all pay preparation is complete for a pay period.	Checked by:	Dianne Harvey (MyBiz Connections)	Financial Consultant	
		g		Data input to an incorrect general ledger account number is corrected by a general journal.	Performed by:	Dianne Harvey (MyBiz Connections)	Financial Consultant	Evidence of journal stored in Payroll processed in MYOB.
		h		The payroll software produces various warnings to indicate likely errors.	Reviewed by:	Dianne Harvey (MyBiz Connections)	Financial Consultant	
		i		Actual payroll expense is compared to budget by management; significant variances are investigated and approved by management.	Compared by:	Michael Livori	Chief Executive Officer	Payroll expenses are tracked as part of EOM proces, this includes updatng of YTD salaries report which also costs out against yearly budget. "Actual" hours and staff allocations are recorded against budgeted numbers to track costings for future forecasting.

8.0 Payroll

8.1 **Objective**

Preparation of payroll for EHA staff. Staff are paid fortnightly by direct bank credit. Tasks include, leave recording, superannuation payments, and workers compensation claims.

8.2	Risks:		Procedure:	Action	Name	Position Title	Commentary and/or Actions Required including Due Date (if applicable)
3	Payroll disbursements are made to incorrect or fictitious employees.	a	EFT payroll disbursements involve two people in the approval and transfer process.	1st approval:	Michael Livori	Chief Executive Officer	Note: Manager - Administration and Compliance as alternative.
				2nd approval:	Nadia Conci	Manager-Environmental Health & Immunisation	
		b	The EFT bank payment report is printed and retained.	Performed by:	Imogen Hall	Administration Officer	Scanned into electronic records management system.
		c	Departmental managers perform a regular review of report detailing all employees listed on payroll masterfile; all unusual items are investigated.	Performed by:	Michael Livori	Chief Executive Officer	Prepared by Dianne Harvey (My Biz), Consultant and reviewed by CEO of any changes on master files.

8.0 Payroll

8.1 **Objective**

Preparation of payroll for EHA staff. Staff are paid fortnightly by direct bank credit. Tasks include, leave recording, superannuation payments, and workers compensation claims.

8.2	Risks:		Procedure:	Action	Name	Position Title	Commentary and/or Actions Required including Due Date (if applicable)
4	Time and attendance data is either invalid, inaccurately recorded or not recorded at all.	a	Salary and hourly payroll reports (including compensation and withholding information) are reviewed and approved by management.	Performed by:	Michael Livori	Chief Executive Officer	Relevant Managers are responsible for approval.
		b	Time recording and attendance exceptions based on expectations established by management are identified, monitored and corrected.	Performed by:	Departmental Managers		Relevant Managers are responsible for checking Timebooks and Flexitime system for attendance. Any variations flagged are notified in writing to Finance Administration Officer for accurate payroll processing.
		c	Overtime hours worked and payments for such overtime are authorised by management for all employees who are paid for overtime.	Performed by:	Michael Livori	Chief Executive Officer	Overtime form is completed by employee and authorised by relevant Manager and CEO.
		d	Time by employees is reconciled regularly between timesheets and payroll reports to ensure that all time entered manually into payroll system is accurate.	Reconciled by:	Departmental Managers		Relevant Manager responsible for checking Timebooks and Flexitime system. Evidence of reconciliation.

8.0 Payroll

8.1 **Objective**

Preparation of payroll for EHA staff. Staff are paid fortnightly by direct bank credit. Tasks include, leave recording, superannuation payments, and workers compensation claims.

8.2	Risks:		Procedure:	Action	Name	Position Title	Commentary and/or Actions Required including Due Date (if applicable)
5	Payroll masterfile does not remain pertinent	a	Payroll masterfile data is periodically reviewed for accuracy and pertinence.	Performed by:	Dianne Harvey (MyBiz Connections)	Financial Consultant	Evidence of periodic review.
		b	Departmental managers periodically review listings of current employees within their departments and notify the personnel department of necessary changes.	Performed by:	Departmental Managers		Evidence of periodic review.
		c	Payroll masterfile data is edited and validated. Identified errors are corrected.	Performed by:	Dianne Harvey (MyBiz Connections)	Financial Consultant	Identified errors are documented.
		d	The ability to view, modify, or transfer information contained in the payroll masterfiles is restricted to authorised personnel.	Accessible by:	Dianne Harvey (MyBiz Connections)	Financial Consultant	MYOB security settings in place to prevent unauthorised access.
		e	Variations between payroll masterfiles and time recording system are investigated and appropriate action taken.	Investigated by:	Dianne Harvey (MyBiz Connections)	Financial Consultant	Relevant Managers are responsible for checking Timebooks and Flexitime system for attendance which may cause variances in payroll processing. Any variations flagged are investigated and appropriate action taken.
		f	Significant changes (supported by adequate audit trail) to the payroll masterfiles approved by management	Approved by:	Michael Livori	Chief Executive Officer	Evidence of significant changes approved by management.
6	Voluntary and statutory payroll deductions are	a	The payroll deduction information is periodically reviewed for accuracy and ongoing pertinence.	Reviewed by:	Dianne Harvey (MyBiz Connections)	Financial Consultant	Evidence of deduction information being reviewed.

8.0 Payroll

8.1 Objective

Preparation of payroll for EHA staff. Staff are paid fortnightly by direct bank credit. Tasks include, leave recording, superannuation payments, and workers compensation claims.

8.2	Risks:		Procedure:	Action	Name	Position Title	Commentary and/or Actions Required including Due Date (if applicable)
	inaccurately processed.	b	Changes to the payroll deduction information are compared to authorised source documents to ensure that they were input accurately.	Performed by:	Dianne Harvey (MyBiz Connections)	Financial Consultant	Evidence of comparison undertaken.
		c	Payroll deduction information is periodically reviewed for compliance with statutory requirements.	Performed by:	Dianne Harvey (MyBiz Connections)	Financial Consultant	Evidence of periodic review.
		d	All payroll deductions must be approved by the relevant employee.	Approved by:	Relevant employee		All deductions authorised by Employee in writing and copy kept in Electronic Personnel File
	7	Salary sacrifice transactions are inaccurately processed.	a	All original salary sacrifice transactions must be approved by the relevant employee. Approval is obtained prior to processing transactions into the payroll system.	Approved by:	Relevant employee	All calculations authorised by CEO
			b	Management reviews a selection of salary sacrifice calculations for accuracy and compliance with statutory requirements; identified errors are promptly corrected.	Performed by:	Creative Auditing	Financial Consultant
	8	Pay is not distributed to employees in a timely manner.	a	Procedures to pay staff manually in the event that the electronic bank payment systems are off-line.	Managed by:	Michael Livori Chief Executive Officer	Procedure in place and is part of the Business Continuity Plan Emergency Management Procedures . May require further discussions with banking authority.

9.0 Purchases and payments

9.1 Objective

Operation of a purchasing and payment function for EHA.

9.2	Risks:		Procedure:	Action	Name	Position Title	Commentary and/or Actions Required including Due Date (if applicable)
1	Petty cash is inadequately safeguarded.	a	Petty cash is stored in secured facilities (e.g. safes, registers).		Imogen Hall	Administration Officer	Cash Float is stored in locked cabinet at desk of Administration Officer.
		b	Access (i.e. passwords or keys) to the petty cash safes/registers is limited to appropriately designated staff.		Imogen Hall	Administration Officer	Administration Officer manages all areas of Petty Cash. Keys for petty cash tin are kept in a locked drawer at the desk of Administration Officer, with the spare key held with the Manager, Administration & Compliance
		c	Petty cash is maintained by Finance Administration Officer.		Imogen Hall	Administration Officer	Electronic petty cash records kept. All documents are scanned into electronic records management system.
		d	Petty cash as funds are replenished as they are depleted. Reconciliation occurs as part of EOM process and are reviewed by Chief Executive Officer.	Reviewed by:	Michael Livori	Chief Executive Officer	Reconciliation of petty cash records are completed as part of EOM. All reimbursements completed and approval by Manager's and CEO for EOM reconciliation.
2	Bank payments are either inaccurately recorded or not recorded at all.	a	EHA ensures an appropriate level of authority when advised of account numbers and account number changes for electronic transfers.	Checked by:	Imogen Hall	Administration Officer	Administration Officer will request formal notification in writing of the account changes. This is then authorised by Manager, Administration and Compliance.
		b	Access to the creditor masterfile data is restricted to minimise the likelihood of unauthorised bank account number changes.	Restricted to:	Michael Livori	Chief Executive Officer	MYOB user access has been created with limited restrictions per USER access.

9.0 Purchases and payments

9.1 Objective

Operation of a purchasing and payment function for EHA.

9.2	Risks:		Procedure:	Action	Name	Position Title	Commentary and/or Actions Required including Due Date (if applicable)	
			Access to the electronic banking system requires two appropriately designated personnel.	1st approval:	Michael Livori	Chief Executive Officer	Michael Livori	
				2nd approval:	Nadia Conci	Manager-Environmental Health & Immunisation	Manager- Environmental Health & Immunisation: Nadia Conci Note: Amanda Fahey alternative	
			Bank statements are reviewed frequently so any unauthorised access can be identified in a timely manner (phishing).	Reviewed by:	Imogen Hall	Administration Officer	Weekly reviews of bank statement are performed. Cash flow monitored to identify any variances.	
			Bank reconciliations are performed on a regular basis and are reviewed by an independent person. Any identified discrepancies are investigated immediately.	Performed by:	Imogen Hall	Administration Officer	Bank reconciliations are completed as part of EOM process and this is then authorised by Manager - Administration and Compliance.	
				Reviewed by:	Michael Livori	Chief Executive Officer	Evidence of independent review.	
	3	Accounts payable amounts are either inaccurately recorded or not recorded at all	a	Statements received from suppliers are reconciled to the supplier accounts in the accounts payable sub-ledger regularly and differences are investigated.	Reconciled by:	Imogen Hall	Administration Officer	Administration Officer reconciles and follows up on any invoices required for payment against statement for the relevant month.
			b	Actual expenditures are compared to budget regularly; management reviews and approves significant variances.	Compared by:	Michael Livori	Chief Executive Officer	Expenditure investigated against budget each EOM and review as part of the budget review process. Any variances over \$5k to be explained to the board.
			c	Invoices for services received are authorised and accompanied by appropriate supporting documentation.	Authorised by:	Michael Livori	Chief Executive Officer	Purchase Orders required for purchases over \$1000 as per Procurement Policy.

9.0 Purchases and payments

9.1 Objective

Operation of a purchasing and payment function for EHA.

9.2	Risks:		Procedure:	Action	Name	Position Title	Commentary and/or Actions Required including Due Date (if applicable)
			d	Goods received are matched with purchase order details and/or invoices.	Matched by:	Imogen Hall	Administration Officer Invoices are checked for Goods Received stamp prior to authorisation and payment.
	4	Creditor disbursements are not valid.	a	All disbursements must be approved by management in accordance with Delegations of Authority.	Approved by:	Michael Livori	Chief Executive Officer
			b	Management reviews supporting documentation before approving payments.	Reviewed by:	Michael Livori	Chief Executive Officer Each individual invoice is approved by Chief Executive Officer prior to the payment batch being processed via Bank SA portal.
			c	There is a robust procedure for electronic funds transfer payments to reduce the likelihood of monies being credited to the wrong bank accounts.	Processed by:	Imogen Hall	Administration Officer Advices of bank accounts filed in EHA's Records Management System.
	5	Accounts payable are not paid on a timely basis	a	Invoice authorisation is obtained in a timely manner (2 days prior to payment).	Approved by:	Michael Livori	Chief Executive Officer Account Payments processed twice monthly.

9.0 Purchases and payments

9.1 Objective

Operation of a purchasing and payment function for EHA.

9.2	Risks:		Procedure:	Action	Name	Position Title	Commentary and/or Actions Required including Due Date (if applicable)	
	6	Accrued expenses are either inaccurately recorded or not recorded at all	a	Actuals are compared to budget on a regular basis.	Compared by:	Michael Livori	Chief Executive Officer	Expenditure investigated against budget each quarter EOM and as part of the budget review process for Board of Management report preparation. Any variances over \$5k to be explained to the board.
			b	Accrued expenses reconciliations are prepared on a regular basis and are reviewed by an independent person.	Prepared by:	Creative Auditing	Financial Consultant	Accrued expenses are not recognised in the general ledger before they have been paid.
					Reviewed by:	Creative Auditing	Financial Consultant	At EOFY any adjustments required are processed by our external accountant.
	7	EHA's cash reserves run out.	a	Management reviews cash position of EHA on an on-going basis, involving comparison to budgets; significant variances investigated by management.	Reviewed by:	Michael Livori	Chief Executive Officer	Cash management included in financial reports presented to the Board of Management quarterly .
			b	The Long Term Financial Plans are updated annually for actual income and expenditure.	Updated by:	Creative Auditing	Financial Consultant	

9.0 Purchases and payments

9.1 **Objective**

Operation of a purchasing and payment function for EHA.

9.2	Risks:		Procedure:	Action	Name	Position Title	Commentary and/or Actions Required including Due Date (if applicable)
8	EHA does not obtain value for money i.e. non preferred supplier in its purchasing and procurement	a	There is a robust selection process of preferred suppliers.				Refer to EHA Procurement Policy
b		Significant contracts periodically re-tendered to ensure that Authority achieves value for money from suppliers.					
c		Staff are provided clear guidance and instructions on the process for purchasing goods and services (including appropriate approval and obtaining appropriate number of quotes, where applicable).					
d		Staff are provided clear guidance and instructions as to the importance of using preferred suppliers for the purchase of goods and services.					
e		An exception report generated detailing all purchases made from non-preferred suppliers; management regularly reviews this report and investigates significant/unusual items.	Reviewed by:			N/A	

9.0 Purchases and payments

9.1 **Objective**

Operation of a purchasing and payment function for EHA.

9.2	Risks:		Procedure:	Action	Name	Position Title	Commentary and/or Actions Required including Due Date (if applicable)	
	9	Good and services are purchased without an approved purchase order	a	A purchase order authorisation list (Delegations of Authority) is maintained, specifying the amounts up to which individuals are authorised to approve purchase requisitions.	Approved by:	Michael Livori	Chief Executive Officer	Refer to EHA's Procurement Policy
			b	Employees must gain approve all purchase orders in accordance with the Delegations of Authority	Approved by:	Departmental Managers		
			c	Access to unissued purchase orders is restricted to authorised individuals.	Restricted by:	Imogen Hall	Administration Officer	
			d	Staff are provided clear guidance and instructions on the process for purchasing goods and services (including appropriate approval).	Approved by:	Michael Livori	Chief Executive Officer	

9.0 Purchases and payments

9.1 Objective

Operation of a purchasing and payment function for EHA.

9.2	Risks:		Procedure:	Action	Name	Position Title	Commentary and/or Actions Required including Due Date (if applicable)
	10 Supplier masterfile does not remain pertinent	a	Supplier masterfile data is periodically reviewed independently for accuracy and ongoing pertinence.	Reviewed by:	Creative Auditing	Financial Consultant	Evidence of periodic review.
		b	Significant changes to the supplier masterfile are approved by management.	Approved by:	Creative Auditing	Financial Consultant	Evidence of approval.
		c	Access to the supplier masterfile is restricted to appropriately designated personnel.	Restricted to:	Creative Auditing	Financial Consultant	List of approved user access.
		d	Supplier masterfile is edited and validated; identified errors are corrected promptly.	Corrected by:	Creative Auditing	Financial Consultant	Document identified errors.
		e	Suppliers that have not been used for a significant period of time are reviewed and marked for deletion by the application.	Deleted by:	Creative Auditing	Financial Consultant	Evidence of review. Administration Officer reviewing continually.

9.0 Purchases and payments

9.1 **Objective**

Operation of a purchasing and payment function for EHA.

9.2	Risks:		Procedure:	Action	Name	Position Title	Commentary and/or Actions Required including Due Date (if applicable)
	11 Credit Cards are used for inappropriate purchases	a	The issue of all Credit Cards to employees is approved prior to release.	Approved by:	Michael Livori	Chief Executive Officer	CEO is the only Credit Card holder for EHA
		b	Credit Card holders are provided with a copy of the policy and procedures associated with the issue and use of Credit Cards.				N/A
		c	Employees sign declaration confirming compliance with Authority policy and procedures prior to release of Credit Card.	Approved by:			N/A
		d	Usage restrictions placed on Credit card (i.e. only used for approved purchases from pre-approved businesses).	Reviewed by:	Michael Livori	Chief Executive Officer	
		e	All credit card statements sent directly to person independent from the credit card holder, who reviews the nature and amounts of items on the statements; any unusual items are investigated.	Reviewed by:	Imogen Hall	Administration Officer	Monthly reconciliation of credit card. Approved and Signed by Manager, Administration and Compliance and CEO.

9.0 Purchases and payments

9.1 Objective

Operation of a purchasing and payment function for EHA.

9.2	Risks:		Procedure:	Action	Name	Position Title	Commentary and/or Actions Required including Due Date (if applicable)	
	12	Employees are reimbursed for expenses of a personal nature	a	All employees' reimbursements must be submitted on a signed pro-forma claim form confirming that the employee is claiming only valid expenses.	Approved by:	Employees	Chief Executive Officer	
			b	All claims for employee reimbursements are approved by management in accordance with Delegations of Authority. Management focus on the nature (i.e. type of expense) as well as the amount of the claim.	Approved by:	Michael Livori	Chief Executive Officer	Evidence of management Manager's approval required prior to CEO review and approval.
			c	All claims for Employee Reimbursements are submitted for approval along with supporting documentary evidence (i.e. receipts).	Approved by:	Employees		

The Local Government Act 1999 contains the following finance provisions:

Policy	Procedure	Audit
122 Strategic management plans	123 Annual business plans and budgets	126 Audit committee
125 Internal control policies	124 Accounting records to be kept	128 The auditor
133 Sources of funds	127 Financial statements	129 Conduct of audit
135 Ability of a Council to give security	134 Borrowing and related financial arrangements	130 CEO to assist auditor
138 Council not obliged to expend rate revenue in a particular financial year	136 State Government not liable for debts of a Council	187A Administrative audits by Ombudsman
139 Investment powers	137 Expenditure of funds	187B Investigation by Ombudsman
146 Rates and charges that a Council may impose	140 Review of investments	
148 Land against which rates may be assessed	141 Gifts to a Council	
150 General principles	142 Duty to insure against liability	
151 Basis of rating	143 Writing off bad debts	
152 General rates	144 Recovery of amounts due to Council	
155 Service rates and service charges	145 Payment of fees etc. to Council	
156 Basis of differential rates	149 Contiguous land	
166 Discretionary rebates of rates	153 Declaration of general rate (including differential general rates)	
182 Remission and postponement of payment	154 Separate rates	
188 Fees and charges	157 Notice of differentiating factors	
	158 Minimum rates and special adjustments for specified values	
	159 Preliminary	
	160 -165 Rebate of rates	
	167-169 Valuation of land	
	170 Notice of declaration of rates	
	172-174 Chief executive officer to keep assessment record	
	175 Duty of Registrar-General to supply information	
	176 Preliminary	
	177-187 Rates are charges against land	

Eastern Health Authority

Introduction (cont.)

2. Procedures

Procedures need to be documented which incorporate sufficient internal controls to address the areas of highest risk.

Why do we need this procedure?

We need the procedures to reduce the likelihood and consequences of financial errors and fraud.

What is the procedure?

What is the process for the paperwork and the review of the result.

Who performs the procedure?

Who processes and reviews the paperwork.

3. Internal Audit

Reviews the procedures to determine whether they adequately address the areas of greater risk.

4. External Audit

Reviews the procedures and the internal audit work performed. Conducts additional testing to minimise the likelihood of material errors in the financial reports and fraud.

7.5 INTERIM AUDIT COMPONENT OF EXTERNAL AUDIT FOR THE 2025/2026 FINANCIAL YEAR

Author: Michael Livori

Ref: AF26/32

Summary

Correspondence regarding the Interim Audit component of the Eastern Health Authority (EHA) 2025/2026 financial year (FY26) external audit has been received from EHA's external auditor, Dean Newbery and Partners. A copy of the letter is provided as attachment 1 to this report.

Report

The interim audit conducted by Dean Newbery and Partners focused on several key areas, including:

- A review of outstanding matters from prior years.
- An assessment of critical business operations, particularly the internal controls over revenue, expenses, and payroll.
- Interim sample transaction testing for operating income (including fees, charges, and Council Contributions), grant revenue, operating expenditure, and employee payroll.
- An evaluation of EHA agenda and minute reports to identify any issues relevant to the Audit Plan or potential contingent matters.

In the Interim Report for the FY26 external audit, the auditors have provided a summary of their observations, findings, and recommendations. These are provided below, together with initial management responses.

1 – MYOB – FY25 General Ledger Rollover Testing**Observation**

A review of the opening balances in the Authority's MYOB file identified that transactions had been posted to the previous financial year (FY25) after the financial year had been closed off to prepare the annual financial statements.

This matter occurred because the prior year had not yet appropriately closed and locked down within the MYOB system. This issue was raised with Management at the time of our interim audit who have since confirmed that the matter has been corrected.

Recommendation

To avoid this situation occurring again in the future, we recommend that a formal process be implemented to ensure the once the financial statement have been prepared each financial year that the period is locked to prevent this issue from arising in the future.

Management response

Management acknowledges the control weakness identified. The issue arose due to the prior financial year not being formally locked in the MYOB system after the preparation of the financial statements. This has now been corrected.

Moving forward, management will implement a formal year-end close procedure which includes locking the financial period in MYOB once the financial statements have been finalised and approved. Access to modify prior periods will be restricted to authorised personnel only, with any required changes subject to appropriate review and approval.

2 – Statutory Format – Budgeted Financial Statements

Observation

Per the Local Government (Financial Management) Regulations 2011, section 9(1)(a) requires that a regional subsidiary includes the Uniform Presentation of Finances to be included as part of the information considered when undertaking a budget review. Our review of the current financial year's budget documentation reveals that the Uniform Presentation of Finances statement has not been included.

Recommendation

To ensure compliance, we recommend that future budget reviews incorporate this statement. Please be aware that this addition does not require any new information beyond what is already provided in the budget reports, the purpose is solely to meet statutory requirements regarding the format of the budget.

Management response

EHA's Annual Financial Statements currently include a note forming part of the Financial Statement which is in the form of the Uniform of Presentation of Finances. Future budget reviews will incorporate the Uniform of Presentation of Finances Statement.

RECOMMENDATION

That:

The Interim Audit Component of External Audit for The 2025/2026 Financial Year report is received.

2 April 2026

Ms Madeleine Harding
Presiding Member - Audit Committee
Eastern Health Authority

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Dear Ms Harding

RE: Interim Report – 2025/26 Financial Year External Audit

We have recently completed our Interim Audit component of the Eastern Health Authority (the **Authority**) 2025/26 financial year (FY26) external audit.

We are pleased to provide members of the Audit Committee an update on the status of the FY26 External Audit and wish to advise our work to date has focused on the following areas:

- Review of prior year's outstanding matters as reported in audit correspondence issued to the Authority.
- Performed update enquiries and review of key business operations relating to revenue, expenses and payroll internal controls.
- Interim sample transaction testing of operating income (including fees and charges income, Council Contributions), grant revenue, operating expenditure and employee payroll was completed.
- Review of Authority agenda and minute reports were completed to determine if there were any potential issues to be considered within the Audit Plan and whether there were any contingent matters to be considered.

As a result of the work have completed, we wish to provide to you a summary of our observations, findings and recommendations on key audit issues as outlined below:

1. MYOB – FY25 General Ledger Rollover Testing

A review of the opening balances in the Authority's MYOB file identified that transactions had been posted to the previous financial year (FY25) after the financial year had been closed off to prepare the annual financial statements.

This matter occurred because the prior year had not yet appropriately closed and locked down within the MYOB system. This issue was raised with Management at the time of our interim audit who have since confirmed that the matter has been corrected.

To avoid this situation occurring again in the future, we recommend that a formal process be implemented to ensure the once the financial statement have been prepared each financial year that the period is locked to prevent this issue from arising in the future.

2. Statutory Format – Budgeted Financial Statements

Per the *Local Government (Financial Management) Regulations 2011*, section 9(1)(a) requires that a regional subsidiary includes the *Uniform Presentation of Finances* to be included as part of the information considered when undertaking a budget review.

Our review of the current financial year's budget documentation reveals that the *Uniform Presentation of Finances* statement has not been included. To ensure compliance, we recommend that future budget reviews incorporate this statement.

Please be aware that this addition does not require any new information beyond what is already provided in the budget reports, the purpose is solely to meet statutory requirements regarding the format of the budget.

Summary

We would like to thank the Administration for their valued assistance provided during our recent attendance.

We are pleased to note that based on our work completed so far, our sample testing and review of internal controls have not highlighted any issues that would require a modification to our audit opinion. Additional testing and examination of the final FY26 financial statements will be carried out during our Balance Date audit before we can finalise our audit opinion. We will provide future updates once our Balance Date work has been completed.

Should you have any further queries, please contact me on the details provided below.

Yours sincerely

DEAN NEWBERY



Samantha Creten

Director

P. 8267 4777

E. samanthac@deannewbery.com.au

C. Chief Executive Officer

C. Chairperson - Board

8 - Eastern Health Authority – Audit Committee 2026 Workplan

	March 2026	May 2026	August 2026	November 2026	Notes
End of Financial Year					
Auditor Attendance	-	-	<input type="checkbox"/>	-	
External Audit Recommendations – Status Update	-	<input type="checkbox"/>	<input type="checkbox"/>	-	
Long Term Financial Plan	-	-	<input type="checkbox"/>	-	
Year end - General Purpose Financial Statements	-	-	<input type="checkbox"/>	-	
Performance Reports					
Budget Workshop	<input type="checkbox"/>	-	-	-	
Annual Business Plan & Budget	-	<input type="checkbox"/>	-	-	
Budget Reviews	-	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Policy					
Procurement Policy	-	-	-	-	
Complaints Handling Policy	-	-	-	<input type="checkbox"/>	
Fraud and Corruption Prevention Policy	-	-	-	<input type="checkbox"/>	
Debtors Policy	-	-	-	-	
Risk Management Policy	-	-	-	-	Reviewed in May 2024 – review due May 2028 or as needed
Risk Management					
Corporate Risk Summary	-	-	-	<input type="checkbox"/>	
Internal Controls Review	-	<input type="checkbox"/>	-	-	
Terms of Reference					
Audit Committee - Annual Evaluation	-	-	<input type="checkbox"/>	-	
Review Terms of Reference	-	-	-	<input type="checkbox"/>	
KPI Reporting	-	-	-	<input type="checkbox"/>	

9 - Eastern Health Authority – Adopted Policies

EASTERN HEALTH AUTHORITY

Adopted Policies - Governance

Policy Ref	GOVERNANCE	Date of Initial Adoption by Board	Last Review Date	Next Review Date	Audit Committee YES/NO		Responsible Person	CMr Ref	Date Published on EHA Website	Notes
Gov01	Code of Conduct for Board Members including Complaints Handling Policy	10-Nov-99	25-Jun-25	Jun-27	No		ML	D12/1640[v5]	1/07/2025	
Gov02	Meeting Procedures Policy	1-Feb-12	20-Feb-19	Jun-25	No		ML	D12/1625[v5]	21/02/2021	<i>Policy drafted to be reviewed by Solicitors prior to submission to Audit Committee.</i>
Gov03	Safe Environment Policy	22-Jun-11	17-Nov-21	Dec-25	No		NC	D12/1888[v3]	26/11/2021	
Gov04	Food Business Inspection Fee Policy	12-Feb-03	25-Jun-25	Jun-26	No		NC	D11/2059[v15]	1/07/2025	
Gov05	Food Business Audit Fee	22-Oct-08	25-Jun-25	Jun-26	No		NC	D13/3724[V11]	1/07/2025	
Gov06	Enforcement Policy	22-Oct-08	29-Jun-22	Jun-26	No		NC	D15/9945[v4]	29/03/2018	
Gov07	Code of Conduct - Employees	7-May-14	25-Jun-25	Jun-27	No		ML	D14/5685[v6]	1/07/2025	
Gov08	Risk Management Policy	6-Feb-13	28-Aug-24	May-28	Yes		ML	D15/5720[v6]	01/09/2024	
Gov10	Work Health Safety & Injury Management Policy	30-Oct-13	27-Mar-24	Feb-26	No		ML	D24/806	27/03/2024	<i>Policy to be reviewed once LGA has reviewed the peak policy - due February 2026</i>
Gov11	Complaints Handling Policy	31-Aug-16	2-Dec-20	Dec-22	Yes		ML	D16/6150[v2]	28/09/2021	<i>Policy drafted to be reviewed by Solicitors prior to submission to Audit Committee.</i>
Gov12	Confidentiality Guidelines	20-Feb-19	NA	Dec-25	No		ML	D19/2906	22/02/2019	
Gov13	Records Management Policy	26-Feb-20	NA	Feb-22	No		AF	D14/14028[v2]	28/09/2021	<i>Updated policy currently being reviewed - to be submitted Board of Management - February 2026 for consideration</i>
Gov14	Risk and Opportunity Management - Updated Corporate Risk Summary		28-Aug-24	May-28	Yes		ML	D13/630[v11]	01/12/2025	

Adopted Policies - Financial Management

Policy Ref	FINANCIAL MANAGEMENT	Date of Initial Adoption by Board	Last Review Date	Next Review Date	Audit Committee YES/NO	Date of last Audit Committee Endorsement	Responsible Person	CM Ref	Date Published on EHA Website	Notes
FM01	Motor Vehicle Use Policy	9-Jun-04	1-Feb-26	Feb-28	No	N/A	AF	D13/6720[v5]	n/a	
FM02	Procurement Policy	22-Jun-11	25-Jun-25	Jun-27	Yes	28-May-25	AF	D14/6484[v5]	26/06/2025	
FM03	Debt Collection Policy	19-Feb-14	19-Nov-25	Dec-27	Yes	5-Nov-25	AF	D14/2952[v9]	n/a	
FM04	Internal Controls Register	12-Aug-15	1-May-25	May-27	Yes	28-May-25	AF	D15/6787[v11]	n/a	
FM05	Fraud and Corruption Prevention Policy	25-Nov-15	1-Aug-25	Aug-27	Yes	1-Aug-22	AF	D15/15273[V5]	28/08/2025	