

Local Health Authorities Analytical Committee



ANNUAL REPORT

For the year ended 30 June 2015

Local Health Authorities Analytical Committee

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Local Health Authorities Analytical Committee

STATEMENT OF COMPLIANCE

For the year ended 30 June 2015

**THE HON KIM D HAMES MB BS JP MLA
MINISTER FOR HEALTH.**

In accordance with Section 63 of the Financial Management Act 2006, we hereby submit for your information and presentation to Parliament, the Annual Report of the Local Health Authorities Analytical Committee for the financial year ended 30 June 2015.

The Annual Report has been prepared in accordance with the provisions of the Financial Management Act 2006.

R.E. Boardman
Designated Person of Accountable Authority

Date:

D.Wilson
Member of Accountable Authority

Date:

T.D. Chapman
Coordinator of Accountable Authority

Date:

Peter Sproule CPA
Chief Financial Officer

Date:

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Local Health Authorities Analytical Committee

OVERVIEW

Executive Summary

In accordance with the provisions of the Health Act 1911 and the Financial Management Act 2006, it is my pleasure to report concerning the operations of the Local Health Authorities Analytical Committee for the 2014-15 financial year.

Performance Highlights

To ensure that our objectives and Agency level Government desired outcomes are achieved, the Local Health Authorities Analytical Committee implemented the following:

- During the course of the year three LHAAC Updates were forwarded to all Local Governments participating in the Scheme.
- The Committee, through the LHAAC Coordinator, also conducted regular one on one consultations with a number of individual Local Governments during the operational year and continued the process of updating Local Governments on analytical usage (and expenditure) to date, on a monthly basis. This communication also incorporated regular reminders to the Local Governments of the benefits of participation in the Scheme and also sought their assistance in participation in Coordinated Sampling Projects. This direct and regular approach to Local Government EHOs was rewarded with our highest level of sampling in some years.
- As a result of the above actions and increased promotion of the LHAAC Scheme 67 LGAs used the LHAAC Scheme in 2014/15, an increase of 9 (15.5%) on the 58 users in 2013/14.
- LHAAC sponsored the EHA Conference in August 2014. The LHAAC had a display booth in the Conference exhibition area and the LHAAC Coordinator also delivered a brief update on LHAAC activities at the Conference.
- As well as undertaking our regular activities of discretionary and non-compliant sampling, LHAAC also completed three new Coordinated Sampling Projects (Imported Foods II, Burgers and Meat Products).
- The Coordinator attended the North West Regional EH Meeting in Broome in May 2015.

Operational Structure

The Statutory Authority encompasses the following structural area:

- Administration

Enabling Legislation

The Committee is constituted as a body corporate under Section 247A of the Health Act and has as its objective, the provision of analytical services for use by local authorities.

The powers and functions of the Committee are defined in Section 247C of the Health Act and these are:

- (a) to formulate and operate a scheme for the provision of analytical services for use by local authorities, by employing such analysts and other persons as are necessary for the purpose or by entering into contracts with persons for the provision of these services, or by both so employing analysts and other persons and so entering into contracts;

Local Health Authorities Analytical Committee

- (b) to fix fees to be paid by local authorities for participation in any scheme referred to in this section, and fees to be paid for analytical services rendered under the scheme; and
- (c) To do such other acts and things as are necessary or convenient for the purposes of this Part.

Responsible Minister

The Hon Kim D Hames MLA, Minister for Health.

Organisational Structure

Mission

The Committee fulfils its statutory obligations by retaining professional contract analysts to undertake prescribed analyses of food and food products which are forwarded direct from local authorities throughout the State.

Organisational Chart



Board of the Committee

The scheme is managed by the Committee of ten members, appointed in accordance with Section 247A (3) of the Act, and of whom:-

- (a) five shall be persons, one of whom shall be nominated by each of the following local governments:-
 - (i) the City of Perth
 - (ii) the City of Fremantle
 - (iii) the City of South Perth
 - (iv) the City of Melville
 - (v) the City of Stirling
- (b) three shall be persons selected by the Minister to represent local governments, other than the local authorities referred to in paragraph (a) of this subsection, the districts of which are wholly or partly situated within forty kilometres of the General Post Office at Perth; and
- (c) two shall be persons selected by the Minister to represent all local governments other than those referred to in paragraphs (a) and (b) of this subsection.

Board Profiles

At the time of reporting, the members of the Committee were:-

Statutory Members

City of Perth
City of Fremantle
City of South Perth

Mr. Eugene Lee
Mr. Joseph Zappavigna
Mr. Jason Jenke

Local Health Authorities Analytical Committee

City of Melville
City of Stirling

Mr. Graeme Blakey
Mr. Greg Ducas

Authorities within
40km of the GPO

Mr Rob Boardman (DESIGNATED PERSON)
Mr David Wilson
Mr Phill Oorjitham

Other Authorities

Cr Belinda Rowland
Mr Colin Dent

Mr. Rob Boardman

Mr Boardman is Director of Community Services with the City of Vincent and is one of the three Local Government members within a forty kilometre distance of Perth CBD.

Cr Belinda Rowland

Cr Rowland is a Councillor with the Shire of Denmark (7 years). Cr Rowland is a Dental Hygienist and primary producer. Cr Rowland is one of the two members representing councils 40 kilometres outside the Perth metropolitan area.

Mr Graeme Blakey

Mr Blakey is Coordinator of Environmental Health Services with the City of Melville, one of the five Local Governments who are statutory members of the LHAAC.

Mr Colin Dent

Mr Dent is Manager of Health Services with the Shire of Capel and is one of the two members representing councils 40 kilometres outside the Perth metropolitan area

Mr Greg Ducas

Mr Ducas is Coordinator Environment Health Services with the City of Stirling, one of the five Local Governments who are statutory members of the LHAAC.

Mr Jason Jenke

Mr Jenke is Coordinator Environmental Health Services with the City of South Perth, one of the five Local Governments who are statutory members of the LHAAC.

Mr Eugene Lee

Mr Lee is Principal Environmental Health Officer with the City of Perth, one of the five Local Governments who are statutory members of the LHAAC.

Mr Phill Oorjitham

Mr Oorjitham is Coordinator of Environmental Health with the City of Cockburn and is one of the three Local Government members within a forty kilometre distance of Perth CBD.

Mr David Wilson

Mr Wilson is a Senior Environmental Health Officer with the City of Joondalup and is one of the three Local Government members within a forty kilometre distance of Perth CBD.

Mr Joseph Zappavigna

Mr Zappavigna is Coordinator Environment Health Services with the City of Fremantle, one of the five local Governments who are statutory members of the LHAAC.

Local Health Authorities Analytical Committee

Senior Officers:

Trevor Chapman BBus

LHAAC Coordinator who has worked in the Local Government sector in England and Australia for more than three decades, including ten years running his own consultancy.

Peter Sproule BCom CPA (Chief Financial Officer)

Peter Sproule has been the contact CFO since 1998 and presently is the principal of Chatto Business Services.

Administered Legislation

The Minister for Health also administers the following Acts:

- Animal Resources Authority
- Animal Resources Authority Act 1981
- Health, Department of Acts Amendment (Abortion) Act 1998
- Anatomy Act 1930
- Blood Donation (Limitation of Liability) Act 1985
- Cannabis Control Act 2003
- Chiropractors Act 1964
- Chiropractors Act 2005
- Co-opted Medical and Dental Services for the Northern Portion of the State Act 1951
- Cremation Act 1929
- Dental Act 1939
- Dental Prosthetists Act 1985
- Fluoridation of Public Water Supplies Act 1966
- Health Act 1911
- Health Legislation Administration Act 1984
- Health Professionals (Special Events Exemption) Act 2000
- Health Services (Conciliation and Review) Act 1995
- Health Services (Quality Improvement) Act 1994
- Hospital Fund Act 1930
- Hospitals and Health Services Act 1927
- Human Reproductive Technology Act 1991
- Human Tissue and Transplant Act 1982
- Medical Act 1894
- Mental Health Act 1996

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- Mental Health (Consequential Provisions) Act 1996
- Nuclear Waste Storage and Transportation (Prohibition) Act 1999
- Nurses Act 1992
- Occupational Therapists Act 2005
- Occupational Therapists Registration Act 1980
- Optical Dispensers Act 1966
- Optometrists Act 1940
- Optometrists Act 2005
- Osteopaths Act 1997
- Osteopaths Act 2005
- Perth Dental Hospital Land Act 1942
- Pharmacy Act 1964
- Physiotherapists Act 1950
- Physiotherapists Act 2005
- Podiatrists Act 2005
- Podiatrists Registration Act 1984
- Poisons Act 1964
- Psychologists Act 2005
- Psychologists Registration Act 1976
- Public Dental Hospital Land Act 1934
- Radiation Safety Act 1975
- Tobacco Products Control Act 2006
- University Medical School Act 1955
- University Medical School, Teaching Hospitals Act 1955
- Western Australian Bush Nursing Trust Act 1936
- Western Australian Bush Nursing Trust Act Amendment Act 1947
- White Phosphorus Matches Prohibition Act 1912
- Office of Health Review
- The Queen Elizabeth II Medical Centre Trust
- Queen Elizabeth II Medical Centre Act 1966
- Western Australian Centre for Pathology and Medical Research
- Western Australian Alcohol and Drug Authority
- Alcohol and Drug Authority Act 1974
- Western Australian Health Promotion Foundation

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- Tobacco Control Act 1990

Other Key Legislation Impacting on the Committee's Activities

In the performance of its functions, the Local Health Authorities Analytical Committee complies with the following relevant written laws:

- Auditor General Act 2006
- Contaminated Sites Act 2003
- Disabilities Services Act 1993
- Equal Opportunity Act 1984
- Financial Management Act 2006
- Freedom of Information Act 1992
- Industrial Relations Act 1979
- Minimum Conditions of Employment Act 1993
- Occupational Safety and Health Act 1984
- Public Sector Management Act 1994
- Salaries and Allowances Act 1975
- State Records Act 2000, and
- State Supply Commission Act 1991

Local Health Authorities Analytical Committee

Performance Management Framework

Outcome Based Management Framework

Government Goal: GREATER FOCUS ON ACHIEVING RESULTS IN KEY SERVICE DELIVERY AREAS FOR THE BENEFIT OF ALL WESTERN AUSTRALIANS

Agency level Government desired outcome: To undertake prescribed analyses of food and food products which are forwarded direct from Local Governments throughout the State.

AGENCY

Outcome 1: To provide a coordinated Sampling Scheme for the analysis of food products for use by all Local Governments in Western Australia.	Key Effectiveness Indicator 1: The proportion of Local Governments with food manufacturers in their region who use the LHAAC Scheme.
Service 1: Analysis of food and food products	Key Efficiency Indicator 1.1 Number of samples analysed against total expenditure (cost of service) to provide Expenditure per Unit of Sampling. Key Efficiency Indicator 2: Proportion of reports completed and returned by the Analyst to the submitting Local Government in the specified turnaround time of 14 working days for routine samples and 20 working days for non-routine samples.

LHAAC has continued to make further improvements to the relevance and effectiveness of the sampling scheme it operates in 2014/15 by liaising with other key public health agencies about their concerns regarding certain food products or consumer groups. Further emphasis has been placed on coordinated sampling activities rather than discretionary sampling programs. LHAAC believe this has resulted in a more efficient, effective and economical food sampling service for all Western Australians.

Changes to Outcome Based Management Framework

The Committee's Outcome Based Management Framework did not change during 2014-15.

Shared Responsibilities with Other Agencies

The Committee did not share any responsibilities with other agencies during 2014-15.

Local Health Authorities Analytical Committee

AGENCY PERFORMANCE

Report on Operations

- During the course of the year three LHAAC Updates were forwarded to all Local Governments participating in the Scheme.
- The Committee, through the LHAAC Coordinator, also conducted regular one on one consultations with a number of individual Local Governments during the operational year and continued the process of updating Local Governments on analytical usage (and expenditure) to date, on a monthly basis. This communication also incorporated regular reminders to the Local Governments of the benefits of participation in the Scheme and also sought their assistance in participation in Coordinated Sampling Projects. This direct and regular approach to Local Government EHOs was rewarded with our highest level of sampling in some years.
- As a result of the above actions and increased promotion of the LHAAC Scheme 67 LGAs used the LHAAC Scheme in 014/15, and increase of 9 (15.5%) on the 58 users in 2013/14.
- LHAAC sponsored the EHA Conference in August 2014. The LHAAC had a display booth in the Conference exhibition area and the LHAAC Coordinator also delivered a brief update on LHAAC activities at the Conference.
- As well as undertaking our regular activities of discretionary and non-compliant sampling, LHAAC also managed to complete three new Coordinated Sampling Projects (Imported Foods II, Burgers and Meat Products).
- The Coordinator attended the North West Regional EH Meeting in Broome in May 2015.

LHAAC LGA Survey

LHAAC undertook a survey of Local Government users in July 2015 to seek feedback on the operation of the LHAAC Scheme in 2014/15 and the results were very positive.

72 responses were received, representing 52% of Local Governments. This was a significant increase on the 2013 survey which was 58 LGAs. Considering only 67 used the service in 2014/15 this was a good response. Some of the key outcomes were:

- 97% of respondents indicated they were happy with the panel arrangement offering a choice of analyst;
- 100% of respondents supported the use of Coordinated Sampling Projects;
- 45% rated the LHAAC service as Good and 25% rated it as Very Good;
- More LGAs viewed the LHAAC Scheme as Value for Money in 2014/15 with 81% rating it Very Good or Good (compared to 51% in 2013/14).
- The reason LGAs do not use the Scheme showed different results to 2013/14. Only 16% of those not using the Scheme stated Not Enough EHO staff in the LGA as the reason (compared to 56% in 2013).
- 53% quoted the main reason as Too Many Other Priorities to Get Around to Food Sampling (compared to 69% in 2013).
- Budget Restrictions was the reason given by 16% (6% in 2013) and No Relevant Manufacturers was offered as the reason by 42% compared to 31% in 2013, which supports the move by LHAAC to place the emphasis on food manufacturers.

**Local Health Authorities
Analytical Committee**

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Actual results versus Budget Targets

Financial Targets

	2014-15 Target \$	2014-15 Actual \$	Variation \$
Total Expenses (sourced from Statement of Comprehensive Income)	570,628	495,091	(75,537) (a)
Total Income (sourced from Statement of Comprehensive Income)	571,918	575,279	3,361 (b)
Total equity (sourced from Statement of Financial Position)	782,974	800,178	17,204
Net increase / (decrease) in cash held (sourced from Statement of Cash Flows)	803,116	874,222	71,106 (c)
Approved full time equivalent (FTE) Staff level	1	1	0

As specified in the Budget Statements for the year in question.

Further explanations are also contained in Note 22 'Explanatory statement' to the financial statements.

- (a) The variation is due to a decrease in sample submission, professional consultation and website revision.
- (b) The variation is due to an increase in expected interest revenue.
- (c) The variation is due to the decrease in analyst expenditure usage of short term deposits of less than three months to maturity date being more frequently used during the year.

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Summary of Key Performance Indicators

	2014-15 Target ¹ \$	2014-15 Actual \$	Variation ² \$
<i>Outcome 1: To provide a coordinated Sampling Scheme for the analysis of food products for use by all Local Governments in Western Australia</i>			
Key Effectiveness Indicator(s): The proportion of Local Governments with food manufacturers in their region who use the LHAAC Scheme.	100%	87%	(13)
<i>Service 1: Analysis of food and food products</i>			
Key Efficiency Indicator(s): Number of samples analysed against total expenditure (cost of service) to provide Expenditure per Sample.	<327.35	327.35	n/a
Proportion of reports completed and returned by the Analyst to the submitting Local Government in the specified turnaround time of 14 days for routine samples and 20 days for non-routine samples.	R: 100% NR: 100%	47% 73%	(53%) (27%)

1. As specified in the Budget Statements for the year in question.
2. Explanations for the variations between target and actual results are presented in note 23 'Explanatory statement' to the financial statements.

Local Health Authorities Analytical Committee

Significant Issues Impacting the Agency

Current and emerging issues and trends

The rapid pace of technological advancement is leading to a reduction in agency costs and creates opportunities to deliver enhanced services.

Economic and social trends

There is an expectation in society that services delivered by the Statutory Authority will be enhanced to take advantage of technological advances.

Changes in written law

There were no changes in any written law that affected the Committee during the financial year.

Likely developments and forecast results of operations

It is likely that Committee operations will undergo a period of consolidation during 2015 as a result of the full impact of changes made during 2014-15 financial year. The most significant areas for change will be in:

- continuation of the research and development project on software development for public sector accounting. This project is expected to deliver significant cost savings to the public sector; and
- measures taken in the current period with respect to information technology services should begin to deliver significant cost savings and greater sales growth.

LHAAC continued with changes to the sampling scheme to achieve greater improvements in the level of service delivered and the overall effectiveness of the sampling program. The main action to help achieve these improvements in 2014/15 was the continuation of a three-tiered sampling program and a greater emphasis on Coordinated Sampling Projects on food with a high risk status. The Coordinated Sampling component of this three-tiered approach increased again in 2014/15 and concentrated spells of Coordinated Sampling had a negative impact on turnaround times due to large numbers of samples being submitted in a short timeframe.

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DISCLOSURES AND LEGAL COMPLIANCE

FINANCIAL STATEMENTS

Certification of Financial Statements For the year ended 30 June 2015

The accompanying financial statements of the Local Health Authorities Analytical Committee have been prepared in compliance with the provisions of the *Financial Management Act 2006* from proper accounts and records to present fairly the financial transactions for the financial year ended 30 June 2015 and the financial position as at 30 June 2015.

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

R.E. Boardman
Designated Person of Accountable Authority

Date:

D. Wilson
Member of Accountable Authority

Date:

T. Chapman
Coordinator to Accountable Authority

Date:

Peter Sproule CPA
Chief Financial Officer

Date:

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STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2015

	Note	2015	2014
		\$	\$
INCOME			
Revenue			
Provision of services	7	547,298	516,357
Interest revenue	8	27,981	31,770
TOTAL INCOME		575,279	548,127
EXPENSES			
Employee benefits expense	9	121,405	136,183
Supplies and services	10	372,834	467,206
Other expenses	11	852	892
TOTAL EXPENSES		495,091	604,281
PROFIT/(LOSS) FOR THE PERIOD		80,188	(56,154)
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD		80,188	(56,154)

The Statement of Comprehensive Income should be read in conjunction with the accompanying notes

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STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2015

	Note	2015	2014
		\$	\$
ASSETS			
Current Assets			
Cash and cash equivalents	18	874,222	801,826
Receivables	12	16,775	25,438
Other current assets	13	4,953	3,622
Total Current Assets		895,950	830,886
Non-Current Assets			
Intangible Asset	14	-	-
Total Non-Current Assets		-	-
TOTAL ASSETS		895,950	830,886
LIABILITIES			
Current Liabilities			
Payables	15	62,570	83,601
Provisions	16	6,620	7,163
Total Current Liabilities		69,190	90,763
Non Current Liabilities			
Provisions	16	26,582	20,132
Total Non Current Liabilities		26,582	20,132
Total Liabilities		95,772	110,896
NET ASSETS		800,178	719,990
EQUITY			
Retained earnings	17	800,178	719,990
TOTAL EQUITY		800,178	719,990

The Statement of Financial Position should be read in conjunction with the accompanying notes

Local Health Authorities Analytical Committee

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2015

	Note	Contributed Equity \$	Reserves \$	Retained earnings \$	Total Equity \$
Balance at 1 July 2013	17	-	-	776,144	776,144
Change in accounting policy or correction of prior period errors		-	-	-	-
Restated balance at 1 July 2013		-	-	776,144	776,144
Total comprehensive income for the year		-	-	(56,154)	(56,154)
Total Balance at 30 June 2014	17	-	-	719,990	719,990
Balance at 1 July 2014	17	-	-	719,990	719,990
Total comprehensive income for the year		-	-	80,188	80,188
Total Balance at 30 June 2015	17	-	-	800,178	800,178

The Statement of Changes in Equity should be read in conjunction with the accompanying notes

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STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2015

	Note	2015	2014
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Provision of services		547,298	516,357
Interest received		23,655	29,639
GST receipts on sales		54,970	51,635
Proceeds from term deposits		-	76,422
Payments			
Employee benefits		(115,866)	(137,580)
Supplies and services		(386,219)	(430,382)
Finance costs		(264)	(193)
GST payments on purchases		(39,081)	(44,658)
GST payments to taxation authority		(16,835)	(11,010)
Proceeds to term deposits		(131,630)	-
Net cash provided by/(used in) operating activities	18	(63,972)	50,230
CASH FLOWS FROM INVESTING ACTIVITIES			
Receipts			
Interest received on term deposits		4,738	7,750
Proceeds from operating activities		131,630	-
Payments			
Payments to operating activities (a)		-	(91,924)
Net cash provided by/(used in) investing activities (a)		136,368	(84,174)
Net increase/(decrease) in cash and cash equivalents (a)		72,396	(33,944)
Cash and cash equivalents at the beginning of period (a)		801,826	835,770
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD (a)	18	874,222	801,826

(a) comparatives have been restated to adjust for term deposits previously recognised as other financial assets.

The Statement of Cash Flow should be read in conjunction with the accompanying notes

Local Health Authorities Analytical Committee

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

Note 1. Australian Accounting Standards

The Committee's financial statements for the year ended 30 June 2015 have been prepared in accordance with Australian Accounting Standards. The term 'Australian Accounting Standards' includes Standards and Interpretations issued by the Australian Accounting Standards Board (AASB).

The Committee has adopted any applicable, new and revised Australian Accounting Standards from their operative dates.

Early adoption of standards

The Committee cannot early adopt an Australian Accounting Standard unless specifically permitted by TI 1101 *Application of Australian Accounting Standards and Other Pronouncements*. No Australian Accounting Standards that have been issued or amended (but not operative) by the Committee for the annual reporting period ended 30 June 2015.

Note 2. Summary of significant accounting policies

(a) General Statement

The Financial Statements constitute general purpose financial statements in accordance with Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the AASB as applied by the Treasurer's instructions. Several of these are modified by the Treasurer's instructions to vary application, disclosure, format and wording.

The *Financial Management Act 2006* and the Treasurer's instructions are legislative provisions governing the preparation of financial statements and take precedence over Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the AASB.

Where modification is required and has had a material or significant financial effect upon the reported results, details of that modification and the resulting financial effect are disclosed in the notes to the financial statements.

(b) Basis of Preparation

The financial statements have been prepared on the accrual basis of accounting using the historical cost convention. The Committee does not hold any tangible assets.

The accounting policies adopted in the preparation of the financial statements have been consistently applied throughout all periods presented unless otherwise stated.

The financial statements are presented in Australian dollars and all values are rounded to the nearest dollar (\$).

Note 4 'Judgements made by management in applying accounting policies' discloses judgements that have been made in the process of applying the Committee's accounting policies resulting in the most significant effect on amounts recognised in the financial statements.

Local Health Authorities Analytical Committee

Note 5 'Key sources of estimation uncertainty' discloses key assumptions made concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

(c) Reporting Entity

The reporting entity comprises the Committee and bodies included at note 26 'Related bodies'.

(d) Income

Revenue Recognition

Revenue is recognised and measured at the fair value of consideration received or receivable.

Revenue is recognised for the major business activities as follows:

Provision of services

Revenue is recognised on delivery of the service to the client or by reference to the stage of completion of the transaction.

Interest

Revenue is recognised as the interest accrues.

(e) Intangible assets

Capitalisation/expensing of assets

Acquisitions of intangible assets costing \$5,000 or more and internally generated intangible assets costing \$50,000 or more are capitalised. The cost of utilising the assets is expensed (amortised) over their useful life. Costs incurred below these thresholds are immediately expensed directly to the Statement of Comprehensive Income.

All acquired and internally developed intangible assets are initially recognised at cost. For assets acquired at no cost or for nominal cost, the cost is their fair value at the date of acquisition.

Amortisation for intangible assets with finite useful lives is calculated for the period of the expected benefit (estimated useful life) on the diminishing value basis using rates which are reviewed annually. All intangible assets controlled by the Committee have a finite useful life and zero residual value.

The expected useful lives for each class of depreciable asset are:

Intangible assets – Software	2.5 years
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(f) Impairment of Assets

Property, plant and equipment, infrastructure and intangible assets are tested for any indication of impairment at the end of each reporting period. Where there is an indication of impairment, the recoverable amount is estimated. Where the recoverable amount is less than the carrying amount, the asset is considered impaired and is written down to the recoverable amount and an impairment loss is recognised. Where an asset measured at cost is written down to recoverable amount, an impairment loss is recognised in profit or loss. Where a previously revalued asset is written down to recoverable amount, the loss is recognised as a revaluation decrement in other comprehensive income. As the Committee is a not-for-profit entity, unless an asset has been identified as a surplus asset, the recoverable amount is the higher of an asset's fair value less costs to sell and depreciated replacement cost.

The risk of impairment is generally limited to circumstances where an asset's depreciation is materially understated, where the replacement cost is falling or where there is a significant change in useful life. Each relevant class of assets is reviewed annually to verify that the accumulated depreciation/amortisation reflects the level of consumption or expiration of the asset's future economic benefits and to evaluate any impairment risk from falling replacement costs.

Intangible assets with an indefinite useful life and intangible assets not yet available for use are tested for impairment at the end of each reporting period irrespective of whether there is any indication of impairment.

The recoverable amount of assets identified as surplus assets is the higher of fair value less costs to sell and the present value of future cash flows expected to be derived from the asset. Surplus assets carried at fair value have no risk of material impairment where fair value is determined by reference to market-based evidence. Where fair value is determined by reference to depreciated replacement cost, surplus assets are at risk of impairment and the recoverable amount is measured. Surplus assets at cost are tested for indications of impairment at the end of each reporting period.

See note 2(j) receivables and note 12 "Receivables" for impairment of receivables.

(g) Financial Instruments

In addition to cash and bank overdraft, the Committee has three categories of financial instrument:

- Loans and receivables;
- Held-to-maturity investments (term deposits); and
- Financial liabilities measured at amortised cost.

Financial instruments have been disaggregated into the following classes:

Financial Assets

- Cash and cash equivalents
- Receivables

Financial Liabilities

- Payables

Initial recognition and measurement of financial instruments is at fair value which normally equates to the transaction cost or the face value. Subsequent measurement is at amortised cost using the effective interest method.

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The fair value of short-term receivables and payables is the transaction cost or the face value because there is no interest rate applicable and subsequent measurement is not required as the effect of discounting is not material.

See note 2(k) for 'Investment and other financial assets'

(h) Cash and Cash Equivalents

For the purpose of the Statement of Cash Flows, cash and cash equivalent (and restricted cash and cash equivalent) assets comprise cash on hand and deposits with original maturities of six (6) months or less that are readily convertible to a known amount of cash and which are subject to insignificant risk of changes in value, and bank overdrafts.

(i) Accrued Salaries

Accrued salaries (refer note 15 'Payables') represent the amount due to staff but unpaid at the end of the financial year, as the pay date for the last pay period for that financial year does not coincide with the end of the financial year. Accrued salaries are settled within a fortnight of the financial year end. The Committee considers the carrying amount of accrued salaries to be equivalent to its net fair value.

(j) Receivables

Receivables are recognised and carried at original invoice amount less an allowance for any uncollectible amounts (i.e. impairment). The collectability of receivables is reviewed on an ongoing basis and any receivables identified as uncollectible are written-off against the allowance account. The allowance for uncollectible amounts (doubtful debts) is raised when there is objective evidence that the Committee will not be able to collect the debts. The carrying amount is equivalent to fair value as it is due for settlement within 30 days.

See note 2(g) 'Financial Instruments' and notes 12 'Receivables' and 23 'Financial Instruments'.

(k) Investments and Other Financial Assets

The Committee classifies its investments into the following categories: financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at the end of each reporting. Investments not at fair value are initially recognised at cost being the fair value of consideration given, including directly attributable transaction costs.

Non-derivative financial assets with fixed or determinable payments and fixed maturity dates are classified as held-to-maturity when management has a positive intention and ability to hold to maturity. Investments intended to be held for an undefined period are not included in this classification.

Loans and receivables and held-to-maturity investments, such as commercial bills, are subsequently measured at amortised cost using the effective interest method. Amortised cost is calculated by taking into account any discount or premium on acquisition, over the period to maturity. For investments carried at amortised cost, gains and losses are recognised in profit or loss when the investments are derecognised or impaired, as well as through the amortisation process.

The Committee assesses at each balance date whether there is objective evidence that a financial asset or group of financial assets is impaired.

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(l) Payables

Payables are recognised at the amounts payable when the Committee becomes obliged to make future payments as a result of a purchase of assets or services. The carrying amount is equivalent to fair value, as they are generally settled within 30 days.

See note 2(g) 'Financial Instruments' and note 15 'Payables'

(m) Provisions

Provisions are liabilities of uncertain timing or amount and are recognised where there is a present legal or constructive obligation as a result of a past event and when the outflow of resources embodying economic benefits is probable and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at the end of each reporting period.

See note 16 'Provisions'.

Provisions - Employee Benefits

All annual leave and long service leave provisions are in respect of employees' services up to the end of the reporting period.

Annual Leave

The liability for annual leave expected to be settled within 12 months after the reporting period is recognised and measured at the undiscounted amounts expected to be paid when the liability is settled.

Annual leave not expected to be settled within 12 months after the reporting period is recognised and measured at the present value of amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

When assessing expected future payments consideration is given to expected future wage and salary levels including non-salary components such as employer superannuation contributions, as well as the experience of employee departures and periods of service. The expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

The provision for annual leave is classified as a current liability as the Committee does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Long Service Leave

The liability for long service leave expected to be settled within 12 months after the reporting period is recognised and measured at the undiscounted amounts expected to be paid when the liability is settled.

Long service leave not expected to be settled within 12 months after the reporting period is recognised and measured at the present value of amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

When assessing expected future payments consideration is given to expected future wage and salary levels including non-salary components such as employer superannuation contributions, as well as the experience of employee departures and periods of service. The expected future payments are discounted using market yields at the end of the reporting period on national

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government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

Unconditional long service leave provisions are classified as current liabilities as the Committee does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Conditional long service leave provisions are classified as non-current liabilities because the Committee has an unconditional right to defer the settlement of the liability until the employee has completed the requisite years of service.

Superannuation

Is paid to the employees chosen fund and the expense is recognised as and when the contributions fall due.

See also note 2(n) 'Superannuation expense'.

Provisions – other

Employment On-Costs

Employment on-costs, including workers' compensation insurance, are not employee benefits and are recognised separately as liabilities and expenses when the employment to which they relate has occurred. Employment on-costs are included as part of 'Other expenses' and are not included as part of the Committee's 'Employee benefits expense'. The related liability is included in 'Employment on-costs provision'.

See note 11 'Other expenses' and note 16 'Provisions'.

(n) Superannuation Expense

The superannuation expense of the defined contribution plans is recognised as and when the contributions fall due.

Refer to note 2(m) 'Provisions – Employee Benefits' under Superannuation

(o) Comparative Figures

Comparative figures are, where appropriate, reclassified to be comparable with the figure presented in the current financial year.

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Note 3. Other accounting policies

Segment Information

Segment information has not been disclosed by service. As the Committee has only one key area of service, Finance and Administration, therefore the Committee believes that the financial statements and notes to the financial statements adequately disclose all information.

Note 4. Judgments made by management in applying accounting policies

The preparation of financial statements requires management to make judgments about the application of accounting policies that have a significant effect on the amounts recognised in the financial statements. The Committee evaluates these judgments regularly.

Note 5. Key sources of estimation uncertainty

Key estimates and assumptions concerning the future are based on historical experience and various other factors that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

Long Service Leave

Several estimations and assumptions used in calculating the Committee's long service leave provision include expected future salary rates, discount rates, employee retention rates and expected future payments. Changes in these estimations and assumptions may impact on the carrying amount of the long service leave provision.

Note 6. Disclosure of changes in accounting policy and estimates

Initial application of an Australian Accounting Standard

The Committee has applied the following Australian Accounting Standards effective for annual reporting periods beginning on or after 1 July 2014 that impacted on the Committee

<i>AASB 1031</i>	<i>Materiality</i> This Standard supersedes AASB 1031 (February 2010), removing Australian guidance on materiality not available in IFRSs and refers to guidance on materiality in other Australian pronouncements. There is no financial impact.
<i>AASB 2013-9</i>	<i>Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments</i> Part B of this omnibus Standard makes amendments to other Standards arising from the deletion of references to AASB 1031 in other Standards for periods beginning on or after 1 January 2014. It has no financial impact.
<i>AASB 2014-1</i>	<i>Amendments to Australian Accounting Standards</i> Part A of this Standard consists primarily of clarifications to Accounting Standards and has no financial impact for the Committee. Part B of this Standard has no financial impact as the Committee contributes to schemes that are either defined contribution plans, or deemed to be defined contribution plans. Part C of this Standard has no financial impact as it removes references to AASB 1031 <i>Materiality</i> from a number of Accounting Standards.

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Voluntary changes in Accounting Policy

There has been no change in accounting policy for the 2014-15 year.

Future impact of Australian Accounting Standards not yet operative

The Committee cannot early adopt an Australian Accounting Standard unless specifically permitted by TI 1101 *Application of Australian Accounting Standards and Other Pronouncements*. Consequently, the Committee has not applied early any of the following Australian Accounting Standards that have been issued that may impact the Committee. Where applicable, the Committee plans to apply these Australian Accounting Standards from their application date.

Title	Operative for reporting periods beginning on/after
<p><i>AASB 9 Financial Instruments</i> This Standard supersedes AASB 139 <i>Financial Instruments: Recognition and Measurement</i>, introducing a number of changes to accounting treatments. The mandatory application date of this Standard is currently 1 January 2018 after being amended by AASB 2012-6, AASB 2013-9, and AASB 2014-1 <i>Amendments to Australian Accounting Standards</i>. The Committee has not yet determined the application or the potential impact of the Standard.</p>	1 Jan 2018
<p><i>AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Int 2, 5, 10, 12, 19 & 127]</i> This Standard makes consequential amendments to other Australian Accounting Standards and Interpretations as a result of issuing AASB 9 in December 2010. The mandatory application date of this Standard has been amended by AASB 2012-6 and AASB 2014-1 to 1 January 2018. The Committee has not yet determined the application or the potential impact of the Standard.</p>	1 Jan 2018

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<i>AASB 2013-9</i>	<i>Amendments to Australian Accounting Standards Conceptual Framework, Materiality and Financial Instruments.</i> Part C of this omnibus Standard defers the application of AASB 9 to 1 January 2017. The application date of AASB 9 was subsequently deferred to 1 January 2018 by AASB 2014-1. The Committee has not yet determined the application or the potential impact of AASB 9.	1 Jan 2015
<i>AASB 2014-7</i>	<i>Amendments to Australian Accounting Standards arising from AASB 9 (December 2014)</i> This Standard gives effect to the consequential amendments to Australian Accounting Standards (including Interpretations) arising from the issuance of AASB 9 (December 2014). The Committee has not yet determined the application or the potential impact of the Standard.	1 Jan 2018
<i>AASB 2014-8</i>	<i>Amendments to Australian Accounting Standards arising from AASB 9 (December 2014) – Application of AASB 9 (December 2009) and AASB 9 (December 2010) [AASB 9 (2009 & 2010)]</i> This Standard makes amendments to AASB 9 <i>Financial Instruments</i> (December 2009) and AASB 9 <i>Financial Instruments</i> (December 2010), arising from the issuance of AASB 9 <i>Financial Instruments</i> in December 2014. The Committee has not yet determined the application or the potential impact of the standard.	1 Jan 2015
<i>AASB 2015-1</i>	<i>Amendments to Australian Accounting Standards – Annual Improvements to Australian Accounting Standards 2012–2014 Cycle [AASB 1, 2, 3, 5, 7, 11, 110, 119, 121, 133, 134, 137 & 140]</i> These amendments arise from the issuance of International Financial Reporting Standard Annual Improvements to IFRSs 2012–2014 Cycle in September 2014, and editorial corrections. The Committee has not yet determined the application or the potential impact of the Standard.	1 Jan 2015
<i>AASB 2015-2</i>	<i>Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101 [AASB 7, 101, 134 & 1049]</i> This Standard amends AASB 101 to provide clarification regarding the disclosure requirements in AASB 101. Specifically, the Standard proposes narrow-focus amendments to address some of the concerns expressed about existing presentation and disclosure requirements and to ensure entities are able to use judgement when applying a Standard in determining what information to disclose in their financial statements. There is no financial impact.	1 Jan 2016

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AASB 2015-3 Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 Materiality

1 Jan 2015

This Standard completes the withdrawal of references to AASB 1031 in all Australian Accounting Standards and Interpretations, allowing that Standard to effectively be withdrawn. There is no financial impact.

Changes in Accounting Estimates

The Committee has made no change to the nature and amount of any accounting estimates that has an effect in the current period.

	2015	2014
	\$	\$
Note 7. Provision of services		
User charges	547,298	516,357
	547,298	516,357
Note 8. Interest revenue		
Interest revenue	27,981	31,770
	27,981	31,770
Interest is earned from term deposits with terms 12 months or less		
Note 9. Employee benefits expense		
Wages and salaries (a)	104,430	119,887
Superannuation	9,943	11,160
Allowances	583	629
Long service leave provision	6,449	4,508
	121,405	136,184
(a) Includes the value of leave entitlements including superannuation contribution component.		
Employment on-costs such as workers compensation insurance are included in the note 11 "Other expenses" .		
Employment on-cost liability included at note 16 "Provisions"		
Note 10. Supplies and services		
Consultants and contractors	317,454	410,282
<u>Other</u>		
Accounting	11,200	11,798
Administration	4,723	3,172
Audit fees	19,476	22,120
Bank charges	264	238
Insurance	3,088	3,081
Legal fees	603	837
Printing and postage	1,707	1,427
Rent	14,000	14,000
Telephone	319	251
Total Other	55,380	56,924
Total Supplies and Services	372,834	467,206

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	2015 \$	2014 \$
Note 11. Other Expenses		
Employment on costs	852	892
	852	892

Note 12. Receivables

Current

Receivables	-	-
Accrued Interest	3,936	4,348
GST receivable	12,839	21,090
Total current	16,775	25,438

The Committee does not hold any collateral or other credit enhancements as security for receivables. See also note 2(j) 'Receivables' and note 23 'Financial instruments'.

Note 13. Other assets

Current

Prepayments	3,602	3,622
Prepaid employee entitlements	1,351	-
Total current	4,953	3,622

Note 14. Intangible assets

Computer Software Development and Services

At cost	39,466	39,466
Accumulated amortisation	(39,466)	(39,466)
	-	-

Reconciliations:

Computer software

Carrying amount at start of year	-	-
Amortisation expense	-	-
Carrying amount at end of year	-	-

Note 15. Payables

Current

Trade payables	56,520	75,866
Other payables	6,050	5,176
Accrued salaries	-	2,559
Total current	62,570	83,601

See also note 2(l) 'Payables' and note 23 'Financial instruments'.

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	2015 \$	2014 \$
Note 16. Provisions		
<u>Current</u>		
Employee benefit provision:		
Annual Leave (a)	6,620	7,163
	6,620	7,163
Other Provisions		
Employment on costs (b)	-	-
Total current	6,620	7,163
 <u>Non - Current</u>		
Employee benefit provision:		
Long service leave (b)	26,582	20,132
Total non - current	26,582	20,132
 (a) Annual leave liabilities have been classified as current as there is no unconditional right to defer settlement for at least 12 months after the reporting period. Assessments indicate that actual settlement of the liabilities is expected to occur as follows :		
Within 12 months of the end of the reporting period	6,620	7,163
More than 12 months after the end of the reporting period	-	-
	6,620	7,163
 (b) Long service leave liabilities have been classified as current where there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period. Assessments indicate that actual settlement of the liabilities is expected to occur as follows:		
Within 12 months of the end of the reporting period	-	-
More than 12 months after the end of the reporting period	26,582	20,132
	26,582	20,132

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	2015 \$	2014 \$
Note 17. Equity		
The Government holds the equity interest in the Committee on behalf of the community. Equity represents the residual interest in the net assets of the Committee.		
Retained Earnings		
Balance at start of period	719,990	776,144
Result for the period	80,188	(56,154)
Income and expense recognised directly in equity	-	-
Balance at end of the period	800,178	719,990
Total equity at end of period	800,178	719,990

Note 18. Notes to the Statement of Cash Flows

Reconciliation of cash

Cash at the end of the financial year as shown in the statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

Cash and cash equivalents (a)	874,222	801,823
	874,222	801,823

(a) Comparative figure of \$245,206 was reclassified from other financial assets (term deposits)

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	2015 \$	2014 \$
Profit / (Loss)	80,188	(56,154)
<u>(Increase)/decrease in assets:</u>		
Current receivables(a)	412	5,619
Other investing assets	(136,368)	84,174
Other current assets	(1,331)	(71)
<u>Increase/(decrease) in liabilities:</u>		
Current payables(a)	(21,031)	17,492
Provisions	(542)	818
Non-current provisions	6,449	4,508
Net GST receipts/(payments)(b)	-	-
Change in GST in receivables/payables(c)	8,251	(6,156)
Net cash provided by/(used in) operating activities	(63,972)	50,230

(a) Note that the Australian Taxation Office (ATO) receivable/payable in respect of GST and the receivable/payable in respect of the sale/purchase of non-current assets are not included in these items as they do not form part of the reconciling items.

(b) This is the net GST paid/received, ie. cash transactions.

(c) This reverses out the GST in receivables and payables.

Note 19. Commitments

Purchase

As at 30 June 2015 the Committee had no commitments.

Note 20. Contingent liabilities and contingent assets.

As at 30 June 2015 the Committee did not have any contingent liabilities or assets.

Note 21. Events occurring after the end of the reporting period

No material events occurred after balance date.

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Note 22. Explanatory statement

This statement provides details of any significant variations between estimates and actual results for 2015 and between the actual results for 2014 and 2015. Significant variations are considered to be those greater than 10% or \$1,000.

Significant variances between estimate and actual for the financial year

	2015 Estimate \$	2015 Actual \$	Variance \$
Total Revenue			
Interest revenue	24,500	27,981	3,481
Expenses			
Supplies and services			
Analyst and consultants fees	376,000	372,834	(3,166)
Employee Entitlements	118,898	121,405	2,507

Provision of Services:

Interest revenue

Higher than expected amount held on term deposit over the year.

Supplies and services:

Analyst and consultants fees

Decreased number of samples processed by the analyst.

Employee Entitlements

Increase in Long Service Leave provision.

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Significant variances between actual results for current year and prior year

	2015 \$	2014 \$	Variance \$
Income			
Provision of services	547,298	516,357	30,941
Interest revenue	27,981	31,770	(3,789)
Expenses			
Supplies and services			
Employee benefits expense	121,405	136,183	(14,778)
Analyst and consultants fees	317,454	410,282	(92,828)
Goods and services	55,380	56,924	(1,544)

Provision of services

The Committee applied a 6% increase on the cost of units to LGA's.

Interest revenue

Decrease due to a fall in interest rates over the financial year.

Supplies and services

Employee Benefits Expense

The Project Officer's employment ceased during the prior year, reducing the costs of Employee Benefits.

Analyst and consultants fees

Number of sampling units fell, as the number of sample submissions by Local Governments decreased.

Goods and services

Decreased audit and conference expenses compared to last year.

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Note 23. Financial instruments

(a) Financial Risk Management Objectives and Policies

Financial instruments held by the Committee are cash and cash equivalents, other financial assets, receivables and payables. The Committee has limited exposure to financial risks. The Committee's overall risk management program focuses on managing the risks identified below.

Credit risk

Credit risk arises when there is the possibility of the Committee's receivables defaulting on their contractual obligations resulting in financial loss to the Committee.

The maximum exposure to credit risk at end of the reporting period in relation to each class of recognised financial assets is the gross carrying amount of those assets inclusive of any provisions for impairment as shown in the table at note 23(c) 'Financial instruments disclosures' and note 12 'Receivables'.

The Committee has policies in place to ensure that sales of services are made to customers with an appropriate credit history. In addition, receivable balances are monitored on an ongoing basis with the result that the Committee's exposure to bad debts is minimal. At the end of the reporting period there were no significant concentrations of credit risk.

Liquidity risk

Liquidity risk arises when the Committee is unable to meet its financial obligations as they fall due.

The Committee is exposed to liquidity risk through its trading in the normal course of business.

The Committee's objective is to maintain a balance between continuity of funding and flexibility through the use of cash and term deposits. The Committee has appropriate procedures to manage cash flows by monitoring forecast cash flows to ensure that sufficient funds are available to meet its commitments.

(b) Categories of Financial Instruments

In addition to cash and bank overdraft, the carrying amounts of each of the following categories of financial assets and financial liabilities at the reporting period are:

	2015	2014
	\$	\$
Financial Assets		
Cash and cash equivalents	874,222	801,825
Receivables (a)	3,936	4,348
Financial Liabilities		
Payables (a)	62,570	83,601

(a) The amount of financial assets and liabilities measured at amortised cost excludes GST receivable/payable to the ATO (statutory receivable/payable).

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(c) Financial instrument disclosures

Credit Risk

The following table discloses Committee's maximum exposure to credit risk, interest rate exposures and the ageing analysis of financial assets. The Committee's maximum exposure to credit risk at the reporting period is the carrying amount of financial assets as shown below. The table discloses the ageing analysis of financial assets that are past due but not impaired and impaired financial assets. The table is based on information provided to senior management of the Committee.

The Committee does not hold any collateral as security or other credit enhancements relating to the financial assets it holds

Aged analysis of financial assets

	Carrying Amount \$	Not past due and not impaired \$	<u>Past due but not impaired</u>					Impaired Financial assets \$
			Up to 1 Months \$	1-3 months \$	3 months to 1 year	1 - 5 Years \$	More than 5 Years \$	
Financial Assets								
2015								
Cash and Cash Equivalents	874,222	874,222	-	-	-	-	-	-
Receivables (a)	3,936	3,936	-	-	-	-	-	-
	878,158	878,158	-	-	-	-	-	-
2014								
Cash and Cash Equivalents	801,825	801,825	-	-	-	-	-	-
Receivables(a)	4,348	4,348	-	-	-	-	-	-
	806,174	806,174	-	-	-	-	-	-

(a) The amount of receivables excludes the GST recoverable from the ATO (statutory receivable)

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Liquidity risk and interest rate exposure

The following table details the Committee's interest rate exposure and the contractual maturity analysis of financial assets and financial liabilities. The maturity analysis section included interest and principal cash flows. The interest rate exposure rate section analyses only the carrying amount of each item

Interest rate exposures and maturity analysis of financial and financial liabilities

	Weighted Average Effective Interest Rate %	<u>Interest rate exposure</u>				Nominal Amount \$	Up to 1 Months \$	1-3 months \$	3 months to 1 years	1 - 5 Years \$	More than 5 Years \$
		Carrying Amount \$	Fixed interest rate \$	Variable Interest rate \$	Non- Interest bearing \$						
2015											
<u>Financial Assets</u>											
Cash and Cash Equivalents	3.20	874,222	850,000	24,222	-	874,222	474,222	400,000	-	-	
Receivables (a)		3,936	-	-	3,936	3,936	3,936	-	-	-	
		878,158	850,000	24,222	3,936	878,158	478,158	400,000	-	-	
<u>Financial Liabilities</u>											
Payables		62,570	-	-	62,570	62,570	62,570	-	-	-	
		62,570	-	-	62,570	62,570	62,570	-	-	-	

(a) The amount of receivables excludes the GST recoverable from the ATO (statutory receivable)

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Interest rate exposures and maturity analysis of financial and financial liabilities

	Weighted Average Effective Interest Rate %	<u>Interest rate exposure</u>				Nominal Amount \$	Up to 1 Months \$	1-3 months \$	3 months to 1 years	1 - 5 Years \$	More than 5 Years \$
		Carrying Amount \$	Fixed interest rate \$	Variable Interest rate \$	Non- Interest bearing \$						
2014											
<u>Financial Assets</u>											
Cash and Cash Equivalents	2.74	801,826	71,633	88,193	-	338,193	601,826	200,000	-	-	
Receivables (a)		4,348	-	-	4,348	4,343	4,348	-	-	-	
		806,174	713,633	88,193	4,348	806,174	606,174	200,000	-	-	
<u>Financial Liabilities</u>											
Payables		75,866	-	-	75,866	75,866	75,866	-	-	-	
		75,866	-	-	75,866	75,866	75,866	-	-	-	

(a) The amount of receivables excludes the GST recoverable from the ATO (statutory receivable)

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Interest rate sensitivity analysis

The following table represents a summary of the interest rate sensitivity of the Committee's financial assets and liabilities at the end of the reporting period on the surplus for the period and equity for a 100 basis point in interest rates. It is assumed that the change in interest rates is held constant throughout the reporting period.

		-100 basis points		+100 basis points	
2015	Carrying Amount \$	Surplus \$	Equity \$	Surplus \$	Equity \$
<u>Financial Assets</u>					
Cash and cash equivalents	874,222	(8,742)	(8,742)	8,742	8,742
<u>Financial Liabilities</u>					
		-	-	-	-
Total Increase/(Decrease)		(8,742)	(8,742)	8,742	8,742
		-100 basis points		+100 basis points	
2014	Carrying Amount \$	Surplus \$	Equity \$	Surplus \$	Equity \$
<u>Financial Assets</u>					
Cash and cash equivalents	801,826	(8,018)	(8,018)	8,018	8,018
<u>Financial Liabilities</u>					
		-	-	-	-
Total Increase/(Decrease)		(8,018)	(8,018)	8,018	8,018

Local Health Authorities Analytical Committee

Fair Values

All financial assets and liabilities recognised in the Statement of Financial Position, whether they are carried at cost or fair value, are recognised at amounts that represent a reasonable approximation of fair value unless otherwise stated in the applicable notes.

Note 24. Remuneration of members of the accountable authority and senior officers

Remuneration of members of the accountable authority

The number of members of the accountable authority, whose total of fees, salaries superannuation, non-monetary benefits and other benefits for the financial year, fall within the following bands are:

	2015	2014
	\$	\$
\$		
\$0 – \$10,000	10	10
The total remuneration of members of the accountable authority is:	0	0

Remuneration of Senior Officers

The number of senior officers, other than senior officers reported as members of the accountable authority, whose total fees, salaries, superannuation, non-monetary benefits and other benefits for the financial year, fall within the following bands are:

	2015	2014
\$		
\$100,001 - \$110,000	-	-
\$110,001 - \$120,000	-	1
\$120,001 - \$130,000	1	-
\$130,001 - \$140,000	-	-
	\$	\$
Base remuneration and superannuation	114,373	110,907
Annual Leave and long service leave accruals	5,907	5,583
Other benefits	583	629
The total remuneration of senior officers is:	120,863	117,119

The total remuneration includes the superannuation expense incurred by the Committee in respect of senior officers other than senior officers reported as members of the accountable authority.

Note 25. Remuneration of auditor

The remuneration paid or payable to the Auditor General in respect to the audit for the current financial year, is as follows:

	2015	2014
	\$	\$
Auditing the accounts, financial statements and key performance indicators	19,300	21,230

Note 26. Related bodies

The Committee has no related bodies.

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Additional Key Performance Indicator Information

Certification of Key Performance Indicators

We hereby certify that the key performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the Local Health Authorities Analytical Committee's performance, and fairly represent the performance of the Local Health Authorities Analytical Committee for the financial year ended 30 June 2015.

Date: _____

R.E. Boardman
Designated Person of Accountable Authority

Date: _____

D. Wilson
Member of Accountable Authority

DATE: _____

T.D. Chapman
Coordinator

DATE: _____

P. C. Sproule CPA
Chief Financial Officer

Local Health Authorities Analytical Committee

Detailed Information in Support of Key Performance Indicators

Section 61 of the Financial Management Act requires statutory authorities to prepare performance indicators and such other information as required by the Treasurer's Instructions.

The following performance indicators have been formulated in the light of the Committee's obligation under the Health Act of 1911 to "provide analytical services for use by local authorities".

The following performance indicators have been formulated to provide an indication of the effectiveness and efficiency of the Committee's operations.

Section 61 of the Financial Management Act requires statutory authorities to prepare performance indicators and such other information as required by the Treasurer's Instructions.

The following performance indicators have been formulated to provide an indication of the effectiveness and efficiency of the Committee's operations.

OUTCOME

TO PROVIDE A COORDINATED SAMPLING SCHEME FOR THE ANALYSIS OF FOOD PRODUCTS FOR USE BY LOCAL GOVERNMENTS IN WESTERN AUSTRALIA.

AUDITED INDICATORS

i) Performance Indicator: Effectiveness

KPI 1.1

The proportion of Local Governments with food manufacturers in their region who use the LHAAC Scheme.

Target is 100% (2014/15) an increase of 5% from the 2013/14 target of 95% of qualifying Local Governments using the Scheme.

Only food premises classified as LARGE (actively manufacturing food products for distribution outside of the Local Government region in which the manufacturer is located) by the LGA or LHAAC are classified as manufacturers in the following table.

MEASUREMENT	2014/15		2013/14		2012/13	
	No	%	No	%	No	%
Number of LGAs with manufacturers in their locality.	47	100	47	100	69	100
Number of LGAs with manufacturers who participated in the Scheme	41	87	36	77	56	81

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Comment

A concerted effort was made throughout the year to encourage involvement by as many LGAs as possible in the LHAAC Scheme, with a special focus on those with Large Manufacturers in their locality. Monthly Expenditure to Date Summaries were sent to all Local Governments and individual messages and prompts utilised to try and encourage participation in the Scheme.

An 87% participation rate is very encouraging and LHAAC have to acknowledge that some of the LGAs with Large Manufacturers in their locality may only have one or two such classifications and other forms of testing may occur (e.g. dairy and meat producers are tested through the industry) which may cause some LGAs to consider testing through the LHAAC Scheme as unnecessary duplication and unnecessary expense.

SERVICE

ANALYSIS OF FOOD AND FOOD PRODUCTS

ii) Performance indicator: Efficiency

Service 1

KPI 1.1.

Number of samples analysed against total expenditure for LHAAC (cost of service) to provide Expenditure per sample submission.

	2015	2014	2013
No of samples analysed	1,280	1,846	1,327
Total expenditure (\$)	495,091	604,281	542,148
Expenditure per sample (\$)	386.79	327.35	408.55

Comment

The number of samples analysed in 2014/15 was significantly less than 2013/14. The Economies of Scale benefits are therefore drastically reduced, given LHAAC carries a significant level of fixed costs it has to meet regardless of sampling volumes. Although expenditure has reduced significantly also due to reduced levels of sampling and no significant outlay on special project costs or additional/contract staff, the cost per sample does not reduce noticeably when fixed costs are high.

There is a greater focus on Coordinated Sampling Projects and the cost of analysis on some of these projects can be significantly higher (per sample) than routine discretionary samples. The value and significance of the analytical data is correspondingly higher in CSP projects.

KPI 1.2

Proportion of reports completed and returned by the Analyst to the submitting Local Government in the specified turnaround time of 14 working days for routine samples and 20 working days for non-routine samples;

(Target is 100% for 2014/15, increasing by a minimum 5% per year until 100% is achieved).

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(1) ALL SAMPLES

Sample Category	Specified Turnaround Time	2014/15		2013/14		2012/13	
		% Returned within Specified Turnaround Time	TARGET	% Returned within Specified Turnaround Time	TARGET	% Returned within Specified Turnaround Time	TARGET
Routine Samples	≤ 14 days	47 (n=604)	100%	46 (n=633)	95%	62 (n=285)	90%
Coordinated & Non-Routine	≥ 20 days	73 (n=676)		56 (n=1213)		NO DATA ²	

(2) AGRIFOOD TECHNOLOGY

Sample Category	Specified Turnaround Time	2014/15		2013/14		2012/13	
		% Returned within Specified Turnaround Time	TARGET	% Returned within Specified Turnaround Time	TARGET	% Returned within Specified Turnaround Time	TARGET
Routine Samples	≤ 14 days	48 (n=577)	100%	50 (n=571)	95%	64 (n=280)	90%
Coordinated & Non-Routine	≥ 20 days	75 (n=550)		58 (n=1135)		NO DATA ²	

(3) CHEMCENTRE

Sample Category	Specified Turnaround Time	2014/15		2013/14		2012/13	
		% Returned within Specified Turnaround Time	TARGET	% Returned within Specified Turnaround Time	TARGET	% Returned within Specified Turnaround Time	TARGET
Routine Samples	≤ 14 days	30 (n=27)	100%	6 (n=62)	95%	NO DATA ¹	90%
Coordinated & Non-Routine	≥ 20 days	70 (n=126)		23 (n=78)		NO DATA ²	

NOTE 1: ChemCentre were not a service provider to LHAAC prior to Jan 2014 so this KPI cannot be reported on in previous years.

NOTE 2: The specified turnaround time for coordinated and non-routine samples changed in 2013/14 to 20 working days. It was previously reported as 28 working days. Restatement of the 2012/13 comparatives was not practicable.

Comment

The turnaround time for completion of samples continues to disappoint in 2014/15, even though there has been a marked improvement by both analysts. The random manner in which many LGAs submit samples makes it difficult for the analysts to schedule sample types. The fact that workload is now split between two analysts (and therefore a reduced volume) also makes it harder for them to set up the laboratory for a specific type of test which adds to turnaround times.

Both analysts have made significant improvements in the area of Coordinated and Non-Routine sampling. Agrifood recorded a 75% completion within the specified turnaround time period (up from 58% in 2013/14) and ChemCentre was 70% (up from 23% in 2013/14). These improvements pushed the combined performance for Coordinated and Non-Routine Sampling up from 56% in 2013/14 to 73% in 2014/15.

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Ministerial Directives

No Ministerial Directives were received during the financial year.

Other Financial Disclosures

Pricing policies on services

In 2014/15 fees charged to Local Governments increased by 6.0%.

The Committee derives its revenue from local authorities based on:-

1. an assessment calculated on the proportion of the population of the local authority to the population of the State of Western Australia;
2. the cost of processing units in excess of the unit allowance included in the assessment;
3. a minimum assessment for authorities with a population less than 1,500.

Employment and Industrial Relations

Staff Profile

	2015	2014
Full-time permanent	1	1
Full-time contract	0	1
Part-time contract	1	1
On secondment	0	0
	<u>2</u>	<u>3</u>

Staff Development

The Statutory Authority has a commitment to the development of its employees. Our strategies are to build a highly skilled, professional and fair workforce with the ability to adapt to changing business technology and the environment.

Workers Compensation

No compensation claims were recorded during the financial year.

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Governance Disclosures

Contract with Senior Officers

At the date of reporting, other than the normal contract of services provided, no Senior Officer, of firms of which Senior Officers are members, or entities in which Senior Officers have substantial interests had any interest in existing or proposed contracts with the Committee and Senior Officers.

Insurance Premiums paid to indemnify members of the Board

An insurance policy has been taken out to indemnify members of the Board against and liability incurred under sections 13 or 14 of the Statutory Corporations (Liability of Directors) Act 1996. The amount of the insurance premium paid for 2014/15 was \$1,379.

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Other Legal Requirements

Annual Estimates

Section's 40 and 61 of the Financial Management Act 2006 provided that the Committee submit annual estimates of the annual operations for both the current and preceding financial year of the Committee to the Minister of Health for approval.

Budget	2013/14
Revenues from operating activities	
Goods and Services	516,432
Revenue from non operating activities	
Interest Revenue	40,000
Total Revenue from ordinary activities	<u>556,432</u>
Expenses	
Expenses from operating activities	
Employee Services	114,947
Supplies and services	425,945
Total expenses from operating activities	<u>550,892</u>
Net Profit / (Loss)	<u>5,540</u>
Budget	2014/15
Revenues from operating activities	
Goods and Services	547,418
Revenue from non operating activities	
Interest Revenue	24,500
Total Revenue from ordinary activities	<u>571,918</u>
Expenses	
Expenses from operating activities	
Employee Services	118,898
Supplies and services	451,730
Total expenses from operating activities	<u>570,628</u>
Net Profit / (Loss)	<u>1,290</u>