



# ANNUAL REPORT

Whangaroa Health Services Trust  
For the Year Ended June 2022



## Chair Report

The 2021-2022 year saw significant changes in personnel.

Two yearly elections were held in October 2021 and these saw four new Trustees elected to the Trust Board. Edward Beattie retained his position as Māori representative in this election but subsequently resigned.

Kevin Clark, previous General Manager, resigned in April 2022 and, after a recruitment process, the Board was pleased to appoint Judy McHardy to that position. Judy had been employed as the Wellness Manager in the organisation and, as well as bringing extensive experience in health management to the Trust, she has lived in the area for most of her working life so knows, understands and empathises with the community we serve.

The previous Rural Health contract with the Northland DHB expired in June and was renewed by Te Whatu Ora along with the contract for the provision of residential care for the elderly – Kauri Lodge.

As you will see from the Financial Statements, The Trust has made a significant surplus in the 2021-2022 year. Through good management, the finances of the organisation have improved significantly over the last four years. The substantial cash reserves have – intentionally – been built up to enable deferred maintenance, refurbishments and developments to the property to be financed.

\$89k was spent during the year on replacement plant, equipment and furniture as well as \$261k (\$142k more than the previous year) on repairs and maintenance.

The Trust still has a wish list of extending Kauri Lodge.

As in the rest of the country, the major challenge for the Trust in the 2021-2022 year was the COVID19 pandemic. This was made especially challenging for the provision of health services with the government's vaccination mandates which saw some of the long standing staff of the Trust having to resign from their positions and exacerbated even more the difficulties experienced in maintaining safe staffing levels. The Trust Board was very pleased that the staff managed to maintain the COVID protocols established and kept COVID out of Kauri Lodge for the entire 2021-2022 year although most of the staff contracted it during the year.

Nga Mihi Nui



Sue Brown

Chair

Whangaroa Health Services Trust



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# Directory

## Whangaroa Health Services Trust For the year ended 30 June 2022

### Nature of Business

Health and Residential Care Services

### Physical Address and Website

180 Omaunu Road, RD2, Kaeo,  
Northland, 0479.  
Ph. (09) 405 0649  
[www.whangaroahealth.co.nz](http://www.whangaroahealth.co.nz)

### Trust Formation Date

6th December 1996

### Trustee

Sue Brown (Chair)

Edward Beattie (resigned Feb 2022)

Jim Baker

Geoff Hazelden (resigned Dec 2021)

Ruth Heta (appointed Dec 2021)

Hannah Hunter (appointed Dec 2021)

Maggie Rudolph (Deputy Chair)

Grant Lane (resigned Dec 2021)

Dean Phare (resigned Dec 2021)

Lorreen Broughton (resigned Dec 2021)

Bree Davis (appointed Dec 2021)

Korey Atama (appointed Dec 2021)

### Chief Executive Officer

Kevin Clark - General Manager until May 2022

Judy McHardy - Acting General Manager from May 2022

### Accountants

Admin & Accounting Solutions Limited,  
6b Mansels Road, Greerton,  
Tauranga, 3112.

### Bankers

ASB Bank, Kerikeri

### IRD Number

66-853-144

### Charities Registration Number

CC31930

# Approval of Financial Report

Whangaroa Health Services Trust  
For the year ended 30 June 2022

The Trustees and CEO are pleased to present the approved financial report including the historical financial statements of Whangaroa Health Services Trust for year ended 30 June 2022.

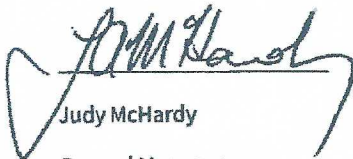
APPROVED



Sue Brown

Chairperson

Date 23/12/2022



Judy McHardy

General Manager

Date 23/12/2022

# Statement of Comprehensive Revenue and Expenses

Whangaroa Health Services Trust  
For the year ended 30 June 2022

	NOTES	2022	2021
<b>Revenue</b>			
Primary Care	5	1,498,166	1,497,444
Rural Health	5	162	2,730
Elderly Care	5	1,761,753	1,519,067
Other Income	5	158,953	177,300
Interest	5	8,238	75
<b>Total Revenue</b>		<b>3,427,271</b>	<b>3,196,616</b>
<b>Expenses</b>			
Staffing Costs	6	2,142,445	2,002,574
Rural Health	6	113,501	98,424
Clinical Expenses	6	113,295	133,574
Consumables	6	108,192	104,696
Cleaning and Laundry	6	33,726	31,686
Occupancy Expenses	6	155,775	168,520
Repairs and Maintenance	6	261,312	119,024
Administration	6	120,875	144,238
Professional Fees	6	42,776	71,659
Trustee Expenses	6	18,181	20,990
Interest	6	1,295	1,427
Other Expenses	6	152,826	93,976
<b>Total Expenses</b>		<b>3,264,199</b>	<b>2,990,787</b>
<b>SURPLUS (DEFICIT) for the Year</b>		<b>163,073</b>	<b>205,829</b>
<b>Revenue from non-exchange transactions</b>			
Donations received	7	5,848	5,869
Grants Received	7	154,306	29,239
<b>Total Revenue from non-exchange transactions</b>		<b>160,154</b>	<b>35,108</b>
<b>Total comprehensive revenue and expenses</b>		<b>323,226</b>	<b>240,938</b>



# Statement of Changes in Net Assets

Whangaroa Health Services Trust  
For the year ended 30 June 2022

	2022	2021
<b>Net Assets</b>		
General Funds at the beginning of the Year	3,650,098	3,409,160
<b>Increases</b>		
Current Year Earnings	323,226	240,938
<b>Other Increases</b>		
Asset Revaluation Reserve	-	-
Total Other Increases	-	-
<b>Total Increases</b>	<b>323,226</b>	<b>240,938</b>
General Funds at the End of the Year	3,973,325	3,650,098

These financial statements are to be read in conjunction with the accompanying Notes. These statements have been audited.





# Statement of Financial Position

## Whangaroa Health Services Trust

As at 30 June 2022

	NOTES	2022	2021
<b>Assets</b>			
<b>Current Assets</b>			
Bank accounts and cash	8	1,593,648	1,249,016
Debtors and prepayments		122,882	152,584
<b>Total Current Assets</b>		<b>1,716,529</b>	<b>1,401,600</b>
<b>Total Assets</b>		<b>1,716,529</b>	<b>1,401,600</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Creditors and accrued expenses		126,641	110,260
GST Payable		49,275	57,927
Provisions	9	180,816	164,380
Employee costs payable		24,799	17,146
<b>Other Current Liabilities</b>			
Insurance Loan		8,345	4,365
Suspense		-	747
ASB Credit card '6572'- Office		17	17
<b>Total Other Current Liabilities</b>		<b>8,362</b>	<b>5,130</b>
Unexpired Contracts & Grants		79,560	154,616
<b>Total Current Liabilities</b>		<b>469,453</b>	<b>509,459</b>
<b>Total Liabilities</b>		<b>469,453</b>	<b>509,459</b>
<b>Working Capital</b>		<b>1,247,076</b>	<b>892,141</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment		2,698,999	2,732,682
WIP – New Building Preliminary Costs		27,250	25,275
<b>Net Assets</b>		<b>3,973,325</b>	<b>3,650,098</b>
<b>Trust Equity</b>			
<b>Trust Equity</b>			
Retained earnings/Accumulated funds		2,611,986	2,371,049
Current Year Earnings		323,226	240,938
<b>Total Trust Equity</b>		<b>2,935,213</b>	<b>2,611,986</b>
<b>Reserves</b>			
Asset Revaluation Reserve		1,038,112	1,038,112
<b>Total Reserves</b>		<b>1,038,112</b>	<b>1,038,112</b>
<b>Total Trust Equity</b>		<b>3,973,325</b>	<b>3,650,098</b>

# Statement of Cash Flows

## Whangaroa Health Services Trust For the year ended 30 June 2022

	NOTES	2022	2021
<b>Cash Flows from Operating Activities</b>			
<b>Cash was received from:</b>			
Receipts from non-exchange transactions		155,754	35,108
Receipts from exchange transactions		3,349,586	3,296,701
<b>Total Cash was received from:</b>		<b>3,505,340</b>	<b>3,331,809</b>
<b>Goods and Services Tax (Net)</b>			
Goods and Services Tax (Net)		4,940	(10,163)
<b>Cash was applied to:</b>			
Payments to Suppliers		967,836	881,040
Payments to Employees		2,046,162	1,961,164
Interest Paid		1,295	144
<b>Total Cash was applied to:</b>		<b>3,015,293</b>	<b>2,842,348</b>
Net Cash Flows from Operating Activities		485,107	499,624
	NOTES	2022	2021
<b>Cash Flows from Investing Activities</b>			
<b>Cash was received from:</b>			
Interest Received		8,238	75
Sale of property, plant and equipment		1	10,239
<b>Cash was applied to:</b>			
Purchase of property, plant and equipment		149,534	157,567
Net Cash Flows from Investing Activities		(141,295)	(147,253)
	NOTES	2022	2021
<b>Cash Flows from Financial Activities</b>			
<b>Cash was applied to:</b>			
Finance Lease		-	-
Net Cash Flows from Financial Activities		-	-
	NOTES	2022	2021
<b>Cash Movement</b>			
Net Increase in Cash Held		344,632	352,371
Cash at the Beginning of the Year		1,249,016	896,645
<b>Cash at the End of the Year</b>		<b>1,593,648</b>	<b>1,249,016</b>
	NOTES	2022	2021
<b>This is represented by:</b>			
Cash & Bank Balances		1,592,828	1,249,016

These financial statements are to be read in conjunction with the accompanying Notes. These statements have been audited.



# Depreciation Schedule

## Whangaroa Health Services Trust For the year ended 30 June 2022

### Property, Plant & Equipment 2022

Asset Type	Cost	Depreciation charged	Accumulated Depreciation	Closing Book Value
Buildings	1,881,644	57,652	1,159,566	722,078
Buildings at Valuation	1,500,375	22,506	498,533	1,001,842
Community Nurse - Equipments	344	5	322	22
Community Garden - Furniture & Structures	3,191	273	338	2,853
Flat - Plant & Furniture	16,766	1,758	9,927	6,839
Health Centre & Admin - Equipment (incl Vehicles)	135,342	17,476	55,785	78,810
Houses - Plant & Furniture	40,600	2,208	24,444	9,416
Kauri Lodge - Equipments	54,609	7,034	25,346	28,704
Kitchen & Laundry - Equipments	40,820	1,861	23,554	17,266
Land	81,379			81,379
Land at Valuation	671,621			671,621
On The Waterfront - Equipment	2,630	36	2,521	109
Property - Equipment (incl Vehicles)	156,343	6,488	100,019	37,657
Ward - Equipment (incl Vehicles)	163,914	4,068	123,828	40,085
X-Ray - Equipment	9,500	106	9,182	318
<b>Total</b>	<b>4,759,079</b>	<b>121,471</b>	<b>2,033,365</b>	<b>2,698,999</b>

### Reconciliation of the carrying amount at the beginning and end of the period

	Land at Cost	Land At Valuation	Buildings at Cost	Buildings at Valuation	Medical & Ward Equipment	Other Equipment & Furniture	Total
Opening Balance	81,379	671,621	779,731	1,024,347	105,385	70,219	2,732,682
Additions					72,158	16,977	89,134
Revaluations							
Disposals					914	433	1,347
Depreciation			57,652	22,506	28,689	12,624	121,471
	<b>81,379</b>	<b>671,621</b>	<b>722,079</b>	<b>1,001,842</b>	<b>147,939</b>	<b>74,139</b>	<b>2,698,999</b>



### Restriction of Title

The Trust purchased the hospital land and buildings in April 1999. The land (\$81,739) is subject to claim by the Waitangi Tribunal under the Treaty of Waitangi Act 1975. A Memorandum of Encumbrance has been entered into with the Crown in respect of the property at Omaunu Road, Kaeo. This memorandum stipulates that the Trust must not cease to use the land for the provision of health or disability services without obtaining the Crown's prior written consent, and the Trust may not sell the land without first offering it to the Crown for first right of refusal and to local Maori claimants for the second right of refusal.

### Property, Plant & Equipment 2020

Asset Type	Cost	Depreciation charged	Accumulated Depreciation	Closing Book Value
Buildings	1,881,644	55,918	1,101,914	779,731
Buildings at Valuation	1,500,375		476,028	1,024,347
Community Nurse - Equipment	344	6	317	27
Community Garden Furniture	1,217	65	65	1,152
Flat - Plant & Furniture	16,332	1,075	8,169	8,163
Health Centre & Admin - Equipment (incl Vehicles)	99,772	18,371	38,651	33,019
Houses - Plant & Furniture	44,244	1,238	28,601	12,000
Kauri Lodge - Equipment	57,199	4,089	18,362	27,761
Kitchen & Laundry - Equipment	27,341	1,331	21,693	5,648
Land	81,379			81,379
Land at Valuation	671,621			671,621
On The Waterfront - Equipment	2,630	48	2,485	145
Property - Equipment (incl Vehicles)	157,031	6,047	112,142	43,111
Ward - Equipment (incl Vehicles)	179,211	4,521	119,760	44,153
X-Ray - Equipment	9,500	141	9,076	424
<b>Total</b>	<b>4,729,842</b>	<b>92,851</b>	<b>1,937,263</b>	<b>2,732,682</b>

These financial statements are to be read in conjunction with the accompanying Notes. These statements have been audited.



# Notes to and forming part of the Financial Statements

## Whangaroa Health Services Trust For the year ended 30 June 2022

### 1. Financial Reporting Act 2013

These Financial Statements are prepared in accordance with the requirements of the Trust, Health Funding Authority and the Financial Reporting Act 2013.

### 2. Introduction to the Trust

Whangaroa Health Services Trust is a Charitable Trust, registered under the Charitable Trusts Act 1957. It was incorporated on, 6th December 1996. Certain expenses in relation to the establishing of the Trust were incurred prior to actual commencement of operations.

In Managing and reporting on its operations the Trust seeks to focus its activities on the delivery of rural health services, rest home and geriatric long stay services to the Whangaroa Community.

### 3. Statement of Accounting Policies

#### General Accounting Policies

The general accounting principles recognised as appropriate for the measurement and reporting of results, cash flows, and financial position on an historic cost basis have been followed in the preparation of these financial statements.

#### Financial Reporting Standards Applied

The financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand, applying PBE Accounting Standards (PBE IPSAS) Reduced Disclosure Regime as appropriate to public benefit entities that qualify for Tier 2 reporting. The Trust is considered a Public Benefit Entity as it meets the criteria specified as "having a primary objective to provide goods and/or services for community or social benefit and where any equity has been provided with a view to supporting that primary objective rather than for financial return to equity holders".

#### PBE Accounting Standards Reduced Disclosure Regime

The Trust qualifies for Tier 2 as the Trust is not publicly accountable and is not considered large as it falls below the expenditure threshold of \$30 million per year. All relevant reduced disclosure concessions have been taken.

The Trust manages its capital requirements with a capital plan as part of the annual business plan approved by the board. The financial statements were authorised for issue by the Chair of the Trust.

The Trust's capital is its equity, which comprises equity funds. The Trust manages its revenues, expenses, assets, liabilities and general financial dealings prudently. The Trust's objective in managing the equity is to ensure the Trust effectively achieves its goals and objectives, whilst maintaining strong capital base. The Whangaroa Health Services Trust policies in respect of capital management are reviewed regularly by the Trustees.

There have been no material changes in the Trust's management of capital during the year.

Accounts are presented in NZ dollars, and rounded to the nearest dollar. The Performance Report is prepared under the assumption that the entity will continue to operate in the foreseeable future.

#### 4. Particular Accounting Policies

The following specific accounting policies which materially affect the measurement of the surplus (or deficit) and of the financial position have been applied:

##### (i) Revenue

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Trust and revenue can be reliably measured. Revenue is measured at the fair value of the consideration received. The following specific recognition criteria must be met before revenue is recognised.

##### Revenue from non-exchange transactions

###### *Donations*

Donations are recognised as revenue upon receipt and include donations from the general public, donations received for specific programme or services or donations in-kind. Donations in-kind include donations received for services, food, clothing, furniture and volunteer time and is recognised in revenue and expense when the service or good is received. Donations in-kind are measured at their fair value as at the date of acquisition, ascertained by reference to the expected cost that would be otherwise incurred by the trust.

Services in-kind including volunteer time has been recorded where possible but has not been given a financial value in these financial statements.

###### *Grant Revenue*

Grant Revenue includes grants given by other charitable organisations, philanthropic organisations and businesses. Grant revenue is recognised when the conditions attached to the grant have been complied with. Where there are unfulfilled conditions attached to the grant, the amount relating to the unfulfilled condition is recognised as a liability and released to revenue as the condition is fulfilled.

###### *Legacies and bequests*

Revenue from legacies and estates that satisfies the definition of an asset is recognised as revenue when it is probable that future economic benefits or service potential will flow to the entity, and the fair value can be measured reliably.

##### Revenue from exchange transactions

###### *Government and other service contracts revenue*

Revenue from government and other service contracts relates to income received from Ministry of Health, Northland DHB, Mahitahi Hauora and other health organisations and is provided as funding for services the Trust provides relating to the delivery of integrated health services to the trust community. Revenue is recognised in the period the services are provided.

###### *Interest Revenue*

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

###### *Rental Revenue*

Rental Revenue is recognised as it accrues.

##### (ii) Financial Instruments

Revenue is recognised to the extent that is probable that the economic benefit will flow to the Trust and to the contractual provisions of the financial instruments.

The Trust derecognises a financial asset or, where applicable, a part of a financial asset or part of a group of similar financial assets when the rights to receive cash flows from the asset have expired or are waived, or the Trust has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party; and either;

- the Trust has transferred substantially all the risks and rewards of the assets; or



- the Trust has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

### **Financial Assets**

Financial assets within the scope of NFP PBE IPSAS 29 Financial Instruments: Recognition and Measurement are classified as financial assets at fair value through surplus or deficit, loans, and receivables, held-to-maturity investments or available-for-sale financial assets. The classifications of the financial assets are determined at initial recognition.

The category determines subsequent measurement and whether any resulting income and expenses is recognised in surplus or deficit or in other comprehensive revenue and expenses. The Trust's financial assets are classified as financial assets at fair value through surplus or deficit, loans, and receivables or as available for sale of financial assets. The Trust's financial assets include loans and receivables. All financial assets except for those at fair value through surplus or deficit are subject to review for impairment at least once each reporting date. Financial assets are impaired when there is any objective evidence that a financial asset or group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described below.

#### *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determined payments that are not quoted in an active market. After initial recognition, these are measured at amortised cost using the effective interest method, less any allowance for impairment. The Trust's cash and cash equivalents, receivables from exchange transactions and receivables from non-exchange transactions fall into this category of financial instruments.

#### *Impairments of Financial Assets*

The Trust assesses at the end of each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or group of financial assets is impaired and impairment losses are incurred if there is objective evidence of impairment as a result of one or more events that occurred after the original recognition of the assets (a "loss event") and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated.

For financial assets carried at amortised cost, if there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the assets carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The amount of the loss is recognised in the surplus or deficit for the reporting period.

In determining whether there is any objective evidence of impairment, the Trust first assesses whether there are objective evidence of impairment for financial assets that are individually significant, and individually or collectively significant for financial assets that are not individually significant. If the Trust determines that there is no objective evidence of impairment for an individually assessed financial asset, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment for impairment.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed by adjusting the amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate. If the reversal results in the carrying amount exceeding its amortised cost, the amount of the reversal is recognised in surplus or deficit.

### **Financial Liabilities**

The Trust's financial liabilities include trade and other creditors, and employee entitlements. All financial liabilities are initially recognised at fair value and are measured subsequently at amortised cost using the effective interest method.

### **Categories of financial assets and liabilities**

The carrying amounts of financial instruments presented in the statement of comprehensive revenue and expenditure relate to the following categories of assets and liabilities:



	2022	2021
<b>Categories of financial assets and liabilities</b>		
<b>Financial Assets</b>		
Cash and Cash Equivalents	1,593,648	1,249,016
Receivables from exchange transactions	122,882	152,584
<b>Financial Liabilities</b>		
Trade and other Creditors	126,641	110,260
Employee entitlements	205,615	181,526
Other liabilities	8,362	5,130

**(iii) GST**

These financial statements have been prepared exclusive of GST, except for Debtors (Accounts Receivable) and Creditors (Accounts Payable) which are GST inclusive. Any GST outstanding at balance date is shown in the appropriate section of the Statements of Financial Position.

**(iv) Property, Plant & Equipment**

Property, plant & equipment are valued at cost to the Trust. Land and Buildings have been revalued to the most recent Quotable Value of 1 August 2019, plus improvements since that valuation. All other items are valued at cost less accumulated depreciation.

**(v) Depreciation**

Property, plant & equipment:

Buildings are depreciated on a straight line basis. All other items are depreciated on the diminishing value at rates calculated to allocate the value of the fixed assets less estimated residual value over their expected useful lives.

Estimated Economic Lives are:

Buildings	33	years
Plant and Equipment	2 - 10	years
Motor Vehicles	3 - 5	years
Office Furniture and Equipment	3 - 10	years
Computers	2 - 5	years
Computer Software	2 - 5	years

**(vi) Inventories**

Inventories are valued at the lower of cost or net realisable value. Cost is determined on a first in, first out basis.

**(vii) Accounts Receivable**

Accounts receivable are stated at estimated realisable value.

**(viii) Employment Emoluments**

The liability of the Trust in respect of the balance outstanding of Alternative Leave and Annual Leave as at 30 June 2022, including that taken over from Northland Health Ltd at 19 December 1996, has been accrued in these financial statements.





**(ix) Taxation**

The Trust is exempt from Income tax as per sections CW41 and CW42 of the Income Tax Act 2007, as it is a Charitable Trust.

**(x) Leases**

Operating lease payments, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item are included in the determination of the operating result in equal installments over the lease term.

Finance lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term on an effective interest basis.

Whangaroa Health Services Trust has a lease for 'The Pa' building which commenced September 2016 through to September 2019 with one right of renewal for a further three years to September 2022.

**(xi) Statement of Cash Flows**

For reporting purposes, items considered to be cash include coins, notes, demand deposits, or highly liquid investments for which there is a recognised ready market which are unconditionally convertible to coins and notes at the investor's option within no more than two working days, and which the entity regards as part of its cash management.

Cash also includes borrowings from financial institutions, such as bank overdrafts that are integral to the daily cash management function and which are at the call.

Cash does not include debtors, creditors or any borrowing subject to a term facility.

Investing Activities are those activities that relates to the acquisition, holding and disposal of fixed assets and investments. Investments can include securities not falling within the definition of cash. Financing Activities are those activities that result in changes in the size and composition of the capital structure of the Trust.

Operating Activities include all transactions and other events that are not investing or financing activities. Interest received and interest paid are included in operating activities.

**(xii) Changes in Accounting Policies**

There have been no changes in Accounting Policies. All policies have been applied on bases consistent with those used in the previous year.

	2022	2021
<b>5. Analysis of Revenue</b>		
<b>Primary Care</b>		
Patient Fees - ACC	-	(722)
Rural Health Centre Contract	1,498,166	1,498,166
<b>Total Primary Care</b>	<b>1,498,166</b>	<b>1,497,444</b>
<b>Rural Health</b>		
ACC - Physio (RHCC)	162	2,730
<b>Total Rural Health</b>	<b>162</b>	<b>2,730</b>
<b>Elderly Care</b>		
Carer Support	2,269	3,795
Continual Care (Long Stay)	1,113,015	664,862
Day Care - RH	-	296
Respite - HL	9,734	13,115
Respite - RH	5,686	4,156

	2022	2021
Rest Home (Elderly)	631,050	832,844
<b>Total Elderly Care</b>	<b>1,761,753</b>	<b>1,519,067</b>
<b>Other Income</b>		
Bad Debt Recovered	-	790
Covid-19 Business Sustainability	-	3,323
Depreciation Recovered	-	5,052
Other Income	2,759	-
Rent Received	155,976	167,474
Sundry Income - The Pa	217	662
<b>Total Other Income</b>	<b>158,953</b>	<b>177,300</b>
<b>Interest</b>		
Interest Received	8,238	75
<b>Total Interest</b>	<b>8,238</b>	<b>75</b>
	2022	2021

## 6. Analysis of Expenses

	2022	2021
<b>Staffing Costs</b>		
ACC	24,802	46,362
Kiwisaver	45,471	42,942
Leave Accruals	16,436	6,461
Salaries and Wages	2,040,528	1,890,312
Staff Development	5,319	8,330
Travel and Accommodation	4,580	2,057
Uniforms	5,309	6,109
<b>Total Staffing Costs</b>	<b>2,142,445</b>	<b>2,002,574</b>
<b>Rural Health</b>		
Wellness	934	-
Wellness Centre	220	-
Project Manager Costs	13,923	-
Zero Co-Payment	98,424	98,424
<b>Total Rural Health</b>	<b>113,501</b>	<b>98,424</b>
<b>Clinical Expenses</b>		
Clinical Supplies	15,755	25,002
Contract Health Professionals	323	21,660
Contract Physio Services	48,824	50,456
Diversional Therapy	1,409	806
Doctors Visits	7,360	-
Gases	3,314	3,086
Incontinence Supplies	21,807	19,293
Oral Health Expenses	-	197
Pharmaceutical Supplies	11,929	9,789

	2022	2021
St John's	2,574	3,286
<b>Total Clinical Expenses</b>	<b>113,295</b>	<b>133,574</b>
<b>Consumables</b>		
COVID Expenses	1,382	207
Groceries and Supplies	106,566	103,484
Residents Sundry Expenses	243	1,006
<b>Total Consumables</b>	<b>108,192</b>	<b>104,696</b>
<b>Cleaning and Laundry</b>		
Contract Cleaners	-	1,513
Cleaning Supplies	23,043	19,635
Waste and Rubbish	10,683	10,538
<b>Total Cleaning and Laundry</b>	<b>33,726</b>	<b>31,686</b>
<b>Occupancy Expenses</b>		
Building Compliance	7,939	16,406
Insurance	19,078	19,694
Leases	20,800	20,800
Light, Heat and Power	87,309	89,967
Rates	19,084	19,374
Security Services	-	1,139
Shipping Container	1,565	1,140
<b>Total Occupancy Expenses</b>	<b>155,775</b>	<b>168,520</b>
<b>Repairs and Maintenance</b>		
Bedding and linen	2,939	-
Building Maintenance	5,495	8,807
Community Garden (Omaunu Rd)	17,599	12,775
Electrical Maintenance	5,755	4,676
Equipment Maintenance	21,454	29,691
Equipment rental	1,108	912
Gardening & Ground Maintenance	22,713	16,633
Generator Maintenance	3,744	3,601
House & Flat Maintenance	3,986	8,330
Low Cost Assets	4,730	7,421
Plumbing Maintenance	818	1,064
Repairs & Maintenance - The Pa	733	2,348
Repairs & Maintenance - Koru Centre	143,838	-
Vehicle Expenses	22,545	11,438
Water Maintenance	3,857	11,330
<b>Total Repairs and Maintenance</b>	<b>261,312</b>	<b>119,024</b>
<b>Administration</b>		
Advertising	4,040	3,081
Bank fees	310	434
Computer Expenses	46,715	34,534
Contract Administration	10,820	54,123

	2022	2021
Freight & Postage	-	216
General expense	4,602	3,120
Office Expenses	6,026	2,723
Printing & Stationery	5,524	5,552
Subscriptions	25,710	22,769
Telephone, Internet & Mobile	17,128	17,685
<b>Total Administration</b>	<b>120,875</b>	<b>144,238</b>
<b>Professional Fees</b>		
Accountancy	-	6,950
Contract Admin and Accounting	34,200	39,985
Audit	7,500	20,400
Legal Fees	1,076	4,324
<b>Total Professional Fees</b>	<b>42,776</b>	<b>71,659</b>
<b>Trustee Expenses</b>		
Trustee Fees and Travel	12,936	14,360
Trustee Expenses	4,280	5,625
Trustee Liability Insurance	964	1,005
<b>Total Trustee Expenses</b>	<b>18,181</b>	<b>20,990</b>
<b>Interest</b>		
Interest	1,295	1,427
<b>Total Interest</b>	<b>1,295</b>	<b>1,427</b>
<b>Other Expenses</b>		
Bad Debts Write-Off	10,542	1,600
Depreciation	121,471	92,851
Doubtful Debt Provision	(15,500)	(10,000)
Loss on Disposal	1,347	6,980
Sundry Expenses	34,967	2,544
<b>Total Other Expenses</b>	<b>152,826</b>	<b>93,976</b>
	2022	2021
<b>7. Revenue from non-exchange transactions</b>		
Donations received	5,848	5,869
<b>Grants Received</b>		
Grant Received - ANZ Staff Foundation	-	10,000
Grant Received - Mahitahi Hauora	5,000	5,000
Grant received - MSD	9,440	5,000
Grant Received - NZ Lottery	118,616	-
Grant Received - Sport Northland	21,250	7,500
Grant Received - Sundry	-	1,739
<b>Total Grants Received</b>	<b>154,306</b>	<b>29,239</b>
<b>Total Revenue from non-exchange transactions</b>	<b>160,154</b>	<b>35,108</b>

	2022	2021
<b>8. Cash &amp; Bank</b>		
The Pa (ASB 03 account)	8	(37)
WHS Business Cheque	1,198,892	354,947
WHS Business Saver	394,747	94,106
Term Deposit	-	800,000
<b>Total Cash &amp; Bank</b>	<b>1,593,648</b>	<b>1,249,016</b>

There is no overdraft facility in place.

	2022	2021
<b>9. Accrued Staff Benefits</b>		
Provision for Holiday Pay	138,184	133,450
Provision for Alternative Leave	42,632	30,931
<b>Total Accrued Staff Benefits</b>	<b>180,816</b>	<b>164,381</b>

## 10. Key Management Personnel

The key management personnel, as defined by PBE IPSAS 20 Related Party Disclosures, are the members of the executive management committee which is comprised of administration management and clinical management (medical and nursing) staff. No remuneration is paid to the members of the Board of Trustees other than honorarium. The aggregate remuneration of key management personnel and the number of individuals, determined on a full time equivalent basis, receiving remuneration is as follows:

	2022	2021
<b>Key Management Personnel Remuneration</b>		
<b>Remuneration</b>		
Administration Management	240,218	195,265
Clinical Management	245,224	207,435
<b>Total Remuneration</b>	<b>485,442</b>	<b>402,700</b>
Number of Key Management (FTE's)	5	4
	2022	2021

## 11. Operating Lease Commitments - The Pa

Not later than one year	5,200	20,800
Later than one year and not later than five years	-	20,800
<b>Total Lease Liabilities</b>	<b>5,200</b>	<b>41,600</b>
	2022	2021

### Classified as:

Current Lease Liabilities	5,200	20,800
Non Current Lease Liabilities	-	20,800
<b>Total Classified as:</b>	<b>5,200</b>	<b>41,600</b>

The Trust has entered into an operating lease agreement for 29 School Gully Road, Kaeo which is used for The Pa. The lease term is 3 years, commencing from 26 September 2016, with one right of renewal of 3 years at 26 September 2019. The final expiry date is 25 September 2022. The annual rent is \$20,800 plus GST. Minimum lease payments payable are shown above.

## 12. Contingent Liabilities

The Trust has no contingent liabilities as at 30 June 2022 (Last year - nil).

## 13. Capital Commitments

The Trust has no capital commitments as at 30 June 2022 (Last year - nil).

## 14. Events Occurring After Balance Date

The COVID-19 outbreak remains a pandemic worldwide. The operations of the organisation were not significantly affected as the services provided are deemed essential services.

There were no other events that have occurred after the balance date that would have a material impact on the Performance Report.

## 15. Related Parties

### 2022:

- a trustee worked as a contractor and received \$10,820 for contracting.
- trustees as a whole received a total of \$11,325 wages for trustee fees
- \$16,042.50 paid to Te Runanga O Whaingaroa. Bree Davis is CE. Maggie Rudolph is Marae Delegate for Te Huia Marae with Te Runanga O Whaingaroa

All employed/contracted in the period under terms and conditions which are no more favourable to them than the Trust would have agreed to had there been no relationship.

### 2021:

Annette Stewart is one of the Key Management personnel of the Trust, her partner (Stephen Rush) was employed as a painter in the period under terms and conditions which are no more favourable to him than the Trust would have agreed to had there been no relationship.

## 16. Segment Information

The Trust operates primarily in one industry, the Health sector, and in one geographic location, Kaeo, Northland.

## INDEPENDENT AUDITOR'S REPORT

To the Trustees of Whangaroa Health Services Trust

### Opinion

We have audited the financial statements of Whangaroa Health Services Trust on pages 3 to 21, which comprise the statement of financial position as at 30 June 2022, and the statement of comprehensive income, statement of changes in 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 Whangaroa Health Services Trust as at 30 June 2022, 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 Whangaroa Health Services Trust in accordance with Professional and Ethical Standard 1 'International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand), 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, Whangaroa Health Services Trust.

### Trustees' Responsibility for the Financial Statements

The Trustees are responsible on behalf of the entity for the preparation and fair presentation of the financial statements in accordance with Tier 2 PBE, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible on behalf of the entity for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the entity 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.



A further description of the auditor's responsibilities for the audit of the financial statements is located at the XRB's website at [www.xrb.govt.nz/standards-for-assurance-practitioners/auditors-responsibilities/audit-report-8/](http://www.xrb.govt.nz/standards-for-assurance-practitioners/auditors-responsibilities/audit-report-8/).

The engagement partner on the audit resulting in this independent auditor's report is Jancy Stott.

Signed:

A handwritten signature in blue ink, appearing to be 'J Stott', written over a faint circular stamp.

PKF Kerikeri Limited  
Kerikeri  
23 December 2022

