



**TE AWAKAIRANGI  
HEALTH NETWORK**  
Annual Report 2017/18



Everyone in the Hutt Valley is healthy and well

## OUR VISION

## OUR GOALS

People and whānau are empowered and resilient

Enhanced and sustainable general practices

More connected health and community services

## OUR STRATEGIES

- Partnering for a healthy and resilient community.
- Improving family/whānau health literacy and promoting self care and self management
- Connecting people to the care and support that meets their needs

- Supporting practices to become Health Care Homes
- Improving access and enhancing delivery of care
- Developing the primary care workforce
- Advocating for investment in primary and community care

- Improving information systems
- Using data to better focus efforts across the system
- Strengthening quality improvement
- Strengthening the patient voice

## OUR VALUES

People centred

Aiming for equity

Excellence in all we do

Working co-operatively

Innovating

# MESSAGE FROM THE CHAIR AND CHIEF EXECUTIVE

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## It has been a positive year for Te Awakairangi Health Network.

We have built on our relationships with a number of agencies and organisations, working together to strengthen the health and wellbeing of people living and working in the Hutt Valley.

Our general practices have continued to provide quality care to almost 120,000 people, with almost 480,000 patient visits in the last year. All practices that make up our network are either Foundation or Cornerstone accredited with the Royal New Zealand College of General Practitioners.

We have worked closely with Hutt Valley DHB and Cosine PHO to bring the Health Care Home model to the Hutt Valley, an important development as we look to the future of primary care in New Zealand. This support from our DHB partner represents a significant and welcome commitment to that future.

As part of a consortium with Tū Ora Compass Health and Central PHO we have laid the groundwork for the introduction of a new patient management system (PMS). Once fully implemented, the cloud-based health platform *indici* will enable more integrated care, with additional health planning tools for GPs, patients and wider health care teams.

Our wellbeing team, outreach nurses and community health workers have continued their work directly with patients to extend the care provided by general practices. Behind the scenes our programmes and practice staff have provided ongoing support to practices to make the most of the systems and services available to them.

We formalised our collaboration with Pacific Health Services Hutt Valley (PHSHV). Formalised with the signing of a Memorandum of Understanding in March. Our relationship has gone from strength to strength, helped also by a nurse from PHSHV sitting on our Clinical Governance Committee. We've joined forces on a number of initiatives including faith-led health promotion with clusters of Pacific churches and the integration of PHSHV staff within general practices.

We have continued to work closely with the whānau ora collective Tākiri Mai Te Ata, looking at ways we can strengthen connections with general practices to improve the uptake of prevention programmes including childhood immunisations and rheumatic fever prevention.

Our team welcomed the opportunity to once again be part of the major festival Te Rā o te Raukura, run by Te Runanga o Te Atiawa at Te Whiti Park in February. More than 230 people received a Hauora "warrant of fitness" screening resulting in follow ups for blood pressure, smoking, diabetes, and mental health.

This year, Te Awakairangi Health Network employed a public health registrar to analyse local data to better understand what and how interventions can be used to achieve health equity in the Hutt Valley. We will continue this work in 2018/19, sharpening our focus on improving Maori health outcomes with our practices and helping to implement the new Maori Health Strategy developed by Hutt Valley DHB.

Over the course of this year, Te Awakairangi Health Network has become increasingly involved with Healthy Families Lower Hutt, a social change movement working to make the Hutt a healthier place to live, learn, work and play. Our health promotion team have worked closely with them on a number of campaigns including 'Go the H2O' promoting water as the drink of choice at community events, workplace wellbeing initiatives, and creating more smokefree spaces around the valley, including outside some of our practices.

The support and commitment from our partners across the health system and across the region has been invaluable. We are pleased at the progress we are seeing with the integration programmes overseen by our local alliance, Hutt INC, with improvements in acute care and long term conditions management, and the increasing involvement of general practice in palliative care, in partnership with Te Omanga Hospice. These alliances, formal and informal, have helped enormously in the work to achieve our vision of everyone in the Hutt Valley being healthy and well.

Thank you to our staff for the work you do, whether it is directly with patients, supporting our general practices, or encouraging a more health promoting environment for us all. Your time, your patience and your passion are at the heart of what we do. Thanks also to the members of our Board Committees and Board whose skills and experience have helped us to make this another very positive year.



**M N (Joe) Asghar,**  
Board Chair



**Bridget Allan,**  
Chief Executive





**COOK ISLANDS**  
Kia Orana Welcome



**Penrhyn**

**Rakahanga**

**Manihiki**

**Suvarrow**

**Aitutaki**

**Manuae**

**Mitiaro**

**Takutea**

**Atiu**

**Mauke**

**Rarotonga**

**Mangaia**

**ANDS**

# WHO WE ARE

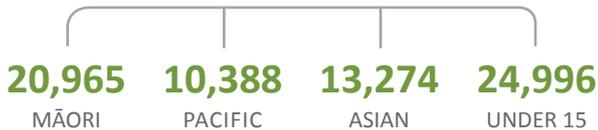
Te Awakairangi Health Network at June 2018

## OUR PEOPLE

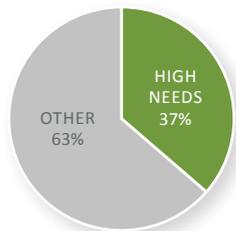


**119,809**

ENROLLED PATIENTS



**HIGH  
NEEDS  
POPULATION**



## OUR PRACTICES



**338,368**

GP VISITS



**140,685**

PRACTICE NURSE  
VISITS

**20** GENERAL PRACTICES OVER 22 SITES WITH  
A DIVERSE MIX OF OWNERSHIP MODELS

**6**  
PRACTICES  
OFFERING VERY LOW  
COST ACCESS FEES

HIGH NEEDS POPULATION  
MORE THAN  
**50%**  
IN 5 PRACTICES

## OUR WORKFORCE



**72.7**

FULL-TIME  
EQUIVALENT  
GENERAL  
PRACTITIONERS



**54.5**

FULL-TIME  
EQUIVALENT  
PRACTICE  
NURSES

**1 GP PER 1,648 PATIENTS**  
**1 PRACTICE NURSE PER 2,198 PATIENTS**

## OUR SUPPORT



TeAHN's core focus is on enhancing and supporting our general practices. Our outreach nurses, community health workers, therapists, counsellors and healthy families coaches work directly with people, extending the care provided by the general practices. We also collaborate with other organisations to address the wider social and environmental factors affecting the health of our communities.

# ENHANCED AND SUSTAINABLE GENERAL PRACTICES

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**92.7%**  
SMOKERS  
OFFERED HELP  
TO QUIT



**246**  
TRANSPORT  
TRIPS PROVIDED



**93.2%**  
OF ALL  
BABIES FULLY  
IMMUNISED AT  
8 MONTHS



**377**  
INTERPRETING  
SERVICE CALLS



**78**  
EDUCATION AND  
PROFESSIONAL  
DEVELOPMENT  
COURSES HELD



**10,460**  
RADIOLOGY  
PROCEDURES  
FUNDED BY  
COMMUNITY  
RADIOLOGY  
PROGRAMME



**4,196**  
PEOPLE WITH  
DIABETES  
RECEIVED  
A DIABETES  
ANNUAL REVIEW



**74%**  
OF ELIGIBLE  
WOMEN  
SCREENED  
FOR CERVICAL  
CANCER



**85.9%**  
OF PEOPLE IN  
THE AGE RANGE  
RECEIVED A  
HEART AND  
DIABETES CHECK



**FREE**  
SORE THROAT  
TREATMENT  
OFFERED BY 13  
PHARMACIES  
AND 8 GENERAL  
PRACTICES





## MAKING THE MOST OF MEDICATION

For the past eighteen months, Te Awakairangi Health Network has supported clinical pharmacists to work with nine general practice teams, helping them to improve health outcomes for their patients by making the most of the medications they use.

TeAHN's clinical advisory pharmacist Barbara Moore says the initiative has been very positive, with the equivalent of two full time pharmacists working in the practices.

"Working alongside the practice staff, we've been able to identify issues, help get people off unnecessary medications and reduce the number of people presenting to emergency departments or being admitted to hospital.

"Being based in the practices with GPs and nurses means we've been able to establish trust and rapport with the whole team. They'll often call on us to talk to patients about using a particular medication or they may quickly confirm something about a medicine with us before prescribing.

"We're working at a system level with medication audits across the practice population, and sometimes interacting with patients directly. It is very rewarding."

As well as the direct improvements for individual patients and practice staff, Barbara says one of the other important benefits has been the way in which knowledge learnt has been shared more widely.

"What we've done in these practices has been driving other ideas about how we can take that knowledge and use it elsewhere," she says.

"No two practice populations are the same of course, so it's about how we can translate the lessons we've learnt and apply them in different settings."



## EASIER ACCESS TO PRIMARY CARE

Health Care Home is up and running in the Hutt Valley, introducing a new model of care to the region which will make health care easier to access and more efficient.

For patients this means more options to see their GP outside normal working hours, or going online to book appointments, check results and order repeat prescriptions. For practice staff it has meant changing some of the ways they work as a team and the ways they use their physical space.

"The aim is to build on the good work already happening in primary care, and improve how practices manage both acute cases and people with long term conditions," explains Jess White, TeAHN's Health Care Home lead. "And making the most of technology to address this workload," she adds.

Following a call for Expressions of Interest in late 2017, five general practices signed up to be part of the first phase of a staged rollout of the new initiative, which is being led by TeAHN, supported by Cosine (another primary health organisation) and Hutt Valley DHB.

For Jess, much of 2018 has been spent working with these practices, preparing for the transition to becoming more patient-centred 'health care home' practices.

"There has been real enthusiasm for making these changes, which can be quite significant shifts to the way people work," Jess says.

"Looking to the future, it is likely that a range of services which are currently found in a hospital will be moved into the community, closer to patients. Health Care Home is about managing that transition and making it sustainable, financially and for our health workforce."

The first five practices cover more than 57,000 patients and 38 percent of the Hutt Valley's high needs population.

# PEOPLE AND WHĀNAU ARE EMPOWERED AND RESILIENT



**649**  
PATIENTS  
SUPPORTED BY  
OUR OUTREACH  
NURSES



**1,001**  
PEOPLE  
HELPED BY OUR  
COMMUNITY  
HEALTH  
WORKERS



**1,206**  
PEOPLE  
RECEIVING OUR  
WELLBEING  
SERVICE



**644**  
PATIENTS  
SUPPORTED BY  
OUR HEALTHY  
FAMILIES  
COACHES



**239**  
PEOPLE GETTING  
HAUORA WOF  
AT COMMUNITY  
EVENTS

## IMPROVING WORKPLACE HEALTH IN THE HUTT VALLEY

Te Awakairangi Health Network is using its own experience to support employers to improve workplace health in the Hutt Valley.

TeAHN formed a partnership in 2017 with Healthy Families Lower Hutt and Regional Public Health to bring WorkWell to the Hutt Valley, and was one of the first organisations in the area to join the programme.



TeAHN's Tania Robertson says they started with a staff survey to understand how their workplace impacts on wellbeing, and to share ideas on what could be done to improve it.

“One of the more visible changes was getting a new e-bike instead of another pool car. The e-bike is consistently booked out to visit our general practices as well as the individual clients we support through our healthy lifestyle programmes. Our clients have noticed that we ‘walk the talk’ by using active transport,” Tania says.

The organisation achieved Bronze WorkWell accreditation in February 2018 and Chief Executive Bridget Allan has been sharing their experience with other local employers, encouraging them to create more health promoting workplaces.

At the same time, TeAHN's health promotion team have been working with the Department of Corrections on a workplace wellbeing project at Rimutaka Prison. Healthy Families coach Rawiri Hirini explains that they've worked with staff to create supportive environments that can be sustained long-term, rather than imposing a ‘one size fits all’ set of changes.

“We started out by meeting and asking what matters to these people? And what will motivate them? We agreed on an approach and are working with Rimutaka Prison to deliver it,” Rawiri says.

First steps include running health education workshops for staff, with a focus on healthy eating and setting a series of monthly health and wellbeing challenges.

“We're developing a kaupapa that people take ownership of their wellbeing culture so improvements aren't dependent on an outside organisation driving change.”



## CREATING A RICH AND HEALTHY PASIFIKA EXPERIENCE

How to engage students and increase their wellbeing? That was the challenge for organisers of the inaugural Poly Odyssey, a programme for children performing in the annual Polyfest Hutt Valley.

Te Awakairangi Health Network saw an opportunity to weave preventative health messages through traditional Pasifika customs, arts and storytelling.

“We wanted Poly Odyssey to be an unforgettable, rich and healthy Pasifika experience for our young people,” explains Health Promotion Manager Ana So’otaga.

Polyfest is the largest annual Pacific event in the Hutt Valley with more than 10,000 performers and their fanau and friends attending. TeAHN have been involved for a number of years, helping it to become a water only event and encouraging the sale of healthy kai. This year, they took the lead organising Poly Odyssey, working closely with Pasifika community leaders, artists, Healthy Families Lower Hutt and Koraunui School to develop a health, education and arts programme.

“We sat down together and thought about how we could create something that would engage on all levels. We wanted to design a rich experience for our young people, but also a healthy experience,” Ana said.

Through the planning process, organisers identified five ways to increase wellbeing for students:

- Mawhutu (connect, talk and listen);
- Gaioi (be active);
- Foaki (give knowledge, time, presence);
- Tokanga (take notice and reflect); and
- Ako (keep learning).

After rehearsals, students could learn traditional customs at village stations - at the Tokelau village, children learnt about how food moves from the ocean to the table, reflecting that for Tokelau people fishing and the giving of fish is key to life, culture and health.

Elsewhere students used a beautiful turtle labyrinth to practice mindfulness and ‘Vai Time’ and ‘Wai Māori’ water stations reflected Pasifika and Māori concepts of the value of water.

The theme for the event was *Ko tatou e tahi te moana Pahewhika, we are all one in the Pacific Ocean*, explains Ana.

“We chose a turtle for the logo to represent the children journeying through the rich ocean of Pasifika picking up knowledge and wellbeing along the way.”

# MORE CONNECTED HEALTH AND COMMUNITY SERVICES

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**82%**

PATIENTS COVERED BY THE ELECTRONIC SHARED CARE RECORD



**15**

PRACTICES OFFERING A PATIENT PORTAL WITH MORE THAN **21,287** PATIENTS ACTIVATED



**ALL**

PRACTICES ENGAGED IN ONGOING RNZCGP ACCREDITATION PROCESSES



**390**

LIVE HEALTH PATHWAYS

The 2017 Hutt Valley DHB Quality Awards recognised work to improve palliative care through better communication and integration between general practices, Te Omanga Hospice and TeAHN.



## PATIENT INSIGHTS USED TO IMPROVE CARE

The use of patient feedback to improve care is growing with ninety percent of Te Awakairangi Health Network practices now using the national Patient Experience Survey.

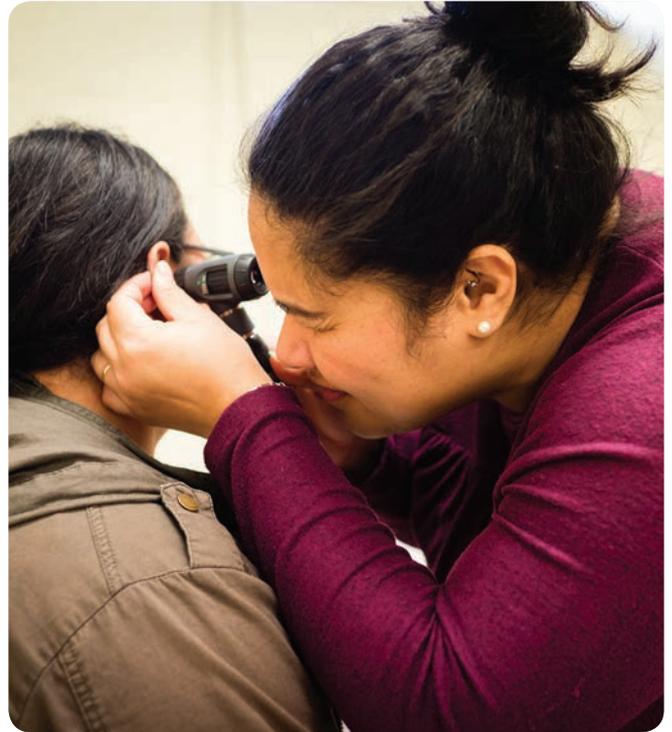
TeAHN Practice Sustainability Business Analyst Bronwyn White says practices have been able to use the data and comments from the survey to add more of a patient perspective into their planning.

“It has been good feedback, very positive and constructive. It allows practices to see what they are doing well,” Bronwyn says. “Some practices have displayed the results and used them as a prompt for staff discussion.”

This year the focus has been on supporting practices to get the survey up and running and to build up response rates. Bronwyn explains that as more practices and patients participate in the survey, its findings will become increasingly valuable. Next year the focus will shift to how to make the most of the range of information the survey provides.

“There is so much information, it can be almost overwhelming. We want to work with the practices on how to make sense of it all, and how to get the most out of it. That might be at a practice level, or identifying an area of care we could focus on as a network.”

The survey is being rolled out nationally by the Ministry of Health and the Health Quality and Safety Commission. While it will become mandatory for practices to use the survey, patient feedback is voluntary and anonymous.



## TEAM APPROACH WORKING FOR PACIFIC PATIENTS

A project bringing health providers together to provide more integrated care for Pacific patients is already delivering results.

Supported by TeAHN and Hutt Valley DHB, the project sees Pacific Health Services Hutt Valley nurses working more closely with general practices.

Starting at Naenae Medical Centre in March, it has already seen a reduction in emergency department admissions, according to Candice Apelu, whose role at HVDHB's Pacific Health Unit is jointly funded by TeAHN.

As she explains, by coming together to talk about a patient and their care, there has been a new appreciation of the complexity of issues a patient may face, and as a result better understanding and continuity of care.

“Before there was limited connection, everything was done behind computer screens. Now, by having these face to face conversations, the health providers are working more effectively,” Candice says.

“They are able to draw on each other's strengths, exchange ideas and cultural understanding and include other specialists. They feel they are part of a team around each patient.”

As part of the project, a number of patients were identified who were frequently presenting to the Emergency Department. Now Candice says those admissions have dropped. “Instead, whatever issues they have are being met. Any overdue screenings are up to date. The nurses are able to use Pacific culture and language to improve relationships, and they are quick to bring patients in to the practice.”

The next step is to evaluate this service and look at how it might be extended to other Hutt Valley practices with high Pacific populations.



# GOVERNANCE

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## BOARD OF TRUSTEES

Muhammad Naseem (Joe) Asghar – Independent Chair

Brendon Baker

Tofa Suafole Gush

Teresea Olsen

Dr Hans Snoek

Muriel Tunoho

Dr David Young

Dr Kim Hurst

Leanne Spice

## CLINICAL GOVERNANCE COMMITTEE

Cathy Lindsay, (Chair) Practice Nurse

David Young, General Practitioner

Janine Sim, Practice Manager

Pam Duncan, Clinical Pharmacist

Ruth Cooke, Practice Nurse

Sally Woods, General Practitioner

Saty Candasamy, Consumer Rep

Philip Shirley, General Practitioner

Mere Te Paki, Maori Representative

Julie Forsey, General Practitioner

Mona Hawkins, Pacific Representative

Saira Dayal, HVHDB ex officio

Hans Snoek, General Practitioner ex officio

## FINANCE, RISK AND AUDIT COMMITTEE

Leanne Spice (Chair)

Dr David Young

Joe Asghar

Jon Herries

# TE AWAKAIRANGI HEALTH NETWORK PRACTICE MEMBERS

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Avalon Medical Centre

Connolly Street Medical Centre (previously Kings Crescent Surgery)

Epuni Medical Centre

Gain Health Centre

Hutt Union and Community Health Services (HUCHS) – Petone and Pomare sites

Hutt City Health Centre (HCHC) – Central Hutt and Wainuiomata sites

Kopata Medical Centre

Manuka Health Centre

Muritai Health Centre

Naenae Medical Centre

Petone Medical Centre

Pretoria Street Surgery

Queen Street Medical

Silverstream Health Centre

Soma Medical Centre

Stokes Valley Medical Centre

Taita Medical Centre

Upper Hutt Health Centre

Waiwhetu Medical Centre

Whai Oranga O Te Iwi Health Centre

# **Te Awakairangi Health Network**

Financial Statements

For the year ended 30 June 2018

# Te Awakairangi Health Network

## Financial Statements - Contents

	<b>Page</b>
Statement of Responsibility	3
Statement of Comprehensive Revenue and Expense	4
Statement of Financial Position	5
Statement of Changes in Net Assets	6
Statement of Cash Flows	7
Notes to the Financial Statements	8

# Te Awakairangi Health Network

## Trustees' Responsibility Statement Financial Statements For the year ended 30 June 2018

The Trustees are responsible for the preparation, in accordance with New Zealand law and generally accepted accounting practice, financial statements which give a true and fair view of the financial position of the Te Awakairangi Health Network (the "Network") as at 30 June 2018 and the results of its operations for the year ended on that date.

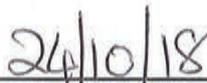
The Trustees consider that the financial statements have been prepared using accounting policies appropriate to the Network's circumstances, consistently applied and supported by reasonable and prudent judgements and estimate.

The Trustees believe that proper accounting records have been kept which enable, with reasonable accuracy, the determination of the financial position of the Network and facilitate compliance of the financial statements with the Financial Reporting Act 2013.

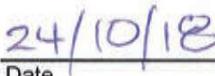
The Trustees have responsibility for the maintenance of a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of financial reporting. The Trustees consider that adequate steps have been taken to safeguard the assets of the Network and to prevent and detect fraud and other irregularities.

These financial statements have been authorised for issue by the Trustees.

  
Trustee

  
Date

  
Trustee

  
Date

# Te Awakairangi Health Network

## Statement of Comprehensive Revenue and Expense For the year ended 30 June 2018

	Notes	2018	2017 Restated
<b>REVENUE FROM NON-EXCHANGE TRANSACTIONS</b>			
Rendering of services	6	28,906,019	28,245,284
Other income - Bfwd funds			
<b>Total revenue from non-exchange transactions</b>		<b>28,906,019</b>	<b>28,245,284</b>
<b>TOTAL REVENUE</b>		<b>28,906,019</b>	<b>28,245,284</b>
<b>EXPENSES</b>			
Direct service delivery costs	7	24,913,919	23,829,030
Wages, salaries and other employee costs		3,178,542	3,297,934
Depreciation and impairment expenses	8	77,712	88,597
Other overhead and administrative expenses	9	770,384	726,697
<b>TOTAL EXPENSES</b>		<b>28,940,557</b>	<b>27,942,257</b>
Interest income		131,660	126,266
<b>OPERATING SURPLUS/(DEFICIT)</b>		<b>97,123</b>	<b>429,293</b>
<b>OTHER GAINS/(LOSSES)</b>			
Gain/(loss) on sale of plant and equipment		3,772	1,926
<b>SURPLUS/ (DEFICIT) FOR THE YEAR</b>		<b>100,895</b>	<b>431,218</b>
<b>Other comprehensive revenue and expenses</b>			
<b>TOTAL COMPREHENSIVE REVENUE AND EXPENSES FOR THE YEAR</b>		<b>100,895</b>	<b>431,218</b>

The Surplus for the year consists of the following

Transfer to (from) committed funds reserve	(40,262)	255,770
Remaining surplus	141,157	175,449
	<u>100,895</u>	<u>431,218</u>

*These financial statements should be read in conjunction with the notes to the financial statements.*

# Te Awakairangi Health Network

## Statement of Financial Position As at 30 June 2018

	Notes	2018 \$	2017 Restated \$
<b>ASSETS</b>			
<b>Current</b>			
Cash and cash equivalents	10	449,085	522,724
Trade debtors and other receivables	11	638,320	653,876
Prepayments		42,542	35,846
Current financial assets		3,900,000	4,100,000
<b>Total current assets</b>		<b>5,029,947</b>	<b>5,312,446</b>
<b>Non-current</b>			
Property, plant and equipment	13	219,646	247,433
<b>TOTAL ASSETS</b>		<b>5,249,593</b>	<b>5,559,879</b>
<b>LIABILITIES</b>			
<b>Current</b>			
Trade creditors and other payables	12	820,383	819,251
Income in advance/Funds carried forward	14	330,290	714,014
Employee entitlements		155,852	184,441
<b>Total current liabilities</b>		<b>1,306,525</b>	<b>1,717,706</b>
<b>TOTAL LIABILITIES</b>		<b>1,306,525</b>	<b>1,717,706</b>
<b>NET ASSETS</b>		<b>3,943,068</b>	<b>3,842,173</b>
<b>EQUITY</b>			
Accumulated Funds		10	10
Retained Earnings and reserves		2,829,419	2,688,262
Committed Funding Reserve	15	1,113,639	1,153,901
<b>TOTAL EQUITY</b>		<b>3,943,068</b>	<b>3,842,173</b>

*These financial statements should be read in conjunction with the notes to the financial statements.*

# Te Awakairangi Health Network

## Statement of Changes in Net Assets For the year ended 30 June 2018

Notes	2018	2017
	\$	Restated \$
<b>ACCUMULATED FUNDS</b>		
Opening balance	2,688,273	2,479,872
Surplus/ (deficit) for the year	100,895	431,218
<b>Total comprehensive revenue and expense</b>	<b>100,895</b>	<b>431,218</b>
Transfer from/(to) other equity reserves in the year	40,262	(222,818)
<b>Closing balance</b>	<b>2,829,430</b>	<b>2,688,273</b>
<b>GENERAL PRACTICE SERVICE EQUITY RESERVE</b>		
Opening balance	0	32,952
Transfer from/(to) other equity reserves in the year	0	(32,952)
<b>Closing balance</b>	<b>0</b>	<b>0</b>
<b>Committed Funding reserve</b>		
Opening Balance	1,153,901	-
Prior year adjustment (note 19)		898,131
Restated opening balance		898,131
Transfer from (to) other equity reserves in the year	(40,262)	255,770
<b>Closing balance</b>	<b>1,113,639</b>	<b>1,153,901</b>
<b>TOTAL EQUITY</b>	<b>3,943,068</b>	<b>3,842,173</b>
Movement in Committed funding Reserve is made up of;		
Existing committed funds spent in the year	(271,212)	(197,097)
New committed funds received and not spent in year	230,950	452,867
	<u>(40,262)</u>	<u>255,770</u>

*These financial statements should be read in conjunction with the notes to the financial statements.*

# Te Awakairangi Health Network

## Statement of Cash Flows For the year ended 30 June 2018

Notes	2018 \$	2017 \$
Cash flow from operating activities		
<i>Cash was provided from/(applied to):</i>		
Revenue from services	28,764,503	28,223,308
Interest Income	131,660	126,266
Payments to suppliers and employees	(29,119,878)	(27,721,801)
<b>Net cash from/(used in) operating activities</b>	<b>(223,715)</b>	<b>627,773</b>
Cash flow from investing activities		
<i>Cash was provided from/(applied to):</i>		
Proceeds from sale of property, plant and equipment	3,445	1,926
Purchase of property, plant and equipment	(53,369)	(37,114)
Purchase/sale of investments (term deposits)	200,000	(750,000)
<b>Net cash from/(used in) investing activities</b>	<b>150,076</b>	<b>(785,188)</b>
Net increase/(decrease) in cash and cash equivalents	(73,639)	(157,415)
Cash and cash equivalents, beginning of the year	522,724	680,139
<b>Cash and cash equivalents at end of the year</b>	<b>449,085</b>	<b>522,724</b>

*These financial statements should be read in conjunction with the notes to the financial statements.*

# Te Awakairangi Health Network

## Notes to the financial statements

### 3 Summary of significant accounting policies

All accounting policies 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, deposits held on call with banks, and other short-term highly liquid investments with original maturities of three months or less.

#### (b) Debtors and other receivables

Trade debtors and other receivables are measured at their cost less any impairment losses.

An allowance for impairment is established where there is objective evidence the Network will not be able to collect all amounts due according to the original terms of the receivable.

#### (c) Creditors and other payables

Trade creditors and other payables are stated at cost.

#### (d) Property, plant and equipment

Items of 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 property, 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 Network 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 property, 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

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

## Te Awakairangi Health Network

### Notes to the financial statements

#### Depreciation

Depreciation is recognised as an expense in the reported surplus or deficit and measured on a straight line (SL) 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:

Leasehold improvements	10 years
Plant and equipment	5 years
Motor vehicles	5 years

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated remaining life of the improvements, whichever is shorter.

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

#### (e) Leased assets

Leases where the Network assumes substantially all the risks and rewards incidental to ownership of the leased assets, are classified as finance leases. All other leases are classified as operating leases.

Upon initial recognition finance leased assets are measured at an amount equal to the lower of its fair value and the present value of minimum leased payments at inception of the lease. A matching liability is recognised for minimum lease payment obligations excluding the effective interest expense. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to the asset.

#### (f) Financial instruments

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

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

#### Initial recognition and measurement

Financial assets and financial liabilities are recognised initially at fair value plus transaction costs attributable to the acquisition.

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 Network transfers the financial asset to another party without retaining control or substantial all risks and rewards of the asset.

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

## **Te Awakairangi Health Network**

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

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

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

All financial assets except for those classified as fair value through profit or loss are subject to review for impairment at least at each reporting date. Different criteria to determine impairment are applied to each category of financial assets, which are described below.

The classification of financial instruments into one of the two categories below, determines the basis for subsequent measurement and the whether any resulting movements in value are recognised in the reported surplus and deficit or other comprehensive revenue and expense.

#### *(i) Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. The network's cash and cash equivalents, trade debtors and most other receivables fall into this category of financial instruments.

After initial recognition, such financial assets are subsequently measured at amortised cost using the effective interest method, less provision for impairment.

Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default. Receivables that are not considered to be individually impaired are reviewed for impairment in groups, which are determined by reference to the industry and region of a counterparty and other shared credit risk characteristics. The impairment loss estimate is then based on recent historical counterparty default rates for each identified group.

#### *(ii) Held-to-maturity investments*

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity other than loans and receivables. Investments are classified as held-to-maturity if the network has the intention and ability to hold them until maturity. The network currently hold term deposits designated into this category.

Held-to-maturity investments are measured subsequently at amortised cost using the effective interest method. If there is objective evidence that the investment is impaired, determined by reference to external credit ratings, the financial asset is measured at the present value of estimated future cash flows. Any changes to the carrying amount of the investment, including impairment losses, are recognised in surplus or deficit.

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

## **Te Awakairangi Health Network**

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

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

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

#### **(h) Employee entitlements**

##### **Short-term employee benefits**

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

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

#### **(i) Revenue**

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

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

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

##### **Revenue from exchange transactions**

Exchange transactions are transactions in which one entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of cash, goods, services, or use of assets) to another entity in exchange.

##### **Interest income**

Interest income is recognised as it accrues, using the effective interest method.

##### **Revenue from non-exchange transactions**

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

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

## Te Awakairangi Health Network

### Notes to the financial statements

#### (i) Revenue (continued)

##### Rendering of services

Income from services rendered is recognised as revenue by reference to the stage of completion of the transaction at the reporting date. The stage of completion is assessed by reference to services performed to date as a percentage of total services to be 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.

#### (j) Income tax

Due to its charitable status, the Network 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.

## 4 Significant accounting judgements, estimates and assumptions

The following are significant management judgements in applying the accounting policies of the Network that have a significant effect on the financial statements:

#### Impairment

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. To determine the recoverable amount, management estimates expected future cash flows from each asset and determines a suitable interest rate in order to calculate the present value of those cash flows. In the process of measuring expected future cash flows management makes assumptions about future operating results. These assumptions relate to future events and circumstances.

#### Useful lives and residual values

The useful lives and residual values of assets are assessed annually based on the following indicators of impairment:

- The condition of the asset based on the assessment of experts employed by the entity
- The nature of the asset, its susceptibility and adaptability to changes in technology and processes
- The nature of the processes in which the asset is deployed
- Availability of funding to replace the asset
- Changes in the market in relation to the asset

Adjustments to useful life are made when considered necessary.

## 5 Capital Management Policy

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

## Te Awakairangi Health Network

### Notes to the financial statements

#### 6 Revenue from services

	2018	2017
	\$	\$
First Contact Care	19,761,897	19,307,766
Overnight PC Service Delivery	107,559	106,704
Valleywide Contract Income DHB	1,833,268	1,689,100
SIA/HP Income	1,834,083	1,792,430
Careplus Income	1,817,118	1,762,607
Mental Health Income	800,492	770,722
PHO Management	810,533	795,963
Other service income	1,941,070	2,019,992
Gross service revenue for the year	28,906,020	28,245,284
<b>Total revenue from services for the year</b>	<b>28,906,020</b>	<b>28,245,284</b>

#### 7 Direct Service Delivery Costs

	2018	2017
First Contact Care	19,761,897	19,307,738
Overnight PC Service Delivery	107,725	106,680
Valleywide Contract Expenses DHB	1,633,652	1,366,847
SIA/HP	621,340	587,138
Careplus	1,473,043	1,317,422
Mental Health	49,810	49,317
Other service delivery costs	1,266,452	1,093,888
<b>Total service delivery costs for the year</b>	<b>24,913,919</b>	<b>23,829,030</b>

#### 8 Depreciation and impairment expenses

	2018	2017
Depreciation of property, plant and equipment	77,340	88,479
Impairment losses on trade receivables	372	117
<b>Total depreciation and impairment expense</b>	<b>77,712</b>	<b>88,597</b>

#### 9 Other overhead and administrative expenses

	2018	2017
Audit fees	18,062	21,840
Board fees	19,250	20,400
Operating lease expenses inc Premises rental	160,160	159,860
Other expenses	572,912	524,597
<b>Total other overheads and administrative expenses</b>	<b>770,384</b>	<b>726,697</b>

## Te Awakairangi Health Network

### Notes to the financial statements

#### 10 Cash and cash equivalents

	2018	2017
Cheque account	448,585	522,224
Petty cash	500	500
<b>Total cash and cash equivalents</b>	<b>449,085</b>	<b>522,724</b>

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

#### 11 Trade debtors and other receivables

	2018	2017
Trade debtors	442,790	429,200
Accrued income/interest	195,530	224,676
<b>Total trade debtors and other receivables</b>	<b>638,320</b>	<b>653,876</b>

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

As at 30 June 2018 and 2017, all overdue receivables have been assessed for impairment and appropriate allowances made. All receivables are subject to credit risk exposure.

#### 12 Trade creditors and other payables

	2018	2017
Trade creditors	452,454	443,291
Non trade payables and accrued expenses	354,176	318,222
GST payable	13,752	57,737
<b>Total trade creditors and other payables</b>	<b>820,383</b>	<b>819,251</b>

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

## Te Awakairangi Health Network

### Notes to the financial statements

#### 13 Property, plant and equipment

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

2018	Building & Fit Out	Plant and equipment	Motor Vehicles	Total
<b>Gross carrying amount</b>				
Opening balance	286,450	267,801	99,723	653,974
Adjustment from YE17 additions		2,423	(2,423)	0
Additions	-	23,369	30,000	53,369
Disposals	-	(372)	(3,444)	(3,816)
Closing balance	286,450	293,221	123,856	703,527
<b>Accumulated depreciation and impairment</b>				
Opening balance	193,563	149,491	63,486	406,540
Current year depreciation	31,179	34,189	11,971	77,339
Depreciation written back on disposal	-	-	-	-
Closing balance	224,742	183,680	75,458	483,878
<b>Carrying amount 30 June 2018</b>	<b>61,708</b>	<b>109,540</b>	<b>48,398</b>	<b>219,648</b>

2017	Building & Fit Out	Plant and equipment	Motor Vehicles	Total
<b>Gross carrying amount</b>				
Opening balance	286,450	241,675	88,853	616,978
Additions	-	26,244	10,870	37,114
Disposals	-	(118)		(118)
Closing balance	286,450	267,801	99,723	653,974
<b>Accumulated depreciation and impairment</b>				
Opening balance	162,384	108,218	47,458	318,060
Current year depreciation	31,179	41,273	16,028	88,479
Depreciation written back on disposal	-	-		
Closing balance	193,563	149,491	63,486	406,540
<b>Carrying amount 30 June 2017</b>	<b>92,887</b>	<b>118,310</b>	<b>36,236</b>	<b>247,433</b>

#### Capital commitments

The Network has no capital commitments as at 30 June 2018 (2017: None).

## Te Awakairangi Health Network

### Notes to the financial statements

#### 14 Income in advance/Funds carried forward

The following service funding has been received before balance date, the funding balance has been carried forward for the proportion of agreed upon services not delivered at the balance date.

When the funding received is defined as a non-exchange revenue transaction, any funding received where there is no obligation to refund unused amounts to third parties is recognised immediately as revenue and not carried forward, regardless of whether agreed upon services have been delivered.

	2018 \$	2017 \$
PCSS VWide Uspend	-	17,259
MH ABI funds	22,172	28,272
HealthPathways Uspend	12,148	24,297
IPIF Uspend	-	67,881
Radiology Uspend	34,506	253,718
Tobacco Uspend	-	12,469
MoreHeart&Diabetes	23,498	40,463
POAC Uspend	-	21,661
Rapid response	88,486	123,227
DCIP Additional	-	34,937
Pharmacy Smoking Cessation	17,100	-
Bowel Screening	8,640	-
Clinical Pharmacist	25,294	-
Refugee Funds	25,977	58,550
Health Care Home	48,750	-
MIMS	18,218	17,941
PACC	-	13,340
Income in advance	5,501	-
<b>Total funds carried forward</b>	<b>330,290</b>	<b>714,015</b>

## Te Awakairangi Health Network

### Notes to the financial statements

#### 15 Committed Funds

The following funding is now held as Equity in Committed Funding Reserve

	2018	2017
	\$	\$
YE16 CarePlus Uspend	74,224	551,918
YE17 CarePlus Uspend	180,795	180,795
YE18 CarePlus Uspend	71,508	-
Long Term Conditions Uspend	48,005	65,578
Clinical Pharmacist Uspend	200,000	-
Practice Sustainability Uspend	-	44,881
PMS Data Migration Uspend	120,000	-
Shared Care Record Uspend	3,656	-
SIA YE16 Uspend	-	38,657
SIA YE17 Uspend	207,184	236,054
SIA YE18 Uspend	112,687	-
HP Obesity Funds Uspend	32,807	-
YE17 Palliative Care Uspend	16,019	36,019
YE18 Palliative Care Uspend	46,755	-
<b>Total Committed Funding Reserve</b>	<b>1,113,639</b>	<b>1,153,901</b>

Committed funds are restricted funds that have been set aside to spend on the specific project.

#### 16 Operating leases

Operating leases are held for premises used for office space.

	2018	2017
<i>Non-cancellable operating leases are payable as follows:</i>		
Less than one year	14,867	95,316
Between one and five years	303	4,398
More than five years	-	-
<b>Total</b>	<b>15,170</b>	<b>99,714</b>

## Te Awakairangi Health Network

### Notes to the financial statements

#### 17 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 Network.

The Network has a related party relationship with its Trustees and other key management personnel.

Unless otherwise stated transactions with related parties in the years reported have been on an arms-length basis, none of the transactions included special terms, conditions or guarantees.

##### (a) Transactions with related parties

The following transactions were carried out with related parties in which Trustees of the Network hold key positions.

	2018		2017	
	Payments	Receipts	Payments	Receipts
Hutt Union Community Health	1,699,818	7,629	1,495,445	5,595
Whai Oranga	1,351,586	5,745	1,274,547	4,288
Kokiri Marae/Tu Kotahi	100,150	0	94,300	0
Waiwhetu Medical	799,160	6,537	849,140	6,088
Compass Health	64,774	35,589	56,652	3,422
Upper Hutt Health Centre	N/A	N/A	299,331	13,259
VIBE	39,859	863	39,317	317
Dr Snoek Surgery	388,875	2,842	338,585	3,259
Te Omanga Hospice Trust	0	69,000	0	69,000
	<b>4,444,222</b>	<b>128,205</b>	<b>4,447,317</b>	<b>105,229</b>

##### (b) Key management compensation

The Network has a related party relationship with its key management personnel. Key management personnel include the Network's Trustees and Senior Management.

Key management personnel received the following remuneration in the year:

	2018	2017
Network Trustees (11)	88,825	80,604
Key Senior Management Personnel (7)	623,982	739,565
<b>Total key management compensation</b>	<b>712,807</b>	<b>820,169</b>

Note: Network Trustees includes fees paid to Trustees for their role as Trustees and other fees paid to Trustees for their management roles

## Notes to the financial statements

### Notes to the financial statements

#### 18 Contingent assets and contingent liabilities

The Network has no contingent assets or contingent liabilities as at 30 June 2018 (2017: None).

#### 19 Events after the reporting period

An agreement was made between Valentia, and Te Awakairangi Health Network, Compass Health and Central Primary Health Organisation in August 2018 for the implementation and roll out of a new cloud based Practice Management System. The aim will be to encourage as many practices to subscribe to the system. The cost for this database will vary dependent on the number of enrolled service users, with additional costs incurred for hosting, developing and migration.

#### 20 Prior Year adjustment

During the current period it was noted by the Trustees that the treatment around revenue recognition was not consistent with the accounting policy in that some restricted contract revenue (with no requirement to repay funds) had been recorded as revenue in advance, rather than recognised when received. As a result income in advance was overstated and revenue understated.

The error has been corrected by restating the 2017 financial year results. Income has now been recognised in the correct period in accordance with the accounting policy. The table below summarises the effects on the statement of financial position, statement of changes in net assets, statement of comprehensive revenue and expenses for 2017.

	<u>Profit or Loss</u>	<u>Liabilities and Equity</u>	
	Revenue	Committed funding Reserve	Income In advance
Previously stated - 1 July 16	-	-	1,489,353
Effect of prior period error	-	898,131	(898,131)
Re stated - 1 July 16	<u>-</u>	<u>898,131</u>	<u>591,222</u>
Previously stated - 30 June 17	27,989,514	-	1,867,915
Effect of prior period error (1 July 16)		898,131	(898,131)
Effect of prior period error (30 June 17)	255,770	255,770	(255,770)
Re stated - 30 June 17	<u>28,245,284</u>	<u>1,153,901</u>	<u>714,014</u>

## INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF TE AWAKAIRANGI HEALTH NETWORK

### Opinion

We have audited the financial statements of Te Awakairangi Health Network ("The Trust"), which comprise the statement of financial position as at 30 June 2018, and the statement of comprehensive revenue and expense, statement of changes in net assets and cash flow statement 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 2018, and its financial performance and its cash flows for the year then ended in accordance with Public Benefit Entity Standards Reduced Disclosure Regime ("PBE Standards RDR") 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.

### Other Matter

The financial statements of Te Awakairangi Health Network for the year ended 30 June 2017 were audited by another auditor who expressed an unmodified opinion on those statements on 27 October 2017.

### Trustees' Responsibilities for the Financial Statements

The Trustees are responsible on behalf of the Trust for the preparation and fair presentation of the financial statements in accordance with PBE Standards RDR, 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.

In preparing the financial statements, the Trustees are responsible on behalf of the Trust 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 the Trustees 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 or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of these financial statements.

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

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

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

#### **Who we Report to**

This report is made solely to the Trustees, as a body. Our audit work has been undertaken so that we might state those matters which we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trust and the Trustees, as a body, for our audit work, for this report or for the opinions we have formed.

*BDO Wellington Audit Limited*

**BDO Wellington Audit Limited**  
**Wellington**  
**New Zealand**  
**24 October 2018**



