Government of **Western Australia**
South Metropolitan Health Service

Annual Estimates

FY 2026/27

southmetropolitan.health.wa.gov.au

Contents

Introduction

The South Metropolitan Health Service is required to prepare annual estimates of its financial operations, in accordance with s40 *Financial Management Act 2006.* This requirement enhances accountability, stewardship and financial transparency for resources allocated to agencies in achieving government objectives and desired outcomes.

Treasurer's Instruction 9 Financial Statements, Requirement 3: Annual Estimates provides that the annual estimates are to be approved by the Minister for Health and must comprise:

- a Statement of Comprehensive Income
- a Statement of Financial Position and
- a Statement of Cash Flows.

The approved annual estimates are to be published on the South Metropolitan Health Service website.

Statement of Comprehensive Income

	2026/27 Estimate $000s
COST OF SERVICES	
Expenses	
Employee benefits expense	2,022,825
Fees for contracted medical practitioners	36,113
Contracts for services	13,806
Patient support costs	558,269
Finance costs	3,400
Depreciation and amortisation expense	113,328
Repairs, maintenance and consumable equipment	82,676
Other supplies and services	91,240
Other expenses	288,623
Total cost of services	**3,210,280**
INCOME	
Revenue	
Patient charges	127,315
Other fees for services	122,410
Other grants and contributions	1,023
Donation revenue	3,130
Other revenue	28,111
Total revenue	**281,989**
Total income other than income from State Government	**281,989**
NET COST OF SERVICES	**2,928,291**
INCOME FROM STATE GOVERNMENT	
Department of Health Service Agreement	2,504,538
Mental Health service agreement	272,389
Income from other state government agencies	13,270
Services received free of charge	148,786
Total income from State Government	**2,938,983**
SURPLUS / (DEFICIT) FOR THE PERIOD	**10,692**
OTHER COMPREHENSIVE INCOME	
Items not reclassified subsequently to profit or loss	
Changes in asset revaluation reserve	-
Total other comprehensive income	**-**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**10,692**

Statement of Financial Position

	2026/27 Estimate $000s
ASSETS	
Current Assets	
Cash and cash equivalents	134,421
Restricted cash and cash equivalents	29,834
Receivables	54,136
Inventories	8,774
Other current assets	10,945
Total Current Assets	238,110
Non-Current Assets	
Receivables	69,748
Amounts receivable for services	1,600,888
Property, plant and equipment	2,816,055
Right-of-use assets	39,541
Intangible assets	875
Total Non-Current Assets	4,527,107
Total Assets	**4,765,217**
LIABILITIES	
Current Liabilities	
Payables	162,688
Contract liabilities	323
Grant liabilities	-
Lease liabilities	10,389
Employee related provisions	456,090
Other current liabilities	509
Total Current Liabilities	629,999
Non-Current Liabilities	
Lease liabilities	32,589
Employee related provisions	95,476
Total Non-Current Liabilities	128,335
Total Liabilities	**758,334**
NET ASSETS	**4,006,883**
EQUITY	
Contributed equity	3,012,318
Reserves	1,161,674
Accumulated surplus	(167,109)
TOTAL EQUITY	**4,006,883**

Statement of Cash Flows

	2026/27 Estimate $000s Inflows / (Outflows)
CASH FLOWS FROM STATE GOVERNMENT	
Revenues from State Govt Agencies	2,676,869
Capital appropriations	68,428
Net cash provided by State Government	**2,745,297**
Utilised as follows:	
CASH FLOWS FROM OPERATING ACTIVITIES	
Payments	
Employee benefits	(1,972,825)
Supplies and services	(915,570)
Finance costs	(3,400)
Receipts	
Receipts from Customers	127,315
Other grants and contributions	1,023
Donations received	3,130
Other receipts	150,521
Net cash used in operating activities	**(2,609,806)**
CASH FLOWS FROM INVESTING ACTIVITIES	
Payments	
27th Pay contribution	(13,000)
Payment for purchase of non-current physical assets and intangible assets	(55,739)
Net cash used in investing activities	**(68,739)**
CASH FLOWS FROM FINANCING ACTIVITIES	
Payments	
Repayment of lease liabilities	(12,689)
Net cash used in financing activities	**(12,689)**
Net increase / (decrease) in cash and cash equivalents	**54,063**
Cash and cash equivalents at the beginning of the period	110,192
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	**164,255**

Approval by the Minister for Health

APPROVED BY THE MINISTER FOR HEALTH
SOUTH METROPOLITAN HEALTH SERVICE **Annual Estimates for FY 2026/27** Comprising the Statement of Comprehensive Income, Statement of Financial Position and Statement of Cash Flows. **Signed:** ______________ **Date:** 4/8/26 **MINISTER FOR HEALTH**

This document can be made available in alternative formats on request.

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