



christchurch **pho**

ANNUAL REPORT

2017



Contents

About Us	2
The Christchurch PHO Focus	2
Chair's Report	3
CEO's Report	4
Christchurch PHO Board	5
The Clinical Governance Group	5
Population	6
Christchurch PHO Service Team	6
The Canterbury Clinical Network Alliance	7
National Links	7
Our Achievements	8 – 9
PHO Programmes	10 – 12
System Level Measures Framework	13
Financial Statements	14
Statement of Financial Responsibility	14
Audit report	

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 urgent care centres, providing primary care services to an enrolled population of 35,000.

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 PHO values are 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.

Chair's Report

It has been another year with significant changes and challenges for Christchurch PHO. After several years of service, our CE Helen Johnson resigned and we welcomed Laila Cooper into the role. Helen promoted the role of allied health in the PHO and our patient care is the better for it. She created a good team around her, which enabled a smooth continued functioning of the PHO with the change of leadership. Our thanks to Helen. Laila Cooper brings a great deal of experience in the primary sector into the role and has proved a great asset to the PHO. I would like to acknowledge Rural Canterbury PHO for their support during the period of changing CEs.

Unfortunately, the PHO has experienced a significant funding cut in the year. Three months into the year, we were informed that, as a result of the new census data, our population had become more wealthy. The patients themselves were not aware of this. This resulted in a 20% funding cut for our Services to Improve Access programmes. The consequence of this has been the cutting of clinical programmes. Free care for problematic asthma, programmes aimed at connecting infrequent attenders to get their health care, programmes to improve the transition of new patients to practices have, among others been cut.

On top of these cuts, there is increasing pressure on General Practice teams. A particularly concerning area remains mental health. General Practice teams and our mental health workforce are seeing greater numbers of people with mental health issues and the complexity of those problems are increasing. I would like to acknowledge the work of all of the teams associated with the PHO in this and other areas. Often with the stress of earthquake issues continuing to have an impact on their lives.

On a more positive note, all our Practices have achieved accreditation either through Cornerstone or through Foundation Standard. Even more impressive was the 99% immunisation rate for 8 month olds achieved by the nursing workforce of the PHO. That is an outstanding result considering the diversity of peoples that we have living in Christchurch today.

The next year has its uncertainties. The funding of primary care has come under increasing criticism and may well undergo a review. This could have significant implications for the PHO and Practice teams. The Canterbury DHB is forecasting a significant deficit, which could result in more service cuts.

My thanks to Laila Cooper, Sandi Malcom and Katrina Banks for their assistance this year and again to all the teams who deliver healthcare to our communities.



Dr Angus Chambers

CEO's Report

We are proud of our efforts and achievements to provide high quality primary health care services to our enrolled population during 2016-17. The November 2016 Kaikoura earthquake and February 2017 Port Hills fires interrupted the busy year, sharply highlighting the disruption that natural events can cause, and the many changes that have occurred in the Canterbury region and health system since the 2010 and 2011 earthquakes. A significant change for us was the decision to cease several long-standing clinical programmes this year, when capitated funding was calculated using 2013 census data. This resulted in a significant reduction in the PHOs Services to Improve Access funding, which meant that some services could no longer be funded. It was with regret that we also exited the highly valued Huntington's Disease Coordination Service Agreement, as we believed the service funding offered was no longer sustainable.

Highlights have included the pleasing results achieved against the national targets for immunisation and newborn enrolments, and having all member practices either Cornerstone accredited or Foundation Standard certified. We acknowledge the hard and ongoing work required by general practice teams to achieve and maintain these standards.

Information Technology (IT) priorities continued to dominate the PHO work programme, such as embedding the new payment claiming system, implementing the National Enrolment System, and preparing for the roll out of Patient Experience Survey. We thank the Health Systems Solutions team for their excellent service, and the Rural Canterbury PHO IT staff for their support.

We acknowledge the tireless efforts of the dedicated primary mental health team to meet an ever-increasing demand for services. A highlight in an otherwise underfunded service was the introduction of a new Intensive GP Liaison service focused on youth that provides a more comprehensive service, has received positive feedback from patients and clinicians. The PHO participated in an ongoing Canterbury wide review of primary mental health services.

Christchurch PHO continued to be an active partner of the Canterbury Clinical Network, with representation at many levels. A key achievement was the development of the Enhanced Capitation programme, introduced in October 2016 after 18 months of planning, designed to replace the Care Plus programme locally. Another was the introduction of Motivating Conversations for general practice teams. The three PHO Chairs and CEOs, the Canterbury District Health Board (CDHB) Chair and CEO, and the Canterbury Clinical Network Chair and Programme Manager have met regularly to consider ways to work more closely together to manage the fiscal challenges facing the Canterbury health system. At a national level, Chair, Dr. Angus Chambers has served on the Primary Health Alliance Executive, and represented the Alliance at PSAAP negotiations.

Along with several other health organisations in Canterbury that moved to new premises this year, the Christchurch PHO team moved in early 2017, to a more central location in Edgeware Road. My warmest thanks to everyone who has assisted Christchurch PHO this year to achieve our strategic objectives. Thank you to the Board and Chair, for their valued guidance and support; to member general practice teams for delivering services in yet another busy and challenging year; to the PHO staff and contractors for their dedicated and thorough work; and to our colleagues in other PHOs and the CDHB for their support. We look forward to another productive year ahead.



Laila Cooper

Christchurch PHO Board

Christchurch PHO operates as a non-for-profit limited liability Company and has a Governance Board of eight 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 2016-17, the Board met monthly and 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
Michelle Turrall	Māori representative
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 2016-17 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
Michelle Turrall	Māori representative
Karen Norriss	Practice nurse representative
Warren Brown	Practice nurse representative
Melanie Gamble	Clinical pharmacist

The Clinical Governance Group has had a busy year monitoring progress against the national health and PHO performance targets and System Level Measures, providing advice to the Board about clinical programme planning and delivery, and providing feedback to various consultation requests.

Dr Tearlach MacLean represented the PHO at the Canterbury DHB Clinical Board, and Dr Yan Sen Lee represented the PHO at the fortnightly Pegasus Health Clinical Provider Education Committee 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 was also represented at the national PHO Quality Improvement Network meetings, hosted by the Health Quality & Safety Commission.

Population

As at 30 June 2017, the Christchurch PHO had an enrolled population of 35,429.

Analysis by Ethnicity

NZ European	Māori	Pacific Islanders	Asian	Other & Unknown
23,010	2,706	1,181	7,526	1,006

Analysis by Age Group

Under 5 yrs	5-14 yrs	15-24 yrs	25-44 yrs	45-64 yrs	Over 65 yrs
1,691	2,627	10,215	12,366	6,552	1,978

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 Bensemman	Mental Health Brief Intervention Counsellor
Cath Finch	Mental Health Brief Intervention Counsellor
Sharmaine Dobson	Youth Brief Intervention Counsellor & Intensive GP Liaison
George Dobson	Mental Health Brief Intervention Counsellor & Intensive GP Liaison
Paul Wynands	Clinical Psychologist
Dr Ali Maginness	Clinical Psychologist
Melanie Gamble	Clinical Pharmacist
Michelle Okeroa	Mobile Practice Nurse
Kirsten Carey	Mobile Practice Nurse University of Canterbury Health Centre
Kate Walkinshaw	Mobile Community Social Worker (to Feb 2017)
Anna Scott	Mobile Community Social Worker (from Mar 2017)

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, programmes and initiatives. 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 Te Hā-Waitaha)
- Pharmacy Service Level Alliance
- Integrated Diabetes Services Development Group and Operational Group
- Integrated Diabetes Podiatry Working Group
- Immunisation Services Operational Group
- Canterbury Primary Response Group and Canterbury Influenza Group
- Urgent Care Work Stream
- Patient Portal Steering Group
- Canterbury Infection Prevention & Control Community Committee
- Information Systems Governance Group Working Group
- Coordinated Access for Offenders on Release Working Group
- System Level Measures Framework Group

Other collaborative work has included participating in the:

- Cervical Screening Working Group;
- Before School Checks Coordinator Group;
- Motivating Conversations Working Group;
- 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 Māori, 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;
- Transalpine Oral Health Workshop; and
- Review of Public Health Nursing Service.

National Links

- Christchurch PHO is a member of the national organisation Primary Health Alliance with Dr. Angus Chambers serving as a member of the Executive, and as their representative to the PSAAP negotiations.
- Laila Cooper is 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 is Deputy Chair of the Dietitians Board.
- 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 high rates for childhood immunisation and newborn enrolments, the maintenance of Cornerstone accreditation by three practices and the achievement of Foundation Standard certification by three practices. Two member practices are also accredited Urgent Care Centres. The Canterbury Enhanced Capitation proposal was implemented from 01 October 2016; twelve nurses have attended the Motivating Conversations training; all practices have implemented the new National Enrolment Service; and work continues to implement the Patient Experience Survey by June 2018.

- **Primary Mental Health Services**

The Primary Mental Health team has continued to meet the challenges 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 16 people following an earlier successful pilot.

Core components of the Primary Mental Health Services are brief intervention counsellors, clinical psychologists and extended general practice consultations. Additional funding from the Ministry of Health allowed us to implement a new Intensive GP Liaison service from June 2016.

- **Community Social Worker**

A 3-day a week community social worker role, funded for the third year, from Services to Improve Access funding, was delivered in collaboration with Presbyterian Support Upper South Island. The social worker collaborated closely with member general practices and the primary mental health team to provide services.

- **Mobile Practice Nurses**

Practices utilised the mobile practice nurses to help reach their high needs population. One nurse worked closely with ScreenSouth Ltd and the practices to improve the update of cervical screening, and other opportunistic health interventions, for priority women (including Māori, Pacific and Asian women and those who have never had a smear and those more than 5 years overdue). The nurses aimed to improve access to health care by addressing barriers and providing home based and general practice clinic services. Their roles are an extension of the care provided by practice nurses and embodies the whānau ora philosophy of care.

Services provided have also included opportunistic cardiovascular disease risk assessments, smoking brief advice and cessation services. The second nurse based at the University of Canterbury Health Centre provided service across the campus, and focused on health promotion and provided nursing care to Māori and Pacific people and those with high needs. The nurse also worked closely with the Pacific and Māori Development teams at the University, and the Diabetes Centre to improve access for people with Type 1 Diabetes.

- **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, medicines therapy assessments, continuous quality Improvement activities (clinical audits) and individual queries.

The PHO also contracts community pharmacists to work with general practice teams to undertake reconciliation of hospital discharge summaries and provide yellow medication cards.

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

This collaborative project between Christchurch PHO and The Rehab People provided a Canterbury wide service assisting 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. The PHO ceased providing this service from 01 April 2016.

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

The team based at 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 team have worked hard to respond to increasing mental health presentations and acuity within the youth population.

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 offered during 2016-17:

Alcohol Harm Reduction	A programme to support an ABC approach to alcohol harm minimisation, delivered by general practice teams.
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.
Care Plus	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. From October 2016 this was changed to an Enhanced Capitation model that was implemented Canterbury wide.
Chronic Packages of Care	These were packages tailored to meet the needs of people with chronic diseases or those identified with significant high risk factors of developing long-term health concerns. Packages were designed to provide solutions to meet an individual's needs while ensuring flexibility and choice.
Diabetes Care Improvement Packages (DCIP)	A Canterbury wide programme that provided equitable, consistent and high quality care to people diagnosed with diabetes.
Discretionary Fund	This PHO funding allowed the purchase of health related services for people who had no means of accessing care through other mechanisms and were experiencing financial barriers.
Enhanced Capitation	Introduced from October 2016 to replace Care Plus. The programme provided general practices with greater flexibility in how funding is used to focus on the delivery and coordination of care for people with complex needs.
Free Under 13s Health Care	This programme provided free health care for under children under 13 years.
Language Line	This on-call translation service was provided to New Zealand residents who did not speak English as a first language, when they accessed health services.
Māori Health	Funding was available when additional health care support was identified by an NGO provider for the enrolled Māori population.
More Heart and Diabetes Checks	This programme assisted general practice teams to support people identified as being at high risk of cardiovascular disease. The service specifically targeted Māori, Pacific and Indian people and was also available to men aged 45 to 75 years and women aged 55 to 75 years.
Palliative Care	Palliative care funding supported general practice teams to provide care for people in the terminal phase of their lives.

<p>Podiatry treatment for people with high risk feet & people with diabetes</p>	<p>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.</p> <p>The other, a Canterbury wide podiatry service, for people with diabetes and who had high-risk feet, designed to provide an equitable and consistent approach to the management of people with diabetes, identified as being at high risk of developing foot complications.</p>
<p>Smoking Cessation Programme</p>	<p>This programme for people who want to give up smoking, comprised of brief intervention, cessation consultations and up to seven follow-up appointments. There has been a steady increase in uptake since its inception 5 years ago. General practices identified those who smoked and provided them with appropriate cessation support.</p> <p>The CDHB Smokefree team also provided extra support to practices by providing brief advice and cessation services to the enrolled population.</p>
<p>Youth Sexual Health</p>	<p>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, terminations and unintended pregnancies. Patients could have a maximum of six visits within a 12-month period.</p>

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

Acute Demand Service Co-ordination	An alternative to hospital care for people presenting in an acute state, through co-ordination of acute packages and acute nursing services.
Appetite for Life (AFL)	A nutritional programme led by nurses, providing practical advice to women and families with weight issues.
Canterbury Initiative Support Services (GP subsidised procedures)	Subsidised procedures delivered in general practice included mirena insertion, musculoskeletal steroid injection, pipelle biopsy, skin lesion excision and newly diagnosed diabetic and insulin starts.
Community Respiratory Services	The programme increased 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)	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.
Immunisation	Available for children and adults provided by general practice teams and school based programmes.
Infant Feeding Service	Managed by Rural Canterbury PHO on behalf of the Canterbury PHOs the service protects, promotes and supports 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 CDHB funded education and training programmes provided by Canterbury Initiative and Pegasus Health, Christchurch PHO provided some support to member general practice teams to support their staff's continuing education requirements. The practices used this funding to provide professional development activities best suited for their team's individual needs. Nursing staff had access to the Lippincott procedures, and preparatory work was completed to introduce the Professional Development Recognition Programme.

The System Level Measures Framework

The System Level Measures Framework introduced from 01 July 2016 replaced the previous performance management system, known as the Integrated Performance Incentive Programme (IPIF). General practice teams received capacity and capability funding to assist them to meet the 2016-17 Canterbury System Level Measure Plan.

Christchurch PHO achieved some pleasing results against the two health targets this year – 8-month-old immunisations and Smoking Brief Advice and /or Cessation Services, and against the More Health and Diabetes Check target.

	National Target	Quarter 4 Apr-Jun 2017
<i>Better Help for Smokers to Quit</i>	90.0%	91.8%
<i>Increased Immunisation 8 month olds</i>	95.0%	99.0%
<i>More Heart and Diabetes Checks</i>	90.0%	83.9%

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.

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

Financial Statements

The Financial Statements presented for the year ended 30 June 2017 are 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, and present fairly the financial position of the Company as at 30 June 2017 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 2017.

Signed for and on behalf of the Directors



Dr Angus Chambers
Director



Christchurch PHO Limited

Financial Statements

For the year ended 30 June 2017

Christchurch PHO Limited

Contents

	Page
Directory	1
Statement of Financial Responsibility	2
Statement of Comprehensive Revenue and Expense	3
Statement of Financial Position	4
Statement of Changes in Net Assets	5
Statement of Cash Flows	6
Notes to the Financial Statements	7

Christchurch PHO Limited

Directory

as at 30 June 2017

Principal Business:	Primary Health Organisation
Shareholder:	Christchurch PHO Trust
Registered Office:	South Link Health Burns House, 10 George Street Dunedin
Directors:	J Allardyce A Chambers G Davidson D Jones S McFarlane A Rolleston M Turrall
Solicitors:	Saunders Robinson & Brown Christchurch
Bankers:	ASB Bank
Auditors:	Crowe Horwath New Zealand Audit Partnership Dunedin

Christchurch PHO Limited

Statement of financial responsibility

For the year ended 30 June 2017

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 2017 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 2017

For and on behalf of the Directors:

Director: 
Dated: 4/9/17.

Director: 
Dated: 4/9/17

Christchurch PHO Limited

Statement of Comprehensive Revenue and Expense


For the year ended 30 June 2017

	<i>Note</i>	2017 \$	2016 \$
Contract revenue - non exchange transactions		6,925,928	6,489,606
Other income		6,813	42,823
Total revenue from non exchange transactions		6,932,741	6,532,429
Contract Payments		6,533,549	6,172,621
Wages, salaries and other employee costs		110,737	113,787
Other operating expenses	6	264,850	262,198
TOTAL EXPENSES		6,909,136	6,548,606
Interest income		24,373	31,687
OPERATING SURPLUS / (DEFICIT)		47,978	15,510
OTHER GAINS / (LOSSES)		-	-
SURPLUS / (DEFICIT) FOR THE YEAR		47,978	15,510
OTHER COMPREHENSIVE REVENUE AND EXPENSES		-	-
Total other comprehensive revenue and expenses		-	-
TOTAL COMPREHENSIVE REVENUE AND EXPENSES FOR THE YEAR		47,978	15,510

Christchurch PHO Limited
Statement of Financial Position
As at 30 June 2017

	Note	2017 \$	2016 \$
ASSETS			
Current			
Cash and cash equivalents	7	363,744	535,328
Term deposits	7	800,000	714,119
Receivables from non exchange transactions	8	115,321	119,041
Prepayments		6,975	5,471
Total current assets		1,286,040	1,373,959
Non-current			
Plant and Equipment	10	5,110	6,799
Total non-current assets		5,110	6,799
TOTAL ASSETS		1,291,150	1,380,758
LIABILITIES			
Current			
Payables under non exchange transactions	9	310,015	362,662
Employee entitlements	11	22,016	11,615
GST payable		5,623	3,358
Deferred revenue	12	597,258	694,206
Total current liabilities		934,912	1,071,841
TOTAL LIABILITIES		934,912	1,071,841
NET ASSETS		356,238	308,917
EQUITY			
Share Capital	17	1	1
Accumulated Funds		356,894	308,916
TOTAL EQUITY		356,895	308,917


Approved for and on behalf of the Directors



Chairperson

4/9/17

Date



Director

4/10/17

Date



Christchurch PHO Limited

Statement of Changes in Net Assets For the year ended 30 June 2017

<i>Notes</i>	<i>Share Capital</i>	<i>Accumulated Funds</i>	<i>Total</i>
	\$	\$	\$
Balance 1 Jul 2016	1	308,916	308,917
Surplus / (Deficit) for the year	-	47,978	47,978
Other comprehensive income	-	-	-
Balance 30 June 2017	1	356,894	356,895
Balance 1 Jul 2015	1	293,406	293,407
Surplus / (Deficit) for the year	-	15,510	15,510
Other comprehensive income	-	-	-
Balance 30 June 2016	1	308,916	308,917



Christchurch PHO Limited

Statement of Cash Flows For the year ended 30 June 2017

<i>Note</i>	<i>2017</i>	<i>2016</i>
	<i>\$</i>	<i>\$</i>
Cash flow from operating activities		
Cash was provided from(applied to):		
Receipts from contract transactions and other income	6,838,598	6,387,118
Interest received	24,373	31,687
Payments for contract and supplier transactions	(6,850,063)	(6,459,074)
Payments for employees	(100,336)	(107,236)
Goods and services tax (net)	1,725	17,955
Net cash/(used in) operating activities	(85,704)	(129,550)
Cash flow from investing activities		
Cash was provided from(applied to):		
Net cash/(used in) investing activities	-	-
Cash flow from financing activities		
Cash was provided from(applied to):		
Term deposit	(85,881)	-
Maturity of term deposit	-	385,881
Net cash/(used in) financing activities	(85,881)	385,881
Net increase/(decrease) in cash and cash equivalents	(171,585)	256,331
Cash and cash equivalents, beginning of the year	535,328	278,997
Cash and cash equivalents at end of the year	7 363,744	535,328



Christchurch PHO Limited

Notes to the financial statements

For the year ended 30 June 2017

1. Reporting Entity

These financial statements comprise the financial statements of Christchurch PHO Limited (the "PHO") for the year ended 30 June 2017. 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 2017

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 2017

(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 2017

(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 2017

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.

6. Other operating expenses

	2017	2016
	\$	\$
Administration Expenses		
Audit Fee	8,950	8,750
Bank Charges	355	320
Conference Expenses	695	150
Education CME/CNE	13,958	13,781
Insurance	8,869	7,051
General Expenses	9,416	7,326
Legal Fees	226	920
SLH and Other Consultancy	74,507	88,549
PHO Alliance Membership	6,143	6,000
Printing & Stationery	4,732	2,861
Repairs and Maintenance	-	29
Special Projects	1,373	1,500
Telephone & Tolls	4,525	4,730
Total Administration Expenses	133,749	141,967



Christchurch PHO Limited

Notes to the financial statements

For the year ended 30 June 2017

	2017	2016
	\$	\$
Occupancy expenses		
Rental	52,383	42,938
Total occupancy expenses	52,383	42,938
Governance expenses		
Board Expenses	15,358	11,498
Board Meeting Fees	48,334	50,178
Clinical Governance	13,337	12,746
Total governance expenses	77,029	74,422
Depreciation	1,689	2,871
Total	264,850	262,198

7. Cash and cash equivalents

	2017	2016
	\$	\$
ASB current account	363,744	535,328
ASB term deposit	800,000	714,119
Total cash and cash equivalents	1,163,744	1,249,447

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

The effective interest rate on term deposits in 2017 was 2.5% - 3.10% (2016: 2.25% - 2.80%).

8. Receivables from non exchange transactions

	2017	2016
	\$	\$
Accounts receivables	113,903	116,989
Sundry receivables	1,418	2,052
Total	115,321	119,041

Classified as:

	2017	2016
Current assets	115,321	119,041
Non-current assets	-	-
Total	115,321	119,041

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 2016 and 2017, 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 2017

9. Payables under non exchange transactions

	2017	2016
	\$	\$
Current		
Trade Payables	292,345	335,857
Sundry payables	17,670	26,805
Total current	310,015	362,662
Total payables under exchange transactions	310,015	362,662

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:

2017	Computer equipment & plant	Total
	\$	\$
Gross carrying amount		
Opening balance	22,151	22,151
Additions	-	-
Disposals	-	-
Closing balance	22,151	22,151
Accumulated depreciation and impairment		
Opening balance	15,352	15,352
Depreciation for the year	1,689	1,689
Disposals	-	-
Impairment charge for the year	-	-
Closing balance	17,041	17,041
Carrying amount 30 June 2017	5,110	5,110



Christchurch PHO Limited

Notes to the financial statements

For the year ended 30 June 2017

2016	Computer equipment & plant	Total
Gross carrying amount	\$	\$
Opening balance	22,151	22,151
Additions	-	-
Disposals	-	-
Closing balance	22,151	22,151
Accumulated depreciation and impairment	\$	\$
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
Carrying amount 2016	6,799	6,799

11. Employee entitlements

	2017	2016
	\$	\$
Current		
Annual leave entitlements	22,016	11,615
Total	22,016	11,615

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

	2017	2016
	\$	\$
Unexpended contract revenue	559,135	622,411
Other income received in advance	38,123	71,795
Total deferred revenue	597,258	694,206

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 2017

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
2017				
Financial Assets				
Trade and other receivables	115,321	-	115,321	115,321
Cash and cash equivalents	363,744	-	363,744	363,744
Term Deposit	800,000	-	800,000	800,000
Total current assets	1,279,065	-	1,279,065	1,279,065
Total Assets	1,279,065	-	1,279,065	1,279,065
Financial Liabilities				
Trade and other payables	-	310,015	310,015	310,015
Total current liabilities	-	310,015	310,015	310,015
Total Liabilities	-	310,015	310,015	310,015



Christchurch PHO Limited

Notes to the financial statements

For the year ended 30 June 2017

	Loans and receivables	Liabilities at amortised cost	Total carrying amount	fair value
2016				
Financial Assets				
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
Total current assets	1,368,488	-	1,368,488	1,368,488
Total Assets	1,368,488	-	1,368,488	1,368,488
Financial liabilities				
Trade and other payables	-	362,662	362,662	362,662
Total current liabilities	-	362,662	362,662	362,662
Total liabilities	-	362,662	362,662	362,662



Christchurch PHO Limited

Notes to the financial statements

For the year ended 30 June 2017

14. Operating Leases

	2017	2016
	\$	\$
<i>Non-cancellable operating leases as payable as follows</i>		
Less than one year	29,147	5,028
Between one and five years	2,000	836
More than five years	-	-
Total	31,147	5,864

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

Balances outstanding with related parties as at 30 June include:

	2017	2016
	\$	\$
A Chambers	-	-
J Allardyce	-	-
G Davidson	-	-
D Jones	-	-
Total	-	-

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 2017

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.

(e) 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.

	2017		
	Directors	Snr mgmt	Total
	\$	\$	\$
Salaries and other short-term employee benefits	48,334	98,940	147,274
Total remuneration	48,334	98,940	147,274
Number of persons recognised as key management personnel	7	1	8

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

Christchurch PHO Limited

Notes to the financial statements

For the year ended 30 June 2017

16. Contingent assets and contingent liabilities

Christchurch PHO Limited has no contingent assets or contingent liabilities (2016: None).

17. Equity

As at 30 June 2017, 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 2017 Christchurch PHO Limited is not aware of any capital commitments or contingencies (2016: nil).

19. Subsequent Events

There were no significant events after the balance date.



christchurch pho

88C Edgeware Road, St Albans, Christchurch 8014

PO Box 21212, Edgeware, Christchurch 8143

Ph 374 6288 Fax 974 9854

www.chchpho.org.nz

