

2010/11 Financial Summary

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Nganampa Health Council's financial statements show an improved position from the previous year. The overall financial position is sound with working capital showing a small surplus. This improvement is testament to the importance the Board has placed on strategic financial management throughout the year.

There are two significant reasons for this year's surplus. The first is that we received two sizeable donations that combined amounted to over \$200,000. The second is that we have been more successful at generating income through Medicare and similar payments. In total this income now exceeds over \$500,000 per annum. These income streams will become increasingly important and an ability to maintain a robust financial position will in part depend on income generation.

In addition to increased income, we have been successful in containing costs in some key areas. An example of this are motor vehicle costs. In 2003/04, the total cost of fuel and repairs and maintenance amounted to \$684,000. Seven years later total costs have fallen to \$476,000.

Clinical staffing levels (doctors, clinical and program nurses and dental staff) have improved. Especially in respect of doctors, staffing levels remain inadequate. Funding is available to employ an additional full time doctor but recruitment is difficult although some additional locum coverage has been achieved. Several skilled regular locum doctors now provide much needed additional clinical support.

There are a number of financial challenges ahead. The greatest of these is in the area of salaries where wage rises are increasing at a faster rate than funding increases. On salaries alone, the difference between the additional funding received and the additional expenditure incurred amounts to approximately \$250,000 per annum.

Nganampa Health Council has building assets that would cost in excess of \$40 million if built today. Many of these buildings are now of an age where there is a need for increased maintenance. There is increased risk that major repairs will be needed such as replacing air conditioning systems. We receive no specific funding for building maintenance and total expenditure in this area is inadequate. Without an increase in funds we have available for maintenance, buildings will rapidly deteriorate, shortening their life expectancy and imposing safety risks for staff and clients.



2010/11 Financial Summary cont.

INCOME AND EXPENDITURE STATEMENT FOR YEAR ENDED 30 JUNE 2011		
INCOME	Current Year 2010/11	Prior Year 2009/10
RECURRENT-PRIMARY HEALTH GRANTS		
Commonwealth Dept. of Health & Ageing	7,215,846	5,940,764
South Australian Dept. of Human Services	1,543,560	1,496,839
Sub Total Operational Grants	8,759,406	7,437,603
PROGRAMS		
Commonwealth Dept. of Health & Ageing Programs	3,835,684	4,761,154
Commonwealth Dept. of Health & Ageing Capital Works Programs	1,284	18,473
South Australia Department of Health Programs	537,247	536,156
South Australia Dept. of Families and Communities	237,647	222,070
Other Programs	1,891,854	1,218,310
TOTAL INCOME	15,263,122	14,193,766
EXPENDITURE		
RECURRENT-PRIMARY HEALTH		
Salaries & Allowances	6,171,527	5,434,078
Recruitment	95,000	35,413
Travel	386,643	340,196
Motor Vehicle Operating	227,725	290,903
Clinic Medical	283,102	250,808
Building Maintenance	318,026	196,054
Administration	651,120	495,159
Drugs & Pharmaceuticals	104,889	91,701
Patient Assisted Transport (PATS)	660,647	665,157
Sub Total Operational Expenditure	8,898,681	7,799,468
PROGRAMS		
Commonwealth Dept. of Health & Ageing Programs	3,835,684	4,761,154
Commonwealth Dept. of Health & Ageing Capital Works Programs	1,284	18,473
South Australia Department of Health Programs	455,524	507,161
South Australia Dept. of Families and Communities	237,647	286,486
Other Programs	1,318,602	775,535
TOTAL EXPENDITURE	14,747,422	14,148,277
OPERATING SURPLUS (DEFICIT) Before Unfunded Charges	515,700	45,489
Unfunded Charges & Provisions		
Depreciation	(1,780,156)	(1,822,213)
Profit/(Loss) on Sale Assets	174,679	91,156
NET SURPLUS (DEFICIT)	(1,089,777)	(1,685,568)

This is a summary version of the financials.

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or access our website www.nganampahealth.com.au

ASSETS AND LIABILITIES STATEMENT AS AT 30 JUNE 2011	Current Year 2010/11	Prior Year 2009/10
CURRENT ASSETS		
Cash on Hand	200	200
Bank -Recurrent A/C	91,854	154,668
Bank-Cash Management A/C	761,287	322,299
Bank-Scholarship Fund	49,575	59,890
Bank-Investment A/C	3,027,173	1,603,300
GST Tax Paid	190,615	148,458
Inventory	236,688	240,122
Accounts Receivable	1,021,760	784,238
Prepayments	25,084	0
Total Current Assets	5,404,236	3,313,174
NON CURRENT ASSETS		
Property, Plant & Equipment (at wdv)	15,209,557	15,470,912
Asset Replacement Fund	979,024	977,800
Rental Security Bond	2,393	2,393
Total Non Current Assets	16,190,974	16,451,105
TOTAL ASSETS	21,595,210	19,764,279
Less: CURRENT LIABILITIES		
Accounts Payable	848,082	533,231
GST Tax Payable	475,051	405,754
Annual Leave Provision	559,455	560,679
Long Service Leave Provision	399,072	342,266
Relocation Provision	72,903	75,621
Unexpended Grants	2,895,832	1,763,078
Accruals - Year End Wages	109,459	66,365
Stores - Rebate	40	1,701
Total Current Liabilities	5,359,894	3,748,694
Less: NON CURRENT LIABILITIES		
Provision for Asset Replacement	979,024	977,801
Long Service Leave Provision	34,230	63,630
Anangu Scholarship Fund	44,484	54,317
Deceased Estate	2,173	0
Total Non Current Liabilities	1,059,911	1,095,749
TOTAL LIABILITIES	6,419,805	4,844,443
NET ASSETS	15,175,405	14,919,836
MEMBERS' FUNDS		
Retained Earnings	14,196,381	13,942,034
Asset Replacement Fund	979,024	977,802
TOTAL MEMBERS' FUNDS	15,175,405	14,919,836
STATEMENT OF CHANGES IN EQUITY FOR YEAR ENDED 30 JUNE 2010		
MEMBERS' FUNDS	2010/2011	2009/2010
Opening Balance	14,919,836	15,224,692
Less: Net Surplus/(Deficit) for the Year	(1,089,777)	(1,685,568)
	13,830,059	13,539,124
Add: Capital Grants	1,344,124	1,071,612
Add: Transfer to Asset Replacement Fund	1,222	309,100
Total Members' Funds	15,175,405	14,919,836