



christchurch **pho**

ANNUAL REPORT

2016



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## About Us

Established in 2003, Christchurch Primary Health Organisation (PHO) serves urban Christchurch. The 6-member general practices we support are a mix of youth focused centres, small centres, and larger acute centres, providing primary care services to an enrolled population of 34,000.

ARA Institute of Canterbury Health Centre	The Whareora, ARA Campus, Christchurch
Burnside Medical Centre	368 Wairakei Rd, Burnside, Christchurch
Korowai Youth Wellbeing Trust	71 Bealey Ave, Christchurch
Moorhouse Medical Centre	3 Pilgrim Place, Sydenham, Christchurch
Riccarton Clinic	6 Yaldhurst Rd, Church Corner, Christchurch
University of Canterbury Health Centre	University Campus, Ilam Rd, Christchurch

## The Christchurch PHO Focus

The mission of Christchurch PHO is to:

***“lead and facilitate the provision of high quality primary healthcare services, and practice management support, to the enrolled population, through distinctive general practices and innovative networks.”***

The vision for the PHO is to:

- Strive for excellence and be innovative as we work to improve the affordability and accessibility of services, and the integration and continuity of health care;
- Adopt an outcome oriented and solution focused approach to our work;
- Value and foster strong connected relationships with the health service workforce;
- Support people to be confident participants in their health care;
- Demonstrate an understanding of the health needs of our enrolled population;
- Demonstrate measured improvements in the health and well-being of our enrolled population; and
- Contribute as an active partner to the various Alliances at a local, regional and national level.

## Chairman's Report

It's been a challenging year for the PHO with some very significant changes taking place. Some chosen by the PHO board and many required as part of an ever changing but also evolving health/management Information systems.

After providing management services since the inception of the PHO, this was the last year Southlink Health will provide management services to Christchurch PHO. The PHO board decided the service offered by Health System Solutions would better meet the needs of the PHO but also the General Practices. Much of the year has been spent planning for the change on 1st July 2016. My thanks to Laila Cooper and her team for their meticulous preparation for what is a big change to how practices operate. My thanks also to Southlink Health for their contribution to the PHO over many years.

There are many more changes in the pipeline affecting how practice teams operate but also how patients interact with the health system. The upcoming National Enrolment and also e-Prescribing Systems demand significant investments of time and money by the PHO and practices. The Care Plus funding stream reconfiguration "Enhanced Capitation" will also require the Practice teams to develop systems to deliver better coordinated care of patients with complex needs. Lastly, Patient Portals are now available to the majority of the enrolled population of the PHO.

While each of the changes will deliver benefits, there is a toll associated with changing systems. This is especially true given the small size of the PHO. I would also acknowledge the support we receive from the other PHOs in Canterbury who frequently will share resources and in particular Rural Canterbury PHO with whom we work closely.

My final thanks to the General Practice teams and the PHO's Primary Mental Health service who deliver the clinical care for our PHO.



***Dr Angus Chambers***

## Executive's Report

Primary care and PHO is always an exciting and busy environment. Delivering relevant services and programmes to an enrolled population requires thoughtful planning, strategic thinking, flexibility, tenacity, goodwill and most importantly maintaining healthy strong relationships. We are proud of our achievements during 2015-16 and the efforts made by the PHO staff, contractors and member general practices to provide high quality primary health care services to our enrolled population.

Information Technology (IT) priorities dominated the PHO work programme making for a challenging and hectic year. Major changes included preparing for the transition to a new IT provider and the introduction of a clinical tool 'Patient Dashboard' from July 2016; the implementation of patient portals by three general practice teams; development of a new PHO website; and preparation for the implementation over the next year of the national enrolment system, the patient experience survey and an electronic prescription service. We especially wish to acknowledge and thank our colleagues at Health Systems Solutions and Rural Canterbury PHO for their invaluable support and expertise during the transition process to a new IT provider.

Alongside these changes a strong focus continued on the planning, delivery and evaluation of programmes and services. While the same suite of programmes was offered as in the previous year, the free health services programme for children under 6 years old was extended to include children aged under 13 years. An independent external review of the 2014-15 mental health services programme confirmed that a high standard of services were provided in response to an increasing demand for services. It also noted that people presented with more complex and acute conditions. The PHO received pleasing results against the national targets for immunisation, newborn enrolments and cervical screening. The PHO received a positive peer review of the PHO's self assessment against the PHO Services Agreement Minimum Requirements. Practices have continued to maintain Cornerstone accreditation, or have worked towards achieving the Foundation Standard.

Christchurch PHO was well represented at many activities of the Canterbury Clinical Network, including a significant piece of work planning for changes to the way CarePlus funding is to be used in Canterbury from October 2016. The new funding model will be known as Enhanced Capitation. We can expect more changes ahead with the refreshed National Health Strategy and the introduction of System Level Measures to replace the Integrated Performance Incentive Programme. At a national level there is also an increasing frustration about the inadequacy of the current primary care funding models, which do not adequately recognise the increasing demands being placed on primary care. There is no doubt that strong relationships between sector partners will be a key to the identification and implementation of any future models and new ways of working.

My warmest thanks to the many people both inside and outside of the PHO who have assisted me personally and the Christchurch PHO this year. A special thank you must go to the Board and Chair for their guidance and support, to the PHO staff and contractors for their dedicated hard work, and to the member general practice teams for their sterling efforts in delivering services, and to our colleagues in other PHOs, and the CDHB for their support. "Kahikatea – tui i te uru. Together as one, we rise as many."



**Laila Cooper**

## Christchurch PHO Board

Christchurch PHO operates as a non-for-profit limited liability Company and has a Governance Board of seven members. The members bring a diversity of background, skills and expertise to the monthly Board meetings.

The Board is responsible for the provision of primary health care services, to the population enrolled with the member contracted general practices within its area. It is also responsible for setting the strategic direction and organisational policy. During 2015-16 the following served as Board members:

Dr Angus Chambers	General practitioner representative & Chair
Dr Joan Allardyce	General practitioner representative & Deputy Chair
Ana Rolleston	Māori representative
David Jones	General practice representative
Sharon McFarlane	Community representative
Moana o Hinerangi	Māori representative (to Oct 2015)
Michelle Turrall	Māori representative (from Dec 2015)
Gill Davidson	Practice nurse representative

## The Clinical Governance Group

The Clinical Governance Group is a Board Committee tasked with providing clinical advice to the PHO Board. The Group met monthly during 2015-16 and the members were:

Dr Angus Chambers	General practitioner representative & Chair
Dr Joan Allardyce	General practitioner representative
Dr Tearlach MacLean	General practitioner representative
Dr Neil Beumelburg	General practitioner representative
Ana Rolleston	Māori representative (to Feb 2016)
Michelle Turrell	Maori representative (from Mar 2016)
Wendy Risdon	Practice nurse representative (to Dec 2015)
Karen Norriss	Practice nurse representative (from Apr 2016)
Warren Brown	Practice nurse representative (from Apr 2016)
Melanie Gamble	Clinical pharmacist

The Clinical Governance Group has had a busy year monitoring progress against the national health and PHO performance targets, providing advice to the Board about clinical programme planning and delivery, and providing feedback to various consultation requests. This year the membership was extended to include a second practice nurse representative.

Dr Tearlach MacLean represented the PHO at the Canterbury DHB Clinical Board, and at the Pegasus Health Clinical Provider Education Committee meetings. Dr Angus Chambers met regularly with the Chairs of the Pegasus Health and Rural Canterbury PHO Clinical Governance Groups to discuss clinical matters of mutual interest. The PHO has also been represented at the national PHO Quality Forum meetings, hosted by the Health Quality & Safety Commission.

## Population

As at 30 June 2016 the Christchurch PHO had an enrolled population of 34,859.

### Analysis by Ethnicity

NZ European	Māori	Pacific Islanders	Asian	Other & Unknown
23,404	2,672	1,087	6,518	1,178

### Analysis by Age Group

Under 5 yrs	5-14 yrs	15-24 yrs	25-44 yrs	45-64 yrs	Over 65 yrs
1,640	2,405	10,396	12,144	6,398	1,876

## Christchurch PHO Service Team

### The Team

Laila Cooper	Chief Executive
Sandi Malcolm	Service Development Facilitator
Katrina Banks	Administrator & Board Secretariat
Dr Angus Chambers	Clinical Advisor
Georgina Jardine	Mental Health Liaison & Triage Co-ordinator
Becky Baichoo	Mental Health Brief Intervention Counsellor & CBT Programme
Jan Bensemam	Mental Health Brief Intervention Counsellor
Cath Finch	Mental Health Brief Intervention Counsellor
Suzanne McLaughlin	Youth Brief Intervention Counsellor (to May 2016)
Sharmaine Dobson	Youth Brief Intervention Counsellor & Intensive GP Liaison
George Dobson	Mental Health Brief Intervention Counsellor & Intensive GP Liaison (from April 2016)
Paul Wynands	Clinical Psychologist
Ali Maginness	Clinical Psychologist
Melanie Gamble	Clinical Pharmacist
Michelle Okeroa	Mobile Practice Nurse
Kirsten Carey	Mobile Practice Nurse University of Canterbury Health Centre
Gythlian Loveday	Mobile Social Worker (to Dec 2015)
Kate Walkinshaw	Mobile Social Worker (from Jan 2016)

## The Canterbury Clinical Network Alliance (CCN)

Christchurch PHO continued to take an active role as a partner in the Canterbury Clinical Network Alliance, working collaboratively across Canterbury with service providers and other Canterbury PHO's on a range of projects. Among the wide range of activity our involvement has included membership of the following groups:

- Alliance Leadership Team
- Alliance Support Team
- Flexible Funding Pool Service Level Alliance (including Health Promotion / Population Health and Enhanced Capitation sub-groups, and a Tobacco Stop Smoking Cessation RFP)
- Integrated Diabetes Services Development Group
- Integrated Diabetes Services Operational Group
- Integrated Diabetes Podiatry Working Group
- Immunisation Services Operational Group
- Canterbury Primary Response Group
- Urgent Care Work Stream
- Patient Portal Steering Group
- Canterbury Infection Prevention & Control Community Committee

Other collaborative work has included participating in:

- the CCN strategic planning workshop February 2016, Red Cross Design Day, Smokefree Canterbury Workshop, and a Regional Pharmacy Workshop;
- providing support for an Asian Health Day;
- working with other partners to improve the uptake of cervical screening by priority group women;
- The Pacific Reference Group, Te Kāhui o Papaki Ka Tai (TKOP) and Culturally and Linguistically Diverse (CALD), and contributing to the development of Primary Health Annual Profile Reports for Maori, Pacific and CALD), and the implementation of pan Canterbury overarching Māori and Pacific Health Plans, and developing PHO plans that reflect these plans;
- Smokefree Canterbury;
- The National Health Strategy refresh consultation; and
- System Level Measures planning.

## National Links

- Christchurch PHO is a member of the Primary Health Alliance (previously PHO Alliance), and Dr Angus Chambers has served as their representative to the PSAAP negotiations.
- Laila Cooper was appointed as a PHO representative member of the Ministry of Health's National Diabetes Leadership Group, responsible for overseeing the implementation of the 'Living Well with Diabetes Plan 2015-2020'.
- Christchurch PHO maintains close links with other South Island PHOs and attends the regular quarterly meetings of this group.



## Our Achievements

The Christchurch PHO team and member general practices have continued to provide quality services to the enrolled population. Key achievements this year have included the introduction of a new IT Management system and the clinical tool Patient Dashboard; and the implementation of patient portals in three practices. Cornerstone Accreditation has been maintained by three practices, and two practices are also accredited to provide Accident & Medical Services. Three practices worked towards achieving the now mandatory Foundation Standard, with one practice achieving the standard in April 2016. All practices are required to meet the Foundation Standard (or Cornerstone) by July 2017. Preparatory work was also undertaken for the implementation of the Canterbury Enhanced Capitation proposal, the new National Enrolment Service and Patient Experience Survey in 2016-17. Free health services for children aged under 13 years were introduced from July 2015.

- **Primary Mental Health Services**

The Primary Mental Health team has continued to meet the challenge of a continued demand for services and an increased level of acuity and complex presentations, while keeping the time between referrals received and people being seen to a minimum. The PHO funded a cognitive behavioural therapy (CBT) programme for 20 people following a successful pilot in the previous year. The results were very positive and the programme will be continued next year.

Core components of the Primary Mental Health Services are brief intervention counsellors, clinical psychologists and extended general practice consultations. The PHO also funded 'youth mental health lifestyle packages of care', designed for youth aged 15 to 25 years who experience mild to moderate anxiety and depression and would benefit from lifestyle advice including strategies to manage stress and improve their sleep. A new service 'intensive GP Liaison' was implemented from June 2016 with additional funding from the Ministry of Health.

- **Community Social Worker**

This year the PHO continued to fund a community social worker role delivered in collaboration with Presbyterian Support Upper South Island. A social worker was employed three days per week to work with member general practices to provide services, including referral pathways, for enrolled patients. The social worker:

- provides early intervention for people and their families that reduce the potential for conflict and distress in families, groups and communities;
- provides strategies and referral pathways that enhance health outcomes and general wellbeing;
- reduces social isolation loneliness and depression through targeted interventions; and
- enhances the interdisciplinary relationship between social workers and the general practice team that will benefit the enrolled population.

Following a positive evaluation of the programme the CPHO Board has approved continuation of the service in the next financial year.

- **Mobile Practice Nurses**

Practices utilise the mobile practice nurses to help reach their high needs population. The nurses aim to improve access to health care by addressing barriers and providing home based and general practice clinic services. Their roles are regarded as an extension of the care provided by practice nurses and embodies the whanau ora philosophy of care.

The nurses have offered free cervical screening for priority group women, opportunistic cardiovascular disease risk assessments, and smoking brief advice and cessation services. The nurse based at the University of Canterbury Health Centre provides the service across the campus, using a focus on health promotion and providing nursing care to Māori and Pacific people and those with high needs. These may include people with diabetes or those identified as having a high risk of developing long term health conditions. The nurse also works closely with the Pacific and Māori Development teams at the University.

- **Clinical Pharmacist**

The Clinical Pharmacist has carried out a range of tasks similar to many other Clinical Advisory Pharmacists around New Zealand. The pharmacist has been available for multidisciplinary team reviews, clinical medication reviews, continuous quality Improvement activities (clinical audits) and individual queries. The Pharmacist worked with a general practice to trial the use of trigger tools in primary care.

The PHO also contracts other pharmacists to work with general practice teams to undertake reconciliation of hospital discharge summaries and provide yellow medication cards. The PHO ceased overseeing the implementation of the Canterbury wide Pharmacy Quitcard Programme this year following a funding withdrawal by the District Health Board.

- **Clinical Co-ordination Service for people with Huntington's disease**

This collaborative project between Christchurch PHO and 'The Rehab People' provides a Canterbury wide service. The service assists people who have Huntington's disease, and their families, to access timely assessments, reassessments, linkages to support agencies and to provide experienced advice and care. This service has continued to receive excellent feedback from clinicians, people living with Huntington's and their families and other multidisciplinary service providers.

- **Korowai Youth Health**

The team, previously based at the Youth Health Centre at 298 Barbadoes Street, and more recently 71 Bealey Ave, provided a free health service to Canterbury youth. While the Trust received funding from the PHO for doctor and nurse time, and some capitation funding, it relied heavily on additional philanthropic funding and grants from charitable trusts and the Ministry of Social Development to help cover operational costs.

The Trust has worked hard this year to manage demand, and to better align the service towards the revised strategic direction of "providing a sustainable and integrated service aiming for a centre of excellence for a "youth one stop shop" in the primary care sector."

## PHO Programmes

The majority of PHO programmes are funded by the Ministry of Health through the PHO, and the PHO funds some additional programmes. The following is a brief summary of the main funded programmes that were offered during 2015-16:

<b>Alcohol Harm Reduction</b>	A programme to support an ABC approach to alcohol harm minimisation, which was delivered by general practice teams.
<b>Before School Checks</b>	A free well child screening programme offered to all enrolled children aged 4 years. Trained practice nurses and/or public health nurses delivered the checks, which involved measuring height and weight, calculating BMI, and checking oral health, vision, hearing, behaviour, general development and health.
<b>Care Plus</b>	This programme took a proactive and coordinated approach to provide a negotiated plan of care for people identified as having high and / or complex health needs.
<b>Chronic Packages of Care</b>	These were tailored to meet the needs of people with chronic diseases or those identified with significant high risk factors of developing long term health concerns. The aim was to provide solutions that will meet an individual person's needs and ensure there is wide flexibility and choice.
<b>Diabetes Care Improvement Packages (DCIP)</b>	This programme was designed to provide equitable, consistent and high quality care to people diagnosed with diabetes.
<b>Discretionary Fund</b>	This funding allowed the purchase of health related services for people who have no means of accessing care through other mechanisms and are experiencing financial barriers. The PHO has maintained the discretionary fund since the DHB stopped funding it several years ago.
<b>Free Under 13s Health Care</b>	The programme providing free health care for under 6 year olds was extended by the Ministry of Health to children under 13 years from July 2015.
<b>Language Line</b>	This on-call translation service is designed for New Zealand residents who do not speak English as a first language.
<b>Men's and Women's Wellness Checks</b>	Wellness checks were delivered to those men and women aged over 45 years who have not visited a general practice in the past three years. The checks target those people potentially at risk of poor health.
<b>More Heart and Diabetes Checks</b>	This programme assisted general practice teams to optimise risk reduction measures for those people identified as being at high risk of cardiovascular disease. The service aimed to specifically target Māori, Pacific and Indian people and is also available to men aged 45 to 75 years and women aged 55 to 75 years.
<b>New Patient Health Checks</b>	New Patient Health Checks were designed to improve access to services by maintaining an up-to-date patient management system, and identifying people with health concerns including chronic disease and those at risk of developing a chronic disease. If required a one to one appointment with the newly enrolled person was provided, and / or a referral to other practice based services.

<b>Nurse Led Asthma Clinics</b>	These clinics were delivered at three general practices. Eligible people are offered two free nurse led asthma reviews within a 12-month period. The reviews used the GASP assessment and decision support tool which is based on New Zealand best practice guidelines. It was found that those people who attended all their appointments demonstrated an improvement in their asthma management.
<b>Palliative Care</b>	Palliative care funding supported general practice teams to provide care for people in the terminal phase of their lives.
<b>Podiatry treatment for people with high risk feet &amp; people with diabetes</b>	The PHO funded two podiatry programmes. The first was designed to reduce pain, falls and complications associated with foot health problems. Eligible people were offered up to three free visits to a podiatrist to receive clinically based podiatry interventions. The service targeted those people with high risk feet and those at risk of developing foot complications. The second was the Canterbury wide podiatry service designed for people with diabetes who have high risk feet. This service aimed to provide an equitable and consistent approach to the management of people with diabetes who have high risk of developing foot complications.
<b>Smoking Cessation Programme</b>	This programme designed for people who want to give up smoking comprises brief intervention, cessation consultations and up to seven follow-up appointments. It has been running for over five years and there has been a steady increase in the uptake since its inception. General practices continued to work hard to identify those who smoke and provide appropriate cessation support. The CDHB Smokefree team also provided extra support to practices by providing brief advice and cessation services to the enrolled population.
<b>Youth Sexual Health</b>	Free sexual health consultations were offered for people under 21 years of age when the main purpose of the consultation was for a sexual health or contraception matter. The aim was to reduce sexually transmitted infections, terminations and unintended pregnancies. Patients could have a maximum of six visits within a 12-month period.

The enrolled population is also able to access other Canterbury wide programmes such as:

<b>Acute Demand Service Co-ordination</b>	An alternative to hospital care for people presenting in an acute state, through co-ordination of acute packages and acute nursing services.
<b>Appetite for Life (AFL)</b>	A nutritional programme led by nurses, providing practical advice to women and families with weight issues.
<b>Canterbury Initiative Support Services (GP subsidised procedures)</b>	A number of procedures delivered in general practice were subsidised. These included mirena insertion, musculoskeletal steroid injection, pipelle biopsy, skin lesion excision and newly diagnosed diabetic and insulin starts.
<b>Community Respiratory Services</b>	The programme has increased access to a variety of respiratory services which were previously only available in hospital. Spirometry testing and sleep studies were undertaken in some general practices, and pulmonary

	rehabilitation in the community.
<b>Community Rehabilitation Enablement &amp; Support Team (CREST)</b>	CREST was launched in April 2011 to ease pressure on capacity-stretched hospitals after the earthquakes. This community-based supported discharge team facilitated earlier discharge from hospital to appropriate home-based rehabilitation services. The service was extended to accept referrals directly from general practice, providing those older people referred this way with care and support to be rehabilitated in their own homes, so as to avoid hospital admission altogether.
<b>Immunisation</b>	Available for children and adults provided by general practice teams and school based programmes.
<b>Infant Feeding Service</b>	Managed by Rural Canterbury PHO on behalf of the Canterbury PHOs the service was developed to protect, promote and support breastfeeding. It comprised a community based Lactation Consultation Support Service and the Mother4Mother Peer Support Programme.

#### **Continuing Education for General Practice Teams**

In addition to the DHB funded education and training programmes provided Canterbury wide by the Canterbury Initiative and Pegasus Health, Christchurch PHO provides financial assistance to its member general practice teams in order to support their staff's continuing education requirements. The practices use this funding to provide professional development activities best suited for their team's individual needs.

## Integrated Performance Incentive Programme

The Integrated Performance Incentive Programme (IPIF) was developed by the Ministry of Health to replace the PHO Performance Programme which had operated for several years. During 2015-16 there were five indicators:

1. 8 month old immunisations
2. 2 year old immunisations
3. More Heart and Diabetes Checks
4. Smoking Brief Advice and /or Cessation Services
5. Cervical Screening

Christchurch PHO achieved some pleasing results which are summarised in the following table.

IPIF Measures	National Target	Quarter One: Jun – Sep 2015	Quarter Two: Oct-Dec 2015	Quarter Three: Jan-Mar 2016	Quarter Four: Apr-Jun 2016
<i>More Heart and Diabetes Checks</i>	90.0%	85%	85%	86%	86%
<i>Better Help for Smokers to Quit</i>	90.0%	57%	64%	69%	78%
<i>Increased Immunisation 8 month olds</i>	95.0%	99%	99%	98%	99%
<i>Increased Immunisation 2 year olds</i>	95.0%	94%	98%	97%	96%
<i>Cervical Screening</i>	80.0%	76%	77%	78%	77%

The Christchurch PHO Clinical Advisor and Service Development Facilitator assisted practices to identify practice based strategies and implementation plans to reach and exceed the IPIF targets.

Monthly progress reports have been provided to the DHB and Ministry of Health about the percentage uptake of cardio vascular disease risk assessments (CVDRA) and smoking brief advice and/or cessation services. Extra funding provided by the Ministry for general practice and PHOs to target eligible populations was used to provide ongoing education for staff around cardiovascular risk assessments, improved IT support and audit tools and clinical leadership to practices.

## Financial Statements

These are presented for the year ended 30 June 2016 in the new Tier 2 reporting format, and include an independent auditor's report.

## Statement of Financial Responsibility

The PHO Directors are responsible for preparing the financial statements, ensuring they comply with the generally accepted accounting practice in New Zealand.

The Directors consider the financial statements of the company have been prepared using appropriate accounting policies, consistently applied and supported by reasonable judgements and estimates that all relevant financial reporting and accounting standards have been followed.

Signed on behalf of the Directors

A handwritten signature in black ink, appearing to read 'A. Chambers', is written over a light blue rectangular background.

Dr Angus Chambers  
Director



## **Christchurch PHO Limited**

Financial Statements

For the year ended 30 June 2016



# Christchurch PHO Limited

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# **Christchurch PHO Limited**

## **Directory**

as at 30 June 2016

<b>Principal Business:</b>	Primary Health Organisation
<b>Shareholder:</b>	Christchurch PHO Trust
<b>Registered Office:</b>	South Link Health Burns House, 10 George Street Dunedin
<b>Directors:</b>	J Allardyce A Chambers G Davidson M Hinerangi - (ceased 30/10/2015) D Jones S McFarlane A Rolleston M Turrell - appointed Dec 2015
<b>Solicitors:</b>	Saunders Robinson & Brown Christchurch
<b>Bankers:</b>	ASB Bank
<b>Auditors:</b>	Crowe Horwath New Zealand Audit Partnership Dunedin

# Christchurch PHO Limited

## Statement of financial responsibility

For the year ended 30 June 2016

The Directors are responsible for preparing the financial statements and ensuring that they comply with generally accepted accounting practice in New Zealand, and present fairly the financial position of the Company as at 30 June 2016 and the results of their operations and cash flows for the year ended on that date.

The Directors consider that the financial statements of the Company have been prepared using appropriate accounting policies, consistently applied and supported by reasonable judgements and estimates and that all relevant financial reporting and accounting standards have been followed.

The Directors believe that proper accounting records have been kept which enable, with reasonable accuracy, the determination of the financial position of the Company and facilitate compliance with generally accepted accounting practice in New Zealand.

The Directors consider that they have taken adequate steps to safeguard the assets of the Company, and to prevent and detect fraud and other irregularities. Internal control procedures are also considered to be sufficient to provide a reasonable assurance as to the integrity and reliability of the financial statements.

**The Directors are pleased to present the financial statements of the Christchurch PHO Limited for the year ended 30 June 2016**

For and on behalf of the Directors:

Director: Sam Mervin

Dated: 12/10/16

Director: [Signature]

Dated: 12/10/16

## Christchurch PHO Limited

### Statement of Comprehensive Revenue and Expense

For the year ended 30 June 2016

	<i>Note</i>	2016 \$	2015 \$
Contract revenue - non exchange transactions		6,489,606	6,090,144
Other income		42,823	8,647
<b>Total revenue from non exchange transactions</b>		<b>6,532,429</b>	<b>6,098,791</b>
Contract Payments		6,172,621	5,928,463
Wages, salaries and other employee costs		113,787	85,806
Other operating expenses	6	262,198	251,227
<b>TOTAL EXPENSES</b>		<b>6,548,606</b>	<b>6,265,496</b>
Interest income		31,687	46,157
<b>OPERATING SURPLUS / (DEFICIT)</b>		<b>15,510</b>	<b>(120,548)</b>
<b>OTHER GAINS / (LOSSES)</b>		-	-
<b>SURPLUS / (DEFICIT) FOR THE YEAR</b>		<b>15,510</b>	<b>(120,548)</b>
<b>OTHER COMPREHENSIVE REVENUE AND EXPENSES</b>		-	-
<b>Total other comprehensive revenue and expenses</b>		-	-
<b>TOTAL COMPREHENSIVE REVENUE AND EXPENSES FOR THE YEAR</b>		<b>15,510</b>	<b>(120,548)</b>



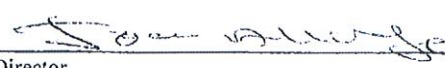
**Christchurch PHO Limited**  
**Statement of financial position**  
As at 30 June 2016

	Note	2016 \$	2015 \$
<b>ASSETS</b>			
Current			
Cash and cash equivalents	7	535,328	278,997
Term deposits	7	714,119	1,100,000
Receivables from non exchange transactions	8	119,041	103,023
GST receivable		-	14,057
Prepayments		5,471	5,228
<b>Total current assets</b>		<b>1,373,959</b>	<b>1,501,305</b>
Non-current			
Plant and Equipment	10	6,799	9,670
<b>Total non-current assets</b>		<b>6,799</b>	<b>9,670</b>
<b>TOTAL ASSETS</b>		<b>1,380,758</b>	<b>1,510,975</b>
<b>LIABILITIES</b>			
Current			
Payables under non exchange transactions	9	362,662	389,230
Employee entitlements	11	11,615	5,064
GST payable		3,358	-
Deferred revenue	12	694,206	823,274
<b>Total current liabilities</b>		<b>1,071,841</b>	<b>1,217,568</b>
<b>TOTAL LIABILITIES</b>		<b>1,071,841</b>	<b>1,217,568</b>
<b>NET ASSETS</b>		<b>308,917</b>	<b>293,407</b>
<b>EQUITY</b>			
Share Capital	17	1	1
Accumulated Funds		308,916	293,406
<b>TOTAL EQUITY</b>		<b>308,917</b>	<b>293,407</b>

Approved for and on behalf of the Directors

  
\_\_\_\_\_  
Chairperson

12/10/16  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Director

12/10/16  
\_\_\_\_\_  
Date



## Christchurch PHO Limited

### Statement of Changes in Net Assets For the year ended 30 June 2016

<i>Notes</i>	<i>Share Capital</i>	<i>Accumulated Funds</i>	<i>Total</i>
	\$	\$	\$
Balance 1 Jul 2015	1	293,406	293,407
Surplus / (Deficit) for the year	-	15,510	15,510
Other comprehensive income	-	-	-
<b>Balance 30 June 2016</b>	<b>1</b>	<b>308,916</b>	<b>308,917</b>
Balance 1 Jul 2014	1	413,954	413,955
Surplus / (Deficit) for the year	-	(120,548)	(120,548)
Other comprehensive income	-	-	-
<b>Balance 30 June 2015</b>	<b>1</b>	<b>293,406</b>	<b>293,407</b>



# Christchurch PHO Limited

## Statement of Cash Flows

For the year ended 30 June 2016

Note	2016 \$	2015 \$
<b>Cash flow from operating activities</b>		
Cash was provided from(applied to):		
Receipts from contract transactions and other income	6,387,118	6,196,493
Interest received	31,687	46,157
Payments for contract and supplier transactions	(6,459,074)	(6,187,590)
Payments for employees	(107,236)	(80,742)
Goods and services tax (net)	17,955	46,257
<b>Net cash/(used in) operating activities</b>	<b>(129,550)</b>	<b>20,575</b>
<b>Cash flow from investing activities</b>		
Cash was provided from(applied to):		
Acquisition of property, plant and equipment	-	(6,326)
<b>Net cash/(used in) investing activities</b>	<b>-</b>	<b>(6,326)</b>
<b>Cash flow from financing activities</b>		
Cash was provided from(applied to):		
Maturity of fixed rate note	-	51,463
Maturity of term deposit	385,881	(100,000)
<b>Net cash/(used in) financing activities</b>	<b>385,881</b>	<b>(48,537)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>256,331</b>	<b>(34,288)</b>
Cash and cash equivalents, beginning of the year	278,997	313,286
Cash and cash equivalents at end of the year	7 535,328	278,998



# Christchurch PHO Limited

## Notes to the financial statements

For the year ended 30 June 2016

### 1. Reporting Entity

These financial statements comprise the financial statements of Christchurch PHO Limited (the "PHO") for the year ended 30 June 2016. The PHO is a public benefit entity for the purposes of financial reporting in accordance with the Financial Reporting Act 2013.

The PHO is registered under the Companies Act 1993. The Company is a charitable organisation, domiciled in New Zealand. The financial statements were authorised for issue by the Board of Directors on the date indicated on page 4.

### 2. Basis of Preparation

#### (a) Statement of compliance

The financial statements have been prepared in accordance with New Zealand generally accepted accounting practice (NZ GAAP) Tier 2 Public Benefit Entity (PBE) Financial Reporting Standards as issued by the New Zealand External Reporting Board (XRB). They comply with International Public Benefit Accounting Standards with Reduced Disclosure Regime (PBE Standard with RDR) and other as appropriate for Tier 2 Not for Profit (NFP) Public Benefit Entities for which all disclosure exemptions have been adopted.

The Company is eligible to report in accordance with Tier 2 PBE (NFP) standards on the basis that it does not have public accountability and annual expenditure does not exceed \$30 million.

The Company is deemed a public benefit entity for financial reporting purposes, as its primary objective is to act as a primary health organisation for the Christchurch community and has been established with a view to supporting that primary objective rather than a financial return.

#### (b) Basis of measurement

The financial statements have been prepared on a historical cost basis.

The accrual basis of accounting has been used unless otherwise stated and the financial statements have been prepared on a going concern basis.

#### (c) Presentation currency

The financial statements are presented in New Zealand dollars, which is the Company's functional currency.

All numbers are rounded to the nearest dollar (\$), except when otherwise stated.

#### (d) Comparatives

The comparative financial period is 12 months.

The net asset position and net surplus or deficit reported in comparatives is consistent with previously authorised financial statements.

#### (e) Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year, the impact of new and amended standards and interpretations applied in the year was limited to additional note disclosures.





# Christchurch PHO Limited

## Notes to the financial statements

For the year ended 30 June 2016

### 3. Summary of significant accounting policies

The accounting policies of the Company been applied consistently to all years presented in these financial statements. The significant accounting policies used in the preparation of these financial statements are summarised below:

#### (a) Cash and cash equivalents

Cash and cash equivalents include cash on hand, term deposits and other short-term highly liquid investments with original maturities of three months or less.

#### (b) Debtors and other receivables

Trade debtors and other receivables are measured at their cost less any impairment losses. An allowance for impairment is established where there is objective evidence the Company will not be able to collect all amounts due according to the original terms of the receivable.

#### (c) Creditors and other payables

Trade creditors and other payables are stated at cost.

#### (d) Plant and equipment

Plant and equipment are measured at cost, less accumulated depreciation and any impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.

#### Additions and subsequent costs

Subsequent costs and the cost replacing part of an item of plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised.

In most instances, an item of plant and equipment is recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value at the acquisition date.

All repairs and maintenance expenditure is charged to surplus or deficit in the year in which the expense is incurred.

#### Disposals

A item of plant and equipment is derecognised upon disposal or when no further future economic benefits or service potential are expected from its use or disposal.

When an item of plant or equipment is disposed of, the gain or loss recognised in the surplus or deficit is calculated as the difference between the net sale proceeds and the carrying amount of the asset.

#### Depreciation

Depreciation is recognised as an expense in the reported surplus or deficit and measured on diminishing value (DV) basis on all property, plant and equipment over the estimated useful life of the asset. The following depreciation rates have been applied at each class of property, plant and equipment:

Computer equipment and plant	20-48% DV
------------------------------	-----------

The residual value, useful life, and depreciation methods of property, plant and equipment is reassessed annually.

#### (e) Impairment

At each reporting date, the Company assesses whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. Recoverable amount is determined for an individual asset. An asset's recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use.

Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised immediately in surplus or deficit.



# Christchurch PHO Limited

## Notes to the financial statements

For the year ended 30 June 2016

### **(f) Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument in another entity.

Financial instruments are comprised of trade debtors and other receivables, cash and cash equivalents, trade creditors and other payables and borrowings.

#### **Initial recognition and measurement**

Financial assets and financial liabilities are recognised initially at fair value plus transaction costs attributable to the acquisition, except for those carried at fair value through surplus or deficit, which are measured at fair value

Financial assets and financial liabilities are recognised when the reporting entity becomes a party to the contractual provisions of the financial instrument.

#### **Derecognition of financial instruments**

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or if the Company transfers the financial asset to another party without retaining control or substantially all risks and rewards of the asset.

A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

#### **Subsequent measurement of financial assets**

The subsequent measurement of financial assets depends on their classification, which is primarily determined by the purpose for which the financial assets were acquired. Management determines the classification of financial assets at initial recognition and re-evaluates this designation at each reporting date.

All financial assets held by the Company in the years reported have been designated into one classification, "loans and receivables", being non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition these are measured at amortised cost using the effective interest method, less provision for impairment.

### **(g) Provisions**

A provision is recognised for a liability when the settlement amount or timing is uncertain; when there is a present legal or constructive obligation as a result of a past event; it is probable that expenditures will be required to settle the obligation; and a reliable estimate of the potential settlement can be made. Provisions are not recognised for future operating losses.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Provisions are discounted to their present values where the time value of money is material. The increase in the provision due to the passage of time is recognised as an interest expense.

All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

### **(b) Employee entitlements**

Employee benefits, previously earned from past services, that the Company expect to be settled within 12 months of reporting date are measured based on accrued entitlements at current rate of pays

These include salaries and wages accrued up to the reporting date and annual leave earned, but not yet taken at the reporting date.



# Christchurch PHO Limited

## Notes to the financial statements

For the year ended 30 June 2016

### (i) Revenue

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Company and revenue can be reliably measured. Revenue is measured at the fair value of consideration received.

The Company assesses its revenue arrangements against specific criteria to determine if it is acting as the principal or agent in a revenue transaction. In an agency relationship only the portion of revenue earned on the Company's own account is recognised as gross revenue in the Statement of Comprehensive Revenue and Expense.

The following specific recognition criteria must be met before revenue is recognised:

#### Revenue from non-exchange transactions

A non-exchange transaction is where the Company either receives value from another entity without directly giving approximately equal value in exchange, or gives value to another entity without directly receiving approximately equal value in exchange.

When non-exchange revenue is received with conditions attached, the asset is recognised with a matching liability. As the conditions are satisfied the liability is decreased and revenue recognised.

When non-exchange revenue is received with restrictions attached, but there is no requirement to return the asset if not deployed as specified, then revenue is recognised on receipt.

Condition stipulation – funds received are required to be used for a specific purpose, with a requirement to return unused funds.

Restriction stipulation – funds received are required to be used for a specific purpose, with no requirement to return unused funds.

#### Donations, grants and contract revenue

To the extent that there is a condition attached that would give rise to a liability to repay the grant or contract amount, a deferred revenue liability is recognised instead of revenue. Revenue is then recognised only once the PHO has satisfied these conditions.

#### Interest income

Interest income is recognised as it accrues.

### (j) Income tax

Due to its charitable status, the Company is exempt from income tax.

### (k) Goods and Services Tax (GST)

All amounts in these financial statements are shown exclusive of GST, except for receivables and payables that are stated inclusive of GST.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the Statement of Financial Position.

### (l) Lease assets

Payments made under operating leases are recognised in the statement of comprehensive revenue and expense on a straight line basis over the term of the lease. Associated costs, such as maintenance and insurance where applicable, are expensed as incurred.

### (m) New standards adopted and interruptions not yet adopted

Certain new accounting standards have been published that are not mandatory for the current reporting period. It is not expected that these standards will have any material impact on the financial statements.



# Christchurch PHO Limited

## Notes to the financial statements

For the year ended 30 June 2016

#### 4. Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with NZ IPSAS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Where material, information on significant judgements, estimates and assumptions is provided in the relevant accounting policy or provided in the relevant note disclosure.

The estimates and underlying assumptions are based on historical experience and various other factors believed to be reasonable under the circumstances. Estimates are subject to ongoing review and actual results may differ from these estimates. Revisions to accounting estimates are recognised in the year in which the estimate is revised and in future years affected.

#### 5. Capital Management Policy

The PHO's capital is its equity, being the net assets represented by accumulated surplus and other equity reserves. The primary objectives of the PHO's capital management policy is to ensure adequate capital reserves are maintained in order to support its activities. The PHO manages its capital structure and makes adjustments to it, in light of changes to funding requirements. To maintain or adjust the capital structure, budgetary discretionary expenditure is reduced to avoid the need for additional external borrowings

#### 6. Other operating expenses

	2016	2015
	\$	\$
<b>Administration Expenses</b>		
Audit Fee	13,411	12,756
Bank Charges	320	321
Conference Expenses	150	350
Education CME/CNE	13,781	15,285
Insurance	7,051	7,994
General Expenses	2,665	2,784
Legal Fees	920	276
SLH and Other Consultancy	88,549	66,146
PHO Alliance Membership	6,000	5,797
Printing & Stationery	2,861	6,807
Repairs and Maintenance	29	-
Special Projects	1,500	1,629
Telephone & Tolls	4,730	4,666
<b>Total Administration Expenses</b>	<b>141,967</b>	<b>124,811</b>



## Christchurch PHO Limited

### Notes to the financial statements

For the year ended 30 June 2016

	2016	2015
	\$	\$
<b>Occupancy expenses</b>		
Rental	42,938	44,418
<b>Total occupancy expenses</b>	<b>42,938</b>	<b>44,418</b>
<b>Governance expenses</b>		
Board Expenses	11,498	15,352
Board Meeting Fees	50,178	56,069
Clinical Governance	12,746	9,302
<b>Total governance expenses</b>	<b>74,422</b>	<b>80,723</b>
Depreciation	2,871	1,275
<b>Total</b>	<b>262,198</b>	<b>251,227</b>

#### 7. Cash and cash equivalents

	2016	2015
	\$	\$
ASB current account	535,328	278,997
ASB term deposit	714,119	1,100,000
<b>Total cash and cash equivalents</b>	<b>1,249,447</b>	<b>1,378,997</b>

The carrying amount of cash and cash equivalents approximates their fair value.

The effective interest rate on term deposits in 2016 was 2.25% - 2.80% (2015: 3.70% - 4.00%).

#### 8. Receivables from non exchange transactions

	2016	2015
	\$	\$
Accounts receivables	116,989	83,334
Sundry receivables	2,052	19,689
<b>Total</b>	<b>119,041</b>	<b>103,023</b>

Classified as

Current assets	119,041	103,023
Non-current assets	-	-
<b>Total</b>	<b>119,041</b>	<b>103,023</b>

Trade debtors and other receivables are non-interest bearing and receipt is normally on 30 days terms. Therefore the carrying value of trade debtors and other receivables approximates its fair value.

As at 30 June 2015 and 2016, all overdue receivables have been assessed for impairment and appropriate allowances made. All receivables are subject to credit risk exposure.



## Christchurch PHO Limited

### Notes to the financial statements

For the year ended 30 June 2016

#### 9. Payables under non exchange transactions

	2016	2015
	\$	\$
<b>Current</b>		
Trade Payables	335,859	372,999
Sundry payables	26,803	16,231
<b>Total current</b>	<b>362,662</b>	<b>389,230</b>
<b>Total payables under exchange transactions</b>	<b>362,662</b>	<b>389,230</b>

Trade creditors and other payables are non-interest bearing and normally settled on 30 day terms; therefore their carrying amount approximates their fair value.

#### 10. Plant and equipment

Movements for each class of property, plant and equipment are as follows:

2016	Computer equipment & plant	Total
	\$	\$
<b>Gross carrying amount</b>		
Opening balance	22,151	22,151
Additions	-	-
Disposals	-	-
Closing balance	22,151	22,151
<b>Accumulated depreciation and impairment</b>		
Opening balance	12,481	12,481
Depreciation for the year	2,871	2,871
Disposals	-	-
Impairment charge for the year	-	-
Closing balance	15,352	15,352
<b>Carrying amount 30 June 2016</b>	<b>6,799</b>	<b>6,799</b>



## Christchurch PHO Limited

### Notes to the financial statements

For the year ended 30 June 2016

2015	Computer equipment & plant \$	Total \$
<b>Gross carrying amount</b>		
Opening balance	15,835	15,835
Additions	6,316	6,316
Disposals	-	-
Closing balance	22,151	22,151
<b>Accumulated depreciation and impairment</b>		
Opening balance	11,206	11,206
Depreciation for the year	1,275	1,275
Disposals	-	-
Impairment charge for the year	-	-
Closing balance	12,481	12,481
<b>Carrying amount 2015</b>	<b>9,670</b>	<b>9,670</b>

#### 11. Employee entitlements

	2016 \$	2015 \$
Current		
Annual leave entitlements	11,615	5,064
<b>Total</b>	<b>11,615</b>	<b>5,064</b>

Short-term employee entitlements represent the PHO's obligation to its current and former employees that are expected to be settled within 12 months of balance date. These mainly consist of accrued holiday entitlements at the reporting date.

#### 12. Deferred revenue

	2016 \$	2015 \$
Unexpended contract revenue	622,411	711,053
Other income received in advance	71,795	112,221
<b>Total deferred revenue</b>	<b>694,206</b>	<b>823,274</b>

The PHO receives funding for the delivery of specific health services. Unexpended funding where agreed upon services or conditions have not been fully completed at balance date and for which a return obligation exists are recognised as deferred funding and are expected to be recognised within the next one to 12 months.



## Christchurch PHO Limited

### Notes to the financial statements

For the year ended 30 June 2016

#### 13 Financial instruments

##### (a) carrying value of financial instruments

The carrying amount of all material financial position assets and liabilities are considered to be equivalent to fair value

Fair value is the amount for which an item could be exchanged, or a liability settled, between knowledgeable and willing parties in an arm's length transaction

##### (b) Classification of financial instruments

All financial assets held by the PHO are classified as "loans and receivables" are carried at cost less accumulated impairment losses

All financial liabilities held by the PHO are carried at amortised cost using the effective interest rate method.

##### Classification of financial instruments

The carrying amounts presented in the statement of financial position relate to the following categories of financial assets and liabilities

	Loans and receivables	Liabilities at amortised cost	Total carrying amount	fair value
2016				
<b>Financial Assets</b>				
Trade and other receivables	119,041	-	119,041	119,041
Cash and cash equivalents	535,328	-	535,328	535,328
Term Deposit	714,119	-	714,119	714,119
<b>Total current assets</b>	<b>1,368,488</b>	<b>-</b>	<b>1,368,488</b>	<b>1,368,488</b>
<b>Total Assets</b>	<b>1,368,488</b>	<b>-</b>	<b>1,368,488</b>	<b>1,368,488</b>
<b>Financial liabilities</b>				
Trade and other payables	-	362,662	362,662	362,662
<b>Total current liabilities</b>	<b>-</b>	<b>362,662</b>	<b>362,662</b>	<b>362,662</b>
<b>Total liabilities</b>	<b>-</b>	<b>362,662</b>	<b>362,662</b>	<b>362,662</b>





**Christchurch PHO Limited**

**Notes to the financial statements**

For the year ended 30 June 2016

	Loans and receivables	Liabilities at amortised cost	Total carrying amount	fair value
<b>2015</b>				
<b>Financial Assets</b>				
Trade and other receivables	103,023	-	103,023	103,023
Cash and cash equivalents	278,997	-	278,997	278,997
Term Deposit	1,100,000	-	1,100,000	1,100,000
<b>Total current assets</b>	<b>1,482,020</b>	<b>-</b>	<b>1,482,020</b>	<b>1,482,020</b>
<b>Total Assets</b>	<b>1,482,020</b>	<b>-</b>	<b>1,482,020</b>	<b>1,482,020</b>
<b>Financial liabilities</b>				
Trade and other payables	-	389,230	389,230	389,230
<b>Total current liabilities</b>	<b>-</b>	<b>389,230</b>	<b>389,230</b>	<b>389,230</b>
<b>Total liabilities</b>	<b>-</b>	<b>389,230</b>	<b>389,230</b>	<b>389,230</b>



# Christchurch PHO Limited

## Notes to the financial statements

For the year ended 30 June 2016

### 14. Operating Leases

	2016	2015
	\$	\$
<i>Non-cancellable operating leases as payable as follows</i>		
Less than one year	5,028	9,360
Between one and five years	836	3,135
More than five years	-	-
<b>Total</b>	<b>5,864</b>	<b>12,495</b>

### 15. Related party transactions

Related party transactions arise when an entity or person(s) has the ability to significantly influence the financial and operating policies of the Company

The PHO has a related party relationship with its Directors and other key management personnel.

Related party disclosures have not been made for transactions with related parties that are within a normal supplier relationship on terms and conditions no more or less favourable than those that it is reasonable to expect the Company would have adopted in dealing with the party at arm's length in the same circumstances

The following arrangements existed with related parties:

#### (a) Related party balances

Balances outstanding with related parties as at 30 June include:

	2016	2015
	\$	\$
A Chambers	-	-
J Allardyce	-	-
G Davidson	-	-
D Jones	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

Outstanding balances at year-end are unsecured and interest free. There is no doubtful debts provision included in outstanding related party balances.



## Christchurch PHO Limited

### Notes to the financial statements

For the year ended 30 June 2016

A Chambers - Partner in Riccarton Clinic which received PHO funding on a normal supplier basis

J Allardyce - Employed by the University of Canterbury which received PHO funding on a normal supplier basis.

G Davidson - Employed by Moorhouse Medical Centre which received PHO funding on a normal supplier basis.

D Jones - Part owner of Better Health Moorhouse Ltd which received PHO funding on a normal supplier basis.

#### (c) Key management compensation

The PHO has a related party relationship with its key management personnel. Key management personnel include the PHO's directors and senior management of the Company.

	2016		
	Directors	Snr mgmt	Total
	\$	\$	\$
Salaries and other short-term employee benefits	50,178	97,000	147,178
<b>Total remuneration</b>	<b>50,178</b>	<b>97,000</b>	<b>147,178</b>
<b>Number of persons recognised as key management personnel</b>	<b>7</b>	<b>1</b>	<b>8</b>

	2015		
	Directors	Snr mgmt	Total
	\$	\$	\$
Salaries and other short-term employee benefits	56,069	-	56,069
<b>Total remuneration</b>	<b>56,069</b>	<b>-</b>	<b>56,069</b>
<b>Number of persons recognised as key management personnel</b>	<b>7</b>	<b>1</b>	<b>8</b>



## **Christchurch PHO Limited**

### **Notes to the financial statements**

**For the year ended 30 June 2016**

**16. Contingent assets and contingent liabilities**

The Group has no contingent assets or contingent liabilities (2015: None).

**17. Equity**

As at 30 June 2016, 100 ordinary shares have been allocated to the shareholder and have been fully paid. All shares rank pari passu

**18. Commitments**

As at 30 June 2016 Christchurch PHO Limited is not aware of any capital commitments or contingencies (2015: nil).

**19. Subsequent Events**

There were no significant events after the balance date



## INDEPENDENT AUDITOR'S REPORT

To the Shareholder of Christchurch PHO Limited

### Report on the Financial Statements

We have audited the financial statements of Christchurch PHO Limited on pages 3 to 19, which comprise the statement of financial position as at 30 June 2016, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### *Director's Responsibility for the Financial Statements*

The Directors are responsible on behalf of the entity for the preparation and fair presentation of the financial statements in accordance with Public Benefit Entity Standards with Reduced Disclosure Regime and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### *Auditor's Responsibility*

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, the Company.

#### *Opinion*

In our opinion, the financial statements on pages 3 to 19 present fairly, in all material respects, the financial position of Christchurch PHO Limited as at 30 June 2016, and its financial performance and its cash flows for the year then ended in accordance with Public Benefit Entity Standards with Reduced Disclosure Regime.



**Crowe Horwath New Zealand Audit Partnership**  
CHARTERED ACCOUNTANTS  
12 October 2016

# christchurch pho

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