

Annual Report 2018



RURAL CANTERBURY

Primary Health Organisation
Te Roopu Hauora Matua O Waitaha Taiwhenua

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About us

Rural Canterbury PHO is proud to have been a voice for both urban and rural health for the past 15 years. We understand local issues and regularly voice these at a national level on behalf of the populations we serve.

The area we cover is incredibly diverse, stretching to Cheviot in the north, down to Ashburton in the south, west to Hanmer Springs, and east to Akaroa. It includes a mix of small country towns, provincial centres, and remote areas.

No matter where they are, our practices all provide patient-centred, integrated health care services to people living in rural Canterbury. They also share the common challenges that working in rural health brings.

At Rural Canterbury PHO, we understand these challenges and strive to deliver customised and appropriate support, whilst

continuously advocating for equality and equity at local and national levels. Like our practices, our focus is always on improving health outcomes for the diverse range of people we serve. As part of achieving this, we are contracted to deliver a number of community health initiatives, from Whānau Ora Navigation and the Canterbury-wide baby feeding service to B4School Checks.

Being a medium-sized PHO, Rural Canterbury PHO is able to quickly respond to the dynamic changes of our health system and support practices to achieve the very best for their patients.

Chair's Report

It is my pleasure to present the Rural Canterbury PHO Annual Report for 2017-2018.

The last twelve months has been a time of reflection and new directions for our PHO. We have taken stock, listened to practices and, as a result, have broadened our focus. Everyone in the Rural Canterbury PHO team has worked hard to achieve positive change. Without this commitment, the many innovations that have been introduced, would not have been achieved.

New initiatives

I would like to share with you some of the work we have initiated as part of our PHO's aim to be an evolving organisation, responding to the needs of the population served by its practices.

Firstly, we heard our practices say, "we need locums, locums, locums". Cover for sickness and holidays has been a long standing issue in both rural and urban areas. In response, we engaged Dr Martin Gardiner. Martin came highly qualified in both General Practice and Urgent Care. After six months, he is proving to be in high demand and we are now looking at expanding the GP Locum service.

In the last year, we have launched the Practice Navigator role and now have five navigators in rural Canterbury. These skilled individuals work to ensure that patients in rural areas have equitable access to services and can achieve better health outcomes. With the support and guidance of Te Pūtahitanga o Te Waipounamu, we also introduced two Whānau Ora Navigators – Jennie and Kylie-Jane. Their role is to work closely with whanau and practice teams to improve health outcomes for Māori in our communities. They have been working to capacity since their positions were introduced in mid 2017. Te Pūtahitanga o Te Waipounamu is a South Island wide, whanau-orientated, health organisation. We greatly appreciate the assistance and oversight they have provided in getting the navigators underway.



Internally, we have changed the Rural Canterbury PHO Board structure. It is now smaller with a stronger clinical focus and a membership that reflects the many different areas that we need to consider in our decision making. I am proud to say that everyone on our board brings a wide variety of skills and expertise to the table.

Greater effort has also been made to involve practice team members in the Canterbury Clinical Network workgroups. This enables those working at the coal face to be part of future planning in health service delivery.

Challenges and solutions

The catalyst for many of this year's initiatives has been our changing membership. The earthquakes of 2010 – 2011 and more recently 2016 altered the environment for many Rural Canterbury PHO practices. Practices in semi-rural and semi-urban locations have undergone major changes in their population densities, and consequently their orientation towards the delivery of health care services. Some practices have chosen to align themselves with an urban rather than rural PHO. This has been mainly in the Waimakariri district.

So where to from here? As we were told in this year's audit, we are a strong, stable organisation. We do however intend to keep listening and maintaining a broad view of what Rural Canterbury PHO can offer. We would also like our members and partners to consider the future and the path we are taking.

Our populations are changing. For example, the number of Māori living in our region has increased, as has the number of people arriving from other countries.

To acknowledge this and our wider focus, we need to broaden our perspective and will next year present a new Rural Canterbury PHO, to be known as Waitaha Primary Health. This entity will retain the values of Rural Canterbury PHO but will have a broader remit, incorporating new thoughts and ideas. We will continue communicating with you all as this work progresses.

A team effort

Eventually, there have been comings and goings over the past year. I would like to acknowledge the contribution that our Primary Health Care Manager Geraldine Clemens made over many years, prior to retiring. Thank you Geraldine.

Many other team members stepped up to assist Chief Executive Bill Eschenbach in managing the transition, following Geraldine's retirement. Everyone worked beyond expectation and still completed their own workload, all without complaint. A massive thank you to all staff and in particular Janetta, Sian, Darren, Paul and Dianne.

I would also like to thank and acknowledge the work of the Mental Health team. Led by Paul Wynands, they have continued to provide much needed mental health services to our populations in times of increased stress - the Kaikoura earthquake, rural drought and now Mycoplasma bovis. Thank you.

And lastly a huge thank you to our Chief Executive, staff, partners and Board for their ongoing guidance and support.

Board Members

Rural Canterbury PHO



Back row standing:

Dan Gordon
Waimakariri District Council
– Community Representative

Pam Richardson
Akaroa/Waiwera
Community Board
– Community Representative

Dr Andrew Richardson
Hurunui District Council
– Community Representative

Pamela Campbell
Practice Nurse Representative

Sandy Hunt-Lockhart
Māori Representative
(Manawhenua ki Waitaha)

Bill Eschenbach
Chief Executive Officer

Front row sitting:

Dr Lorna Martin
Chair
GP Representative, Waimakariri

Dr Peter Sparks
GP Representative, Ashburton

Kerry Maw
Ashburton District Council
– Community Representative



Peter Allen

Obituary

Peter Allen sadly passed away on 30 August 2017. He served on the Board as the Waimakariri Community Representative for seven years, from November 2010 until he resigned due to ill health in July 2017. Peter is remembered as a passionate and committed representative of the Waimakariri TLA, who brought a wealth of knowledge and expertise to the Board.

He undertook the role of Deputy Chair from 2014 and then Acting Chair from October 2016 to July 2017. Our thoughts are with his wife Helen and family.

The Board commissioned a painting to commemorate his time on the Board, which was presented to his wife posthumously.

CEO's Report

The new look and feel of this Annual Report reflects a much-changed organisation from the one we reported on last year.

In just 12 months, Rural Canterbury PHO has taken a critical look at itself; tackled a number of challenges; and introduced new services and initiatives to meet the needs of member General Practices, their patients, and the wider community.

Collaboration, key to success

Our relationships with others in the health sector have been key to delivering improved services. I would like to acknowledge the ongoing support we receive from Canterbury District Health Board, its teams, and in particular the Canterbury Clinical Network and the Alliance partners. This is also extended to our national representative bodies including the New Zealand Primary Health Alliance; New Zealand Rural General Practice network; and the National Rural Health Advisory Group.

Supporting primary care to achieve better outcomes for patients is our key objective. Our General Practice teams continue to carry a heavy workload and I remain constantly impressed by their high standards, despite the significant challenges they experience in both rural and urban settings. We acknowledge the continued support of our General Practice teams and their input into the future growth of our organisation. In the last year, it has been heartening to see the success of Enhanced Capitation in assisting practices to provide an increased level of service for high needs patients.

Awards and achievements

Later in this report, we profile some of the outstanding work that the Rural Canterbury PHO team has been doing during the year. This includes the Whānau Ora Navigators, whom we have brought into the Organisation with the support of Te Pūtahitanga o Te Waipounamu. The partnership between Rural Canterbury PHO and Te Pūtahitanga is enabling better health outcomes for whānau across our practices and local rūnanga. In addition, the PHO's Practice Support Navigators have been employed to work alongside practices and their patients to improve access to health and social services, with the goal



of achieving both better and more timely health outcomes.

In the past year, we have also partnered with other government agencies such as the Ministry of Social Development, Accident Compensation Corporation, and the Department of Corrections to introduce and increase the range of services available in the rural Canterbury area.

The PHO would also like to acknowledge the support of Advance Ashburton, the Local Territorial Authorities, Rural Support Trust and NGOs, all of whom have supported our health initiatives.

In the third quarter of the year we introduced a GP Locum Service for our member practices. I am very pleased with the success of Rural Canterbury PHO's first GP Locum, Dr Martin Gardner. The role has proved very successful and the Board has agreed to extend the service and engage more GPs.

The Baby Feeding Service has excelled in the last year. The Lactation Consultants received special recognition at the Canterbury Health System 2017 Quality Improvement and Innovation Awards for the collaborative project 'Tongue Ties: Back on Track for Mothers and Babies' initiative. To cope with the increasing demand for baby feeding clinics, the service regularly trains Peer Supporters to reach more new mothers. Nicki Baughman, pictured with her baby Abigail, on the front page is one of our latest volunteers.

I am also delighted with the performance of our B4 School Check nurses who completed an exceptional 870 checks in the 2017/18 year.

Our IT team has worked hard in the last year to better support practices. For example, the Halcyon web-claiming portal and the online payment and budget management system, were rolled out to practices. Enhancements to our web claiming portal, throughout the year, have extended to all of our clinical programmes and streamlined administration services at the practice end. In addition to this, the PHO is progressing Telehealth implementation in collaboration with CDHB specialty services.

Paving the way for the future

Internally, there have been several staff changes and a major re-location from the ground floor of our Harewood office to the first floor. We now have space for everyone and increased opportunities to work collaboratively with other health providers.

During the year, we have seen the merger of Allenton Medical Centre and Gym Company Medical to become Three Rivers Health. At the time of the merger they moved into a larger purpose built facility in Ashburton. In addition to this, Kaye Buchan Medical Centre moved into purpose-built premises in Kaiapoi; Cheviot Community Health Centre moved back into their renovated premises; and Akaroa Health Centre moved to temporary premises, while their new facility was being built. These initiatives can only enhance the delivery of health services to these areas.

Looking back on all that we have achieved, I am incredibly grateful for the hard work, professionalism and commitment of our staff. Without their continued efforts, Rural Canterbury PHO would not be in the positive position it is today. I would specifically like to thank Geraldine Clemens for her long service, commitment and passion for primary health services, prior to her retirement this year. It would be remiss of me not to acknowledge the PHO's Clinical Governance Group; the Finance and Risk Committee; and the tremendous guidance and support I have received from the Board, in particular the Chair, Dr Lorna Martin.

I look forward to working with the team, Rural Canterbury PHO practice members, volunteers, alliance partners and others involved in the delivery of health services to our communities in the upcoming year.

Rural Canterbury PHO Practices



- 1 Hanmer Springs Health Centre
- 2 Amuri Community Health Centre
- 3 Cheviot Community Health Centre
- 4 Waikari Health Centre
- 5 Amberley Medical Centre
- 6 Good Street Medical Centre
- 7 Medical Corner Doctors
- 8 Rangiora Family Doctors
- 9 Woodend Medical Centre
- 10 Kaye Buchan Medical Centre
- 11 Kaiapoi Family Doctors
- 12 Diamond Harbour Medical
- 13 Akaroa Health Centre
- 14 Rakaia Medical Centre
- 15 Three Rivers Health
- 16 Ashburton Health First
- 17 Moore Street Medical Centre
- 18 Tinwald Medical Centre

Mobile nurses complete impressive number of B4 School Checks

Rural Canterbury PHO's B4 School Check (B4SC) nurses have completed more than 870 checks in the past 12 months. Rachael Settle and Chris Mateer, Rural Canterbury PHO's mobile B4SC nurses, have completed a significant number of them.

"There have been a huge number of checks completed this year, which is fantastic! It's such an important age for children's development, so the more checks we can do, the better," Chris says.

This year, Chris and Rachael have also seen a particularly high number of dental referrals. "As a result, we've managed to pick up large numbers of children with major tooth decay who hadn't previously been enrolled with dental services," Chris says.

Ensuring they reach the region's most vulnerable children is one of Chris and Rachael's primary objectives. The pair provide house-calls to isolated and hard to reach families in Oxford, Rangiora, Rakaia, Ashburton, Allenton, Hinds and Banks Peninsula, as well as providing the service in Christchurch. They work closely with early childhood teachers in completing each B4 School Check.

"Our job is to make sure everyone understands the process. That way we know we've got all the correct information to support each child into school," Chris says.

The B4 School Check is the eighth and final check in the national Well Child/Tamariki Ora health programme and is available to all four-year-old children. It aims to identify any

health concerns that may affect a child's ability to learn in the school environment. The health issues identified at the age of four can then be followed up before a child goes to school.

Rachael Settle and Chris Mateer



Whānau Ora Navigators encouraging better health for local Māori

This year, Rural Canterbury PHO partnered with Te Pūtahitanga o Te Waipounamu to provide Whānau Ora Navigation to patients and whānau enrolled in its practices.

Jennie Apirana and Kylie Jane Phillips joined Rural Canterbury PHO as Whānau Ora Navigators in August 2017. Jennie, who is of Ngāi Tūhoe descent, serves Māori in North Canterbury, including Cheviot and Hanmer Springs. Kylie Jane, who is of Ngāi Tahu Whānui descent, works in Mid and South-Canterbury, supporting communities as far south as Ashburton and east to Banks Peninsula.

One of the goals of the Whānau Ora Navigator position is to improve access for Māori to primary healthcare services, assisting people to avoid secondary care. "As Navigators, our role is to help people through the health system and to walk beside them, so they have the confidence to prioritise their health," Jennie says.

Jennie and Kylie Jane link people to services and resources in their communities to ensure they have long term support. The whānau that Jennie and Kylie Jane work with range from the very young to the very old, each with their own health needs. "We aim to empower whānau by ensuring they have

all the knowledge needed to lead their own health journey," Kylie Jane says.

Pari Hunt at Te Pūtahitanga o Te Waipounamu is the Whānau Ora Navigator Team Coordinator. He is responsible for coordinating 19 Navigators in Canterbury and says Jennie and Kylie Jane are outstanding examples of the Whānau Ora approach. "They are extremely talented and bring a huge amount of empathy and trust to the role. They both work hard to develop relationships with the right people and services to make sure our whānau have the best wraparound supports. I can't speak highly enough of them."

Meet Whānau Ora Navigator Jennie Apirana

"I've always been interested in health and social services, particularly for Māori. I feel very lucky to have made a career out of helping people."

Jennie Apirana is enjoying the challenge of the Whānau Ora Navigator role, which has required her to draw on her many years of working in the health sector.

Prior to joining Rural Canterbury PHO, Jennie had worked in a variety of health roles including consumer advocate for Alcohol Drug Association NZ (ADANZ); as part of the Whānau Toko I Te Ora parent support and development programme run by the Māori Women's Welfare League; and as a Māori health worker at the Christchurch Diabetes Centre.

As a mother of six and grandmother to 12, Jennie understands the importance of having a supportive whānau. "Sometimes people just need someone to look out for them, especially when they don't have any family that can offer assistance," she says.

In the last year, Jennie has supported a number of people, including a young man with a mental health condition who became homeless when he could no longer stay with his family. He initially struggled to find somewhere to live but Jennie connected him with the mental health caseworker he needed to access supported accommodation.

Older people with health issues, who are caregivers to their grandchildren or living away from their whānau, are also among those that Jennie regularly connects with. By collaborating with other Canterbury-



Jennie Apirana and Kylie Jane Phillips

The year in review

Our Strategic Objectives

Rural Canterbury PHO continues to perform consistently well among Primary Health Organisations around the country. Our staff and practices put considerable energy into meeting – and working to exceed – the targets that the government sets nationally. We also provide supports above and beyond the national targets. As you can see from this snapshot, we can be proud of what we've achieved over the 2017-18 year.



Kylie Jane Phillips

based Navigators, Jennie keeps in touch with several North Canterbury schools including those at Tuahiwi Marae and in Cheviot. For example with the support of the Cheviot School principal, a family weekend sleepover and hui is being organised at Takahanga Marae in Kaikoura, involving topics as diverse as parenting, nutrition, leisure time, and Māori cosmology.

As well as supporting practices and nurturing relationships with whānau, Jennie says she encourages Māori to embrace a holistic view of health through the seven Whānau Ora objectives. These objectives are living a healthy lifestyle; being self-managing; participating fully in society; having economic security and successfully creating wealth; confidently participating in Te Ao Māori; being responsible stewards of natural and living environments; and being cohesive, resilient and nurturing.

As part of this holistic approach to health, Jennie also asks people if they know their whakapapa and if they want to reconnect with their culture. "It's about ensuring that people understand that there are many layers to being healthy and that each layer has to be nurtured equally. People gain confidence knowing their mana is being recognised and preserved," she says.

54,577

Enrolled patients supported

Assisting rural residents to access quality primary health care.

870

B4 School Checks completed

Providing free health and development checks for 4-year-olds.

136

Travel vouchers provided

Supporting people to travel for specialist services when necessary.

2,004

GPL/BIC mental health referrals

There were also 1,707 extended mental health consultations delivered by primary care.

980

Lactation Consultant referrals

Delivering specialist support in the community for mothers with complex breastfeeding issues.

17

Peer supporters trained for Mother4Mother programmes

Assisting breastfeeding mothers across Canterbury to access support.



Demand for Baby Feeding Service continues to grow

Abigail Baughman, 5 ½ months

Lactation Consultants Vicki Patterson and Ruth O'Donovan have supported more than 1500 mothers, at breastfeeding clinics, throughout Canterbury this year.

With the help of trained Peer Supporters, Ruth and Vicki run nine drop-in clinics every week, as part of Rural Canterbury PHO's contract to provide the region's Baby Feeding Service.

Vicki and Ruth say the clinics were started as a response to the 80 – 120 referrals they received from health providers every month. Referral numbers have more than doubled since the Baby Feeding Service was first established in 2009.

"Lots of mothers just need reassurance or encouragement because a lot of what they may perceive as an issue is actually just normal infant behaviours and development," Vicki says. "Accessibility to services in rural areas is key in establishing optimum lifelong health outcomes for children in our communities."

Despite at least one drop-in group running every day in the region, Vicki says there is still demand for more, particularly in North Canterbury. "We're looking to train up peer supporters to lead clinics and ensure we are seeing as many Canterbury mothers as possible."

This year has also seen increased referrals of pregnant Māori and Pasifika women

"Accessibility to services in rural areas is key in establishing optimum lifelong health outcomes for children in our communities."

to the Baby Feeding Service. The Baby Feeding Team has worked closely with other organisations, as well as Smoking Cessation Coordinators from Rural Canterbury PHO, to ensure these women are well supported. "Getting to know women in the antenatal period means that they have access to our services much earlier and feel comfortable using them once they have given birth," Vicki says.

Baby feeding graduate turns peer support volunteer

Nicki Baughman joined the Shirley baby feeding drop-in clinic after a shaky start to breastfeeding and lack of confidence when her midwife's six weeks of support ended.

Now, she is well on the road to completing the volunteer peer support training programme, offered by Rural Canterbury PHO's Baby Feeding Service and ably facilitated by Janine Pinkham, the Peer Support Administrator. She also attends a weekly drop-in clinic, simply to talk to other Mums and learn more about breastfeeding.

"Ruth (lactation consultant) and the peer supporters at the baby feeding clinic made me feel a lot better about what I was doing," Nicki says. "Every time I went along, my baby would feed really well and fall asleep, while I enjoyed talking to everyone around me."

It's a far cry from Nicki's early experience of being a new mother. "I had a very difficult time breastfeeding when Abigail (5 ½ months) was born. I didn't get a lot of support in the first few days and despite being told my baby was latching on well, my nipples ended up raw and bleeding," she says.

Nicki was however determined to continue breastfeeding Abigail. "When my midwife had to stop coming, I felt I still needed support and that's where the baby feeding clinic came in."

Now Nicki is keen to pass on her knowledge to other mothers. "I go along to the training and I enjoy the company of the other Mums and Peer Supporters. I've been really fascinated to learn about the differences between breast milk and formula. Breast milk seems to be a cure-all for just about everything."

Baby feeding team wins DHB award for 'Tongue Ties' role

The Baby Feeding Service team were recognised for their role in the 'Tongue Ties: Back on Track for Mothers and Babies' initiative, with a Canterbury Health System 2017 'Quality Improvement and Innovation Award.' The team achieved runner-up in the 'Improved Health and Equity for All Populations' category.

Ruth O'Donovan and Vicki Patterson from Rural Canterbury PHO were on the Tongue-Tie project working group. "This initiative has made a huge difference for many mothers and babies across Canterbury - something we're all immensely proud of," Ruth says.

The programme was introduced in February 2017 to address increasing rates of Tongue-Tie in Canterbury newborn infants. The condition limits tongue movements as a result of an abnormal frenulum. Supporting breastfeeding and preventing unnecessary surgery were the initiative's two main goals.

Since 2015, the programme has helped reduce the rate of surgery from 11.3 per cent to 3.5 per cent of Tongue-Tie babies.

The working group also included members from the Canterbury Clinical Network, Canterbury District Health Board (CDHB), Christchurch Women's Hospital and other Canterbury clinicians, nurses and community representatives.

Ruth and Vicki played a major role in educating health care professionals about breastfeeding practices, as well as providing care and support to mothers and babies. Their work also included the development and introduction of a new health pathway for General Practice.

Ruth says the award recognised the successful collaboration between primary and tertiary care providers during this initiative. "The project's success was also in part due to the well-established community services that we have in place."



Ruth O'Donovan and Vicki Patterson

Local doctor joins Rural Canterbury PHO as first GP Locum



Dr Martin Gardner

Dr Martin Gardner is relishing his new role as the first GP Locum for Rural Canterbury PHO.

Having spent more than 25 years working as a GP and urgent care doctor, most recently at the 24 Hour Surgery in Christchurch, Martin was ready for a lifestyle change. When he heard Rural Canterbury PHO was looking for someone to provide cover for GPs at its 18 practices, it felt like a perfect match.

For Martin, one of the highlights of the job is seeing the difference it makes to Canterbury's rural communities. "There has been a shortage of doctors in rural areas for a long time, so it's great to be able to help

out where it's most needed," he says. He is also enjoying the challenges that come from being a roaming doctor. "You have to be a jack-of-all-trades at rural practices, which keeps me on my toes."

The new service has proven popular, with Martin being booked three months in advance. "It's shown how desperately the service is needed in these rural communities," he says.

Janetta Skiba, Rural Canterbury PHO's Director of Nursing, says Martin was the perfect candidate to fill the newly created position. "We needed someone with the right experience, who could easily weave

themselves into tight-knit communities, and Martin certainly fits the bill," she says. "General Practice teams love his ability to adapt quickly to their systems, the precise and efficient way he works, and the bright and calm manner he has with patients."

As Rural Canterbury PHO's Medical Officer, Martin is also responsible for providing clinical support, consultancy services and education to the organisation. While he says he enjoys the varied and evolving role - which includes advising the Chief Executive on decisions related to practice management, providing second opinions to GPs, and helping to develop organisational policy - he has so far been unable to fully commit to it, due to

Mental health services boosted in the Chatham Islands



Primary Mental Health Nurse Paul Reet

In the last year, Rural Canterbury PHO has partnered with WellSouth to provide mental health services to the Chatham Islands.

Registered Counsellor and Primary Mental Health Nurse Paul Reet has been contracted as a Brief Intervention Co-ordinator and GP Mental Health Liaison for the Islands. Paul has visited Chatham Island four times over the past 12 months, working from the Chatham Islands Health Centre for three days at a time.

He supports patients with issues such as trauma, depression, anxiety, complicated

grief and substance abuse. Between face-to-face visits, he has regular contact with them via Skype, email or phone.

"It's a close-knit community in the Chathams. I've had to work to build up relationships with local people, so they feel comfortable receiving support," Paul says.

He also provides regular education and advice to practice staff. "Equipping staff with greater knowledge means that residents have access to better basic mental health services, every day of the year," he says.



Mt Hutt, Mid Canterbury

New technology breaks down barriers to care

General Practices, in even the most remote areas of Canterbury, can now provide cutting-edge care to patients, thanks to Rural Canterbury PHO's IT team.



“You have to be a jack-of-all-trades at rural practices, which keeps me on my toes.”

the demand for the GP Locum service. “Instead of spending two days a week with staff, it’s been more like two days a month,” he says.

A second full time locum will be employed in 2019 to allow Martin to split his time more evenly between his two roles. A temporary locum will start in January 2019 to provide extra support to practices in South Canterbury during the recruitment phase.

The PHO's new Telehealth platform, Vidyo, which allows GPs to connect with patients via secure video, has been introduced to five Hurunui practices and will be extended to other practices in 2018/19.

Enabling practices to access the new Telehealth platform required major upgrades to their IT infrastructure. This allowed increased internet speed and cloud-based services functionality.

The Telehealth platform will initially connect with seven of the DHB's speciality services and Rural Canterbury PHO has been working with pharmacies to support them as well.

Further applications of Telehealth will be explored in 2018/19. These include interfacing with the Emergency Department and Intensive Care Unit at Christchurch

Darren Walmsley providing on-site IT training

Hospital; After Hours and PRIME support; clinical education provision; and mental health consultations.

“Access to secondary care can be difficult for the patients that our practices serve. Telehealth provides closer to home support, which will contribute to better health outcomes,” IT Manager Darren Walmsley says.

The Halcyon Web-Claiming portal, an online payment and budget management system, was also rolled out in the past year. The portal allows practices to make paper-free claims; provides greater visibility of budgets and funding availability; and means that claims can be completed online. “One of the benefits to practices is that once a claim is submitted into the system, it is validated immediately,” Darren says.

Pilot project supports better mental health for prisoners

A pilot project to improve mental health services in prisons has been rolled out in Canterbury by Rural Canterbury PHO.

The PHO is among four New Zealand health providers piloting the programme to help the Department of Corrections improve the quality and accessibility of mental health services for prisoners.

“The rates of mental illness are considerably higher in prisons than in the general population, making this project even more important,” Consultant Clinical Psychologist Paul Wynands says.

The pilot is an extension of the PHO's ongoing Package of Care contract, which provides mental health services to prisoners with low to medium level needs. It targets offenders with moderate to high needs and also involves five mental health clinicians providing regular mental health training and education to corrections staff at Christchurch Men's, Christchurch Women's, and Rolleston prisons.

The project also involves close collaboration with other services within corrections – including drug rehabilitation providers and

social workers – with the overall aim of providing a seamless clinical pathway of care for offenders.

“We know that improving the mental health of people, while they are in prison, improves employment opportunities and decreases rates of reoffending when they are released,” Paul says.

With more than 300 beds to be added to Canterbury's prisons in 2019, Paul says the service will be more important than ever.

Practice Support Navigators, linking patients, practices, and community

Five Practice Support Navigators started their roles this year, assisting practices and advocating for patients throughout rural Canterbury.

The role of Rural Canterbury PHO's Practice Support Navigators - Rosie Carr, Rachael Settle, Julie McDonald, Sarah Saunders and Brenna Russell – is to ensure that patients in rural areas have equitable access to services and are empowered to have improved health outcomes. The majority of referrals for the Practice Support Navigator come from General Practice teams.

"There's only so much GPs can do in a 10 minute appointment, so our job is to make sure patients and clinicians have all the tools they need for the best possible outcomes," Waimakariri-based navigator Sarah says.

Julie, who works in the Ashburton District, describes her role as being an advocate for people with complex medical needs. "It often

comes down to teasing out what is needed for each individual. There might be a literacy issue that makes it difficult for someone to fill out a form, a lack of understanding about what services are available to them, or simply a barrier to getting to their nearest practice, for example."

Providing increased support to medical centres in the rural Canterbury region has been a huge win for the team. One such referral made a big impression. A woman had been left by her partner, heavily pregnant, with two children to look after. Her Practice Support Navigator sourced WINZ funding to help her buy daily essentials, connected her to birthing services, and found her accommodation. She also assisted her in finding a social worker and connected her with support groups.

"It's increasingly difficult to get services to those in need, the further out you go from the city. Knowing that we are making a real difference in people's lives is why we love doing what we do," says Rosie, who works in the Hurunui area.



Rachael Settle (left) and Sarah Saunders (middle) pictured with Gina Straker (Rural Canterbury PHO Stop Smoking Practitioner) at the Live and Give Health Expo in Rangiora



Sarah Saunders (second from right) at a Waimakariri bowling tournament

Collaboration with health providers

This year has also seen Rural Canterbury PHO's Practice Support Navigators develop and strengthen partnerships with other health providers wanting to reach people in Canterbury's rural areas. "With the relationships and contacts that we have built up, organisations recognise that we can be of great value," Rangiora-based navigator Rachael Settle says.

The Mental Health Education Resource Centre (MHERC) has, for example, collaborated with the Practice Support Navigators to deliver free mental health workshops in North Canterbury and Ashburton. Planning is also well underway for free parenting workshops in Hurunui and Banks Peninsula, and Resilient Communities workshops in Hurunui later in 2018.



Waikuku Beach



Brenna Russell



Sarah Saunders (left) and Rosie Carr (right) at the Waimakariri Winter Festival in Rangiora

Health promotion

In the last year, Practice Support Navigators provided free health checks and resources at a number of Canterbury events.

This involved attending events including AMP shows, the Rangiora Winter Festival, and bowling tournaments around Canterbury.

They worked with local groups and organisations to facilitate community-led health initiatives, such as Parenting Week in Ashburton, health promotion

events in schools, and a health evening in Kaiapoi specifically for the elderly. A youth well-being and resiliency event has been organised for later in 2018.

“If we see there’s a need or the community tells us there is a need, we’ll do everything we can to provide services to fill it,” navigator Sarah Saunders says.

Community Connector Role

Brenna Russell has been kept busy in her dual role of Community Connector and Practice Support Navigator.

The Community Connector role is an ongoing service provided by Rural Canterbury PHO to Ashburton, Selwyn and Banks Peninsula. Its aim is to support people that live in rural areas who are socially or physically isolated from their community.

“The role is focussed on linking these people to community services, and strengthening partnerships between services within these areas, to develop more connected rural communities,” Brenna says.

Someone can be referred to a Community Connector (with their consent) by people in the community – such as a school or community group – as well as via GPs and medical centres.

“The role allows me to connect with people who have complex needs but may not know how to access services,” Brenna says. “It’s about knowing what services are available in the area to help these people find the right long-term connections.”

The Community Connector role is a collaboration between Rural Canterbury PHO and the Ministry of Social Development. Rural Canterbury PHO hopes to expand the service into other parts of Canterbury in the coming year.



Looking to the future

Every year, Rural Canterbury PHO works closely with practices to develop innovative ways of providing rural communities with access to the very best health care. Here are just some of the initiatives that will be introduced in the coming year.

Waitaha Primary Health

From early next year, Rural Canterbury PHO will be known as Waitaha Primary Health.

The name change is about better reflecting the work that Rural Canterbury PHO does. The Waitaha Primary Health name change also acknowledges that our practices are a mix of urban and rural entities.



Focus on IT

IT will continue to be a major focus for Rural Canterbury PHO as it supports its General Practices in providing high quality care. The organisation's IT team will ensure practices are getting the most from the new TeleSmart platform, which allows GPs to connect with patients via secure video.

The coming year will also see a number of practices moving to MedTechEvolution - an improved patient management system. This initiative will enhance patients' ability to engage with General Practice. Rural Canterbury PHO's IT team will work closely with practices to ensure a smooth changeover.

GP Locum service extension

Due to the demand for Rural Canterbury PHO's first GP Locum, Dr Martin Gardner, this service will be extended in the coming year. The recruitment process for a second full time GP Locum is already underway.

Like Dr Gardner, the new person will assist in providing cover for GPs at Rural Canterbury PHO's 18 practices. The GP Locum service is currently booked three months in advance.

"We're incredibly happy with the response to the GP Locum service, which was only launched in March," Rural Canterbury PHO's Director of Nursing Janetta Skiba says. "

A temporary locum will start in January to provide extra support to practices in Mid Canterbury while a suitable full time candidate is found.



First Pasifika Support Navigator to be employed

Rural Canterbury PHO's first Pasifika Support Navigator will soon join the team.

The decision to introduce a Pasifika Support Navigator was made last year in response to requests from General Practices for support for Pasifika patients. The Pasifika Support Navigator will work in partnership with Rural Canterbury PHO's Practice Support Navigators to achieve the best outcomes for Pasifika families.

"Pasifika people often have complex health needs, so it's important they have advocates to ensure they have equitable access to services," Rural Canterbury PHO's Director of Nursing Janetta Skiba says.

Breastfeeding Service and Mother4Mother programme to expand

Rural Canterbury PHO has held Canterbury District Health Board's contract for Breastfeeding Services for the past ten years. Each year, the demand for both Lactation Consultants and Mother4Mother breastfeeding support groups continues to grow.

The next 12 months will see an extension to the Baby Feeding Service. This will include increasing the number of support groups, particularly in North Canterbury; boosting the number of Mother4Mother Breastfeeding Peer Supporters; and providing educational services to other health care providers across the region.



New Business Manager to be appointed

Rural Canterbury PHO will soon appoint a new Business Development Manager.

This role will focus on strengthening relationships with existing partners and creating new opportunities with other health providers, both regionally and nationally.



Mycoplasma bovis support

It has been a tough time for rural communities in the last year, with the spread of the cattle disease, *Mycoplasma bovis*.

Rural Canterbury PHO is working closely with the Rural Support Trust, the Ministry for Primary Industries and other services, to continue to provide support and assistance to farming families affected by the outbreak.

Directory

Rural Canterbury PHO Limited
as at 30 June 2018

Principal Business
Primary Health Organisation

Shareholder
Rural Canterbury PHO Trust

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

Directors
P Campbell (Appointed 28/2/18)
D Gordon (Appointed 30/8/17)
S Lockhart
K Maw
P Richardson
Dr L Martin
Dr P Sparks

Solicitors
Saunders Robinson & Brown
Christchurch

Bankers
ASB Bank

Auditors
Crowe Horwath New Zealand
Audit Partnership
Dunedin



Statement of Financial Responsibility

For the year ended 30 June 2018

The Directors are responsible for preparing the financial statements and ensuring that they comply with generally accepted accounting practice in New Zealand, and present fairly the financial position of the Company as at 30 June 2018 and the results of their operations and cash flows for the year ended on that date.

The Directors consider that the financial statements of the Company have been prepared using appropriate accounting policies, consistently applied and supported by reasonable judgements and estimates and that all relevant financial reporting and accounting standards have been followed.

The Directors believe that proper accounting records have been kept which enable, with reasonable accuracy, the determination of the financial position of the Company and facilitate compliance with generally accepted accounting practice in New Zealand.

The Directors consider that they have taken adequate steps to safeguard the assets of the Company, and to prevent and detect fraud and other irregularities. Internal control procedures are also considered to be sufficient to provide a reasonable assurance as to the integrity and reliability of the financial statements.

The Directors are pleased to present the financial statements of the Rural Canterbury PHO Limited for the year ended 30 June 2018.

For and on behalf of the Directors:

Director

Dana Halli

Dated

3.09.2018

Director

[Signature]

Dated

3/09/2018

Statement of Financial Position

As at 30 June 2018

	Note	2018 \$	2017 \$
ASSETS			
Current			
Cash and cash equivalents	7	830,736	719,499
Term deposits	7	1,600,000	1,700,000
Receivables from non exchange transactions	8	426,939	551,374
Prepayments		17,174	9,806
Total current assets		2,874,849	2,980,679
Non-current			
Plant and Equipment	10	28,571	33,075
Total non-current assets		28,571	33,075
TOTAL ASSETS		2,903,420	3,013,754
LIABILITIES			
Current			
Payables under non exchange transactions	9	344,045	491,650
Employee entitlements	11	169,707	181,064
GST payable		55,388	36,830
Deferred revenue	13	1,745,653	1,700,850
Total current liabilities		2,314,793	2,410,394
TOTAL LIABILITIES		2,314,793	2,410,394
NET ASSETS		588,627	603,360
EQUITY			
Equity	18	-	-
Accumulated Funds		588,627	603,360
TOTAL EQUITY		588,627	603,360

Approved for and on behalf of the Directors:

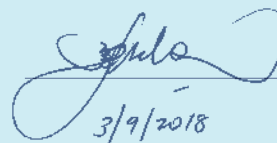
Chairperson



Dated

3.09.2018

Director



Dated

3/9/2018

Statement of Comprehensive Revenue and Expense

For the year ended 30 June 2018

	Note	2018 \$	2017 \$
Contract revenue - non exchange transactions		16,159,836	17,301,933
Total revenue from non exchange transactions		16,159,836	17,301,933
Contract payments		13,040,293	14,396,423
Wages, salaries and other employee costs		2,586,562	2,239,479
Other operating expenses	6	606,165	526,681
Total expenses		16,233,020	17,162,583
Interest income		58,451	57,360
Operating surplus/(deficit)		(14,733)	196,710
Other gains/(losses)		-	-
Surplus/(deficit) for the year		(14,733)	196,710
Other comprehensive revenue and expenses		-	-
Total other comprehensive revenue and expenses		-	-
Total comprehensive revenue and expenses for the year		(14,733)	196,710

Statement of Changes in Net Assets

For the year ended 30 June 2018

	Equity \$	Accumulate Funds \$	Total \$
Balance 1 Jul 2017	-	603,360	603,360
Surplus/(Deficit) for the year	-	(14,733)	(14,733)
Other comprehensive income	-	-	-
Balance 30 June 2018	-	588,627	588,627
Balance 1 Jul 2016	-	406,650	406,650
Surplus/(Deficit) for the year	-	196,710	196,710
Other comprehensive income	-	-	-
Balance 30 June 2017	-	603,360	603,360

Statement of Cash Flows

For the year ended 30 June 2018

	Note	2018 \$	2017 \$
Cash flow from operating activities			
Cash was provided from (applied to):			
Receipts from contract transactions and other income		16,321,574	17,240,622
Interest received		58,451	57,360
Payments for contract and supplier transactions		(13,791,753)	(15,044,776)
Payments for employees		(2,597,919)	(2,045,128)
Goods and services tax (net)		18,558	(17,619)
Net cash/(used in) operating activities		8,911	190,459
Cash flow from investing activities			
Cash was provided from (applied to):			
Disposal of plant and equipment		12,610	-
Acquisition of plant and equipment		(10,284)	(25,529)
Net cash/(used in) investing activities		2,326	(25,529)
Cash flow from financing activities			
Cash was provided from (applied to):			
Maturity of term deposit		100,000	614,119
Reinvestment of term deposit		-	(700,000)
Net cash/(used in) financing activities		100,000	(85,881)
Net increase/(decrease) in cash and cash equivalents		111,237	79,049
Cash and cash equivalents, beginning of the year		719,499	640,450
Cash and cash equivalents at end of the year	7	830,736	719,499

Notes to the Financial Statements

For the year ended 30 June 2018

1. Reporting Entity

These financial statements comprise the financial statements of Rural Canterbury PHO Limited (the "PHO") for the year ended 30 June 2018.

The PHO is registered under the Companies Act 1993. The Company is a charitable organisation, domiciled in New Zealand.

The financial statements were authorised for issue by the Board of Directors on the date indicated on page 4.

2. Basis of Preparation

(a) Statement of compliance

The financial statements have been prepared in accordance with Tier 2 Public Benefit Entity (PBE) Financial Reporting Standards as issued by the New Zealand External Reporting Board (XRB). They comply with New Zealand equivalents to International Public Sector Accounting Standards with Reduced Disclosure Regime (NZ IPSAS with RDR) and other applicable Financial Reporting Standards as appropriate to Public Benefit Entities for which all disclosure exemptions have been adopted.

The Company is eligible to report in accordance with Tier 2 PBE Accounting Standards on the basis that it does not have public accountability and annual expenditure does not exceed \$30 million.

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

(b) Basis of measurement

The financial statements have been prepared on a historical cost basis.

The accrual basis of accounting has been used unless otherwise stated and the financial statements have been prepared on a going concern basis.

(c) Presentation currency

The financial statements are presented in New Zealand dollars, which is the Company's functional currency.

All numbers are rounded to the nearest dollar (\$).

(d) Comparatives

The comparative financial period is 12 months.

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

(e) Changes in accounting policies

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

3. Summary of significant accounting policies

The accounting policies of the Company 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) Accounting for associates

Associates are those entities over which the Company is able to exert significant influence but which are neither subsidiaries nor joint ventures. Investments in associates are accounted for using the equity method. Under the equity methods, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the Company's share of the profit or loss of the associate after the date of acquisition.

The Company generally deems it has significant influence over another entity when it has over 20% of the voting rights. If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

The Company's share of the associate's profit or loss is recognised in profit or loss, and its share of movements in other comprehensive income is recognised in other comprehensive income. The cumulative movements are adjusted against the carrying amount of the investment.

The Company determines at each reporting date whether there is any objective evidence that the associate investment is impaired. If this is the case, the Company calculates the amount of impairment as the difference between the recoverable amount of the associate

and its carrying value and recognises the amount of the "share of profit in an associate" in the statement of comprehensive revenue and expense.

(b) 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.

(c) Debtors and other receivables

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

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

(d) Creditors and other payables

Trade creditors and other payables are stated at cost.

(e) Plant and equipment

Plant and equipment are measured at cost, less accumulated depreciation and any impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.

Additions and subsequent costs

Subsequent costs and the cost replacing part of an item of plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised.

In most instances, an item of plant and equipment is recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value at the acquisition date.

All repairs and maintenance expenditure is charged to surplus or deficit in the year in which the expense is incurred.

Disposals

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

When an item of plant or equipment is disposed of, the gain or loss recognised in

the surplus or deficit is calculated as the difference between the net sale proceeds and the carrying amount of the asset.

(e) Plant and equipment cont.

Depreciation

Depreciation is recognised as an expense in the reported surplus or deficit and measured on diminishing value (DV) basis on all plant and equipment over the estimated useful life of the asset. The following depreciation rates have been applied at each class of plant and equipment:

Computer equipment and plant 20-48% DV

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

(f) Impairment

At each reporting date, the Company assesses whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount.

Recoverable amount is determined for an individual asset. An asset's recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use.

Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised immediately in surplus or deficit.

(g) Financial instruments

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

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

Initial recognition and measurement

Financial assets and financial liabilities are recognised initially at fair value plus transaction costs attributable to the acquisition, except for those carried at fair value through surplus or deficit, which are measured at fair value.

Financial assets and financial liabilities are recognised when the reporting entity becomes a party to the contractual provisions of the financial instrument.

Derecognition of financial instruments

Financial assets are derecognised when the contractual rights to the cash flows

from the financial asset expire, or if the Company transfers the financial asset to another party without retaining control or substantially all risks and rewards of the asset.

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

Subsequent measurement of financial assets

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

All financial assets held by the Company in the years reported have been designated into one classification, "loans and receivables", being non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition these are measured at amortised cost using the effective interest method, less provision for impairment.

(h) Provisions

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

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation.

Provisions are discounted to their present values where the time value of money is material. The increase in the provision due to the passage of time is recognised as an interest expense.

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

(i) Employee entitlements

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

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

(j) Revenue

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

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

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

Revenue from non-exchange transactions

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

When non-exchange revenue is received with conditions attached, the asset is recognised with a matching liability. As the conditions are satisfied the liability is decreased and revenue recognised.

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

Condition stipulation – funds received are required to be used for a specific purpose, with a requirement to return unused funds.

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

Donations, grants and contract revenue

To the extent that there is a condition attached that would give rise to a liability to repay the grant or contract amount, a deferred revenue liability is recognised instead of revenue. Revenue is then recognised only once the PHO has satisfied these conditions.

Interest income

Interest income is recognised as it accrues.

(k) Income tax

Due to its charitable status, the Company is exempt from income tax.

(l) 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.

(m) Lease assets

Payments made under operating leases are recognised in the statement of comprehensive revenue and expense on a straight line basis over the term of the lease. Associated costs, such as maintenance and insurance where applicable, are expensed as incurred.

(n) New standards adopted and interruptions not yet adopted

Certain new accounting standards have been published that are not mandatory for the current reporting period. It is not expected that these standards will have any material impact on the financial statements.

4. Significant accounting judgements, estimates and assumptions

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

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

5. Capital Management Policy

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

6. Other operating expenses

	2018 \$	2017 \$
Administration Expenses		
Advertising	304	749
Audit Fee	10,800	9,500
Bank Charges	719	743
Conference Expenses	783	3,716
Consultancy Fees	14,314	11,812
Education CME/CNE	5,228	7,600
General Expenses	16,678	13,230
Insurance	14,198	10,981
Legal Fees	3,855	5,040
Management Services	140,866	144,657
Motor Vehicle Lease	13,832	14,786
Motor Vehicle Running Costs	8,899	6,851
PHO Alliance Membership	8,086	8,328
Printing & Stationery	23,610	28,575
Repairs and Maintenance	854	545
Telephone & Tolls	14,296	11,429
Total Administration Expenses	277,322	278,542

	2018 \$	2017 \$
Occupancy expenses		
Electricity	22,427	7,104
Office Cleaning	14,023	7,171
Rental	164,651	102,071
Total occupancy expenses	201,101	116,346

Governance expenses		
Board Expenses	37,394	32,173
Board Meeting Fees	67,530	71,125
Clinical Governance	15,184	16,332
Total governance expenses	120,108	119,630
Depreciation	7,634	12,163

Total	606,165	526,681
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7. Cash and cash equivalents

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

The effective interest rate on term deposits in 2018 was 3.00%-3.32% (2017: 2.75%-3.60%).

	2018 \$	2017 \$
ASB current account	830,736	719,499
ASB term deposit	1,600,000	1,700,000
Total cash and cash equivalents	2,430,736	2,419,499

8. Receivables from non exchange transactions

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

	2018 \$	2017 \$
Accounts receivables	420,418	539,909
Sundry receivables	6,521	11,465
Total	426,939	551,374
Classified as:		
Current assets	426,939	551,374
Non-current assets	-	-
Total	426,939	551,374

9. Payables under non exchange transactions

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

	2018 \$	2017 \$
Current		
Trade Payables	310,614	361,491
Sundry payables	33,431	130,159
Total current	344,045	491,650
Total payables under non exchange transactions	344,045	491,650

10. Plant and equipment

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

2018	Motor Vehicles \$	Computer Equipment & Plant \$	Total \$
Gross carrying amount			
Opening balance	50,204	48,174	98,378
Additions	-	10,284	10,284
Disposals	(24,682)	-	(24,682)
Closing balance	25,522	58,458	83,980
Accumulated depreciation and impairment			
Opening balance	21,124	44,179	65,303
Adj to opening balance	3,819	(3,819)	-
Depreciation for the year	6,709	2,969	9,678
Disposals	(19,572)	-	(19,572)
Impairment charge for the year	-	-	-
Closing balance	12,080	43,329	55,409
Carrying amount 30 June 2017	13,442	15,129	28,571

2017	Motor Vehicles \$	Computer Equipment & Plant \$	Total \$
Gross carrying amount			
Opening balance	24,682	73,762	98,444
Additions	25,522	-	25,522
Disposals	-	(25,588)	(25,588)
Closing balance	50,204	48,174	98,378
Accumulated depreciation and impairment			
Opening balance	16,889	61,847	78,736
Depreciation for the year	4,235	7,927	12,162
Disposals	-	(25,595)	(25,595)
Impairment charge for the year	-	-	-
Closing balance	21,124	44,179	65,303
Carrying amount 2016	29,080	3,995	33,075

11. Employee entitlements

	2018 \$	2017 \$
Current		
Annual leave entitlements	169,707	181,064
Total	169,707	181,064

12. Investment in associates

The PHO has the following investments in associates:

Name	Principal Activity	Country of incorporation	Cost	Interest in Associate	
				2018	2017
Health Systems Solutions Limited	Registry services	New Zealand	Nil	25%	25%

13. Deferred revenue

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

	2018 \$	2017 \$
Unexpended contract revenue	1,637,768	1,614,821
Other income received in advance	107,885	86,029
Total deferred revenue	1,745,653	1,700,850

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.

(b) Classification of financial instruments

All financial assets held by the PHO are classified as "loans and receivables" are carried at cost less accumulated impairment losses.

All financial liabilities held by the PHO are carried at amortised cost using the effective interest rate method.

Classification of financial instruments

The carrying amounts presented in the statement of financial position relate to the following categories of financial assets and liabilities.

2018	Loans and receivables	Liabilities at amortised cost	Total carrying amount	Fair value
Financial Assets				
Trade and other receivables	426,939	-	426,939	426,939
Cash and cash equivalents	830,736	-	830,736	830,736
Term Deposit	1,600,000	-	1,600,000	1,600,000
Total current assets	2,857,675	-	2,857,675	2,857,675
Total Assets	2,857,675	-	2,857,675	2,857,675

Financial liabilities				
Trade and other payables	-	344,045	344,045	344,045
Total current liabilities	-	344,045	344,045	344,045
Total liabilities	-	344,045	344,045	344,045

2017	Loans and receivables	Liabilities at amortised cost	Total carrying amount	Fair value
Financial Assets				
Trade and other receivables	551,374	-	551,374	551,374
Cash and cash equivalents	719,499	-	719,499	719,499
Term Deposit	1,700,000	-	1,700,000	1,700,000
Total current assets	2,970,873	-	2,970,873	2,970,873
Total Assets	2,970,873	-	2,970,873	2,970,873

Financial liabilities				
Trade and other payables	-	491,650	491,650	491,650
Total current liabilities	-	491,650	491,650	491,650
Total liabilities	-	491,650	491,650	491,650

15. Operating Leases

	2018 \$	2017 \$
Non-cancellable operating leases as payable as follows		
Less than one year	279,977	106,145
Between one and five years	314,305	70,452
More than five years	-	-
Total	594,282	176,597

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 Company.

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

(a) Related party balances

Balances outstanding with related parties as at 30 June include:

		2018 \$	2017 \$
Description of transaction			
L Martin	(1)	-	-
P Sparks	(2)	-	-
Total		-	-

Outstanding balances at year-end are unsecured and interest free. There is no doubtful debts provision included in outstanding related party balances.

(b) Related party transactions

		2018 \$	2017 \$
Description of transaction			
L Martin	(1)	-	-
P Sparks	(2)	-	-
Total		-	-

(1) L Martin - Partner in Rangiora Medical Centre LP which received PHO funding on a normal supplier basis.

(2) P Sparks - GP Moore St Medical Centre which received PHO funding on a normal supplier basis.

(c) Key management compensation

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

2018	Directors \$	Snr mgmt \$	Total \$
Salaries and other short-term employee benefits	67,530	657,643	725,173
Total remuneration	67,530	657,643	725,173
Number of persons recognised as key management personnel	8	6	14

2017	Directors \$	Snr mgmt \$	Total \$
Salaries and other short-term employee benefits	71,125	612,449	683,574
Total remuneration	71,125	612,449	683,574
Number of persons recognised as key management personnel	8	6	14

17. Contingent assets and contingent liabilities

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

18. Equity

As at 30 June 2018, 100 ordinary shares have been allocated to the shareholder and remain unpaid. All shares rank pari passu.

19. Commitments

As at 30 June 2018 Rural Canterbury PHO Limited is not aware of any capital commitments or contingencies (2017: nil).

20. Subsequent Events

There were no significant events after the balance date.

Independent Auditor's Report

To the Shareholder of Rural Canterbury PHO Limited

Opinion

We have audited the financial statements of Rural Canterbury PHO Limited (the Company) on pages 3 to 20, 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 statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 30 June 2018, and its financial performance and its cash flows for the year then ended in accordance with Public Benefit Entity Standards Reduced Disclosure Regime issued by the New Zealand Accounting Standards Board.

Basis for Opinion

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

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

Information Other Than the Financial Statements and Auditor's Report

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

In connection with our audit of the financial statements, if other information is included

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

Responsibilities of the Directors for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of these financial statements.

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

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

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

Crowe Horwath

**Crowe Horwath New Zealand
Audit Partnership**

CHARTERED ACCOUNTANTS

Dated at Dunedin this 3rd day of
September 2018

Crowe Horwath New Zealand Audit Partners/hip is a member of Crowe Horwath International, a Swiss verein. Each member firm of Crowe Horwath is a separate and independent legal entity.



Back cover: Hills overlooking Rakaia River



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