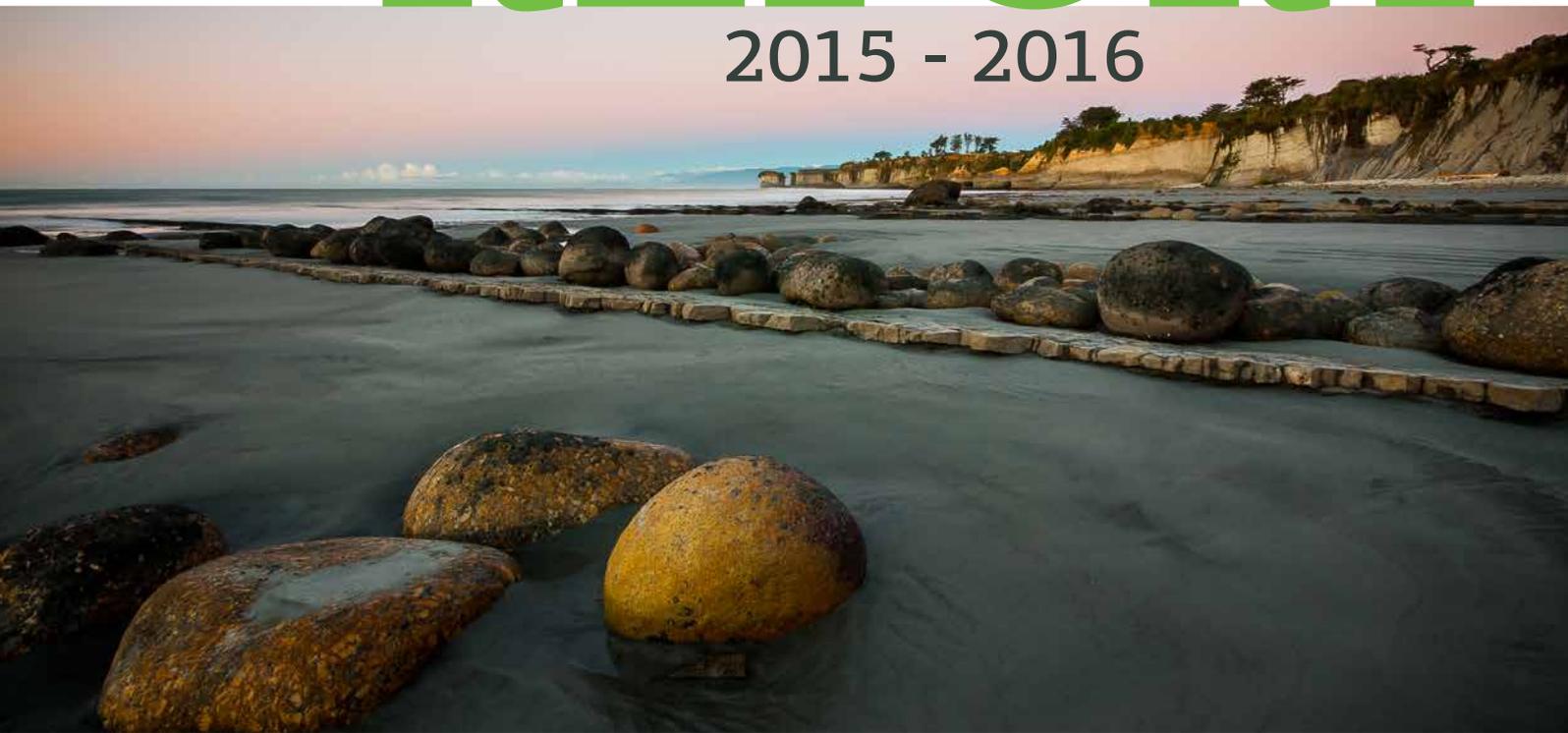


ANNUAL REPORT

2015 - 2016



West Coast
Te Tai o Poutini
Primary Health
Organisation

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TRUSTEES REPORT

Trustee's Report - Presenting the Annual Report and Financial Statements for the year ended 30th June 2016.

In my report last year, I noted that there would be many challenges ahead as new facilities and models of collaborative care develop.

One of the greatest continuing challenges is the recruitment and retention of qualified health service providers to deliver care to our enrolled patients. We have a high reliance on locums and continuity of care is an ongoing struggle and source of eternal patient frustration in many areas.

True collaboration and integration happens when the system revolves around the patients and services are delivered based on the patient's individual needs and preferences. In order to achieve this, it is important that we encourage and support innovative and perhaps less traditional models of care, that make the best use of the dedicated and suitably qualified health service providers we do have.

The West Coast Primary Health Organisation prides itself on being a small but nimble organisation, that can adapt to the constant change within the health sector to ensure our local communities receive healthcare that is relevant to their needs, while continuing to support the general practice teams at the core of these communities.



Over this past year together we have continued to strive to reach and/or maintain national health targets and spend down some modest reserves on the development of youth mental health and weight loss programmes. We have supported innovative programmes and delivery methods in the development of our youth orientated mental wellbeing website, www.youthwestcoast.co.nz which offers entry to a virtual community for West Coast youth to discuss any issues that are on their mind and provides access to sound resources for mental wellness.

Progression of the weight loss initiative continues as we look to find an evidence-based weight loss programme that we can adapt to provide interactive peer support under the guidance of suitably trained health professionals. Our continued support from, and alliance with the West Coast DHB has also enabled collaborative work on progression of a more integrated community dietetics service.



With the Minister of Health indicating that more services should be provided in the community closer to patients' homes, we believe this offers an opportunity for primary care to showcase how we can work collectively for improved patient outcomes in a community-led model and encourage health providers to take up the challenge.

I would like to express thanks to the PHO Board of Trustees, our Clinical Governance Committee and our dedicated PHO staff all of whom are forward thinking and focussed on ensuring the best possible health outcomes for our communities, and finally, thank you to the hard-working practice teams who work at the coal face delivering care.



Julie Kilkelly
Chair

Attendance of Trustees at Board Meetings 1 July 2015 – 30 June 2016			
Julie Kilkelly	Independent Chair	4 Meetings	
Anna Dyzel	General Practitioner	6 Meetings	
Lucia Cory	Practice Nurse	4 Meetings	
Karin van Kuppevelt	General Practice Administrator	3 Meetings	Term End Feb 2016
Meriem Wilson	General Practice Administrator	3 Meetings	Commenced Apr 2016
Tony Coll	Grey District Council	5 Meetings	
Rosalie Sampson	Buller District Council	3 Meetings	Term End Feb 2016
Græme Neylon	Buller District Council	1 Meetings	Commenced Apr 2016
Jim Butzbach	Westland District Council	6 Meetings	
Richard Wallace	Runanga o Makaawhio	4 Meetings	
Lisa Tumahai	Runanga o Ngati Waewae	6 Meetings	
Moya Beach-Harrison	Poutini Waiora	1 Meeting	Resigned Feb 2016
Carl Hutchby	Poutini Waiora	2 Meetings	Commenced June 2016

EXECUTIVE OFFICER'S REPORT

It is indeed a pleasure to again present the Annual Report and Financial Statements for the West Coast Primary Health Organisation for the year ended 30th June 2016 and to reflect upon the organisational activity during the year.

It is indeed a pleasure to again present the Annual Report and Financial Statements for the West Coast Primary Health Organisation for the year ended 30 June 2016 and to reflect upon the organisational activity during the year.

2015/16 has been another good year which reflects the willingness of our member practices, the PHO team and the wider health community to actively participate in working towards a better health system for the West Coast. The means to achieving a different and better health system, I believe, is through integration. Each one of us can interpret this word in many different ways, the key is, that we all need to have the same view of what integration means if we are to achieve a common goal. What is integration from the perspective of a health consumer?

Integration means a system that is seamless, smooth and easy to navigate. A service that is coordinated, minimising both the number of stages in an appointment and the number of separate visits to a health facility. One that provides care by the quickest means and where health workers are aware of their patients' health as a whole.

In our new health system integration doesn't mean everyone working together under one roof. With our geographical spread of population on the West Coast, this is not achievable.

Integration is going to take time and effort to influence and change our current system; some great progress is being made, with more to come!

The following items of note demonstrate what has been another active year.



Youth mental health referrals to the PHO Brief Intervention Counselling programme have increased by 71% compared to last year. This is due to a concerted effort to actively promote this service within schools and social media via a new PHO Youth Mental Health website.

We continued to maintain the National Health Target for More Heart & Diabetes Checks. The challenge now is to help support those individuals who have been identified with high risk to make the lifestyle changes that enable them to live healthier and longer lives.

I would like to make a note of our success in developing and sustaining relationships with the wider health community. This has been a PHO team effort to model collaborative and integrated ways of working with any service on the West Coast that can help support individuals and/or families. Green Prescription and nutritional support, Health Navigators, mental health, smoking cessation services, health promotion, breastfeeding advocacy and general practice support, we strive to promote "any door is the right door".

I would like to thank the PHO staff for their passion, dedication and tireless work towards an integrated health system for all West Coasters.

Finally, I would also like to acknowledge the support and commitment of the West Coast PHO Board, and look forward to working with them in 2016-17.

Helen Reriti
Executive Officer

SUBSIDISING ROUTINE ACCESS TO PRIMARY CARE

We aim to improve access to primary health care services by reducing the cost that patients pay each time they visit their medical centre.

This is achieved by passing on the funding for “first level services” to all contracted practices, and “very low cost access funding” to a subset of practices, so that patients do not have to pay the full cost of their visits to the general practice.

Expenditure

\$5,459,972 (excl. GST)

During the course of the year all but one general practice was a Very Low Cost Access (VLCA) practice.

TARGET GROUP:
all enrolled people in the PHO

Cost of co-payment during 2015-16 for VLCA practices	
Children 0-12	\$ 0.00
Children 13-17	\$11.50
Adults 18+	\$17.50

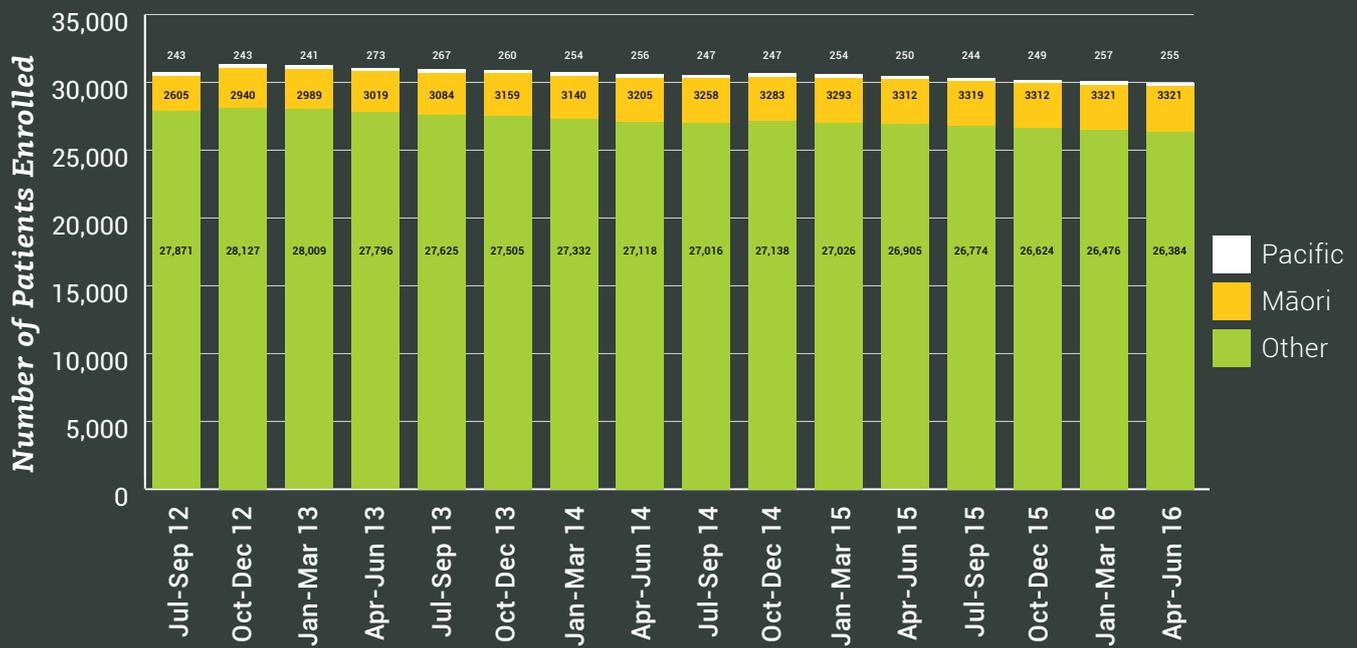
Cost of co-payment during 2015-16 for Non VLCA practice	
Children 0-12	\$ 0.00
Children 13-17	\$20.00
Adults 18+	\$25.00
Adults 65+	\$20.00

West Coast PHO Enrolled Population

At the end of the April to June 2016 quarter, **29,960** people were enrolled with the West Coast PHO.

The average number of people enrolled in the PHO during the year was **30,134**.

Enrolments over time by ethnicity



Visits to medical centres

140,345
subsidised visits by
enrolled patients

73,776 GP visits

66,569 nurse visits

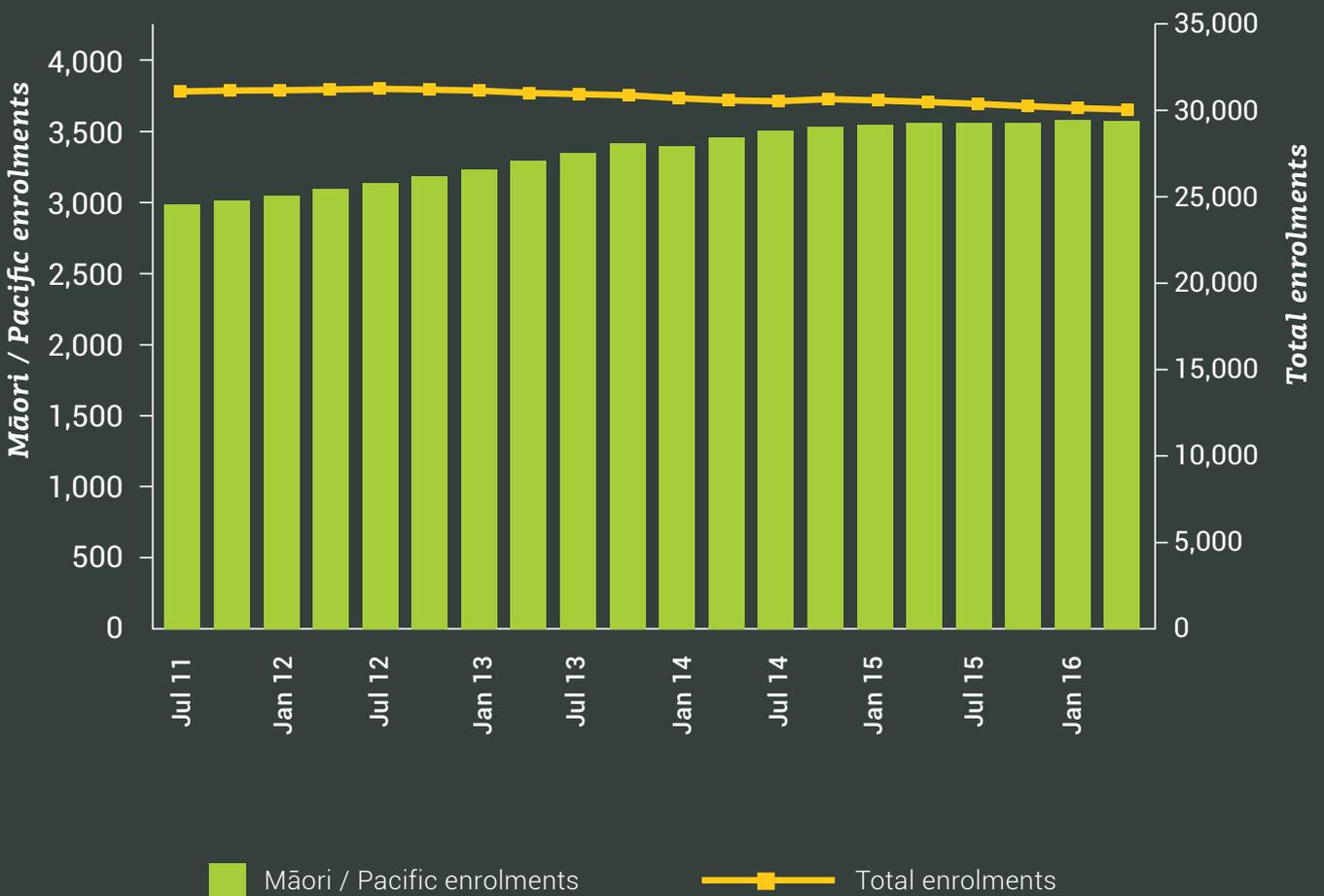
This represents an average of 4.7 visits for each enrolled patient in the PHO. The average subsidy for each enrolled patient was therefore \$207.23 (including GST) during the year, while the average subsidy per patient visit was \$44.50 (including GST).

Access for Māori

Total enrolments have declined 4% over the five year period from 1 July 2011 to 30 June 2016, while Māori and Pacific enrolments have increased 20%.

11% of total enrolments Māori
1% Pacific

PHO Enrolments



KEEPING PEOPLE HEALTHY

Expenditure

The PHO spent \$305,757 on the various 'Keeping People Healthy' programmes.

Progress 2015/16

Green Prescription (GRx)

The Green Prescription programme supports West Coasters who are inactive and at risk of developing diabetes or cardiovascular disease, to make regular exercise a way of life.

This is through:

- ▶ individual and group exercise sessions in each region
- ▶ encouraging independent exercise
- ▶ community based "Active You" programmes



Rongoā Kākāriki
GREEN
PRESCRIPTION

543

West Coasters entered the Green Prescription programme in 2015/16

11.4%
of these were Māori

18

pool passes were given to people with diabetes enrolled in GRx

Green Prescription Plus

GRx Plus is a nutritional programme that has been developed as an adjunct to GRx, to provide individualised nutritional support for clients enrolled in the GRx programme and people with pre-diabetes.

The goal for GRx Plus is to reduce the incidence of obesity by improving access to nutritional advice. This programme is delivered by a dietician at 0.6 FTE.

TARGET GROUP:
Pre-diabetics
Obese people from high need populations

“It was really helpful working with Stephanie and I have benefitted knowing that those who deliver the service have expert knowledge on the topic and I feel more confident in following things through.”



106
West Coasters entered the Green Prescription Plus programme in 2015/16

8.5%
of these were Māori

Breastfeeding Support

This programme aims to improve breastfeeding rates and to create a supportive breastfeeding environment on the West Coast (because the evidence shows that infants who are NOT breastfed have a higher risk of developing chronic illnesses).

The service is delivered by Breastfeeding Advocates, with a combined 0.8 FTE.

West Coast's overall breastfeeding rate has decreased in 2015/16, with 63% (previously 66%) of all six-week-olds fully or exclusively breastfed. Māori pepe rates have increased to 61%.

	6 Weeks	6 Months
West Coast Result	63%	20%
West Coast Targets	>75%	65%
Māori Result	61%	11%

TARGET

GROUP:

Childbearing women and their whanau, those in high deprivation areas, young and Māori women.

Health professionals



WABA | WORLD BREASTFEEDING WEEK
BREASTFEEDING
A KEY TO SUSTAINABLE DEVELOPMENT

Lactation Consultancy

20%
of contacts made with Māori mums

There were
200
Lactation Consultancy clients in 2015/16

769
Lactation Consultancy contacts

95 *were living in high deprivation areas*

67 *living rurally*

21 *<20 years of age*

Breastfeeding Education

Breastfeeding Advocates support mums and partners with ante-natal sessions regarding breast feeding, and provide education sessions for general practices and community groups.



Breastfeeding Advocates support breastfeeding mums, and provide training to volunteer West Coast women, to develop a support network for breastfeeding families across the Coast. Some of the ways this network of 'Mum4Mums' support other breastfeeding mothers is through providing breastfeeding advice, dispelling myths and helping mums overcome common issues that affect breastfeeding.



“Many women just need to lay out their concerns and fears and wishes surrounding breastfeeding. Once they are heard clearly and understood they really open up to the advantages of breastfeeding.”

“There is no way I would have breastfed for longer than a few weeks without the support of Mum4Mums which led me to doing the training. I then encouraged several of my friends to do the course (which they did!).”

20 Mum4Mums trained
9 of these mums were Māori

7 ante-natal sessions
5 Westport
1 Greymouth
1 Hokitika

12 community and health professional sessions

Health Promotion Community Activity

Our Health Promotion/Community Activity coordinator supported West Coasters and general practice teams in 2015/16 in the areas of cardiovascular risk assessment, screening, immunisation, 'smoke-free' and diabetes campaigns. This included delivering health promotion messages, staging and participating in events, and presenting community awards in recognition of health promotion activities.

Our PHO team participated at Agfest 2016, providing health checks and flu vaccinations for those

attending this festival. This was a very successful event with many positive outcomes. These included: 100 flu vaccinations given, 4 of these to Māori, 8 to Pacific Islanders and 38 people having a flu vaccination for the first time. 83 health checks were completed, 4 for Māori and 2 for Pacific Islanders. 8 people were referred to a GP, 2 people were supported to enrol with a medical practice, 9 people were given brief smoking cessation advice.

100

Flu vaccinations

83

*health checks were
completed at the Agfest
rural expo*



Healthy Lifestyle Ambassador Awards

Each year one lucky recipient from each of our regions wins a healthy Lifestyle Ambassador award.

This award is in recognition of significant changes each has made to their lifestyle to lead a healthier life. Each has also made contributions to promote and support healthy lifestyles in their communities either by role modelling or supporting others to make lifestyle changes like their friends and family.

To be eligible and nominated for this award the individual should be:

- Exercising regularly
- Smokefree
- Eating healthily

Each of this year's winners have incorporated regular exercise into their daily routines and improved their eating that has led to all losing significant amounts of weight. All have influenced healthier lifestyles within their families and are excellent role models for their communities.



Hokitika Winner Deb Oldman and Greymouth Winner Steve Hutt



Westport Winner Barend Geldenhuys

CLINICAL PROGRAMMES AND SERVICES

Our funded clinical programmes assist West Coasters to access health care, with the purpose of reducing the risk of developing heart disease or diabetes, and of helping them to self-manage any existing long term conditions they have.

Expenditure

The PHO spent \$497,697 on the various clinical programmes and services.

SCREENING FOR CARDIOVASCULAR DISEASE AND DIABETES

This programme aims to identify individuals at risk of a cardiovascular event (heart attack or stroke) and diabetes, in order to provide early intervention and to reduce the incidence of heart disease or stroke.

The goal is:

- ▶ for 90% of those eligible to have a CVRA completed within the last five years
- ▶ ensuring individuals are on appropriate treatment
- ▶ linking individuals with lifestyle programmes that support healthy behavioural changes

Expenditure

\$21,592

More Heart and
Diabetes Checks



9,687
(91.1%) of eligible
CVRAs have been
completed in the last
5 years

1,911
Cardiovascular Risk
Assessments (CVRAs) were
completed in 2015/16

9.8%
of these were
for Māori

TREATMENT OF THOSE IDENTIFIED WITH HIGH CARDIOVASCULAR RISK

Treatment of those identified as high risk (CVRA >15%), aims to reduce the 5-year risk to below 15%, through:

- ▶ all identified smokers being given brief advice and offered support to quit
- ▶ recommending lifestyle interventions e.g. diet, physical activity, weight management and relevant referrals
- ▶ commencement of optimal pharmacological treatment
- ▶ regular follow-up and monitoring

Expenditure \$22,887

Reporting of risk levels changed half way through the 2015-16 year. The following results reflect these changes over each six-month period.

CVRA >15%, for the period July to December 2015:

194

Individuals (13%) were identified as having a risk greater than 15%

11%

of these were Māori

CVRA between 10-20%, and >20%, for the period January to June 2016:

370

Individuals (37%) were identified as between 10-20% moderate to high risk

15%

of these were Māori

64

Individuals (6.4%) were identified as >20% very high risk

16%

of these were Māori

LONG TERM CONDITIONS (LTC) PROGRAMME

The LTC programme aims to improve health outcomes and self-management, and to reduce inequalities for people who are living with a long term chronic condition.

The goal is to enhance the management of cardiovascular disease (CVD), diabetes and chronic obstructive pulmonary disease (COPD), particularly for Māori, Pacific peoples and those living in high deprivation areas.

Interventions are designed to:

- ▶ reduce inequalities in treatment and health outcomes
- ▶ ensure patients are on appropriate treatments
- ▶ link patients with lifestyle programmes that can support them to make any required behavioural changes

People enrolled in this programme receive:

- ▶ an in-depth annual review for each condition
- ▶ a package of care based on their level of need
- ▶ a jointly developed care plan
- ▶ referral to other PHO programmes, community support programmes, social services, community pharmacy and other health professionals as required

Services provided as part of the LTC programme are funded by Care Plus, Diabetes, and Services to Improve Access funding streams.

Expenditure \$103,600

**TARGET
GROUP:**
*People with
CVD, Diabetes
and COPD*

6.1%
*of these
were Māori*

3,793
*People were enrolled in
the LTC programme at
30 June 2015*

*This is **12.6%** of the
PHO's enrolled population*

*Māori make up **6.5%** of the enrolled population
>45 years (the prime age group for LTC enrolees)*

CARE FOR PEOPLE WITH CARDIOVASCULAR DISEASE (CVD)

This programme aims to enhance the management of CVD, particularly for high need patients (Māori, Pacific peoples and those living in high deprivation areas).

Expenditure

CVD care is included within the \$103,600 LTC expenditure.

**TARGET
GROUP:**
People with CVD

1,757
*people have CVD
on the West Coast*

5.2%
*of these
were Māori*

1394
*CVD reviews (80%)
completed in 2015/16*

♥ February is Heart Awareness Month ♥



**Small changes lead to lasting results
Love your heart everyone**

CARE OF PEOPLE WITH CHRONIC RESPIRATORY DISEASE

This programme aims to improve the quality of life and self-management skills of people living with chronic respiratory disease. This condition is also known as Chronic Obstructive Pulmonary Disease - COPD, or Chronic Obstructive Respiratory Disease - CORD.

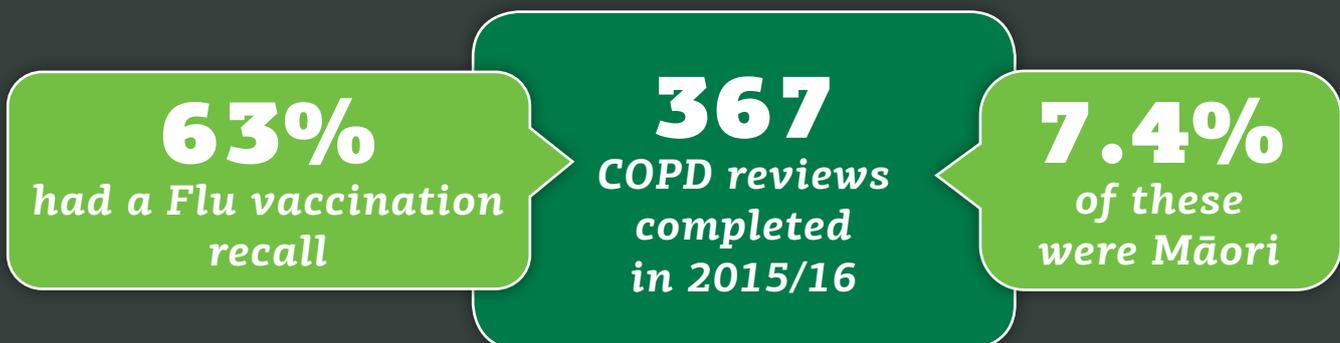
Key activities:

- ▶ review both the clinical and self-management of the patient's condition
- ▶ provide an action plan to manage exacerbations
- ▶ all identified smokers are offered brief advice and support to quit
- ▶ a joint spirometry screening project with Poutini Waioira in the Buller district for Māori smokers/ex smokers 45+years old. From these clinics, 44% of current smokers were referred for smoking cessation intervention
- ▶ This project is an example of collaboration and integration with health services working together to achieve better health outcomes
- ▶ Patient health as a whole is the focus of these clinics

TARGET GROUP:
People with COPD

Expenditure

COPD care is included with the \$103,600 of LTC expenditure



CARE FOR PEOPLE WITH DIABETES

This programme aims to improve health outcomes and quality of life for people living with diabetes.

Key activities:

- ▶ review both the clinical and self-management of each patient's condition
- ▶ retinal screening clinics held quarterly in different regions across the Coast
- ▶ support practices to ensure as many patients as possible benefit from this programme
- ▶ review and address health inequalities in outcomes

"Diabetes Conversations" are courses designed to give people with diabetes the opportunity to engage in small groups, learning about living well with diabetes. Sessions can stand alone or be attended as a complete course. Two Diabetes Conversations courses held, 11 people attended.

Diabetes care is included within the \$103,600 LTC expenditure; an additional \$47,493 was spent on retinal screening and \$2,651 on Diabetes Care Improvement (DCIP).

DCIP includes:

- ▶ pool passes for people with diabetes who are enrolled in Green Prescription (GRx)
- ▶ podiatry for those not eligible for DHB funded podiatry services
- ▶ "Enhanced" retinal screening clinics. These clinics provide a package of care for people whilst attending their retinal screening appointment. Individuals have the opportunity to have discussions with: a diabetes nurse specialist, dietitian, podiatrist, health promoter and Green Prescription coordinator. Along with health professional advice there are numerous resources available for people with diabetes and their families to take home.

TARGET GROUP:
People with diabetes

1,094
people identified with diabetes on the West Coast

961
(87.8%) Diabetes reviews completed in 2015/16

9.3%
were for Māori

463
retinal screens completed

29 *pool passes given to diabetic GRx clients*

2
podiatry referrals

SMOKEFREE WEST COAST

Smoking Cessation

The aim of the "Coast Quit" smoking cessation programme is to reduce tobacco smoking through increased availability and choice of smoking cessation services in the community.

Key activities:

- ▶ Programme provided by trained nurses, GPs, rural nurse specialists, pharmacists and pharmacy staff across the West Coast
- ▶ Participants are phoned at 3-4 months post quit date to ascertain outcome with the Coast Quit provider
- ▶ Feedback of results is provided to all practices

Expenditure

\$32,355

**TARGET
GROUP:**
*West Coasters
who smoke*



3 month outcomes:

32%
quit rate for

522 clients
phoned

564
people enrolled
in Coast Quit in
2015/16
(519 - Practices,
45 - Pharmacies)

12%
of Coast Quit
enrolments
were Māori

Smokefree Pregnancy Incentives Programme

The Smokefree Pregnancy Incentives Programme (SPIP) provides cessation counselling and a 12-weeks voucher incentive schedule to promote successful cessation during pregnancy.

Key activities:

- ▶ Oversight of the 12-week smokefree pregnancy incentives programme, delivered by the DHB and Community and Public Health cessation counsellors

24 pregnant women

+ 1 partner
enrolled in SPIP
in 2015/16



West Coast
Te Taiti Poutini
Primary Health
Organisation



Smokefree Service Co-ordination

The purpose of this service is to reduce the prevalence of smoking on the West Coast by supporting health providers and other community groups or agencies to promote 'smokefree' and increase the uptake of effective smoking cessation interventions. This service is delivered by a 0.8FTE Co-ordinator

Key activities:

- ▶ co-ordinating a range of smoke-free activities, and promoting smoke-free environments
- ▶ supporting a range of cessation options and programmes across the region, including the smokefree pregnancy incentives programme
- ▶ monitoring and promoting the secondary care tobacco health target: *95% of patients who smoke and are seen by a health practitioner in public hospitals are given brief advice and offered support to quit smoking*
- ▶ monitoring and promoting the primary care tobacco health target: *90% of primary care patients who smoke are given brief advice and offered support to quit smoking*
- ▶ organising training opportunities for all smoking cessation providers
- ▶ working with the West Coast Tobacco Free Coalition to achieve the national goal of Smokefree Aotearoa-New Zealand 2025.

8

**attended Quit Card
training**

22

**attended Quit Card
updates**

4

**attended Coast
Quit training**

**Primary Care
Target result:**

78.9%

**Given brief advice
and offered support
to quit at
30 June 2016**

**Secondary Care
Target result:**

96%

**Given brief advice
and offered support
to quit at
30 June 2016**

HEALTH NAVIGATOR SERVICE

Progress 2015/16

The service assists high need patients with Long Term Conditions (LTCs), including cancer, to access appropriate social and health services. The service has become increasingly well-integrated within the Complex Clinical Care Network and the wider health and social sector.

During the second part of the year the navigators partnered with the University of Otago to trial the acceptability of lay navigators as care guides to those who had experienced a heart event, in conjunction with a heart health web-based programme designed by the National Heart Foundation. This project was highly innovative and the findings will be of significant interest to the national and international cardiac rehabilitation research community.

The Health Navigators have a total of 3.8 FTE to respond to their clients and the changing dynamic of their long term conditions.



TARGET GROUP:
LTC patients with complex social issues

1,033
clients

There were:

4,011
phone calls made,

3,016
contacts with other agencies,

2,606
face to face contacts with clients in 2015-16

HEALTH CHECKS FOR CLIENTS OF THE CORRECTIONS DEPARTMENT

This service provides free acute care and general health check-ups for clients of the Corrections Service, many of whom do not have a general practitioner.

This service also provides subsidised prescriptions for these clients via all West Coast community pharmacies.

This programme continues to benefit a very small number of high need individuals.

Expenditure

\$1,907

27%
*of these
contacts
were Māori*

68
*Corrections
clients accessed
this service*

CONTRACEPTION AND SEXUAL HEALTH

This service aims to reduce pregnancy rates in the under 22-year age group (under 25-years for Franz Josef and Fox Glacier only), and to improve access to sexual health services. It removes financial and social barriers to accessing contraception and primary sexual health services for young people, particularly those at risk of ill health, injury and unwanted pregnancy.

Services available from all general practice teams and rural clinics:

- ▶ Contraception & sexual health consults
- ▶ Emergency Contraception (ECP) consults

Services available from community pharmacies:

- ▶ No prescription fees
- ▶ ECP consults

Key Features

- ▶ accessible
- ▶ acceptable to young Māori
- ▶ range of access points including practices, rural clinics and community pharmacy

Expenditure

\$22,963

1,059
*Contraception and
sexual health visits
in 2015/16*

16%
*of these
were Māori*

MENTAL HEALTH

The Mental Health programme aims to support West Coast General Practice Teams (GPTs) to improve health outcomes and quality of life for people with mental health needs.

Expenditure
\$439,747

Key Activities:

- ▶ triaging requests from GPTs for adults and young people and, in relation to young people only, from school counsellors, relevant social agencies, family and youth themselves
- ▶ provision of up to six fully-funded Brief Intervention Counselling (BIC) sessions (or up to ten sessions with young people where other relevant people are involved) for those identified as meeting criteria
- ▶ facilitation of Extended Consultations by GPs and Practice Nurses with enrolled patients who have mental health issues

Progress 2015-2016:

- ▶ the team continued to manage recruitment and retention issues
- ▶ requests for counselling for patients experiencing mild to moderate mental health concerns (estimated at 17% of the general population) were managed by our team of six full-time equivalents
- ▶ an additional full time youth position (temporary for 12 months beginning mid-year) helped manage the increased demand for counselling by youth
- ▶ Demand for BIC increased by 40% for adults and 71% for youth from the previous financial year.

TARGET GROUP:
Enrolled patients of West Coast Practices, 12 years of age and over with mild to moderate mental health concerns

1148
requests for assessment as at 30 June 2016

767
Patients attended Brief Intervention Counselling

219
youth

548
adult

“It’s been really helpful and I have learnt a lot from this process, I would definitely recommend it to people that I know. I have learnt a lot of life skills which I am using.” (Youth 14 years).

“This has been my first time to counselling and I have found it really helpful and a positive experience.” (Adult).

QUALITY IMPROVEMENT, PROFESSIONAL DEVELOPMENT, WORKFORCE AND RURAL SUPPORT

Total Expenditure

The West Coast PHO spent \$1,185,607 on its various Quality Improvement, Professional Development Activities and Workforce and Rural Support.

The Integrated Performance Incentive Framework (IPIF)

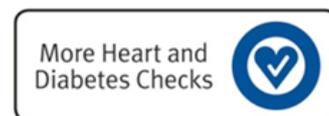
The Integrated Performance Incentive Framework (IPIF) replaced the PHO Performance Programme from 1 July 2014. IPIF is intended to be a whole of system approach to improving health care, to the benefit of the patient. The currently identified population health targets are measures by which PHOs and DHBs can assess how well the current challenges in the New Zealand sector are being addressed. IPIF hopes to meet these challenges by facilitating greater co-ordination than currently exists between primary and secondary care and between other social services.

2015/16 Health Targets Performance results

Brief advice and cessation support to smokers was 78.9%, below the programme goal of 90% for the year ending June 2016. Smoking status recorded was 98.3%, exceeding the goal (90%).

The WCPHO achieved a CVDRA end of year result of 91.1%, exceeding the programme goal of 90%. The WCPHO supports practices to increase the number of screened patients through various initiatives, and funds free CVDRA screening for all eligible West Coasters.

This health target is for 90% of infants to have completed their primary course of immunisations by eight months of age. The West Coast PHO was below target, with 82% of infants immunised at 30 June 2016.



	Better Help for Smokers to Quit	CVDRA	Immunisation 8-month olds	Immunisation 2-year olds	Cervical Screening Coverage
Target	≥ 90%	≥ 90%	≥ 95%	> 95%	> 80%
WCPHO Result (at 30 June 2016)	79%	91%	82%	89%	75.4%
National Result	88%	91%	94%	71.4%	76.6%

Expenditure

IPIF payments to Contracted Providers was \$116,324

CORNERSTONE ACCREDITATION

It is a contractual requirement that PHOs ensure that all of their Contracted Providers meet the Foundation Standard by no later than 1 July 2017. Practices that are currently CORNERSTONE accredited will be considered to have met the Foundation Standard.

West Coast practices that are currently CORNERSTONE accredited with the *Aiming for Excellence* standard:

- ▶ Westland Medical Centre
- ▶ Rural Academic General Practice
- ▶ Reefton Medical Centre
- ▶ Karamea Medical Centre

As at 30 June 2016, practices that are currently working towards CORNERSTONE accreditation with the *Aiming for Excellence* standard are:

- ▶ South Westland Area Practice
- ▶ Greymouth Medical Centre
- ▶ High Street Medical Centre
- ▶ Buller Medical Services
- ▶ Coast Medical Ltd

Expenditure

The PHO spent \$5,000 on CORNERSTONE accreditation support.

Standing Orders Training

The West Coast Standing Orders Project:

- ▶ The West Coast PHO has been working closely with the Canterbury Clinical Network (CCN) to progress the 'Standing Orders' project for West Coast practice staff. This project's aim is to develop a single electronic Standing Orders (SO) package utilising HealthPathways, which is aligned with the Ministry of Health's *Guidance on Standing Orders 2012* and is flexible enough to be used across rural and urban West Coast and Canterbury primary care, to expedite care for patients. Part of this project includes access for practice staff to healthLearn – a Canterbury DHB educational initiative that includes online training, including standing orders courses, with associated CME points.

SECO – Safe and Effective Clinical Outcomes

- ▶ The West Coast PHO contracted the University of Otago and the Department of General Practice and Rural Health to deliver SECO training for the Rural Nurse Specialists, as an adjunct to the standing orders training. SECO provides practical training that will support the decision making process of standing orders usage.

Expenditure \$17,991

44

**Attended CCN – Standing
Orders CME session**

15

**Rural Nurse Specialists
attended SECO**

PROFESSIONAL AND PRACTICE DEVELOPMENT

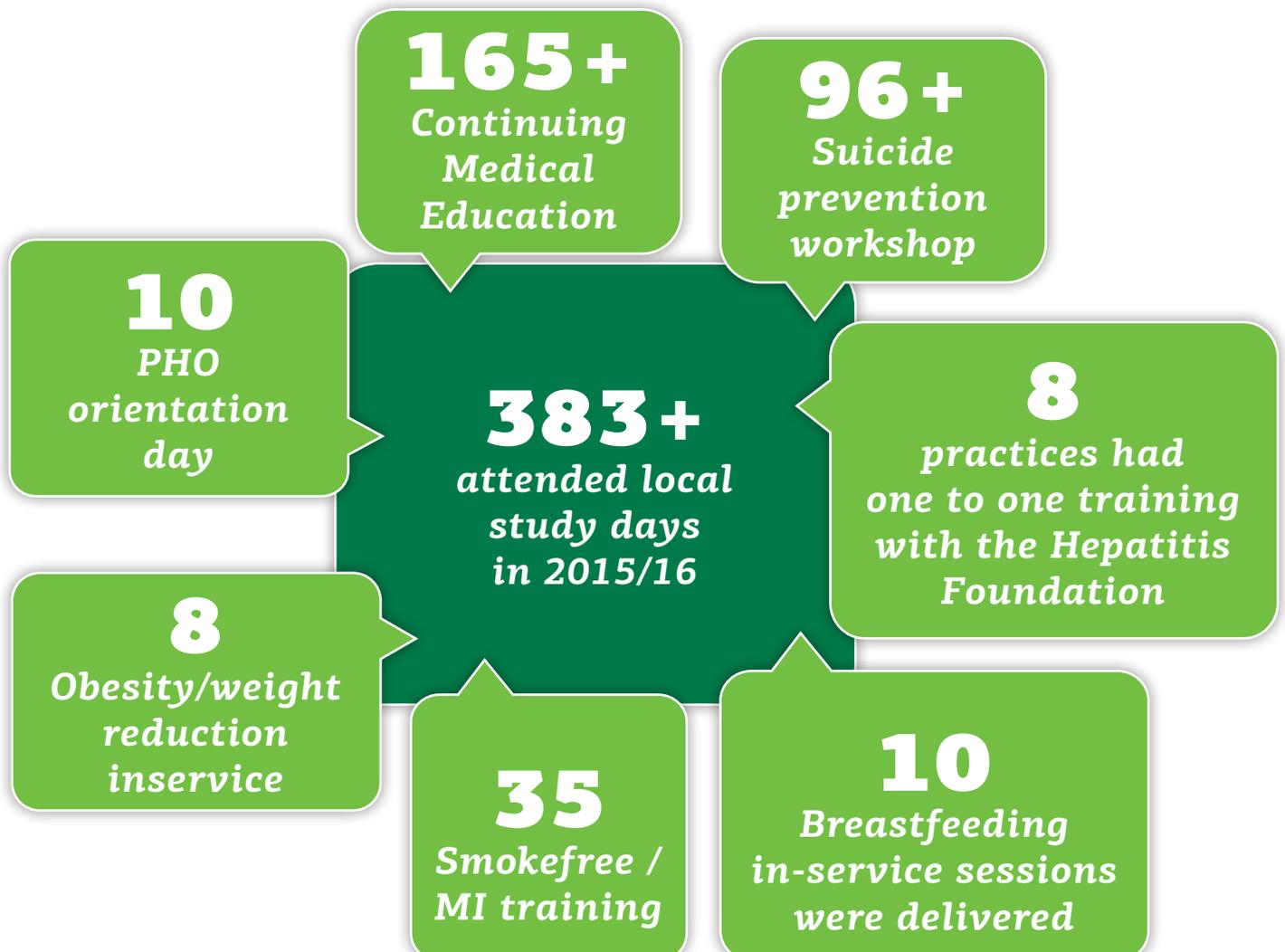
This programme supports the continuing education and professional development of staff employed by all member practices. This includes local workshops and study days, video-linked evening education sessions, and funded access to conferences and training opportunities mostly outside of the West Coast.

The CME (Continuing Medical Education) programme for 2015/16 has been highly successful and much of this can be attributed to a closer working relationship with the Rural Learning Centre (RLC) at Grey Base Hospital. This has allowed the WCPHO and RLC to piggyback training sessions with each other, meaning greater opportunities for more staff to attend sessions.

Clinician attendance at various workshops:

Expenditure

The West Coast PHO spent \$49,975 on Professional & Practice Development.



RURAL PRIMARY CARE SUBSIDIES

This funding aims to assist with sustainability of the workforce through initiatives aimed at supporting retention and recruitment of all primary health professionals in rural communities, including support for after-hours care.

A Rural Service Level Alliance (SLA) was established in response to a change in the way rural practices were to be subsidised with rural funding from 1 July 2014. The purpose of the Rural SLA is to recommend the distribution of the allocated rural subsidy funding in the West Coast region, to help ensure the sustainability of primary health care services for rural populations.

West Coast practices receiving this rural funding are:

- ▶ South Westland Area Practice
- ▶ Westland Medical Centre
- ▶ Reefton Medical Centre
- ▶ Coast Medical Ltd
- ▶ Buller Medical Services
- ▶ 95% of rural funds are paid to the practices listed above
- ▶ 5% of the funding is retained by the PHO.

Expenditure \$996,317

TARGET GROUP:
Rural service providers contracted to the PHO



FINANCIAL STATEMENTS

For the year ended 30th June 2016

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WEST COAST PRIMARY HEALTH ORGANISATION TRUST

DIRECTORY

AS AT 30 JUNE 2016

PRINCIPAL BUSINESS: Primary Health Organisation

ADDRESS: PO Box 544
163 Mackay Street
GREYMOUTH

TRUSTEES: Trustees at 30 June 2016
Anna Dyzel
Rosalie Sampson (resigned - February 2016)
Richard Wallace
Tony Coll
Lisa Tumahai
Karen van Kuppevelt (resigned - February 2016)
Lucia Cory
Jim Butzbach
Moya Beach-Harrison (resigned - February 2016)
Meriem Wilson (appointed April 2016)
Graeme Neylon (appointed April 2016)
Carl Hutchby (appointed June 2016)

CHAIRPERSON: Julie Kilkelly

AUDITORS: Crowe Horwath New Zealand Audit Partnership
DUNEDIN

SOLICITORS: Hannan & Seddon
GREYMOUTH

BANK: Westpac Bank



WEST COAST PRIMARY HEALTH ORGANISATION TRUST

STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016 \$	2015 \$
REVENUE			
Operating revenue - non-exchange transactions		8,953,863	8,848,129
Other revenue		33,884	16,546
		<u>8,987,747</u>	<u>8,864,675</u>
EXPENDITURE			
Contract payments		(7,231,511)	(7,171,062)
Wages, salaries and other employee costs		(1,172,389)	(1,111,308)
Overheads and administrative expenses	6	(467,402)	(474,854)
Depreciation, impairment and loss on disposal	7	(30,553)	(34,330)
		<u>(8,901,855)</u>	<u>(8,791,554)</u>
FINANCING ACTIVITIES			
Interest income		29,697	36,331
Interest on borrowings		-	-
Net Financing Income/(Costs)		<u>29,697</u>	<u>36,331</u>
SURPLUS / (DEFICIT) FOR THE YEAR			
		<u>115,589</u>	<u>109,452</u>
OTHER COMPREHENSIVE REVENUE AND EXPENSE			
Total other comprehensive revenue and expense		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE REVENUE AND EXPENSE FOR YEAR			
		<u><u>115,589</u></u>	<u><u>109,452</u></u>



WEST COAST PRIMARY HEALTH ORGANISATION TRUST

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2016

	Note	2016 \$	2015 \$
<u>CURRENT ASSETS</u>			
Cash and cash equivalents	8	48,446	36,020
Term deposits	8	1,273,773	1,088,202
Receivables from non-exchange transactions	9	245,067	221,646
Prepayments		15,080	6,156
<u>TOTAL CURRENT ASSETS</u>		1,582,366	1,352,024
<u>NON-CURRENT</u>			
Property, plant & equipment	11	98,988	97,404
<u>TOTAL NON-CURRENT ASSETS</u>		98,988	97,404
<u>TOTAL ASSETS</u>		1,681,354	1,449,428
<u>CURRENT LIABILITIES</u>			
Payables under non-exchange transactions	10	284,078	245,997
Employee entitlements	12	74,246	76,756
GST payable		28,891	12,723
Reserved funds	13	337,991	273,393
<u>TOTAL CURRENT LIABILITIES</u>		725,206	608,869
<u>TOTAL LIABILITIES</u>		725,206	608,869
<u>NET ASSETS</u>		956,148	840,559



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WEST COAST PRIMARY HEALTH ORGANISATION TRUST

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2016

	Note	2016 \$	2015 \$
<u>EQUITY</u>			
Trust capital		10	10
Accumulated funds		956,138	840,549
<u>TOTAL EQUITY</u>		956,148	840,559

These financial statements have been authorised for issue by the trustees

Chairperson *Shirley Jane Kikewy* Date *28/10/16*

Trustee *Alan Tony Cox* Date *28-10-16*



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WEST COAST PRIMARY HEALTH ORGANISATION TRUST

STATEMENT OF CHANGES IN NET ASSETS

FOR THE YEAR ENDED 30 JUNE 2016

	Note	TRUST CAPITAL \$	ACCUMULATED FUNDS \$	TOTAL \$
Balance 1 July 2015		10	840,549	840,559
Surplus/(deficit) for the year		-	115,589	115,589
Other comprehensive income		-	-	-
<u>Total comprehensive revenue and expenses</u>		-	115,589	115,589
<u>Balance 30 June 2016</u>		10	956,138	956,148
Balance 1 July 2014		10	731,097	731,107
Surplus/(deficit) for the year		-	109,452	109,452
Other comprehensive income		-	-	-
<u>Total comprehensive revenue and expenses</u>		-	109,452	109,452
<u>Balance 30 June 2015</u>		10	840,549	840,559



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WEST COAST PRIMARY HEALTH ORGANISATION TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016 \$	2015 \$
<u>Cash flow from operating activities</u>			
Cash was provided from/(applied to):			
Receipts from non-exchange transactions		9,027,862	8,939,738
Payments to suppliers		(7,685,066)	(7,606,213)
Payments to employees		(1,143,421)	(1,098,102)
Interest received		28,875	36,923
<u>Net cash from/(used in) operating activities</u>		228,250	272,346
<u>Cash flow from investing activities</u>			
Cash was provided from/(applied to):			
Acquisition of property, plant and equipment		(37,209)	(16,434)
Disposal of property, plant and equipment		6,956	-
<u>Net cash from/(used in) investing activities</u>		(30,253)	(16,434)
<u>Cash flow from financing activities</u>			
Cash was provided from/(applied to):			
		-	-
<u>Net cash from/(used in) financing activities</u>		-	-
<u>Net increase/(decrease) in cash and cash equivalents</u>		197,997	255,912
Cash and cash equivalents, beginning of the year		1,124,222	868,310
<u>CASH AND CASH EQUIVALENTS AT END OF THE YEAR</u>	8	1,322,219	1,124,222



WEST COAST PRIMARY HEALTH ORGANISATION TRUST**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 30 JUNE 2016**

1 Reporting entity

These financial statements comprise the financial statements of West Coast Primary Health Organisation Trust (the "PHO") for the year ended 30 June 2016.

The PHO is a Public Benefit Entity for the purposes of financial reporting in accordance with the Financial Reporting Act 2013.

The PHO is a charitable organisation, domiciled in New Zealand, incorporated in accordance with the provisions of the charitable Trust Act 1957.

The financial statements were authorised for issue by the Trustees on the date signed 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). They comply with Public Benefit Entity Standards Reduced Disclosure Regime (PBE Standard) as appropriate for Tier 2 Not for Profit (NFP) Public Benefit Entities, for which all disclosure exemptions have been adopted.

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

Effect of first-time adoption of PBE (NFP) standards on accounting policies and disclosures

The PHO transitioned to PBE (NFP) standards on 1 July 2015. This is the first set of financial statements of the Trust that is presented in accordance with these standards.

The accounting policies adopted in these financial statements are consistent with those of the previous financial year, except for instances when the accounting or reporting requirements of a PBE (NFP) standard are different to previously reported old NZ GAAP, as outlined below.

The changes to accounting policies and disclosure caused by the first time application of PBE (NFP) standards are as follows:

PBE IPSAS 1: Presentation of Financial Statements

There are minor differences between PBE IPSAS 1 and the equivalent old NZ GAAP standard. These differences have an effect on disclosure only. The main changes in disclosure resulting from the application of PBE IPSAS 1 are the following:

- Receivables from exchange and non-exchange transactions

In the financial statements of the previous financial year, receivables were presented as a single total in the Statement of Financial Position. However, PBE IPSAS 1 requires receivables from non-exchange



WEST COAST PRIMARY HEALTH ORGANISATION TRUST**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 30 JUNE 2016**

transactions and receivables from exchange transactions to be presented separately. This requirement affected the presentation of both current and comparative receivable figures.

- **PBE IPSAS 9: Revenue from exchange transactions**

In the financial statements of the previous financial year, revenue types were presented as a single total in the Statement of Comprehensive Revenue and Expense. However, PBE IPSAS 9 requires revenue from exchange transactions and revenue from non-exchange transactions to be presented separately. This requirement affected the presentation of both current and comparative revenue figures.

(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 PHO's functional currency.

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

(d) Comparatives

The comparative financial period is 12 months.

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

(e) Changes in accounting policies

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

3 Summary of significant accounting policies

The accounting policies of the PHO have 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 amortised cost using the effective interest method.



WEST COAST PRIMARY HEALTH ORGANISATION TRUST**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 30 JUNE 2016**

An allowance for impairment is established where there is objective evidence the PHO 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 initially recognised at fair value and are subsequently measured at amortised cost using the effective interest method.

(d) Property, plant and equipment

Property, 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 PHO 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

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

When an item of property, 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:

Building improvements	9.5% - 33% DV
Motor vehicles	30% DV
IT, plant and furniture	9.5% - 40% DV

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

(e) Impairment

At each reporting date, the PHO 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 PHO estimates the



WEST COAST PRIMARY HEALTH ORGANISATION TRUST**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 30 JUNE 2016**

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.

(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 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 PHO transfers the financial asset to another party without retaining control or substantially all risks and rewards to the asset.

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

Subsequent measurement of financial assets

The subsequent measurement of financial assets depends on their classifications, 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 asset held by the PHO in the years reported have been designated into one classification, "loans and receivables" being non-derivate financial assets with fixed or determinable payments that are not quoted on an active market. After initial recognition these are measured at amortised cost using the effective interest method, less provision for impairment.

Subsequent measurement of financial liabilities

Trade payables and other borrowings are subsequently measured at amortised cost using the effective interest method.

*JTC*

WEST COAST PRIMARY HEALTH ORGANISATION TRUST**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 30 JUNE 2016**

(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 the expenditures will be required to settle the obligations; and a reliable estimate of the potential settlement can be made. Provisions are not recognised for future operating losses.

Provision 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 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**Short term employee benefits**

Employee benefits, previously earned from past services, that the PHO expects 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, but not yet taken at the reporting date.

(i) Revenue

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

The PHO assess its revenue arrangement against specific criteria to determine if it is acting as the principal or agent in a revenue transaction. In an agency relationship only the proportion of revenue earned on the PHO's own account is recognised as gross revenue in the Statement of Comprehensive Revenue and Expenses.

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

Revenue from exchange transactions

Revenue from services rendered is recognised in the surplus or deficit in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is assessed by reference to surveys of work performed. Under this method, revenue is recognised in the accounting periods in which the services are provided.

When the contract outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.



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WEST COAST PRIMARY HEALTH ORGANISATION TRUST**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 30 JUNE 2016**

Revenue from non-exchange transactions

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

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

Reserved funding

To the extent that there is a condition attached that would give rise to a liability to repay funding or to return a granted asset, 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 PHO 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) Leased 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 interpretations not yet adopted

All mandatory new or amended accounting standards and interpretations were adopted in the current year. Refer above for the effect of first time adoption of PBE standards (NFP).



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WEST COAST PRIMARY HEALTH ORGANISATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

The Trust has not yet assessed the impact of the following new standards and interpretations on issues which have yet to be adopted:

-2015 omnibus amendments to PBE standards

The Trustees expect to adopt the above Standards in the period in which they become mandatory. The Trustees anticipate that the above Standards are not expected to have a material impact on the financial statements in the period of initial application, however a detailed assessment of the impact has yet to be performed.

4 Significant accounting judgements, estimates and assumptions

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

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

5 Capital Management Policy

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

6 Overheads and administrative expenses

	2016	2015
	\$	\$
Audit fee	11,657	11,399
Other Assurance Services	4,000	-
Leases	128,326	130,050
Telecommunication	26,682	27,828
Insurance	9,193	8,735
Bank fees	941	738
Other expenses	211,470	223,852
Trustee Meeting Fees	56,863	50,809
Trustee Reimbursements	4,706	10,615
Committee Fees	12,320	9,602
Committee Expenses	1,244	1,226
	<hr/>	<hr/>
Total overheads and administrative expenses	467,402	474,854



WEST COAST PRIMARY HEALTH ORGANISATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

7 Depreciation, impairment and loss on disposal

	2016 \$	2015 \$
Depreciation expense	30,339	33,732
Loss on Disposal	214	598
	<hr/>	<hr/>
Total depreciation, impairment and loss on disposal	30,553	34,330
	<hr/>	<hr/>

8 Cash and cash equivalents

	2016 \$	2015 \$
Petty Cash	31	58
Current account	48,415	35,962
Term deposit	1,273,773	1,088,202
	<hr/>	<hr/>
Total cash and cash equivalents	1,322,219	1,124,222
	<hr/>	<hr/>

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

The effective interest on term deposits in 2016 was 3.3-3.8% (2015: 4.3%)

9 Receivables from non-exchange transactions

	2016 \$	2015 \$
Accounts receivables	237,860	215,261
Sundry receivables	7,207	6,385
	<hr/>	<hr/>
Total	245,067	221,646
	<hr/>	<hr/>



WEST COAST PRIMARY HEALTH ORGANISATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

	2016	2015
	\$	\$
<i>Classified as:</i>		
Current assets	245,072	221,646
Non-current assets	-	-
Total	245,072	221,646

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

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

10 Payables under non-exchange transactions

	2016	2015
	\$	\$
Current		
Trade payables	227,979	190,066
Sundry payables	56,099	55,931
Total current	284,078	245,997
Total payables under non-exchange transactions	284,078	245,997

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



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WEST COAST PRIMARY HEALTH ORGANISATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

11 Property, plant and equipment

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

2016	Building improvements \$	Motor vehicles \$	IT & Plant \$	Total \$
Gross carrying amount				
Opening Balance	111,080	33,043	302,575	446,698
Additions	26,000	-	11,209	37,209
Disposals	-	5,072	-	5,072
Closing balance	137,080	27,971	313,784	478,835
Accumulated depreciation and impairment				
Opening balance	79,039	26,498	243,755	349,292
Depreciation for the year	6,167	1,473	22,701	30,341
Impairment charge for the year	-	-	214	214
Closing balance	85,206	27,971	266,670	379,847
Carrying amount 30 June 2016	51,874	-	47,114	98,988
2015	Building improvements \$	Motor vehicles \$	IT & Plant \$	Total \$
Gross carrying amount				
Opening Balance	111,080	33,043	300,427	444,550
Additions	-	-	16,434	16,434
Disposals	-	-	-	-
Closing balance	111,080	33,043	316,861	460,984
Accumulated depreciation and impairment				
Opening balance	75,137	23,693	230,420	329,250
Depreciation for the year	3,902	2,805	27,025	33,732
Impairment charge for the year	-	-	598	598
Closing balance	79,039	26,498	258,043	363,580
Carrying amount 30 June 2015	32,041	6,545	58,818	97,404



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WEST COAST PRIMARY HEALTH ORGANISATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

12 Employee entitlements

	2016 \$	2015 \$
Current Annual leave entitlements	74,246	76,756
Total	74,246	76,756

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.

There are no provisions in the PHO's employee contracts for long-service leave.

13 Reserved funding

	2016 \$	2015 \$
Unexpended contract revenue	337,991	273,393
Total deferred revenue	337,991	273,393

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

The unexpended contract revenue is the unspent funds relating to the contracted obligation to provide service for Clinical Services, Keeping People Healthy and Workforce and Rural Support. The funds are transferred to income when expenditure occurs.

14 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.



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WEST COAST PRIMARY HEALTH ORGANISATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

(b) Classification of financial instruments

All financial assets held by the PHO are classified as “loans and receivables” and 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.

2016	Loans and receivables	Liabilities at amortised cost	Total carrying amount	Fair value
Financial Assets				
Trade and other receivables	245,072	-	245,072	245,072
Cash and cash equivalents	1,322,219	-	1,322,219	1,322,219
Total current assets	1,567,291	-	1,567,291	1,567,291
Total assets	1,567,291	-	1,567,291	1,567,291
Financial liabilities				
Trade and other payables	-	284,078	284,078	284,078
Total current liabilities	-	284,078	284,078	284,078
Total liabilities	-	284,078	284,078	284,078
2015	Loans and receivables	Liabilities at amortised cost	Total carrying amount	Fair value
Financial Assets				
Trade and other receivables	221,646	-	221,646	221,646
Cash and cash equivalents	1,124,222	-	1,124,222	1,124,222
Total current assets	1,345,868	-	1,345,868	1,345,868
Total assets	1,345,868	-	1,345,868	1,345,868
Financial liabilities				
Trade and other payables	-	245,997	245,997	245,997
Total current liabilities	-	245,997	245,997	245,997
Total liabilities	-	245,997	245,997	245,997



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WEST COAST PRIMARY HEALTH ORGANISATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

15 Operating leases

Operating leases are held for premises used for office space, motor vehicles and equipment.

	2016 \$	2015 \$
<i>Non-cancellable operating leases are payable as follows:</i>		
Less than one year	123,166	124,795
Between one and five years	120,481	202,698
More than five years	-	-
Total	243,647	327,493

16 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 PHO.

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

The following arrangements existed with related parties:

(a) Related party transactions

Anna Dyzel is a shareholder of Westland Medical Centre, which is a sub-contractor to, and receives funding from, the PHO. Anna Dyzel is also a contractor to the PHO, providing coordination of local continuing education.

Julie Kilkelly is a director/shareholder of Olsens Pharmacy which receives funding from the PHO.

Richard Wallace's daughter, Susan Wallace, is a Board Member of the West Coast DHB which pays funding to and receives funding from the PHO. Susan Wallace is also a Board Member of the Canterbury DHB.

(b) Key management compensation

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



WEST COAST PRIMARY HEALTH ORGANISATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

	Trustees	2016 Snr mgmt.	Total
	\$	\$	\$
Salaries and other short-term employee benefits	56,863	442,277	499,140
Termination benefits	-	-	-
Post-employment benefits	-	-	-
Other long-term benefits	-	-	-
Total remuneration	56,863	442,277	499,140
Number of persons recognised as key management personnel	12	6	18
Full time equivalents (FTEs)	0.12	5.8	5.92

	Trustees	2015 Snr mgmt.	Total
	\$	\$	\$
Salaries and other short-term employee benefits	50,809	472,356	523,165
Termination benefits	-	-	-
Post-employment benefits	-	-	-
Other long-term benefits	-	-	-
Total remuneration	50,809	472,356	523,165
Number of persons recognised as key management personnel	9	6	15
Full time equivalents (FTEs)	0.12	5.8	5.92

17 Contingent assets and contingent liabilities

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

18 Commitments

As at 30 June 2016 West Coast Primary Health Organisation Trust is not aware of any capital commitments or contingencies (2015: Nil).

19 Events after the reporting period

There were no significant events after the balance date.



JL



INDEPENDENT AUDITOR'S REPORT

To the Trustees of West Coast Primary Health Organisation Trust

Report on the Financial Statements

Crowe Horwath
New Zealand Audit Partnership
Member Crowe Horwath International

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We have audited the financial statements of West Coast Primary Health Organisation Trust on pages 2 to 20, which comprise the statement of financial position as at 30 June 2016, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Trustees' Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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

Opinion

In our opinion, the financial statements on pages 2 to 20 present fairly, in all material respects, the financial position of West Coast Primary Health Organisation Trust as at 30 June 2016, and its financial performance and its cash flows for the year then ended in accordance with Public Benefit Entity Standards with Reduced Disclosure Regime.

A handwritten signature in blue ink that reads "Crowe Horwath".

Crowe Horwath New Zealand Audit Partnership
CHARTERED ACCOUNTANTS
28 October 2016



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