

ANNUAL REPORT

2016 - 2017



West Coast
Te Tai o Poutini
Primary Health
Organisation

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TRUSTEES' REPORT

Trustees' Report - Presenting the Annual Report and Financial Statements for the year ended 30th June 2017.

This is my third annual report as Chair of the West Coast Primary Health Organisation (WCPHO), a role that continues to provide pleasure (sometimes mixed with frustration) and endless opportunities to network and learn from others in the health sector.

Throughout this past year, our EO (Helen Reriti), service provider teams, our clinical governance group, our board and our support staff have worked hard to ensure our programmes and initiatives designed to supplement existing care or provide an enhanced level of service and health gain within our community continue to meet their objectives. For this I thank you all.

As West Coasters we want a health system (including both care providers and facilities) that we can be proud of. We want the right people, providing



the right care, at the right time to those who need it. Traditional models of health care are changing and we must change with them.



*Back Row (from left): Jim Butzbach, Carl Hutchby, Graeme Neylon, Tony Coll
Front Row (from left): Lucia Cory, Julie Kilkelly, Anna Dyzel, Meriem Wilson Absent: Richard Wallace and Lisa Tumahai*

Recruiting and retaining health professionals will remain a significant challenge for years to come but imagine if those that choose to come here get the opportunity to work in innovative, integrated ways that foster, encourage and reward collaboration and team work. This is what we at the WCPHO, as part of a wider alliance, are working towards enabling.

Gone are the days when it was enough to record the prevalence of a disease within our community. We, as a team should be both personally and professionally incentivised to ensure that the individual's condition is being appropriately and proactively managed.

Each and every health professional should be trusted to act in the best interests of their patients. Silos and perverse incentives that currently prevent this, such as funding models and referral pathways that are not fit for purpose should be challenged and safe and sustainable new ways of working developed.

Imagine... if a GP could refer a patient to a specialist but they themselves order the required investigations ahead of time rather than the patient waiting to see the specialist then waiting again while the necessary investigations are then ordered by the specialist.

Imagine... if a district nurse or other trusted health professional could make direct referrals based on

their day to day observations of patients to certain specialised services rather than the patients having to be referred back to their GP for the very same referral.

Imagine... if a community pharmacist could manage agreed patient's medication needs as part of a wider team therefore freeing up general practice time for those with more complex needs.

We have forward thinking PHO and DHB planning teams and health professionals who are providing much needed continuity of care so let's use them and our strengths (trust, respect and knowing each other) to design and fund services that better meet our unique needs whilst at the same time delivering on the refreshed 2016 Health Strategy.

Into the future, if we always do what we always did, will we get what we always got? I think not, now is the time to act and embrace new ways of working and funding health services that make better use of finite resources whilst providing safe and more convenient health care for our community.



Julie Kilkelly
Chair

Attendance of Trustees at Board Meetings 1 July 2016 – 30 June 2017

Julie Kilkelly	Independent Chair	6 Meetings
Anna Dyzel	General Practitioner	4 Meetings
Lucia Cory	Practice Nurse	3 Meetings
Meriem Wilson	General Practice Administrator	6 Meetings
Tony Coll	Grey District Council	5 Meetings
Graeme Neylon	Buller District Council	5 Meetings
Jim Butzbach	Westland District Council	5 Meetings
Richard Wallace	Runanga o Makaawhio	3 Meetings
Lisa Tumahai	Runanga o Ngati Waewae	5 Meetings
Carl Hutchby	Poutini Waiora	5 Meetings

EXECUTIVE OFFICER'S REPORT

It is always a pleasure to present the West Coast PHO's Annual Report and Financial Statements. It is a time to reflect on the 2016/17 year and to highlight some of our achievements over that period towards a more integrated and collaborative West Coast health system.

2016/17 has seen some significant milestones achieved for PHO staff and programmes.

It is always a pleasure to present the West Coast PHO's Annual Report and Financial Statements. It is a time to reflect on the 2016/17 year and to highlight some of our achievements over that period towards a more integrated and collaborative West Coast health system.

2016/17 has seen some significant milestones achieved for PHO staff and programmes.

I would like to acknowledge the contribution of staff who have met a significant milestone of working for the PHO for 10 years, during this financial year and the next: Raewyn Johnson as Lactation Consultant, and Danielle Dawson, Adam Gilshnan, Nancy McNoe and Megan Cumming of the Health Navigator team. The dedication of these staff to contribute and provide continuity of care to the community they work with is commendable and very much appreciated.



The very successful PHO Mental Health Brief Intervention programme celebrates the five thousand individual referrals made for this free counselling service. Our small team of six provide these services as an extension of general practices from Karamea to Haast.

The West Coast PHO is part of a health system that aims to be joined up across the continuum of health. As a small PHO we continue to be well placed and flexible to meet the challenges as leaders and early adopters to ensure our enrolled population can access a greater range of essential services delivered in their local communities in a well-connected manner. As an example, a collaborative piece of work between the PHO, WCDHB community mental health and Buller Medical Centre has seen people with long term mental health conditions, traditionally managed by community mental health, transitioned and enrolled into the practices' Long Term Conditions management programme. This structured programme provides holistic care by GPs, mental health nurses and practice nurses to help people self-manage their conditions both mentally and physically and have greater access to services as they need them.

Another example of a joined up health system and collaboration that the PHO is proud of is the work to provide greater nutritional services

to our population. This collaboration between the PHO, West Coast DHB and Community and Public Health has brought together our combined team of dietitians (4) and nutritionist (1) to work together to provide nutritional services across the Coast, especially supporting the general practice teams who are finding more people with high cardiovascular risk and pre-diabetes all needing nutritional support to make some lifestyle changes.

We have had a very successful year in providing a Continuing Medical Education programme to general practitioners, practice nurses, rural nurse specialists, and community pharmacists. The ability to attract specialists and expert speakers to the West Coast is difficult. With the support of the WCDHB Rural Learning Centre we have been able to bring an extensive and interesting suite of education to our clinicians and pharmacists across the Coast, made easier by the use of Telehealth videoconferencing systems.

I would like to mention the PHO's role as advocates for rural health. PHO staff and I are involved in the West Coast Health Alliance with multiple workstreams and pieces of work underway to improve our health system. This is a big commitment from the West Coast PHO that involves a lot of hours - many of them after hours. It's work that can go unnoticed and unappreciated day-by-day. But I want to say to our staff that I do appreciate that commitment to be the rural lens for the West Coast and bring the rural voice to these groups. It is ensuring that the unique challenges and opportunities of our rural and remote communities are considered in transformational work and health planning.

I take this opportunity to acknowledge the support and commitment of our partners in primary health, social services, WCDHB, and community based organisations as we build and embed collaborative relationships to achieve better integrated health services.

I would like to extend my appreciation to Julie Kilkelly, who has been a supportive Chair, and to both the Board and the Clinical Governance Committee, who continue to provide leadership, support and guidance throughout the year.

Finally, to the West Coast PHO General Practices and Rural Clinics, thank you for all that you do in caring for your patients. I look forward to working with you all next year and continuing to advocate for primary care.



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

\$5,468,114 (excl. GST)

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

Cost of co-payment during 2016-17 for VLCA practices	
Children 0-12	FREE
Children 13-17	\$12.00
Adults 18+	\$18.00

Cost of co-payment during 2016-17 for Non VLCA practice	
Children 0-12	FREE
Children 13-17	\$20.00
Adults 18+	\$25.00
Adults 65+	\$20.00

TARGET GROUP:
all enrolled people in the PHO

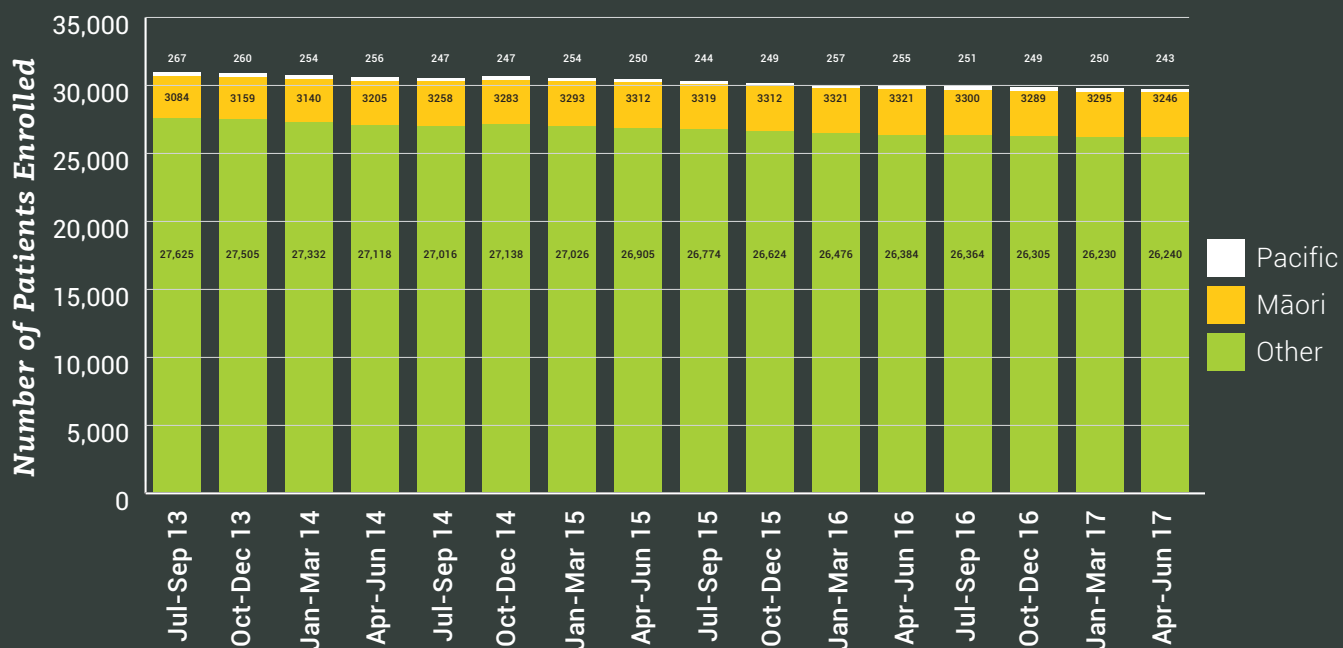


West Coast PHO Enrolled Population

At the end of the April to June 2017 quarter, **29,729** people were enrolled with the West Coast PHO.

The average number of people enrolled in the PHO during the year was **29,816**.

Enrolments over time by ethnicity



Visits to medical centres

125,313
subsidised visits by
enrolled patients

73,648 GP visits

51,665 nurse visits

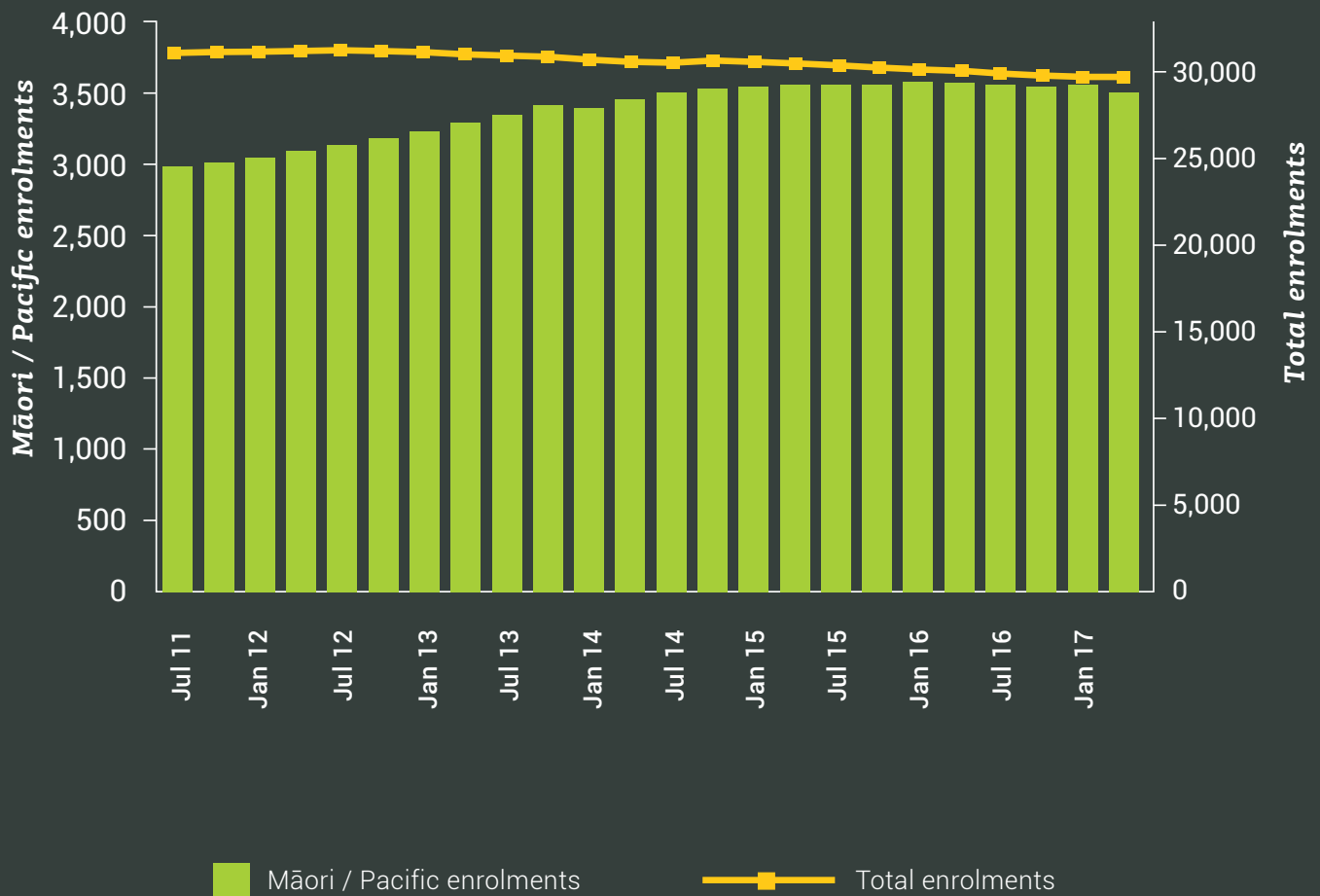
This represents an average of 4 visits for each enrolled patient in the PHO. The average subsidy for each enrolled patient was therefore \$209.88 (including GST) during the year, while the average subsidy per patient visit was \$49.94 (including GST).

Access for Māori

Total enrolments have declined 5% over the five-year period from 1 July 2012 to 30 June 2017, while Māori and Pacific enrolments have increased 11% over the same period.

**11% of total
enrolments Māori**
1% Pacific

PHO Enrolments



KEEPING PEOPLE HEALTHY

Expenditure

The PHO spent \$232,896 on the various 'Keeping People Healthy' programmes.

Progress 2016/17

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

559

*West Coasters entered
the Green Prescription
programme in 2016/17*

10.4%

of these were Māori

13

*pool passes were given
to people with diabetes
enrolled in GRx*

Green Prescription Plus

GRx Plus is a nutritional programme that works alongside GRx to provide individualised nutritional support for clients enrolled in the GRx programme, and for people with pre-diabetes.

The programme was expanded in 2016-17 to include people with high cardiovascular risk and to provide Living Well with Diabetes courses. The goal of the programme is to reduce the incidence of diabetes, heart disease and obesity by improving access to nutritional advice. This programme is delivered by a dietitian at 0.6 FTE.

TARGET GROUP:

People with pre-diabetes

People with high cardiovascular risk

Obese people from high need populations

153

West Coasters entered the Green Prescription Plus programme in 2016/17

11%

of these were Māori



"Living Well With Diabetes"

Course is FREE, FUN, & INTERACTIVE

Come along, meet new people and gain knowledge and confidence in dealing with the management of your diabetes

Learn how to:

- Manage your symptoms
- Look after your feet
- Prevent/delay complications

AND...Live Well with Diabetes

Are you interested in attending?

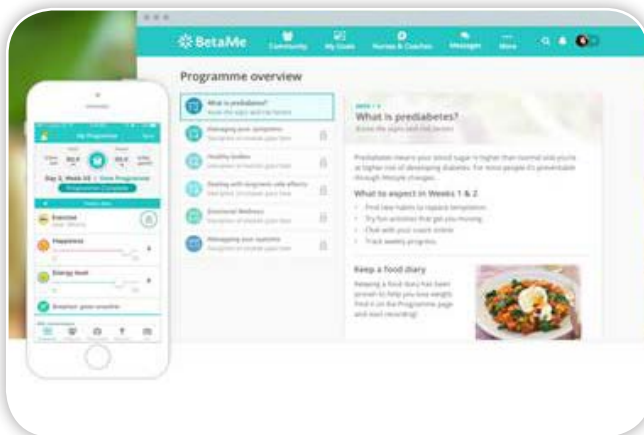
For more information about the program contact:
The West Coast PHO 03 768 6182 or talk to your GP or Practice Nurse

BetaMe Weight Loss Programme

The West Coast PHO launched the BetaMe online weight loss programme in February 2017. This is a digital, self-management support tool for sustainable weight loss. The 16-week programme combines peer support via social media, health coaches and behaviour change tools to build daily habits which result in positive health outcomes. It is followed by a 12-week maintenance programme.

The overall aim is to enable people within the enrolled population who are overweight or obese with a BMI >30 and potentially at risk of developing diabetes to have access to a supported 16 week programme, followed by a maintenance programme.

42
enrolled



“Excellent to be accountable to a coach. Encouragement and different ways of doing food is very helpful.”

“The resources are excellent.”

“Certainly have already referred others to the programme.”

“Thanks team, I now have good habits and routines so will continue on.”

“Really pleased I can go back to the resources again.”

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.

One of the system wide improvements this year was breastfeeding data collection. Data is now obtained from all providers, whereas previously only Plunket data was available. Currently, the April-June 2017 (Quarter 4) data is all that is available for reporting. The following table shows West Coast breastfeeding results for this quarter from all providers.

It is also important to note that the Ministry of Health target for 6 months (65%) is for babies receiving any breastmilk; exclusively, fully or partially breastfed. The result below includes only those who are exclusively or fully breastfed.

	6 Weeks	6 Months
West Coast Result	71%	64%
West Coast Targets	>75%	65%
Māori Result	75%	60%

TARGET GROUP:

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

Health professionals



WABA | WORLD BREASTFEEDING WEEK
BREASTFEEDING
A KEY TO SUSTAINABLE DEVELOPMENT

Lactation Consultancy

25%
of contacts made with
Māori mums

There were
216
Lactation Consultancy
clients in 2016/17

83 were living in
high deprivation areas

54 living rurally

19 <20 years of age

568
Lactation Consultancy contacts

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.



August 2016 "Big Latch On"

19 Mum4Mums
trained

3 of these mums
were Māori

1 Pacific

7 ante-natal
sessions

2 Westport

2 Greymouth

2 Hokitika

1 Franz Josef

15 community and
health professional
sessions



Health Promotion Community Activity

Our Health Promotion/Community Activity coordinator supported West Coasters and general practice teams in 2016/17 in the areas of cardiovascular risk assessment, screening, immunisation, 'smoke-free', respiratory and diabetes campaigns. This included delivering health promotion messages, staging and participating in events, and presenting community awards in recognition of health promotion activities.



Diabetes Awareness Month

Ingredients for a healthy lifestyle -

Eat right, move more



Rusty began visiting Early Childhood Centres to promote the "Little Lungs" campaign. This is a smoke-free health promotion activity to increase the awareness of the impact of second hand smoke on children's "little lungs". The project encourages childhood educators and parents, families and whānau to have smoke-free cars and homes, thereby reducing children's exposure to second hand smoke.



Rusty got a health check on the way home

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 community either by role modelling or supporting others, like their friends and family, to make lifestyle changes.

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

- Exercising regularly
- Be smoke-free
- Eating healthily



2016 Grey District Winner - Janaya Smith (centre)



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 \$471,439 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

\$22,688

More Heart and
Diabetes Checks



9,821
*(91%) of eligible
CVRAs have been
completed in the last
5 years*

1,651
*Cardiovascular Risk
Assessments (CVRAs) were
completed in 2016/17*

11.4%
of these were for Māori

88%
*of eligible Māori have been screened
in the last 5 years*

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 \$21,635

Progress 2016/17

Cardiovascular Risk <10%:

1,157

Individuals (61%) were identified
as having a low risk,
less than 10%

4%

of these were Māori

Cardiovascular Risk between 10-20%:

641

Individuals (34%) were identified
as between 10-20%
moderate to high risk

4.5%

of these were Māori

Cardiovascular Risk >20%:

98

Individuals (5%) were
identified as >20%
very high risk

1%

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.

A pilot project commenced in Westport in March 2017, between the PHO, Buller Health general practice and Community Mental Health teams to integrate care for people living with long-term mental health conditions by increasing access to the LTC programme. The aim of the project is to improve patient access to physical and holistic health care, thereby improving their health outcomes. To 30 June 2017, 38 people were enrolled in this programme. None of these were Māori.

Expenditure \$142,174

TARGET GROUP:
People with CVD, Diabetes and COPD

6.1%
of these were Māori

3,860
People were enrolled in the LTC programme at 30 June 2017

*This is **13%** 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 \$142,174 LTC expenditure.

TARGET GROUP:
All people with CVD

1,800
*people have CVD
on the West Coast*

5%
*of these
were Māori*

1,464
*CVD reviews (81%)
completed in 2016/17*



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).

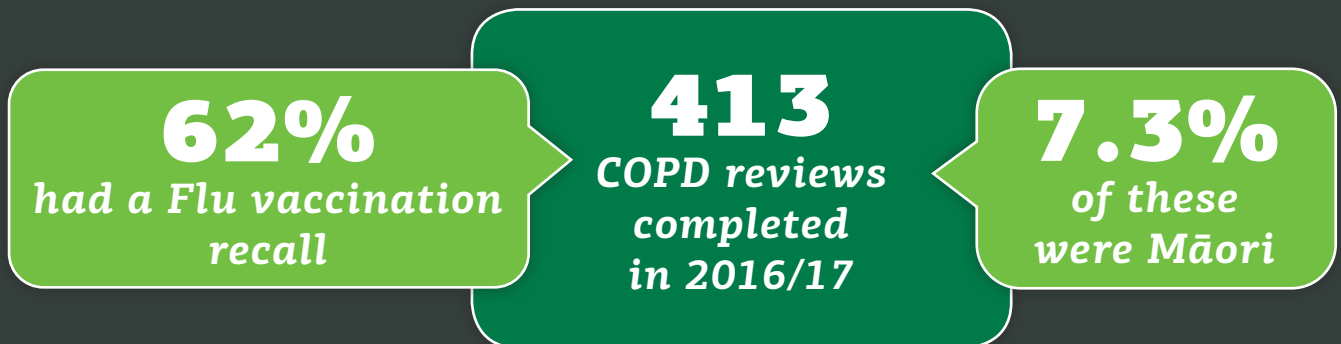
Key activities:

- ▶ 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
- ▶ all patients are offered annual flu vaccination, and pulmonary rehabilitation where available

TARGET GROUP:
All people with COPD

Expenditure

COPD care is included with the \$142,174 of LTC expenditure.



CARE FOR PEOPLE WITH DIABETES

This programme aims to improve health outcomes and quality of life of 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 West Coast
- ▶ support practices to ensure as many patients as possible benefit from this programme
- ▶ review and address health inequalities in outcomes
- ▶ the WCPHO participated in an Auckland University research study reviewing the effect of text-message reminders to assist participants' self-management of their diabetes

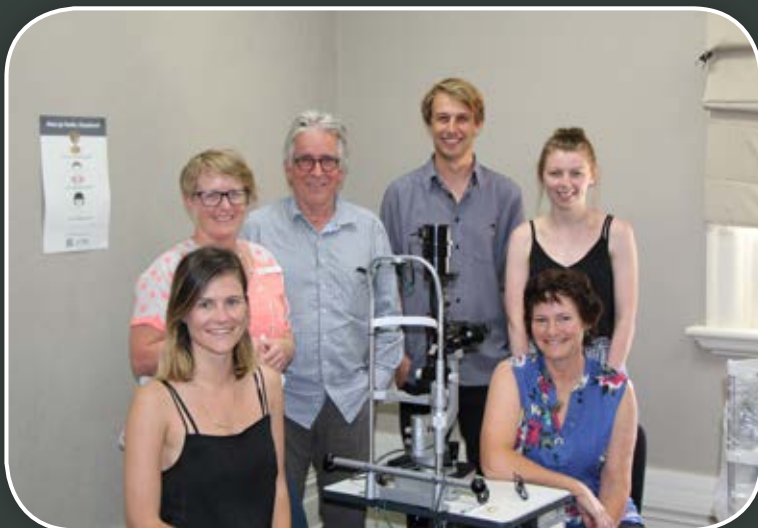
Diabetes care is included within the \$142,174 LTC expenditure; an additional \$47,440 was spent on retinal screening and \$1,280 on Diabetes Care Improvement (DCIP).

**TARGET
GROUP:**
*People with
diabetes*

1,115
*people identified
with diabetes on
the West Coast*

1,015
*(91%) Diabetes
reviews completed
in 2016/17*

9%
were for Māori



diabetes
new zealand

Diabetes Care Improvement Package includes:

- ▶ pool passes for people with diabetes who are enrolled in Green Prescription
- ▶ There was no podiatry service (for those not eligible for DHB-funded podiatry) available in 2016-17

Living Well with Diabetes courses:

These courses are designed to give people with diabetes the opportunity to engage in small groups, learning about living well with diabetes. Seven 'Living Well' courses held, 42 people attended.

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.

13 pool passes
given to GRx clients
with diabetes

470
retinal screens
completed

7
Living Well with
Diabetes courses held:
42 attendees



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

\$33,376

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



3 month outcomes:

33%

quit rate for

514 *clients
phoned*

510
*people enrolled
in Coast Quit in
2016/17
(455 – Practices,
55 – Pharmacies)*

14%
*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. This programme is also extended to partners of pregnant women who wish to quit smoking.

Key activities:

- Oversight of the 12-week smokefree pregnancy incentives programme, delivered by the DHB and Oranga Hā, Tai Poutini cessation counsellors.

Expenditure

SPIP programme is included in the smoking Cessation \$33,376 expenditure.



35 pregnant women
+ **8** partners
enrolled in SPIP
in 2016/17



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 'smoke-free' 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 patients who smoke and are seen by a health practitioner in primary care 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.



11

**attended Cessation
Providers' meeting**

6

**new Provider
training sessions**

3

**attended Coast Quit
training**

**Primary Care Target
result:**

91%

**Offered support to
quit at 30 June 2017**

**Secondary Care
Target result:**

93%

**Offered support to
quit at 30 June 2017**

HEALTH NAVIGATOR SERVICE

Progress 2016/17

The service assists high need patients with Long Term Conditions (LTCs), including cancer, to access appropriate social and health services. The service is now embedded within the wider health and social care system across the region.

Following the success of the study where the navigator team partnered with the University of Otago to trial an innovative way of delivering cardiac rehabilitation in a rural area, the relationship with the research team at the Department of General Practice and Rural Health continues to develop. The findings from part of the cardiac rehabilitation study have been presented at two national conferences.

During the second part of the year, to meet the increasing demand for the programme the navigators increased their FTE in the Buller with a 0.5 position. The Health Navigators now have a total FTE of 4.3 to respond to their clients and the changing dynamic of their long term conditions.



**TARGET
GROUP:**
*LTC patients
with complex
social issues*

1,198
clients

There were:
2,496
phone calls made,

3,035
*contacts with
other agencies,*

3,784
*face to face contacts
with clients in
2016-17*

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 small number of high need individuals.

Expenditure

\$3,243

11%
*of these
contacts
were Māori*

115
*Corrections
clients accessed
this service in
2016/17*

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

\$26,092

1,146
*Contraception and
sexual health visits
in 2016/17*

19%
*of these
were Māori*

PALLIATIVE CARE

Reducing the financial barriers for patients and their whanau receiving general practice care in the terminal stage of their illness.

This programme continues to cover costs of visits to the general practice, home visits, nurse visits made on behalf of patients by palliative care nurse specialists, and some part charges for medication used in a palliative setting for enrolled palliative care patients.

As of February 2016, the PHO took over funding of pharmacy palliative medicines from Buller West Coast Home Hospice Trust. This funding covered 92 patients, averaging \$217.00 per patient, with a total spend of \$19,962.66 for the year.

Expenditure

\$32,259

131
nurse visits

262
surgery visits

120
home visits

201 people were assisted by the programme by the end of June 2017

6%
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
\$515,206

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 2016-2017:

- ▶ the team continued to provide BIC to youth and adults right across the West Coast region
- ▶ 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
- ▶ Weekly evening "mindfulness and meditation" group sessions held for adults.

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

1,194
*requests for assessment
as at 30 June 2017*

748
*Patients attended Brief
Intervention Counselling*

71
youth

677
adult

*“Now he has learnt about anxiety and can use positive self-talk he is a completely transformed boy.”
(Mother of 14 year old).*

“It’s good to be able to recognise old unworkable habits, and do more of what works.” (Adult).

QUALITY IMPROVEMENT, PROFESSIONAL DEVELOPMENT, WORKFORCE AND RURAL SUPPORT

Expenditure

The West Coast PHO spent \$1,139,034 on its various Quality Improvement, Professional Development Activities and Workforce and Rural Support.

System Level Measures Framework (SLMF)

The System Level Measures Framework commenced on 1 July 2016, replacing the Integrated Performance Incentive Framework (IPIF). SLMF is an evolution of IPIF that has arisen from the refresh of the New Zealand Health Strategy. The aim of SLMF is to focus on improving patient outcomes and health system performance, to guide constantly improving health services. SLMF provides a system-wide view of performance, with “contributory measures” at the health settings level that will require individuals and teams to work together to improve the system level performance.

System Level Measure	Improvement Milestone	Achieved	Not Achieved
ASH 0- 4 year olds	Maintain current ASH rate for 0-4 year olds (baseline = 5,564)	✓	
Acute hospital bed days	Maintain the Aged Standardised Bed Day Rate per 1,000 population (baseline = 377.7)	✓	
	65% of High Need people 65 years and older have received an influenza vaccine		✗ (62.1%)
	90% of enrolled patients who identify as smokers are offered brief advice and support to quit smoking within the last 15 months	✓	
	90% of eligible adult population have had a CVD risk assessment in the last 5 years	✓	
Amenable mortality	Cervical Screening <ul style="list-style-type: none"> Reduce data mismatch 84% of women screened 	✓	✗ (77%)
	Long Term Conditions Management <ul style="list-style-type: none"> Inclusion of patients with long-term mental health conditions into the Long Term Conditions programme at Buller Medical Services 	✓	
Patient Experience	Eight West Coast General Practices on the National Enrolment Service (NES)	✓	
	50% of practices uptake the primary care patient experience survey.		✗ (due to delays with the National Enrolment Service) being rolled out
	Three General Practices offering an E-Portal	✓	

2016/17 Health Targets Performance results

Brief advice and cessation support to smokers was 90.9%, meeting the programme goal of 90% for the year ending June 2017. Smoking status recorded was 97.9%, exceeding the goal (90%).

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 81.2% of infants immunised, at 30 June 2017. This equated to 10 children needing to be vaccinated to reach the target.



Expenditure

Incentive Payments to Contracted Providers was \$61,573.

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
- ▶ High Street Medical Centre
- ▶ Karamea Medical Centre
- ▶ Ngakawau Medical Centre
- ▶ Greymouth Medical Centre
- ▶ Buller Medical Services
- ▶ Coast Medical Ltd

13
Rural Nurse Specialists
attended SECO

As at 30 June 2017, practices that are currently working towards CORNERSTONE accreditation with the *Aiming for Excellence* standard are:

- ▶ South Westland Area Practice
- ▶ Moana Rural Clinic (a satellite clinic of Greymouth Medical Centre)

Expenditure

The PHO spent \$7,000 on CORNERSTONE accreditation support.

Standing Orders Training

The West Coast Standing Orders Project:

- ▶ The West Coast PHO continues to work 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 Standing Orders Guideline 2016 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 \$13,143



West Coast
Te Tai o Poutini
Primary Health
Organisation

SECO CLINIC



SAFE



EFFECTIVE



CLINICAL



OUTCOMES



PROFESSIONAL AND PRACTICE DEVELOPMENT

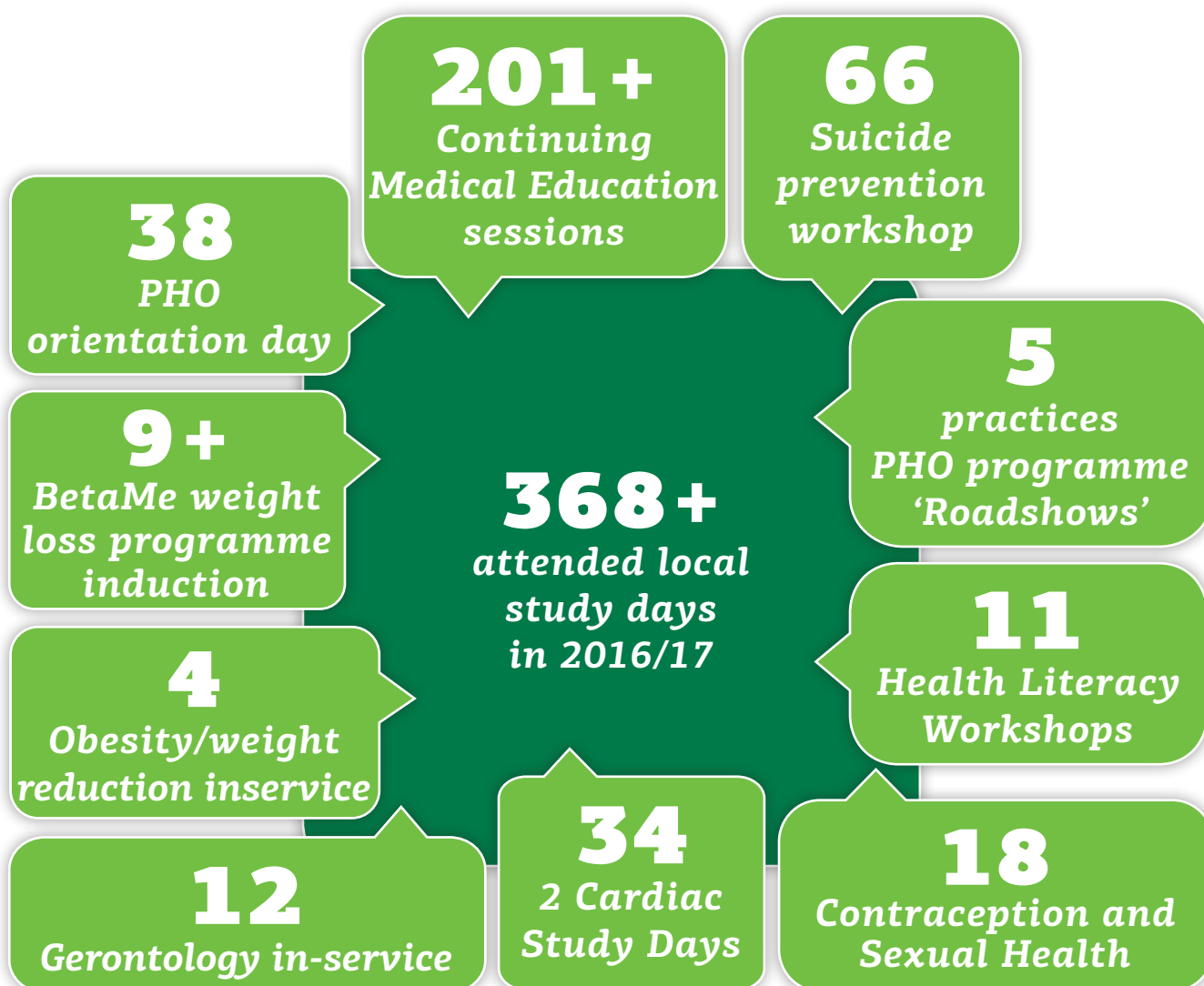
This programme supports the continuing education and professional development of staff employed by all member practices. This includes local workshops and study days, video-linked evening education sessions, and funded access to conferences and training opportunities mostly outside of the West Coast.

The CME (Continuing Medical Education) programme for 2016/17 has been highly successful and much of this can be attributed to a closer working relationship with the Rural Learning Centre (RLC) at the West Coast DHB. 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 \$42,389 on Professional and 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.

The Rural Service Level Alliance (SLA) is made up of the PHO Clinical Governance Group and contracted providers who receive rural funding. 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

37+
*Practice staff
attended the PHO
conference weekend*

TARGET GROUP:
*Rural service
providers contracted
to the PHO*



FINANCIAL STATEMENTS

For the year ended 30th June 2017

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WEST COAST PRIMARY HEALTH ORGANISATION TRUST**DIRECTORY****AS AT 30 JUNE 2017****PRINCIPAL BUSINESS:** Primary Health Organisation**ADDRESS:** PO Box 544
163 Mackay Street
GREYMOUTH**TRUSTEES:** Trustees at 30 June 2017
Anna Dyzel
Richard Wallace
Tony Coll
Lisa Tumahai
Lucia Cory
Jim Butzbach
Meriem Wilson
Graeme Neylon
Carl Hutchby**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 2017



	Note	2017 \$	2016 \$
<u>REVENUE</u>			
Operating revenue - non-exchange transactions		8,971,018	8,953,863
Other revenue		12,041	33,884
		<u>8,983,059</u>	<u>8,987,747</u>
<u>EXPENDITURE</u>			
Contract payments		(7,052,336)	(7,231,511)
Wages, salaries and other employee costs		(1,313,878)	(1,172,389)
Overheads and administrative expenses	6	(492,136)	(467,402)
Depreciation, impairment and loss on disposal	7	(31,468)	(30,553)
		<u>(8,889,818)</u>	<u>(8,901,855)</u>
<u>FINANCING ACTIVITIES</u>			
Interest income		22,528	29,697
Interest on borrowings		-	-
Net Financing Income/(Costs)		<u>22,528</u>	<u>29,697</u>
<u>SURPLUS / (DEFICIT) FOR THE YEAR</u>			
		<u>115,769</u>	<u>115,589</u>
<u>OTHER COMPREHENSIVE REVENUE AND EXPENSE</u>			
Total other comprehensive revenue and expense		<u>-</u>	<u>-</u>
<u>TOTAL COMPREHENSIVE REVENUE AND EXPENSE FOR YEAR</u>			
		<u><u>115,769</u></u>	<u><u>115,589</u></u>

WEST COAST PRIMARY HEALTH ORGANISATION TRUST

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2017



	Note	2017 \$	2016 \$
<u>CURRENT ASSETS</u>			
Cash and cash equivalents	8	749,410	48,446
Term deposits	8	607,961	1,273,773
Receivables from non-exchange transactions	9	233,563	245,067
Prepayments		7,497	15,080
<u>TOTAL CURRENT ASSETS</u>		1,598,431	1,582,366
<u>NON-CURRENT</u>			
Property, plant & equipment	11	91,508	98,988
<u>TOTAL NON-CURRENT ASSETS</u>		91,508	98,988
<u>TOTAL ASSETS</u>		1,689,939	1,681,354
<u>CURRENT LIABILITIES</u>			
Payables under non-exchange transactions	10	269,826	284,078
Employee entitlements	12	73,137	74,246
GST payable		29,056	28,891
Reserved funds	13	246,003	337,991
<u>TOTAL CURRENT LIABILITIES</u>		618,022	725,206
<u>TOTAL LIABILITIES</u>		618,022	725,206
<u>NET ASSETS</u>		1,071,917	956,148

WEST COAST PRIMARY HEALTH ORGANISATION TRUST


STATEMENT OF FINANCIAL POSITION


AS AT 30 JUNE 2017



	Note	2017 \$	2016 \$
<u>EQUITY</u>			
Trust capital	10	10	10
Accumulated funds		<u>1,071,907</u>	<u>956,138</u>
<u>TOTAL EQUITY</u>		<u>1,071,917</u>	<u>956,148</u>

These financial statements have been authorised for issue by the trustees

Chairperson  Date 19/10/17

Trustee  Date 19-10-17





WEST COAST PRIMARY HEALTH ORGANISATION TRUST

STATEMENT OF CHANGES IN NET ASSETS

FOR THE YEAR ENDED 30 JUNE 2017



	Note	TRUST CAPITAL \$	ACCUMULATED FUNDS \$	TOTAL \$
Balance 1 July 2016	10	956,138	956,148	
Surplus/(deficit) for the year	-	115,769	115,769	
Other comprehensive income	-	-	-	
Total comprehensive revenue and expenses		115,769	115,769	
Balance 30 June 2017	10	1,071,907	1,071,917	
Balance 1 July 2015	10	840,549	840,559	
Surplus/(deficit) for the year	-	115,589	115,589	
Other comprehensive income	-	-	-	
Total comprehensive revenue and expenses		115,589	115,589	
Balance 30 June 2016	10	956,138	956,148	

WEST COAST PRIMARY HEALTH ORGANISATION TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2017



	Note	2017 \$	2016 \$
<u>Cash flow from operating activities</u>			
Cash was provided from/(applied to):			
Receipts from non-exchange transactions		8,900,656	9,027,862
Payments to suppliers		(7,550,984)	(7,685,066)
Payments to employees		(1,314,987)	(1,143,421)
Interest received		24,452	28,875
<u>Net cash from/(used in) operating activities</u>		59,137	228,250
<u>Cash flow from Investing activities</u>			
Cash was provided from/(applied to):			
Acquisition of property, plant and equipment		(23,986)	(37,209)
Disposal of property, plant and equipment		-	6,956
<u>Net cash from/(used in) investing activities</u>		(23,986)	(30,253)
<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>		35,151	197,997
Cash and cash equivalents, beginning of the year		1,322,219	1,124,222
<u>CASH AND CASH EQUIVALENTS AT END OF THE YEAR</u>	8	1,357,370	1,322,219

WEST COAST PRIMARY HEALTH ORGANISATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017

**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 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 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.

(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.



WEST COAST PRIMARY HEALTH ORGANISATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017



(e) Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year.

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. 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.



WEST COAST PRIMARY HEALTH ORGANISATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017



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
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 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 rises 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.



WEST COAST PRIMARY HEALTH ORGANISATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017



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.

(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.



WEST COAST PRIMARY HEALTH ORGANISATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017



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.

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.



WEST COAST PRIMARY HEALTH ORGANISATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017



(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.

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

- 2016 omnibus amendments to PBE (NFP) standards
- PBE IFRS 9: Financial Instruments

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.

WEST COAST PRIMARY HEALTH ORGANISATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017



6 Overheads and administrative expenses

	2017	2016
	\$	\$
Audit fee	11,125	11,657
Other Assurance Services	-	4,000
Leases	134,927	128,326
Telecommunication	28,526	26,682
Insurance	17,583	9,193
Bank fees	901	941
Other expenses	224,901	211,470
Trustee Meeting Fees	57,000	56,863
Trustee Reimbursements	5,892	4,706
Committee Fees	10,332	12,320
Committee Expenses	949	1,244
Total overheads and administrative expenses	492,136	467,402

7 Depreciation, impairment and loss on disposal

	2017	2016
	\$	\$
Depreciation expense	31,373	30,339
Loss on Disposal	95	214
Total depreciation, impairment and loss on disposal	31,468	30,553



WEST COAST PRIMARY HEALTH ORGANISATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017



8 Cash and cash equivalents

	2017	2016
	\$	\$
Petty Cash	31	31
Current account	749,379	717,888
Term deposit	607,961	604,300
Total cash and cash equivalents	1,357,371	1,322,219

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

The effective interest on term deposits in 2017 was 3.25-3.6% (2016: 3.3-3.8%)

9 Receivables from non-exchange transactions

	2017	2016
	\$	\$
Accounts receivables	228,280	237,860
Sundry receivables	5,283	7,207
Total	233,563	245,067

	2017	2016
	\$	\$
<i>Classified as:</i>		
Current assets	233,563	245,067
Non-current assets	-	-
Total	233,563	245,067

WEST COAST PRIMARY HEALTH ORGANISATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017



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.

10 Payables under non-exchange transactions

	2017 \$	2016 \$
Current		
Trade payables	183,873	227,979
Sundry payables	85,953	56,099
	<hr/>	<hr/>
Total current	269,826	284,078
	<hr/>	<hr/>
Total payables under non-exchange transactions	269,826	284,078
	<hr/>	<hr/>

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

11 Property, plant and equipment

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





WEST COAST PRIMARY HEALTH ORGANISATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017

2017	Building improvements \$	Motor vehicles \$	IT & Plant \$	Total \$
Gross carrying amount				
Opening Balance	137,080	-	303,520	440,600
Additions	-	-	23,986	23,986
Disposals	-	-	-	-
Closing balance	137,080	-	327,506	464,586
Accumulated depreciation and impairment				
Opening balance	85,206	-	256,405	341,611
Depreciation for the year	10,484	-	20,889	31,373
Impairment charge for the year	-	-	94	94
Closing balance	95,690	-	277,388	373,078
Carrying amount 30 June 2017	41,390	-	50,118	91,508
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

WEST COAST PRIMARY HEALTH ORGANISATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017



12 Employee entitlements

	2017 \$	2016 \$
Current		
Annual leave entitlements	73,137	74,246
Total	73,137	74,246

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

	2017 \$	2016 \$
Unexpended contract revenue	246,003	337,991
Total deferred revenue	246,003	377,991

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.

WEST COAST PRIMARY HEALTH ORGANISATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017

**(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.

2017	Loans and receivables	Liabilities at amortised cost	Total carrying amount	Fair value
Financial Assets				
Trade and other receivables	233,563	-	233,563	233,563
Cash and cash equivalents	1,357,370	-	1,357,370	1,357,370
Total current assets	1,590,933	-	1,590,933	1,590,933
Total assets	1,590,933	-	1,590,933	1,590,933
Financial liabilities				
Trade and other payables	-	269,820	269,820	269,820
Total current liabilities	-	269,820	269,820	269,820
Total liabilities	-	269,820	269,820	269,820
2016				
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



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WEST COAST PRIMARY HEALTH ORGANISATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017

**15 Operating leases**

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

	2017 \$	2016 \$
<i>Non-cancellable operating leases are payable as follows:</i>		
Less than one year	122,760	123,166
Between one and five years	42,117	120,481
More than five years	-	-
Total	164,877	243,647

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 2017



	Trustees	2017 Snr mgmt.	Total
	\$	\$	\$
Salaries and other short-term employee benefits	57,000	493,022	550,022
Termination benefits	-	-	-
Post-employment benefits	-	-	-
Other long-term benefits	-	-	-
Total remuneration	57,000	493,022	550,022
Number of persons recognised as key management personnel	10	6	15
Full time equivalents (FTEs)	0.12	5.8	5.92

	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

17 Contingent assets and contingent liabilities

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

18 Commitments

As at 30 June 2017 West Coast Primary Health Organisation Trust is not aware of any capital commitments or contingencies (2016: Nil).

19 Events after the reporting period

There were no significant events after the balance date.



INDEPENDENT AUDITOR'S REPORT

To the trustees of West Coast Primary Health Organisation Trust

Opinion

We have audited the financial statements of West Coast Primary Health Organisation Trust (the "Trust") on pages 2 to 20, which comprise the statement of financial position as at 30 June 2017, and the statement of comprehensive revenue and expense, statement of changes in net assets and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Trust as at 30 June 2017, and its financial performance and its cash flows for the year then ended in accordance with Public Benefit Entity Standards issued by the New Zealand Accounting Standards Board.

Basis for Opinion

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

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

Responsibilities of trustees' for the Financial Statements

Those charged with governance are responsible on behalf of the Trust for the preparation and fair presentation of the financial statements in accordance with Public Benefit Entity Standards issued by the New Zealand Accounting Standards Board, and for such internal control as those charged with governance determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

Crowe Horwath
New Zealand Audit Partnership
Member Crowe Horwath International

44 York Place
Dunedin 9016 New Zealand
PO Box 188
Dunedin 9054 New Zealand
Tel +64 3 477 5790
Fax +64 3 474 1564
www.crowehorwath.co.nz



or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located at the External Reporting Board website at:

https://www.xrb.govt.nz/Site/Auditing_Assurance_Standards/Current_Standards/Page8.aspx. This description forms part of our auditor's report.

Crowe Horwath New Zealand Audit Partnership

CHARTERED ACCOUNTANTS

Dated at Dunedin this 19th day of October 2017



PO Box 544, Top Floor,
163 Mackay Street, Greymouth
Telephone: (03) 768 6182 **Fax:** (03) 768 6184
www.westcoastpho.org.nz

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