



christchurch **p**ho

ANNUAL REPORT

2019



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About Us

Christchurch Primary Health Organisation Ltd. (PHO) serves urban Christchurch. Established in 2003, the PHO currently supports 6-member general practices that are a mix of youth focused centres, small centres, and larger urgent care centres, providing primary care services to an enrolled population of 36,000.

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| ARA Institute of Canterbury Health Centre | The Whareora, ARA Campus, Christchurch |
| Burnside Medical Centre | 368 Wairakei Rd, Burnside, Christchurch |
| Korowai Youth Wellbeing Trust | Amuri Park, Unit 1, 25 Churchill St, 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 |

Mission Statement

Christchurch PHO exists to lead and facilitate the provision of high-quality primary healthcare services to the enrolled population, through distinctive general practices and innovative networks.

Values Statement

- Proven excellent, innovative, affordable and accessible services, that support the integration and continuity of health care;
- Outcome oriented and solution focused approach to our work;
- Strong connected relationships with the health service workforce;
- Actively empower people to be confident participants in their health care;
- Understand and address of the unique health needs of our enrolled population;
- Improve the health and well-being of our enrolled population; and
- Actively partner in the various Alliances at a local, regional and national level.

Chair's Report

The 2018/2019 year has been memorable for all the wrong reasons. From a health perspective, the year started well with a much needed injection of funding to allow community service card holders to access care at their General Practice for \$18.50. It's been long recognised that cost is a barrier to a significant number of people in New Zealand and this funding decreases that barrier significantly.

Unfortunately, this was followed by the Mosque shootings with its huge impact on our Muslim communities but also the wider community in Christchurch. On a background of multiple other traumas this has caused further harm to our people in Christchurch. I would like to acknowledge the victims and their families, but also our health and wider workforce who have worked so hard to assist those affected by these tragic events.

Our mental health team again require a special mention. It's only through effective triaging and efficient delivery that the significant increase in demand has been managed without unacceptable wait time increases. I think they provide a great service and would like to thank them.

The philosophy of our PHO is to support our practices to deliver care with a minimum of bureaucracy and to help in areas where the practices do not have the resources to be able to help their patients. In that regard the PHO provides a clinical pharmacist and resources community pharmacists to assist our practice teams. We pay for podiatrist care for people with feet at high risk of complications. Our mobile nurse and social workers are available to reduce barriers to healthcare and help navigate our complex health and social system.

While these services can and do make a difference, they are limited and could do so much more with more resource. The financial situation of the Canterbury District Health board means funding is restricted and the threat of cuts to services loom. While there has been a welcome focus on mental health and new funding has been announced, nothing has reached the front line and our service is severely stretched.

Against that background I would like to thank our small but efficient PHO staff. The comprehensive services listed above only happen because of the dedication of our staff and the majority of our funding reaches the frontline as a result of the efficiency of our administration.

My thanks also to the people who staff the practices, it's been a challenging year with increasing demand on constrained capacity.

Finally, to thank Laila Cooper, our Chief Executive. Her thoughtful, experienced management style continues to anchor our organisation in rough seas with a forecast of unsettled weather.



Dr Angus Chambers

CEO's Report

We can look back on this extremely busy year with mixed emotions. General practice teams were already under significant pressure bedding in the new National Enrolment Service and the primary care Patient Experience Survey. Then in December 2018 changes to the Community Services Card (CSC) and extending the free after hours initiative to children aged 13 years were introduced. Five of the six member practices opted into the CSC initiative at that time with the remaining practice opting in January 2019. These initiatives were implemented by teams that already had very busy workloads.

It was only a few weeks later that a measles outbreak occurred, which was followed by an early flu season. The tragic terrorist mosque attacks in Christchurch on 15 March were yet another extraordinary event, that tested local health services to the limit. The PHO was involved in the Canterbury wide recovery response and we are extremely proud of the general practice teams and the primary mental health team. All went over and beyond in their care and commitment of those affected while supporting each other. However, there remains concern about the impact of such ongoing stress on the resilience, health and wellbeing of staff and their families.

We acknowledge the impact of a major Canterbury DHB budget deficit and the challenging funding decisions that arise as a result. The erosion of funding for primary care services is problematic as it impacts negatively on the sustainability of general practice teams and their ability to provide a comprehensive range of services.

There has been a flurry of activity at a national level with several major reviews underway such as the Mental Health Inquiry, the Health & Disability Review, the Therapeutic Products Bill, and the Wai2575 Inquiry. While the outcome of these have yet to be fully known and understood, it is encouraging that equity and Te Tiriti o Waitangi are now at the forefront of the health agenda. There is much work to be done to address the inequitable health outcomes that are experienced by many, so it is vital that a strong commitment to this agenda exists at all levels of the health system. We are also looking forward to receiving more details about the new mental health funding that was announced in the Budget.

At a national level, Christchurch PHO has continued to make an active contribution to the Primary Health Alliance and the newly launched Federation of Primary Health Care Aotearoa. At a local level the PHO has been an active partner in the Canterbury Clinical Network. These networks have each made strong commitments to addressing the equity agenda, and we look forward to working with them to achieve positive change.

While there have been many challenges, there are also some highlights to celebrate. We extend our warmest congratulations to Dr Sue Bagshaw, from Korowai Youth Health Trust, who was made a Dame in this year's Queen's Birthday Honours, in recognition of her services to youth health. All our member practices maintained their Cornerstone accreditation or Foundation Standard certification. Christchurch PHO was selected with five other Canterbury primary care teams to participate in the Health Quality Safety Commission Ko Awatea Partners in Care Codesign projects. Over nine months the team completed a project that investigated the reasons for the high rate of youth hospital admissions following self-harm. Christchurch PHO once again consistently exceeded the national target for the immunisation of 8-month old children.

During the year our IT provider Health System Solutions merged with KARO Data Management, which provides data and register management services to PHOs across both the North and South Island. Their support during the transition to the National Enrolment Service was greatly appreciated. The Primary Care Patients Experience Survey is now used each quarter by all member practices as part of their ongoing quality improvement activities. One practice has implemented the NZ electronic Prescription Service (NZePS), and another has moved their patient management system to MedTech Evolution. We thank the Health Systems Solutions / KARO team for their excellent service, and Waitaha Primary Health IT staff for their valuable support.

My warmest thanks to everyone who has assisted Christchurch PHO this year to achieve our strategic objectives. Our focus continues to be on improving health equity for the population we serve, with a focus on Māori, children and youth, and mental health. We look forward to continuing our contribution to the wider local health system through the Canterbury Clinical Network and adding value to our member practices while striving to be a high performing PHO.

Thank you to the Board and Chair, for their valued guidance and support; to member general practice teams for delivering outstanding services during a most challenging year; to the PHO staff and contractors for their dedicated and professional services; and to our colleagues in other PHOs and the CDHB for their friendly and collegial support. We look forward to another busy and productive year ahead.

A handwritten signature in blue ink that reads "Laila Cooper". The signature is written in a cursive, flowing style.

Laila Cooper

The 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 2018-19 the following served as Board members:

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|-------------------|--|
| Dr Angus Chambers | General practitioner representative & Chair |
| Dr Joan Allardyce | General practitioner representative & Deputy Chair |
| Ana Rolleston | Manawhenua ki Waitaha representative |
| Michelle Turrall | Manawhenua ki Waitaha representative |
| David Jones | General practice representative |
| Sharon McFarlane | Community representative (Christchurch City Council) |
| Rachel Brennan | Practice nurse representative (appointed July 2018) |

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 2018-19 and the following served as members:

| | |
|---------------------|--|
| 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 | Manawhenua ki Waitaha representative |
| Karen Norriss | Practice nurse representative (resigned April 2019) |
| Warren Brown | Practice nurse representative (resigned September 2018) |
| Rachel Brennan | Practice Nurse representative (appointed December 2018) |
| Kirsten Carey | Practice Nurse representative (appointed December 2018) |
| Joanne Comper | Clinical pharmacist representative (appointed July 2018) |

The Clinical Governance Group has monitored progress against the national health and PHO performance targets and System Level Measures, provided advice to the Board about clinical programme planning and delivery, adverse event monitoring, and feedback to various consultation requests.

Dr Tearlach MacLean represented the PHO at the Canterbury DHB Clinical Board, and at the Pegasus Health Formal Review of Education meetings. Dr Angus Chambers met with the Chairs of the Pegasus Health and Rural Canterbury PHO Clinical Governance Groups to discuss clinical matters of mutual interest. The PHO participated in the quarterly meetings of the national PHO Quality Improvement Network hosted by the Health Quality & Safety Commission.

The Enrolled Population

As at June 2019, the Christchurch PHO had an enrolled population of

Analysis by Ethnicity

| NZ European | Māori | Pacific Islanders | Asian | Other & Unknown | Unknown | TOTAL |
|-------------|-------|-------------------|-------|-----------------|---------|--------|
| 22,358 | 2,697 | 1,252 | 9,422 | 1,053 | 158 | 36,940 |

Analysis by Age Group

| 0-4 yrs | 5-14 yrs | 15-24 yrs | 25-44 yrs | 45-64 yrs | Over 65 yrs |
|---------|----------|-----------|-----------|-----------|-------------|
| 1,819 | 3,000 | 10,321 | 12,993 | 6,570 | 2,237 |

Analysis by Quintile

| Quintile 5 | Quintile 1 to 4 | Unknown |
|------------|-----------------|---------|
| 4,291 | 31,709 | 940 |

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 |
| Kasey Miles | Project Worker (3 months) |
| Georgina Jardine | Mental Health Liaison, Triage Co-ordinator and Team Leader |
| Becky Baichoo | Mental Health Brief Intervention Counsellor & CBT Programme |
| Jan Bensemann | Mental Health Brief Intervention Counsellor & Intensive GP Liaison |
| Sharmaine Dobson | Youth Brief Intervention Counsellor & Intensive GP Liaison |
| George Dobson | Mental Health Brief Intervention Counsellor & Intensive GP Liaison |
| Cath Finch | Mental Health Brief Intervention Counsellor |
| Monique Dalrymple | Mental Health Brief Intervention Counsellor (from December 2018) |
| Sarah Taylor | Mental Health Brief Intervention Counsellor (from June 2019) |
| Paul Wynands | Clinical Psychologist |
| Dr Ali Maginness | Clinical Psychologist |
| Joanne Comper | Clinical Pharmacist |
| Michelle Okeroa | Mobile Practice Nurse |
| Kirsten Carey | Mobile Practice Nurse University of Canterbury Health Centre |
| Anna Scott | Mobile Community Social Worker (resigned May 2019) |
| Whitney Taie-Hurley | Mobile Community Social Worker (role shared with Anna from February 2019) |

The Canterbury Clinical Network Alliance (CCN)

Christchurch PHO has continued as an active Canterbury Clinical Network Alliance partner, working collaboratively with service providers, the DHB and other Canterbury PHO's on various projects, programmes and initiatives. Among the wide range of activity, our involvement has included membership of the following groups:

- Alliance Leadership Team
- Alliance Support Team
- Population Health & Access Service Level Alliance
- Primary Care Capability Service Level Alliance
- Pharmacy Service Level Alliance
- Integrated Diabetes Services Development Group and Operational Group
- Integrated Diabetes Podiatry Working Group
- Canterbury Primary Response Group
- Canterbury Influenza Group
- Urgent Care Work Stream
- Laboratories Service Level Alliance
- Coordinated Access for Offenders on Release Working Group
- System Level Measures Framework Group
- Enhanced Capitation Working Group

Other collaborative work has included participating in:

- Before School Checks Coordinator Group
- Motivating Conversations Working Group
- Pacific Reference Group
- Te Kāhui o Papaki Ka Tai (TKOP)
- Culturally and Linguistically Diverse Health Advisory Group
- Smokefree Canterbury
- Patient Experience Survey Working Group
- Intimate Partner and Family Violence Working Group
- Primary Care Equally Well Working Group

National Linkages

- Christchurch PHO has continued active membership of the Primary Health Alliance, with Dr Angus Chambers serving as a member of the Executive, and as their representative to the PSAAP negotiations. In September 2018 he was elected Chair.
- Dr Angus Chambers served as a member of the Establishment Board of the Federation of Primary Health Aotearoa New Zealand and was appointed to the Executive of the newly established Federation. The PHO Chair and CEO attended the official launch of the Federation at Parliament in September 2018.
- Laila Cooper served as a PHO representative member on the Ministry of Health's National Diabetes Leadership Group, responsible for overseeing the implementation of the 'Living Well with Diabetes Plan 2015-2020'.
- Laila Cooper was elected Chair of the Dietitians Board.
- Close links have been maintained with other South Island PHOs including attendance at their quarterly CEO meetings, which included regular updates by the General Manager of the South Island Alliance Programme Office.

Our Achievements

The Christchurch PHO team and member general practices continued to provide quality services to the enrolled population during a very busy and challenging year. Notable achievements were how well practices responded to the measles outbreak, the early flu season, and the 15 March terrorist mosque attacks. There were high rates for childhood immunisation and newborn enrolments, and Cornerstone accreditation was maintained by three practices and Foundation Standard certification maintained by the other three practices. Also, the embedding of the new National Enrolment Service and the Primary Care Patient Experience Survey were significant developments.

Other highlights included the following:

- **Health Quality & Safety Commission Ko-Awatea Quality Improvement Co-Design Project**

Christchurch PHO completed a Co-design Partners in Care Case study - "Youth Admissions to hospital for self-harm: What is the data telling us and how can this inform quality improvement projects in the future?"

The topic was chosen in response to a reported high rate of youth enrolled at our six-member general practices being admitted to hospital following self-harm.

The aims of the 9-month project were to:

- Investigate the data to understand the reasons for the high rate of youth admissions.
- Confirm whether CPHO was an outlier.
- Complete a literature review to develop knowledge relevant to the topic area.
- Engage with experts/health practitioners to gather their knowledge related to self-harm.
- Identify consumers who would be willing to assist in identifying the questions we should be asking related to the data, based on their lived experience.
- Identify any areas for future service improvement.

The CPHO team engaged with both consumers and health professionals to identify common themes and areas for future quality improvement. These included addressing gaps in communication between primary and secondary care, the need for additional and ongoing education on self-harm and the need for youth friendly services where youth feel supported and receive youth appropriate care.

- **Primary Mental Health Services**

It has been another extremely stressful year for the Primary Mental Health team. They have continued as previously to go over and beyond to meet the challenges of an ever-increasing demand for services and the many acute and complex presentations. Current wait times are at least 3 weeks, with all referrals contacted and triaged within 3 working days. The current funding is inadequate to meet the level and complexity of demand, and even with PHO subsidisation the level of service provision is unsustainable. The PHO remains very concerned about the future viability of the service, and the health and wellbeing of the primary mental health workforce across Canterbury.

1,443 mental health GP extended consultations and 4,035 brief intervention consultations were provided.

The PHO Board approved continuation of funding for a cognitive behavioural therapy (CBT) programme for 10 people. Core components of the Primary Mental Health Services were brief intervention counsellors, psychologists, extended general practice consultations, an intensive GP Liaison service and Equally Well consultations.

The PHO welcomed the Mental Health Inquiry Report and participated in a meeting with the Review Team. The PHO was also well represented at a Ministry of Health Mental Health forum in mid-2018 to consider ways to better meet the mental health needs of the region. The PHO welcomes the budget announcement of increased mental health funding for primary care and looks forward to implementing new roles in due course.

- **Free After Hours Consultations for Children under 13 years**

Two member practices, that are also Urgent Care Centres, provided free after hours consultations for children under 13 years, as part of the wider Canterbury after hours service for this population group. The practices provided 8,523 consultations to children under 13 years of age. From December 2018 the service was extended to children under 14 years (NB: these numbers are not included).

- **Community Services Card**

Improving New Zealanders' access to primary health care has been a Government priority, and major initiatives were announced to achieve this as part of Budget 2018.

Low cost general practice visits for all Community Service Card (CSC) holders and their dependents were introduced from 01 December 2018. Five of the six-member general practices opted into the initiative at that time, and the remaining practice opted to join in January 2019. As at June 2019 20% of the enrolled population had a community services card, allowing them to access general practice services at a reduced co-payment charge.

- **Community Social Worker**

The Board endorsed the continued allocation of Services to Improve Access funding for a 3-day a week Community Social Worker role. This was the sixth year the role has been delivered. The Social Worker worked closely with member general practices and the primary mental health team, and the service was fully subscribed with a waiting list. The practices highly valued this service and appreciated the support networks available via the collaborative relationship with Presbyterian Support Upper South Island.

- **Mobile Practice Nurses**

The Mobile Practice Nurses reached priority populations, with a special focus on Māori and Pacific peoples with high health and/or social needs. The service also offered other opportunistic health interventions, including onsite and home visits to provide free cervical smears and nursing interventions for women / their whanau. These included Māori, Pacific and Asian women, those who had never had a smear and those more than 5 years overdue. The nurse roles were an extension of the care provided by practice nurses and embodied the whanau- ora philosophy of care. This service was evaluated and continued to be highly valued by member practices.

The Nurses also provided opportunistic cardiovascular disease risk assessments, smoking brief advice and cessation services which contributed to the PHO achievement of the “More help for smokers to quit” health target of 90% by June 2019. The Nurse based at the University of Canterbury Health Centre provided services across the campus, focused on health promotion and provided nursing care to Māori and Pacific people and those with high health needs. This Nurse also worked closely with the Pacific and Māori Development teams at the University. The clinics held in collaboration with the Diabetes Centre to improve access for people with Type 1 Diabetes proved very popular and were well attended.

- **Clinical Pharmacist**

The Clinical Pharmacist participated in multidisciplinary team reviews, clinical medication reviews, completed 18 medicines therapy assessments and led continuous quality Improvement activities (clinical audits) and addressed individual queries. She worked closely with the mental health team and provided a pharmacist perspective to the PHO Clinical Governance Group.

The PHO also contracted Community Pharmacists to work with general practice teams to undertake reconciliation of hospital discharge summaries and provide yellow medication cards.

- **Korowai Youth Health & Wellbeing Trust ('298 Youth Health')**

The team continued to provide a free health service to Canterbury youth. While the Trust received funding from the DHB for doctor and nurse time, and some capitation funding, it has always relied on philanthropic funding, grants from charitable trusts and funding from the Ministry of Social Development to help cover operational costs. The team worked hard to respond to high numbers of youth presenting with mental distress, those seeking assistance with gender reassignment, and other acute and complex health issues.

The service moved into purpose-built premises and remained committed to supporting the establishment of a youth hub to better address the needs of youth in Canterbury. The team had to limit and triage the number of casual patients they could accept in order to meet demand. While the new and larger premises provide an opportunity to expand services this is currently limited by the available funding.

Quality Improvement

Achievement against the 2018-19 Christchurch PHO Quality Plan is summarised as follows:

| Consumer Engagement and Participation | |
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| <ul style="list-style-type: none"> Implement Patient Portals. | 3 practices continued to implement patient portals. 3 practices have yet to commence. 20 % of the enrolled population had access to a patient portal. |
| <ul style="list-style-type: none"> Implement Patient Experience Survey (PES). | All practices implemented the PES. The surveys are run for one week in each quarter, and results used to inform quality improvements. |
| <ul style="list-style-type: none"> Support Choosing Wisely Programme. | Information / resources were provided to practices. |
| Clinical Effectiveness | |
| <ul style="list-style-type: none"> Implement programme of regular Clinical Pharmacist audits. | Audits were undertaken in response to identified issues in a practice. Examples of audits completed were: <ul style="list-style-type: none"> - Appropriate Augmentin prescribing - SSRI prescribing and review - Medication pick up and overuse - Aspirin prescribing for primary prevention CVD - Self-harm and antidepressants - Doxepin discontinuation - Olanzapine and clozapine - Dabigatran and renal function - Codeine prescription and childhood asthma admission |
| <ul style="list-style-type: none"> Use valid and reliable measures to evaluate aspects of service delivery and inform improvement, change and sustainability. | The smoking cessation programme was evaluated, and changes will be introduced in 2019-20 to better align the programme to the Te Hā – Waitaha service. |
| Commitment to Quality Improvement and Patient Safety | |
| <ul style="list-style-type: none"> Implement National Adverse Events Reporting Policy 2017. | A draft PHO reporting system for adverse events was developed, that will be refined and implemented in 2019-20. |
| <ul style="list-style-type: none"> Maintain Cornerstone Accreditation and Foundation Standard Certification. | Three practices maintained Foundation Standard certification, and 3 practices maintained Cornerstone accreditation. Two practices maintained accreditation as Urgent Care Centres. |
| <ul style="list-style-type: none"> Support practices to submit applications to CDHB Annual Quality & Innovation Awards. | Christchurch PHO contributed towards the Canterbury Health System programme “Motivating Conversations” lead by Pegasus Health. The programme helped primary health professionals better communicate with their patients by developing their motivational interviewing skills. The programme was the winner in the 2018 Canterbury Health System Quality and Innovation Awards ‘Improved Health and Equity for All Populations’ category. |

Engaged Effective Workforce

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| <ul style="list-style-type: none">• Develop capacity and capability of Board, Clinical Governance Group and PHO staff in quality improvement. | <p>The PHO submitted a proposal to the 2019 Health Quality & Safety Commission (HQSC) Whakakotahi Primary Health Programme. While the proposal, to address medicines management services with a focus on Māori patients, did not make it into the final selection, the Clinical Pharmacist implemented aspects of the proposal through various audits and projects with member general practices.</p> <p>The PHO undertook a 9-month quality Improvement Co-Design project with the HQSC and the Canterbury Clinical Network about youth self-harm hospitalisations. The report is available on the HQSC website.</p> |
| <ul style="list-style-type: none">• Support quality improvement leaders in general practice. | <p>The PHO investigated joining the Canterbury DHB Professional Development and Recognition Programme for Nurses. Next steps will be confirmed in 2019-20.</p> <p>The CDHB has provided the PHO with a two year resource to promote and assist the implementation of the Health Care Home programme. This will be further developed in 2019-20.</p> |

PHO Programmes

The Ministry of Health via the Canterbury District Health Board funds the majority of PHO programmes while the Christchurch PHO funds some additional programmes. The following is a brief summary of the key programmes that were offered during 2018-19:

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| Alcohol Harm Reduction | A programme that supported general practice teams to deliver a brief intervention approach to alcohol harm minimisation. |
| Before School Checks | 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 referral of children in the 98% percentile for follow up, checking oral health, vision, hearing, behaviour, and general development and health. All targets were met. |
| Chronic Packages of Care | 598 packages of care were delivered to meet the needs of people with chronic diseases or those identified with significant high-risk factors of developing long-term health concerns. |
| Diabetes Care Improvement Packages (DCIP) | A Canterbury wide programme intended to provide equitable, consistent and high-quality care to people diagnosed with diabetes. General practice teams supported 1,123 people who were known to have diabetes. |
| Discretionary Fund | PHO funding that allowed the purchase of health-related services for people who were unable to access care through other mechanisms and were experiencing financial barriers. |
| End of Life Care | General practice teams provided 142 free consultations for people in their last three months of life. |
| Enhanced Capitation | A Canterbury wide programme that provided general practices with greater flexibility in how funding could be used to focus on the delivery and coordination of care for people with complex health needs. |
| Equally Well | A Canterbury wide programme that provided up to 4 free consultations for people who had severe mental health concerns to address their unmet physical health issues, or for youth to address their mental health concerns where there were barriers to access. |
| Free GP Consultations for Offenders on Release | Free consultations designed to support the pathway to primary care were provided for people on release from prison, or newly arrived Australian deportees, by removing cost as a barrier to access. |
| Free Under 14s Health Care | Free health care was provided for under 13 years. This was extended from December 2018 to include children under 14 years. Two Urgent Care Centres also provided 8,523 free after hours care consultations for this population group, which represented 41% of the total Canterbury consultations. |

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| Language Line & Interpreter Services | On call translation and interpreter services were provided to New Zealand residents who did not speak English as a first language, when they accessed health services. |
| Access to Low Cost Contraception and Long Acting Reversible Contraceptives | Access to low cost contraception was introduced from April 2019. It included the ability to access long term reversible contraception for women aged 14 upwards who met the eligibility criteria. |
| Māori Health | Additional health care support was provided when identified as being required by an NGO provider for the enrolled Māori population. |
| More Heart and Diabetes Checks | General practice teams supported people identified as being at high risk of cardiovascular disease. The checks are specifically targeted at Māori, Pacific, Indian people – men aged 35 to 75 years and women aged 45 to 75 years; all other men aged 45 to 75 years and all other women aged 55-75 years. An additional focus was made on Māori men aged 35-44 years. |
| Podiatry treatment for people with high risk feet & people with diabetes | The PHO funded two podiatry programmes. One designed to reduce pain, falls and complications associated with foot health problems. People with high-risk feet and those at risk of developing foot complications received up to three free visits to a podiatrist. The other, a Canterbury wide podiatry service, was for people with diabetes and identified as being at high risk of developing foot complications. Eligible people received up to six free visits to a podiatrist. |
| Rheumatic Fever | People diagnosed with rheumatic fever were provided with the timely medical care necessary to prevent damage to their heart, joints and central nervous system. |
| Smoking Cessation Programme | Brief interventions, cessation consultations and up to seven follow-up appointments were offered by general practice teams to people who wished to become smoke free. Uptake has remained steady over the past 6 years. The PHO funded 1,435 brief advice and 300 cessation consultations. The CDHB Smoke-free team also provided extra support to practices by providing brief advice and cessation services to the enrolled population via the Te Hā – Waitaha Service. The PHO programme was evaluated, and quality improvement changes will be introduced in July 2019. Practices were also encouraged to refer to the Te Hā -Waitaha Stop Smoking service, particularly for Māori / Pacific and pregnant women. |
| Youth Sexual Health | 2,693 people under 21 years of age were offered free sexual health consultations when the main purpose of the consultation was for a sexual health or contraception matter. The aim was to reduce sexually transmitted infections, unintended pregnancies and terminations. |

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

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| Acute Demand Service | The Acute Demand Team hosted by Pegasus Health, provided short-term assessments, treatment, and support to patients who may have otherwise been admitted to or have been recently discharged from hospital. Patients were referred to the team by either their General Practitioner (GP) or the hospital. The service was free of charge once a patient had been accepted under care by the team. |
| Appetite for Life (AFL) | Hosted by Pegasus Health, the 6-week weight management and healthy lifestyle programme focused on health gain rather than weight loss, and supported small changes in eating, activity and behaviour helping people to feel good about themselves throughout the process. |
| Canterbury Initiative Support Services (GP subsidised procedures) | Subsidised procedures delivered in general practice included skin cancer excisions, steroid injections, pipelle biopsies, Mirena and LARC insertions, musculoskeletal steroid injection, spirometry tests, sleep assessments, IV iron infusions, and support for people newly diagnosed as diabetic and insulin starts. |
| Community Respiratory Services | A programme designed to increase access to a variety of respiratory services previously only available in hospital. Spirometry testing and sleep studies were provided by some general practices, and pulmonary rehabilitation in the community. |
| Community Rehabilitation Enablement & Support Team (CREST) | A community-based supported discharge team facilitated earlier discharge from hospital to appropriate home-based rehabilitation services. Referrals were accepted directly from general practice, providing older people with care and support to be rehabilitated in their own homes, so as to avoid hospital admission altogether. |
| Green Prescription | Provided by Sport Canterbury, this programme supported people to become physically active, following advice and referral from their health professional. |
| Immunisation | General practice teams and school-based programmes delivered immunisations to children and adults. |
| Infant Feeding Service | Hosted by Waitaha Primary Health (previously Rural Canterbury PHO), the service aimed to protect, promote and support breastfeeding. It comprised a community based Lactation Consultation Support Service and the Mother4Mother Breastfeeding Peer Support Programme. |
| Mana Ake – Stronger for Tomorrow | Established in March 2018 the programme was designed to promote wellbeing and positive mental health for children in years 1-8 across Canterbury Schools. It was a collaboration between the Ministry of Health, the Ministry of Education, Canterbury DHB, Police, NGOs, schools, Oranga Tamariki and consumers, with the Canterbury Clinical Network (CCN) responsible for leading the design and delivery. Recruitment, induction and deployment of its target FTE of 80 kaimahi (workers) was completed by April 2019. |
| Refugee Service | Hosted by Pegasus Health, the service provided primary health care and community-based support services to the enrolled refugee population. |

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| Senior Chef | Hosted by Pegasus Health, the programme was designed to teach older people living alone or with one other person, practical cooking skills, meal planning, budgeting, shopping tips and good nutrition. Eligible people are Māori or Pasifika aged 55 years+ or other ethnic groups 60 years+. |
| Step Up Programme | Hosted by Pegasus Health, an MSD funded programme that helped to reduce barriers to employment by assisting people with health conditions or disabilities to find and stay in work or to engage in education or training. |

Hepatitis C

As part of a national initiative the PHO received one off funding from PHARMAC to assist with contacting eligible patients for Hepatitis C review and treatment. 20 people were contacted.

Continuing Education for General Practice Teams

In addition to the CDHB funded education and training programmes provided by Canterbury Initiative and Pegasus Health, Christchurch PHO provided some funding support to member general practice teams for their staff continuing education requirements. This funding was used by practices to provide professional development activities best suited for their team's individual needs, over and above what was provided Canterbury wide.

Two general practice teams hosted two new graduate nurses who were completing their Nursing Entry to Practice Programme (NetP) in general practice.

The System Level Measures Framework

Introduced in 2016 by the Ministry of Health the System Level Measures Framework (SLM) has 6 measures that have been applied to general practice. These were:

- i. Ambulatory sensitive hospitalisation rates for children under 4 years (focus on keeping children out of hospital)
- ii. Acute hospital bed days per capita (focus on using health resources effectively)
- iii. Patient experience of care (focus on person-centred care)
- iv. Amenable mortality rates (focus on prevention and early detection)
- v. Babies living in smoke-free homes (focus on a healthy start to life)
- vi. Youth access to, and utilisation of, youth appropriate health services (focus on youth being healthy, safe and supported).

Each region developed an annual System Level Measure Plan in response to these measures. The 2018-29 Canterbury Plan included a range of contributory measures that PHOs and general practice teams worked hard to meet or exceed.

The Ministry of Health provided funding intended to build the capability and capacity of PHOs and general practices to meet improvement milestones. Christchurch PHO passed 66% of this funding directly to general practice teams to help enable them to meet the Canterbury SLM Plan.

Christchurch PHO contributed to many of the Canterbury SLM Plan contributory measures – these were some examples:

| Measure | Result |
|--|--|
| Motivational Interview Training | 18 clinicians completed the training. |
| Health Promoting Lifestyle Services | Funding was contributed towards the Appetite for Life programme. |
| Physical Health & Mental Health | 168 free Equally Well consultations were provided. |
| Reduce inappropriate polypharmacy | The Clinical Pharmacist conducted regular audits and completed 18 Medicine Therapy Assessments. Community Pharmacists completed medicines use reviews. |
| Increase new-born enrolments | Indicative result at June 2019 was 87.5%, which represents the proportion of babies at 6 weeks who were enrolled with a general practice. |
| Primary Care's engagement with Patient Experience Survey | All member practices implemented the PES. |

PHOs performance against two national health targets were also measured. These were better help for smokers to quit and increased immunisation for 8-month-old children.

Christchurch PHO again achieved some pleasing results against these two health targets. Other measures, while no longer national targets, were important measures of primary care.

| Target | National Target | Quarter 4 Result Apr-Jun 2019 | Comment |
|--|-----------------|--|--|
| <i>Better Help for Smokers to Quit</i> | 90% | 90% | 300 smoking cessation consultations were provided by general practice teams. 13% were for Māori and 6% for Pasifika. |
| <i>Increased immunisation For 8-month old's</i> | 95% | 99% | The PHO again maintained a consistently high immunisation rate for 8-month-old children, being one of the top performers nationally. |
| <i>Immunisation for 2-year-old children</i> | 95% | 99% | The PHO again maintained a consistent immunisation rate for 2-year old's being the top PHO performer. |
| <i>Cervical Screening for women aged 25-69 years</i> | 80% | 77% | The Christchurch PHO mobile nurse provided free smears for priority women Māori, Pacific, Asian women in collaboration with ScreenSouth Ltd. This contributed to improved rates for Māori of 79% and Pacific of 72%. |
| <i>More Heart and Diabetes Checks</i> | 90% | 80% | 5,755 people were assessed for a cardiovascular disease. Māori men aged 35-44 years were offered free CVD assessments with a 64% uptake. |
| <i>Before School Checks for 4-year-old children</i> | 90% | 120% quintile 1-4 116% quintile 5 | 232 children were checked. The population target and all targets for quintile 0-4 and quintile 5 including Māori and Pacific were exceeded. |

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

Quarterly reports were provided to the DHB and Ministry of Health about progress with completing cardiovascular disease risk assessments and offering smoking brief advice and/or cessation services.

The Ministry of Health provided additional funding for general practice and PHOs to target eligible populations. This was used to provide education for staff about cardiovascular risk assessments, improved IT support and audit tools, and clinical leadership to practices.

The transition over to the new National Enrolment Service (NES) has caused a significant increase in additional work for KARO. They have provided monthly reports on capitation-based funding, service utilisation, fee for service and performance reports based on the monthly snap short from the NES. Work was completed with the Ministry of Health, KARO and patient management vendors to fine tune the process to ensure that data was correctly validated between the NES and practice management systems. This refinement work is expected to continue into 2019-20.

Financial Statements

The Financial Statements presented for the year ended 30 June 2019 are in the 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, and present fairly the financial position of the Company as at 30 June 2019 and the results of their operations and cash flows for the year ended on that date.

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.

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 accepting 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 Ltd for the year ended 30 June 2019.

Signed for and on behalf of the Directors



Dr Angus Chambers
Director



Christchurch PHO Limited

Financial Statements

For the year ended 30 June 2019

Christchurch PHO Limited

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Christchurch PHO Limited

Directory

as at 30 June 2019

Principal Business: Primary Health Organisation

Shareholder: Christchurch PHO Trust

Registered Office: South Link Health
Burns House, 10 George Street
Dunedin

Directors: J Allardyce
R Brennan (Appointed 18 July 2018)
A Chambers
D Jones
S McFarlane
A Rolleston
M Turrall

Solicitors: Saunders Robinson & Brown
Christchurch

Bankers: ASB Bank

Auditors: Crowe New Zealand Audit Partnership
Dunedin

Christchurch PHO Limited

Statement of Financial Responsibility

For the year ended 30 June 2019

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 2019 and the results of their operations and cash flows for the year ended on that date.

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The Directors are pleased to present the financial statements of the Christchurch PHO Limited for the year ended 30 June 2019.

For and on behalf of the Directors:

Director:  _____

Dated: 25/10/19.

Director:  _____

Dated: 25/10/19

Christchurch PHO Limited

Statement of Comprehensive Revenue and Expense

For the year ended 30 June 2019

| | <i>Note</i> | 2019 \$ | 2018 \$ |
|--|-------------|------------------|------------------|
| Contract revenue - non exchange transactions | | 7,672,581 | 7,023,930 |
| Other income | | 32,045 | 98,717 |
| TOTAL REVENUE FROM NON EXCHANGE TRANSACTIONS | | 7,704,626 | 7,122,647 |
| Contract payments | | 7,186,725 | 6,617,949 |
| Wages, salaries and other employee costs | | 265,093 | 211,983 |
| Other operating expenses | 6 | 280,318 | 267,019 |
| TOTAL EXPENSES | | 7,732,136 | 7,096,951 |
| Interest income | | 19,389 | 23,333 |
| OPERATING SURPLUS / (DEFICIT) | | (8,121) | 49,029 |
| OTHER GAINS / (LOSSES) | | - | - |
| SURPLUS / (DEFICIT) FOR THE YEAR | | (8,121) | 49,029 |
| OTHER COMPREHENSIVE REVENUE AND EXPENSES | | - | - |
| TOTAL COMPREHENSIVE REVENUE AND EXPENSES FOR THE YEAR | | (8,121) | 49,029 |

Christchurch PHO Limited
Statement of Financial Position
as at 30 June 2019

| | Note | 2019 \$ | 2018 \$ |
|--|------|------------------|------------------|
| ASSETS | | | |
| Current | | | |
| Cash and cash equivalents | 7 | 673,317 | 371,418 |
| Current investments | 7 | 400,000 | 600,000 |
| Receivables from non exchange transactions | 8 | 146,613 | 190,021 |
| GST receivable | | 10,208 | - |
| Prepayments | | 7,534 | 13,583 |
| Total Current Assets | | 1,237,672 | 1,175,022 |
| Non-current | | | |
| Plant and Equipment | 9 | 10,521 | 6,734 |
| Total Non-current Assets | | 10,521 | 6,734 |
| TOTAL ASSETS | | 1,248,193 | 1,181,756 |
| LIABILITIES | | | |
| Current | | | |
| Employee entitlements | 10 | 19,755 | 18,310 |
| Payables under non exchange transactions | 11 | 367,983 | 233,414 |
| GST payable | | - | 6,581 |
| Deferred revenue | 12 | 463,311 | 518,186 |
| Total Current Liabilities | | 851,049 | 776,491 |
| TOTAL LIABILITIES | | 851,049 | 776,491 |
| NET ASSETS | | 397,144 | 405,265 |
| EQUITY | | | |
| Share Capital | 17 | 1 | 1 |
| Accumulated Funds | | 397,143 | 405,264 |
| TOTAL EQUITY | | 397,144 | 405,265 |

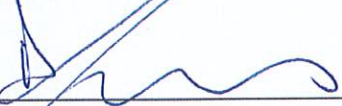
Approved for and on behalf of the Directors



Chairperson

25/10/19

Date



Director

25/10/19

Date



Christchurch PHO Limited

Statement of Changes in Net Assets

For the year ended 30 June 2019

Notes

| | <i>2019</i> | <i>2018</i> |
|----------------------------------|----------------|----------------|
| | \$ | \$ |
| Share Capital | 1 | 1 |
| Accumulated Funds | | |
| Opening Balance 1 July | 405,264 | 356,235 |
| Surplus / (Deficit) for the year | (8,121) | 49,029 |
| Other comprehensive income | - | - |
| Closing Balance 30 June | 397,143 | 405,264 |



Christchurch PHO Limited

Statement of Cash Flows

For the year ended 30 June 2019

| <i>Note</i> | <i>2019</i> | <i>2018</i> |
|--|----------------|------------------|
| | <i>\$</i> | <i>\$</i> |
| Cash flow from Operating Activities | | |
| Cash was provided from (applied to): | | |
| Receipts from contract transactions and other income | 7,693,157 | 6,968,873 |
| Interest received | 19,389 | 23,333 |
| Payments for contract and supplier transactions | (7,327,417) | (7,077,320) |
| Payments for employees | (263,648) | (105,378) |
| Goods and services tax (net) | (16,789) | 958 |
| Net cash / (used in) Operating Activities | 104,691 | (189,534) |
| Cash flow from Investing Activities | | |
| Cash was provided from (applied to): | | |
| Acquisition of property, plant and equipment | (2,793) | (2,793) |
| Investment movements | 200,000 | 200,000 |
| Net cash / (used in) Investing Activities | 197,207 | 197,207 |
| Cash flow from Financing Activities | | |
| Net cash / (used in) Financing Activities | - | - |
| Cash and cash equivalents, beginning of the year | | |
| | 371,418 | 363,744 |
| Net increase / (decrease) in cash and cash equivalents | | |
| | 301,898 | 7,673 |
| Cash and cash equivalents at end of the year | 673,316 | 371,417 |

Christchurch PHO Limited

Notes to the Financial Statements

For the year ended 30 June 2019

1. Reporting Entity

These financial statements comprise the financial statements of Christchurch PHO Limited (the "PHO") for the year ended 30 June 2019. 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.



Christchurch PHO Limited

Notes to the Financial Statements

For the year ended 30 June 2019

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 | 10-48% 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 2019

(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.

(h) 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 2019

(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 2019

4. Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with NZ IPSAS with Reduced Disclosure Regime 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.

Christchurch PHO Limited

Notes to the Financial Statements

For the year ended 30 June 2019

6. Other Operating Expenses

| | 2019 | 2018 |
|--------------------------------------|----------------|----------------|
| | \$ | \$ |
| Administration Expenses | | |
| Audit Fee | 8,950 | 8,950 |
| Bank Charges | 433 | 332 |
| Conference Expenses | 773 | 730 |
| Education CME/CNE | 15,395 | 14,754 |
| Insurance | 10,461 | 9,997 |
| General Expenses | 14,864 | 9,747 |
| Legal Fees | - | 226 |
| SLH and Other Consultancy | 72,778 | 67,603 |
| PHO Alliance Membership | 6,230 | 6,171 |
| Printing & Stationery | 4,775 | 2,802 |
| Repairs and Maintenance | 35 | 158 |
| Special Projects | 1,373 | 1,298 |
| Telephone & Tolls | 4,994 | 4,480 |
| Total Administration Expenses | 141,061 | 127,248 |
| Occupancy Expenses | | |
| Rental | 57,371 | 59,102 |
| Total Occupancy Expenses | 57,371 | 59,102 |
| Governance Expenses | | |
| Board Expenses | 13,741 | 13,610 |
| Board Meeting Fees | 54,896 | 54,503 |
| Clinical Governance | 10,931 | 11,387 |
| Total Governance Expenses | 79,568 | 79,500 |
| Depreciation | 2,318 | 1,169 |
| Total | 280,318 | 267,019 |

7. Cash and Cash Equivalents / Investments

| | 2019 | 2018 |
|--|----------------|----------------|
| | \$ | \$ |
| ASB current account | 473,317 | 371,418 |
| Term deposits less than three months | 200,000 | - |
| Total cash and cash equivalents | 673,317 | 371,418 |

| | 2019 | 2018 |
|--------------------------------------|----------------|----------------|
| | \$ | \$ |
| Term Deposits 9 - 12 months | 400,000 | 600,000 |
| Term deposits less than three months | - | - |
| Total current investments | 400,000 | 600,000 |

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

The effective interest rate on term deposits in 2019 was 2.75% - 3.10% (2018: 1.5%-3.10%).



Christchurch PHO Limited

Notes to the Financial Statements

For the year ended 30 June 2019

8. Receivables from Non Exchange Transactions

| | 2019 | 2018 |
|----------------------|----------------|----------------|
| | \$ | \$ |
| Accounts receivables | 144,100 | 188,425 |
| Sundry receivables | 2,513 | 1,596 |
| Total | 146,613 | 190,021 |

Classified as:

| | | |
|--------------------|----------------|----------------|
| Current assets | 146,613 | 190,021 |
| Non-current assets | - | - |
| Total | 146,613 | 190,021 |

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 2018 and 2019, all overdue receivables have been assessed for impairment and appropriate allowances made. All receivables are subject to credit risk exposure.

9. Plant and Equipment

| | 2019 | 2018 |
|--|---------------|--------------|
| | \$ | \$ |
| Gross carrying amount | | |
| Opening balance | 20,641 | 17,848 |
| Additions | 6,105 | 2,793 |
| Disposals | - | - |
| Closing balance | 26,746 | 20,641 |
| Accumulated Depreciation and Impairment | | |
| Opening balance | 13,907 | 12,738 |
| Depreciation for the year | 2,318 | 1,169 |
| Disposals | - | - |
| Impairment charge for the year | - | - |
| Closing balance | 16,225 | 13,907 |
| Carrying amount 30 June | 10,521 | 6,734 |



Christchurch PHO Limited

Notes to the financial statements

For the year ended 30 June 2019

10. Employee Entitlements

| | 2019 | 2018 |
|---------------------------|---------------|---------------|
| | \$ | \$ |
| Current | | |
| Annual leave entitlements | 19,755 | 18,310 |
| Total | 19,755 | 18,310 |

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.

11. Payables under Non Exchange Transactions

| | 2019 | 2018 |
|---|----------------|----------------|
| | \$ | \$ |
| Current | | |
| Trade Payables | 336,170 | 201,158 |
| Sundry payables | 31,813 | 32,256 |
| Total current | 367,983 | 233,414 |
| Total payables under exchange transactions | 367,983 | 233,414 |

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

12. Deferred revenue

| | 2019 | 2018 |
|----------------------------------|----------------|----------------|
| | \$ | \$ |
| Unexpended contract revenue | 450,841 | 501,198 |
| Other income received in advance | 12,470 | 16,988 |
| Total deferred revenue | 463,311 | 518,186 |

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 2019

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.

| 2019 | Loans and receivables | Liabilities at amortised cost | Total carrying amount | fair value |
|----------------------------------|-----------------------|-------------------------------|-----------------------|------------------|
| Financial Assets | | | | |
| Trade and other receivables | 146,613 | - | 146,613 | 146,613 |
| Cash and cash equivalents | 673,317 | - | 673,317 | 673,317 |
| Current investments | 400,000 | - | 400,000 | 400,000 |
| Total Current Assets | 1,219,930 | - | 1,219,930 | 1,219,930 |
| Total Assets | 1,219,930 | - | 1,219,930 | 1,219,930 |
| Financial liabilities | | | | |
| Trade and other payables | - | 367,983 | 367,983 | 367,983 |
| Total Current Liabilities | - | 367,983 | 367,983 | 367,983 |
| Total Liabilities | - | 367,983 | 367,983 | 367,983 |

| 2018 | Loans and receivables | Liabilities at amortised cost | Total carrying amount | fair value |
|----------------------------------|-----------------------|-------------------------------|-----------------------|------------------|
| Financial Assets | | | | |
| Trade and other receivables | 190,021 | - | 190,021 | 190,021 |
| Cash and cash equivalents | 371,418 | - | 371,418 | 371,418 |
| Current investments | 600,000 | - | 600,000 | 600,000 |
| Total Current Assets | 1,161,439 | - | 1,161,439 | 1,161,439 |
| Total Assets | 1,161,439 | - | 1,161,439 | 1,161,439 |
| Financial liabilities | | | | |
| Trade and other payables | - | 233,414 | 233,414 | 233,414 |
| Total Current Liabilities | - | 233,414 | 233,414 | 233,414 |
| Total Liabilities | - | 233,414 | 233,414 | 233,414 |

Christchurch PHO Limited

Notes to the Financial Statements

For the year ended 30 June 2019

14. Operating Leases

| | 2019 | 2018 |
|---|--------------|---------------|
| | \$ | \$ |
| <i>Non-cancellable operating leases as payable as follows</i> | | |
| Less than one year | 8,346 | 32,278 |
| Between one and five years | 654 | 7,312 |
| More than five years | - | - |
| Total | 9,000 | 39,590 |

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.

The following arrangements existed with related parties:

(a) Related party balances

(1) A Chambers is a director of the company and a director in Riccarton Clinic Limited. Riccarton Clinic Limited received PHO funding on terms and conditions that are consistent for such transactions on a normal supplier basis. Balance outstanding as at balance date totals \$140,250 (2018: \$46,249)

(2) Dr J Allardyce is a director of the company and an employee at Canterbury University. Canterbury University received PHO funding on terms and conditions that are consistent for such transactions on a normal supplier basis. Balance outstanding as at balance date totals \$55,807 (2018: \$52,990)

(3) G Davidson and Dr D Jones are directors of the company. G Davidson is employed at Moorhouse Medical Centre, and Dr D Jones is a director of Moorhouse Medical Centre. Moorhouse Medical Centre received PHO funding on terms and conditions that are consistent for such transactions on a normal supplier basis. Balance outstanding as at balance date totals \$28,663 (2018: \$17,373)



Christchurch PHO Limited

Notes to the Financial Statements

For the year ended 30 June 2019

(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.

| | <i>2019</i> | <i>2018</i> |
|---|----------------|----------------|
| | <i>Total</i> | <i>Total</i> |
| | \$ | \$ |
| Salaries and other short-term employee benefits | 156,804 | 155,384 |
| Total remuneration | 156,804 | 155,384 |
| Number of persons recognised as key management personnel | 8 | 8 |

16. Contingent Assets and Contingent Liabilities

Christchurch PHO Limited has no contingent assets or contingent liabilities (2018: None).

18. Commitments

As at 30 June 2019 Christchurch PHO Limited is not aware of any capital commitments or contingencies (2018: nil).

19. Subsequent Events

There were no significant events after the balance date.



INDEPENDENT AUDITOR'S REPORT**To the Shareholder of Christchurch PHO Limited****Opinion**

We have audited the financial statements of Christchurch PHO Limited (the Company) on pages 3 to 18, which comprise the statement of financial position as at 30 June 2019, and the statement of comprehensive revenue and expense, statement of changes in net assets and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 30 June 2019, and its financial performance and its cash flows for the year then ended in accordance with Public Benefit Entity Standards [Reduced Disclosure Regime] issued by the New Zealand Accounting Standards Board.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with Professional and Ethical Standard 1 (Revised) *Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Information other than the Financial Statements and Auditor's Report

The Directors are responsible for the other information. Our opinion on the financial statements does not cover the other information included in the annual report and we do not and will not express any form of assurance conclusion on the other information. At the time of our audit, there was no other information available to us.

In connection with our audit of the financial statements, if other information is included in the annual report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of our auditors' report, we concluded that there is a material misstatement of this other information, we are required to report that fact.

Responsibilities of the Directors for the Financial Statements

The Directors are responsible on behalf of the company for the preparation and fair presentation of the financial statements in accordance with Public Benefit Entity Standards Reduced Disclosure Regime issued by the New Zealand Accounting Standards Board, 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.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless those charged with governance either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

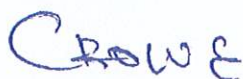
Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (NZ), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the use of the going concern basis of accounting by the Directors and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Crowe New Zealand Audit Partnership
CHARTERED ACCOUNTANTS

Dated at Dunedin this 25th day of October 2019

christchurch pho

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