



Kimi Hauora Wairau
Marlborough Primary Health Organisation
SEEKING WELLBEING IN MARLBOROUGH

Annual Report

Kimi Hauora Wairau Marlborough Primary Health Organisation
For the year ended 30 June 2020

Prepared by WK Advisors and Accountants Limited

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Entity Information

Kimi Hauora Wairau Marlborough Primary Health Organisation For the year ended 30 June 2020

Legal Name

Kimi Hauora Wairau Marlborough Primary Health Organisation

Charities Register Number

CC38324

Entity Purpose or Mission

Kimi Hauora Wairau is the Marlborough Primary Health Organisation which was established to deliver the Government's Primary Health Care Strategy.

Kimi Hauora Wairau Marlborough Primary Health contracts health professionals and organisations in the community, such as General Practices, to deliver quality health care services to an enrolled population of approximately 48,000 people and a total of nine (9) General Practices operating in Blenheim, Picton, Renwick, and Havelock.

Vision & Values

Kimi Hauora Wairau prides itself on promoting the following values:

- People Focused
- Striving for Excellence
- Providing Leadership and direction
- Displaying integrity
- Cultural Equality and Understanding

Location

Marlborough Primary Health Organisation
22 Queen Street
Blenheim 7201

Trustees

Alistair Sowman

Tarina MacDonald

Ruth Hamilton

Greg King

Marie (Louise) McKenzie

Deon Claassens

Katharine Gaines

IRD Number

090-237-195



GST Status

Invoice Basis, Two Monthly Returns, Coinciding with Balance Date

Chartered Accountants

WK Advisors and Accountants Limited
P O Box 349
Blenheim 7240
Contact - Hamish Morrow

Auditors

Crowe New Zealand Audit Partnership

72 Trafalgar Street

Nelson 7010

Bankers

ASB Blenheim
60 Market Street
Blenheim 7201

Main Sources of Cash and Resources

Kimi Hauora Wairau Marlborough Primary Health Organisation has received income from Nelson Marlborough District Health Board funding, Ministry of Health funding.

Main Methods Used to Raise Funds

Kimi Hauora Wairau Marlborough Primary Health Organisation does not participate in fundraising activities.

Reliance on Volunteers and Donated Services

Kimi Hauora Wairau Marlborough Primary Health Organisation had no donated goods or services nor volunteers during the financial year.

Statement of Financial Performance

Kimi Hauora Wairau Marlborough Primary Health Organisation For the year ended 30 June 2020

	NOTES	2020	2019
Revenue			
Revenue from providing goods or services	9	12,867,236	11,426,276
Interest, dividends and other investment revenue	9	94,646	63,025
Other revenue	9	105,527	167,901
Total Revenue		13,067,409	11,657,202
Expenses			
Volunteer and employee related costs	10	2,049,261	1,751,416
Costs related to providing goods or service	10	10,805,166	9,740,061
Depreciation and amortisation	10	78,799	62,711
Travel and accomodation	10	11,876	16,350
Interest and finance expense	10	59	90
Grants and donations made	10	91,974	51,739
Other expenses	10	22,348	15,852
Total Expenses		13,059,484	11,638,219
Surplus/(Deficit) for the Year		7,925	18,983



These financial statements are to be read in conjunction with the Notes to the Financial Statements and are subject to the Audit Report.

Statement of Movement in Equity

Kimi Hauora Wairau Marlborough Primary Health Organisation For the year ended 30 June 2020

	2020	2019
Equity		
Opening Balance	828,199	809,216
Increases		
Profit for the Period	7,925	18,983
Total Increases	7,925	18,983
Total Equity	836,124	828,199



These financial statements are to be read in conjunction with the Notes to the Financial Statements and are subject to the Audit Report.

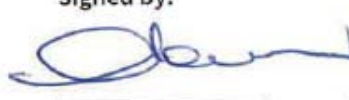
Statement of Financial Position

Kimi Hauora Wairau Marlborough Primary Health Organisation As at 30 June 2020


	NOTES	30 JUN 2020	30 JUN 2019
Assets			
Current Assets			
Bank accounts and cash	11	1,283,731	1,256,587
Trade and Other Receivables	11	681,786	545,528
Investments	11	3,272,447	2,700,805
Payments in Advance	11	9,390	2,949
Total Current Assets		5,247,353	4,505,869
Non-Current Assets			
Property, plant and equipment	13	657,951	482,323
Other Non-Current Assets	11	-	227,238
Total Non-Current Assets		657,951	709,561
Total Assets		5,905,304	5,215,430
Liabilities			
Current Liabilities			
Bank overdraft	12	518	575
Creditors and accrued expenses	12	372,666	441,445
Income in Advance	12	57,672	59,363
GST Payment/Refund	12	81,280	98,110
Provisions	12	4,336,281	3,634,675
Employee costs payable	12	220,764	153,063
Total Current Liabilities		5,069,180	4,387,231
Total Liabilities		5,069,180	4,387,231
Net Assets		836,124	828,199
Accumulated Funds			
Opening Balance		828,199	809,216
Accumulated surpluses or deficits	14	7,925	18,983
Total Accumulated Funds		836,124	828,199



Signed by:



 Chairman



 Trustee

Date: 24/9/2020 Date:

These financial statements are to be read in conjunction with the Notes to the Financial Statements and are subject to the Audit Report.

Statement of Cash Flows

Kimi Hauora Wairau Marlborough Primary Health Organisation For the year ended 30 June 2020

	2020	2019
Cash Flows from Operating Activities		
Services income	13,452,694	12,024,373
Interest income	93,743	54,597
Other income	89,179	-
Payments to suppliers and employees	(12,980,195)	(11,538,562)
Interest paid	(60)	(90)
Income tax	-	-
Net GST	(29,329)	1,109
Net Cash Flows From Operating Activities	626,032	541,427
Cash Flows from Investing Activities		
Receipts from property, plant & equipment	-	9,474
Payment for property, plant & equipment	(27,189)	(39,183)
Payments for Investments	(571,642)	(1,635,486)
Investment in intangible assets	-	-
Related party advances	-	-
Net Cash Flows From Investing Activities	(598,831)	(1,665,195)
Cash Flows from Financing Activities		
Shares issued	-	-
Net Cash Flows From Financing Activities	-	-
Net Increase (Decrease) in cash	27,201	(1,123,768)
Add cash at start of year	1,256,012	2,379,780
Cash at end of year	1,283,213	1,256,012



These financial statements are to be read in conjunction with the Notes to the Financial Statements and are subject to the Audit Report.

Statement of Accounting Policies and Notes to the Performance Report

Kimi Hauora Wairau Marlborough Primary Health Organisation For the year ended 30 June 2020

1. Reporting Entity

The reporting entity is Kimi Hauora Wairau Marlborough Primary Health Organisation ("the Entity"). The Entity is domiciled in New Zealand and is a Charitable Trust registered under the Charities Act 2005 (registration number CC38324).

The financial statements presented here are for the Entity.

The financial statements have been approved and were authorised for issue by the Board of Trustees.

2. Basis of Preparation

The financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice (NZ GAAP). For the purposes of financial reporting they comply with Tier 2 Reduced Disclosure Regime Not-For-Profit Public Benefit International Public Sector Accounting Standards ("PBE IPSAS"), on the basis that it does not have public accountability and has total annual expenses greater than \$2,000,000 but less than \$30,000,000.

The accounting principles recognised as appropriate for the measurement and reporting of earnings and financial position on an historical cost basis have been used, with the exception of certain items for which specific accounting policies have been identified.

The financial statements are presented in New Zealand dollars (NZ\$) and all values are rounded to the nearest NZ\$, except when otherwise indicated.

3. Changes in Accounting Policies

There have been no changes in accounting policies. All policies have been applied on bases consistent with those used in previous years.

4. Significant Accounting Policies

The financial statements are prepared in accordance with New Zealand generally accepted accounting practices (NZ GAAP). The accounting policies that materially affect the measurement of financial performance, financial position and cash flows are set out below:

Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the entity and revenue can be reliably measured. Revenue shall be recorded on the occurrence of a recognition event. This is when there is a legal right to receive cash either now or sometime in the future. Revenue is measured at the fair value of the consideration received.

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

- Sales of services are recognised in the accounting period in which the services are rendered.
- Rental income is recognised on an accruals basis in accordance with the substance of the relevant agreements.
- Interest revenue is recognised as it accrues, using the effective interest method.
- Dividend income is recognised when the right to receive payment is established.
- Lease income is recognised on an accruals basis in accordance with the substance of the relevant agreements.
- Grant revenue is recognised when the conditions attached to the grant has been complied with. Where there are unfulfilled conditions attaching to the grant, the amount relating to the unfulfilled condition is recognised as a liability and released to revenue as the conditions are fulfilled.
- Sponsorship income is recognised on an accruals basis in accordance with the substance of the relevant agreements.



Interest Income

Interest income is recognised using the effective interest method. When amortised assets are impaired, the group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loan and receivables are recognised using the original effective interest rate.

Property, plant and equipment

All property, plant and equipment is stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the assets' carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Comprehensive Income during the financial period in which they are incurred.

Depreciation is calculated using the diminishing value method to allocate the cost over each assets' estimated useful life. The depreciation rates are:

Office Equipment	16 - 100%
Plant & Equipment	25 - 67%
Vehicles	30%

Leasehold Improvements 10%

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at least at each financial year-end.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are included in the Statement of Comprehensive Income.

Financial Instruments

Financial assets

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

i) Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit and loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Entity's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Entity initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Entity's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.



Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Entity commits to purchase or sell the asset.

Subsequent measurement

For the purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit and loss

The Entity has not designated any financial liabilities at fair value through profit or loss. There are no changes to classification and measurement for the Entity's financial liabilities.

Financial assets at amortised cost (debt instruments)

The Entity measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows, and,
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.



ii) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Entity's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation (if any) is included as finance costs in the statement of profit or loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Cash and Cash Equivalents

Cash and short-term deposits in the statement of financial position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Entity's cash management.

5. Significant Accounting Judgements, Estimates and Assumptions

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The preparation of the Entity's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Trade and Other Payables

These amounts represent liabilities for goods and services provided to the Entity prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.



Goods and Services Tax

The Statement of Financial Performance and Statement of Cashflows (where included) have been prepared so that all components are stated exclusive of GST. All items in the Statement of Financial Position are stated net of GST, with the exception of account receivables and payables. Kimi Hauora Wairau Marlborough Primary Health Organisation is registered for GST.

Provisions

A provision is recognised if, as a result of a past event, the Entity has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Committed Funds

Committed funds are premonition for the amounts received in advance for services to be provided in future periods and are recognised as a liability until such time as the service is provided.

6. Account Receivable

Receivables are stated at their estimated realisable value. Bad debts are written off in the year in which they are identified.

7. Investments

Investments are carried at the lower of cost and net realisable value. Where in the entities' opinion there has been a permanent reduction in the value of the investments this has been brought to account in the current period.

8. Income Tax

No provision for Income Tax has been made as there is no current tax payable, as Kimi Hauora Wairau Marlborough Primary Health Organisation is not subject to income tax.

	2020	2019
9. Analysis of Revenue		
Revenue from providing goods or services		
DHB Programme Funding	2,742,261	2,161,398
Ministry of Health Funding	10,499,538	9,676,232
NBPH Funding	183,337	200,000
Committed Funding Transfer	(557,900)	(611,354)
Total Revenue from providing goods or services	12,867,236	11,426,276
Interest, dividends and other investment revenue		
Interest Received	94,646	63,025
Total Interest, dividends and other investment revenue	94,646	63,025



	2020	2019
Other revenue		
Other Income	100,234	167,901
Sundry income	5,293	-
Total Other revenue	105,527	167,901
Total Analysis of Revenue	13,067,409	11,657,202
	2020	2019

10. Analysis of Expenses

Volunteer and employee related costs

Governance	54,066	53,339
Staff Development	12,232	5,606
Staff Practicing Certificates	1,854	2,158
Staff Recruitment	1,935	1,704
Staff Salaries and Wages	1,971,799	1,687,748
Staff training	5,231	-
Staff Clinical Supervision	2,144	1,454
Work related Expenses	-	(593)
Total Volunteer and employee related costs	2,049,261	1,751,416

Costs related to providing goods or services

ACC	2,507	5,401
Advertising	690	-
Bank Fees	902	1
Catering	2,938	3,232
General Expenses	16,826	6,259
Insurance	11,921	11,081
Lease	7,021	-
Office supplies	8,523	4,995
Premises Expenses	(5,782)	30,514
Printing and Photocopying	6,949	8,339
Programme Expenses	36,953	37,411
Provider Expenses	10,441,637	9,443,198
Repairs and Maintenance - Equipment	1,698	406
Special Projects	54,324	10,561
Subscriptions	12,890	9,835
Telecommunications	16,215	10,875
Vehicle Expenses	5,316	15,762
Information Technology Costs	183,638	141,892
Total Costs related to providing goods or services	10,805,166	9,739,762

Depreciation and amortisation

Depreciation recovered	-	(202)
Depreciation	78,799	62,913
Total Depreciation and amortisation	78,799	62,711



	2020	2019
Travel and accomodation		
Travel and Accomodation	11,876	16,350
Total Travel and accomodation	11,876	16,350
Interest and finance expense		
Interest Paid	59	90
Total Interest and finance expense	59	90
Grants and donations made		
Charitable Donation Expense	91,974	51,739
Total Grants and donations made	91,974	51,739
Other expenses		
Accounting	14,268	8,292
Auditor	7,600	7,560
Legal Fees	480	-
Total Other expenses	22,348	15,852
Total Analysis of Expenses	13,059,484	11,637,920
	2020	2019

11. Analysis of Assets

Bank accounts and cash

ASB Cheque	1,146,155	719,703
ASB Business Saver	133,792	533,101
ASB Society	3,583	3,583
Petty Cash	200	200
Total Bank accounts and cash	1,283,731	1,256,587

Trade and Other Receivables

Accounts Receivable	638,752	524,386
Oncharge Accounts	4,642	-
C/BAC Receivables	16,348	-
Accrued Interest	22,045	21,142
Total Trade and Other Receivables	681,786	545,528

Investments

ASB Term Deposit 72	414,165	406,453
ASB Term Deposit 73	517,428	501,713
ASB Term Deposit 74	-	492,639
ASB Term Deposit 75	1,340,854	1,300,000
ASB Term Deposit 76	1,000,000	-
Total Investments	3,272,447	2,700,805

Payments in Advance

Prepayments	9,390	2,949
Total Payments in Advance	9,390	2,949



	2020	2019
Other Non-Current Assets		
Capital Work in Progress	-	227,238
Total Other Non-Current Assets	-	227,238
Total Analysis of Assets	5,247,353	4,733,107
	2020	2019

12. Analysis of liabilities

Bank overdraft

ASB Credit Card	518	575
Total Bank overdraft	518	575

Creditors and accrued expenses

Accrued expenses	20,543	273,530
Accounts Payable	352,124	167,915
Total Creditors and accrued expenses	372,666	441,445

GST Payment/Refund

GST	81,280	98,110
Total GST Payment/Refund	81,280	98,110

Income in Advance

Income in Advance	57,672	59,363
Total Income in Advance	57,672	59,363

Employee costs payable

Payroll Liabilities	52,565	33,401
PAYE Tax Payable	46,427	38,395
Annual Leave Entitlements	121,772	81,267
Total Employee costs payable	220,764	153,063

Provisions

Committed Funding Provisions	4,336,281	3,079,675
Provision - Marlborough Health Hub	-	380,000
Provision - Urgent Care Centre	-	175,000
Total Provisions	4,336,281	3,634,675

Total Analysis of liabilities	5,069,180	4,387,231
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13. Property, Plant & Equipment

	Leasehold Improvements	Office Equipment	Plant & Equipment	Vehicles	Furniture & Fittings	Total
Cost or valuation						
As at 1 July 2018	633,751	42,453	15,068	73,005	34,149	798,426
Additions	7,773	7,115	7,756		2,499	25,143
Disposals			-9,474			-9,474
As at 30 June 2019	641,524	49,568	13,350	73,005	36,648	814,095
Additions	227,238	22,922			4,267	254,427
Disposals						0
As at 30 June 2020	868,762	72,490	13,350	73,005	40,915	1,068,522
Depreciation						
As at 1 July 2018	168,359	32,031	2,140	51,743	14,587	268,860
Depreciation charge for the year	43,927	6,113	3,537	6,378	2,958	62,913
As at 30 June 2019	212,286	38,144	5,677	58,121	17,545	331,773
Depreciation charge for the year	59,967	9,033	2,227	4,465	3,107	78,799
As at 30 June 2020	272,253	47,177	7,904	62,586	20,652	410,572
Net book value						
As at 30 June 2019	429,238	11,424	7,673	14,884	19,103	482,322
As at 30 June 2020	596,509	25,313	5,446	10,419	20,263	657,950

2020 2019

14. Accumulated Funds

Accumulated surpluses or deficits

Opening Balance	284,708	265,725
Current Year Earnings	7,925	18,983
Total Accumulated surpluses or deficits	292,633	284,708

Reserves

Opening Balance	543,491	543,491
Total Reserves	543,491	543,491

Total Accumulated Funds	836,124	828,199
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	2020	2019
15. Movement in Provisions and Reserves		
Provisions		
Opening Balance	3,634,675	-
Provision - Marlborough Health Hub	(380,000)	380,000
Provision - Urgent Care Centre	(175,000)	175,000
Committed Funding Provisions	1,256,606	3,079,675
Total Provisions	4,336,281	3,634,675
Reserves		
Opening Balance	543,491	543,491
Total Reserves	543,491	543,491
Total Movement in Provisions and Reserves	4,879,772	4,178,166
	2020	2019

16. Analysis of Reserves

	2020	2019
Reserves		
Opening Balance	543,491	543,491
Total Reserves	543,491	543,491
Total Analysis of Reserves	543,491	543,491

The Entity is funded collectively from all funds received. The purpose of the trust reserve is to provide a reserve equal to three months operating costs to ensure that should an unexpected event occur the trust can meet its immediate obligations.

	2020	2019
17. Commitments		
Commitments to lease or rent assets		
MDC building lease - current portion	465,750	465,750
MDC - non current portion	3,221,438	4,191,750
Total Commitments to lease or rent assets	3,687,188	4,657,500

Kimi Hauora Wairau Marlborough Primary Health Organisation entered into a lease agreement with the Marlborough District Council for the building situated at 22 Queen Street, Blenheim. The first lease term commenced on the 1st April 2015 for a term of ten years. A variation to the contract amount was issued on 1 June 2017 for another ten years. Two renewal periods offered for period of 5 years each commencing 1 June 2027 and 1 June 2023 and a final expiry date of 31 May 2027.

At balance date there are 83 months remaining in the initial lease term.



18. Contingent Liabilities and Guarantees

There are no contingent liabilities or guarantees as at 30 June 2020 (Last year - nil).

	2020	2019
19. Related Party Transactions		
Receivables		
Marlborough Urgent Care Limited	2,726	4,865
Total Receivables	2,726	4,865
Payables		
Marlborough Urgent Care Limited	81,939	31,327
Total Payables	81,939	31,327
Sales		
Marlborough Urgent Care Limited	83,084	101,291
Total Sales	83,084	101,291
Purchases		
Marlborough Urgent Care Limited	91,043	182,867
Total Purchases	91,043	182,867
Donations		
Marlborough Urgent Care Limited	87,500	50,000
Total Donations	87,500	50,000

Kimi Hauora Wairau Marlborough Primary Health Organisation and Marlborough After Hours GP Services Limited are 50% shareholders in Marlborough Urgent Care Limited.

	2020	2019
20. Key Management Personnel		
PHO Governance Board		
Aggregate Remuneration	32,861	33,992
Number of Board Members	7	8
Clinicla Governance Committee		
Aggregate Remuneration	17,830	19,347
Number of Committee Members	11	11
Senior Management Team		
Aggregate Remuneration	524,802	562,267
Number of FTE Staff Members	5	



21. Events After the Balance Date

The impact of the COVID-19 pandemic is ongoing and while it has been financially positive for the company up to 30 June 2020, it is not practicable to estimate the potential impact, positive or negative, after the reporting date.

The situation is rapidly developing and is dependent on measures imposed by the New Zealand Government and other countries, such as maintaining social distancing, requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

No other matter or circumstances has arisen since 30 June 2020 that has significantly affected, or may significantly affect the company's operations, the result of those operations, or the company's state of affairs in the future financial years.

(Last year - nil).

22. Ability to Continue Operating

The entity will continue to operate for the foreseeable future.

23. Comparatives

There have been a number of prior period comparatives which have been reclassified to make disclosure consistent with the current year.



INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Kimi Hauora Wairau Marlborough Primary Health Organisation

Opinion

We have audited the financial statements of Kimi Hauora Wairau Marlborough Primary Health Organisation (the Charity) on pages 5 to 20, which comprise the statement of financial position as at 30 June 2020, and the statement of comprehensive revenue and expense, statement of changes in net assets/equity 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 Charity as at 30 June 2020, 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 Charity in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* 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 Charity.

Information Other Than the Financial Statements and Auditor's Report

The Trustees are responsible for the other information. The other information comprises the information included in the Entity information on pages 3 and 4 but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements, 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, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Emphasis of Matter

Without modifying our opinion, we draw attention to the disclosure about the impact of COVID-19 on the company as set out in note 21 to the financial statements.

Responsibilities of the Trustees for the Financial Statements

The Trustees are responsible on behalf of the entity for the preparation and fair presentation of the financial statements in accordance with Public Benefit Entity Standards Reduced Disclosure Regime issued by the New Zealand Accounting Standards Board, 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 for assessing the Charity'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 Charity 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 Charity'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 Charity'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 Charity 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.

Restriction on Use

This report is made solely to the company's shareholders, as a body. Our audit has been undertaken so that we might state to the company's shareholders those matters 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 company and the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.



Crowe New Zealand Audit Partnership
CHARTERED ACCOUNTANTS

Dated at Nelson this 22nd day of September 2020