

## New Zealand Institute of Rural Health

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Cambridge

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For more information, visit our website:

[www.nzirh.org.nz](http://www.nzirh.org.nz)

## Vision

To promote a healthy future for rural people living in New Zealand and partnering with rural communities to seek to establish a sustainable and effective health system.

## Mission

Partnering with the community to build a healthy rural future.

## Values

- Respect
- Professionalism
- Partnership
- Cultural responsiveness
- Integrity
- Independence



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## THE INSTITUTE ACKNOWLEDGES WITH THANKS THE FOLLOWING SPONSORS:



Joint sponsor in establishing the  
New Zealand Institute of Rural Health



Joint sponsor in establishing the  
New Zealand Institute of Rural Health



Sponsor of the  
New Zealand Institute of Rural Health

UNIVERSITY  
of  
OTAGO



Te Whare Wānanga o Ōtago

Sponsor of the  
New Zealand Institute of Rural Health

# Message from the Chairman and Chief Executive



It is our pleasure to present the July 2011 - June 2012 Annual report for the New Zealand Institute of Rural Health.

Staff this year have moved throughout New Zealand supporting colleagues' through organisation and personal changes as health practitioners and organisations respond to meet identified health targets and goals.



Delivery on the DairyNZ Wellness and Wellbeing contract has continued with some 800 Health PitStop checks being delivered at approximately 30 events. Follow-up of year one 'at risk' farmers has shown some 46% have initiated personal health changes to address identified cardiovascular risk factors.

Work was completed on the third phase of the Rural Indicators project. Phase one saw the development of a set of Rural Health Indicators, which were based on the Australian Institute of Health and Welfare work. In phase two these indicators were compared across 5 District Health Board's with large rural populations comparing health outcomes in the 7 Statistic NZ urban/rural groupings. Phase three identified ten independent urban areas (eg Waihi, Dargaville) and compared the health status of these populations to the total District Health Board population. In this study a clear difference in the health status of the Independent Urban population was found. This material has recently been released and it is hoped that Policy makers, funders and providers will find the information useful in planning services delivery.

The development of the Midland Clinical Plan (by the five Midland District Health Boards) has seen the Institute working closely with colleagues in the region to deliver on targets in the rural action plan. This work will continue through to the new year.

The Waikato District Health Board School Careers programme has moved from strength to strength with secondary school students identifying health as a career option, getting the opportunity to visit clinical sites and learning institutions to interact with health science students and health practitioners. The Grassroots Student Club continues to work closely with the Institute in visiting Waikato Schools and enjoying rural experiences at the Institutes sponsored 'Waikato Weekend'.

Rural Consultancy Services has this year included

- Development of the Waikato Rural Nurse Forums
- The Taumarunui Project which covered workforce development, telemedicine facility development and service modelling.

The Institute continues to contribute to the Health Sector in a tight fiscal environment where the securing of new and additional work is a challenge. The Institute this year failed to achieve a break even position recording a disappointing \$125,837 deficit. A draw down on reserves occurred to support this loss. The focus for the next year is on revenue generation to ensure no further reduction in reserves. The Institute is heading into the new year with adequate reserves to cover the small deficit forecast budget.

During the year Mr Brian Rosseau resigned as Trustee, Brian had been with the Institute since our early days and was one of our strongest supporters. We sincerely thank him for his work for the Institute and wish him well in the future. The Southern District Health Board nominated Mr Karl Metzler CEO Gore Health as Brians replacement.. He brings a passion for rural health and has identified opportunities for the Institute to explore. To all our Trustees through a busy year thank you for your ongoing effects.

Thank you to staff for your efforts and commitment to rural health, our health practitioner colleagues and the Institute.

**David Clarke**  
Chairman

**Robin L Steed**  
Chief Executive Officer

## **Mr David Clarke**



David has significant experience, at both Chair and CEO level, in numerous industries and has a successful track record with companies in the areas of engineering biotechnology, information technology, healthcare, food and related sectors.

David comes from a background in engineering, finance, sales and marketing with significant experience in capital markets, raising both debt and equity. His experience includes successfully growing early stage high-technology companies to maturity and listing, as well as the management of large, high turnover organisations.

David is currently a director of several companies. His recent roles include Chair of Kordia, Deputy Chair of Watercare and Director of Ngai Tahu Tourism, Farm IQ and inaugural Chair of Orion International, now New Zealand's largest software exporter. Prior to this, David was Chief Executive Officer of Counties Manukau District Health Board, a 4,000 person, \$1 billion turnover organisation.

David is a Fellow of the New Zealand Institute of Management, the NZ Institute of Directors and Trustee for several charities. He is also Chair of the Industrial Advisory Group of Engineering Science at the University of Auckland and was a finalist for both New Zealand Business Leader of the Year (2006) and New Zealander of the Year (2002).

## **Mr Karl Metzler (appointed October 2011)**



Karl is currently Chief Executive of Gore Health Limited in Southland. Gore Health employs 100 staff and is responsible for operating a 20 bed hospital, accident and emergency, general practice and dental surgery. Prior to this Karl was based in Auckland as National Workforce Development Manager of Te Pou, National Centre for Research, Information and Workforce Development. Previous to this he was employed by the Southland District Health Board, as a Clinical Psychologist and later as Manager of Community Mental Health. He holds a Postgraduate diploma in Management Studies from the School of Management at Waikato University

## **Ms Ruth Rhodes**



Senior Portfolio Manager in Planning and Funding at Waikato District Health Board, Ruth is the Waikato District Health Board's nominee and took up her position in March 2009. Ruth has extensive experience in health including various nursing roles most latterly in the public health area. She has responsibility for a diverse portfolio of services including oral health, rural health, pharmacy, radiology and laboratory services as well as child health, emergency and after hours services. Her recent national working party involvement has been on the National Pharmacy Group and review of PRIME.

## **Associate Professor Judy Kilpatrick**



Head of School of Nursing Faculty of Medical and Health Sciences at the University of Auckland, Associate Professor Kilpatrick is an experienced nurse and educator and is a past Chairperson of the New Zealand Nursing Council. She is a Board member of the Centre for Evidence Based Nursing for both Counties Manukau and Auckland District Health Boards, an Executive Board member of International Association for Interprofessional Education and Collaborative Practice and a member of the Health Practitioners Disciplinary Board.



#### **Dr John Adams**

Dr Adams is Dean of the Dunedin School of Medicine. He is a University of Otago graduate, subsequently training in psychiatry and working for many years at the Ashburn Clinic in Dunedin where he was appointed Medical Director in 1988. He has had extensive involvement with the NZMA initially as a Council delegate, then Board member and subsequently NZMA Chairman from 2001 to 2003. An understanding of, and an interest in, rural health workforce issues were essential components of this role.

A long term interest in professionalism and ethics led to him being Chair of the NZMA Ethics Committee during the recent review of the NZMA Code of Ethics. As Dean of the Dunedin School, he has taken a vital interest in the further development of the School's undergraduate and post graduate rural programmes. He has been a member of the Medical Council of New Zealand since 2008, and has recently been elected Chair.



#### **Mrs Sherrill Dackers, M.N.Z.M.**

Lives in Whangarei. National President of Rural Women New Zealand, 2004 – 2007, and National Councillor for the Kaurilands Region of Rural Women New Zealand – Pukekawa to Cape Reinga –1999-2004. She spent five years as the Health Convenor during which time she presented the Rural Women New Zealand Rural Health Survey in 2001. Currently Trustee and Chair of the Rural Support Trust – Northland and Chair of the Northland Drought Committee. Also, acts as a layperson on the Nursing Council of New Zealand Competency Review panel. Member of the now defunct Consumer Reference Group for Breastscreen New Zealand and the Cervical Programme and served as a member of the Expert Advisory Committee for the Implementation of the Extension of Breastscreening to the ages 45 to 69 years.



#### **Mrs Kamiria Gosman**

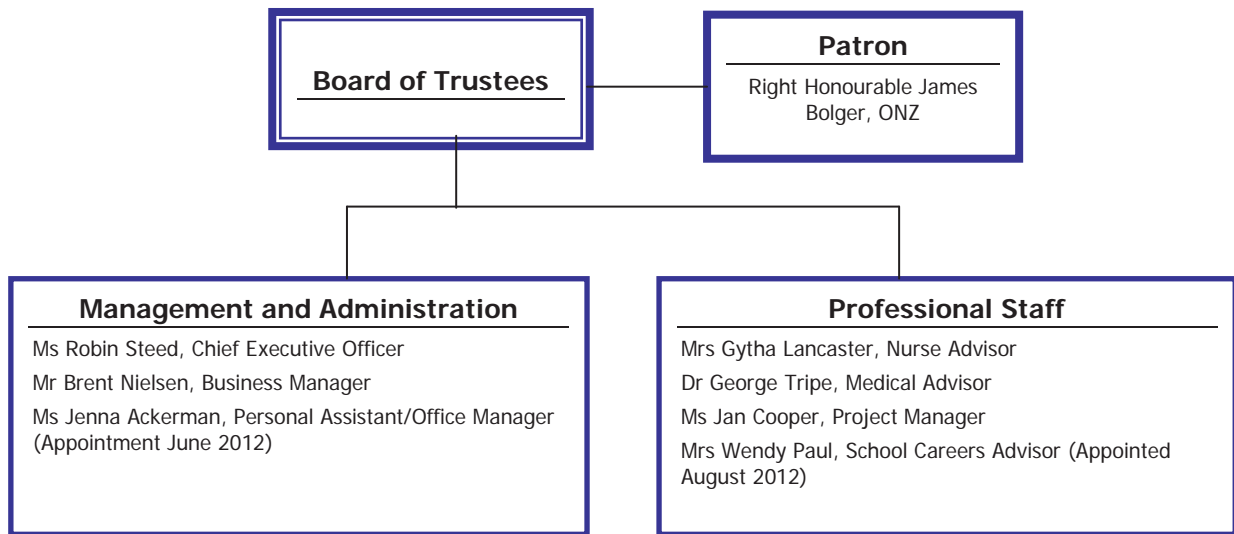
Kim Gosman is of Nga Puhī, Ngati Kahungunu ki Wairoa and Ngati Tautahi descent and has lived in the Central North Island Plateau for 31 years, currently residing in Turangi. Kim resigned in March 2009 as Chief Executive Officer of Tuwharetoa Health Services Limited. Kim has extensive experience and expertise in a range of health services, nursing, midwifery, Child and Family Health, and education. Kim was a Director of Rural Health for the North Island with the Institute of Rural Health, now the New Zealand Institute of Rural Health. Kim is currently an Independent Reviewer for Quality Improvement & Accreditation.



#### **Dr Raina Elley**

Raina Elley is an Associate Professor of General Practice and Primary Health Care at the School of Population Health, University of Auckland. She is also a GP in Auckland and was a rural GP in Te Aroha for 8 years previously. Her research involves lifestyle interventions in primary health care for increasing physical activity, improving diet, reducing cardiovascular risk and improving diabetes management.

# Institute Personnel and Activity



## NEW ZEALAND INSTITUTE OF RURAL HEALTH

### FINANCIAL STATEMENTS for the year ended 30 June 2012

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## NEW ZEALAND INSTITUTE OF RURAL HEALTH

### Statement of Responsibility for the year ended 30 June 2012

The Board of Trustees has pleasure in presenting the annual report of New Zealand Institute of Rural Health, incorporating the financial statements and the auditor's report, for the year ended 30 June 2012.

The Board accepts responsibility for the preparation of the annual financial statements and the judgements used in these statements.

The management (including the Chief Executive Officer and others as directed by the Board) accepts responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of the Institute's financial reporting.

In the opinion of the Board and management, the annual financial statements for the financial year fairly reflect the financial position and operations of the Institute.

The Institute's 2012 financial statements are authorised for issue by the Board Chairperson and Chief Executive Officer.



Chairperson 12/12/12



Chief Executive Officer 12/12/12

## NEW ZEALAND INSTITUTE OF RURAL HEALTH

Directory  
For the year ended 30 June 2012

<b>Entity:</b>	Charitable Trust
<b>Registration Number:</b>	CC23622
<b>Nature of Business:</b>	Supporting the New Zealand rural health sector through initiatives and education
<b>Address:</b>	9 Anzac Street Cambridge 3434
<b>Accountant:</b>	Lynne Wilkins Bizworx Consultancy Limited Chartered Accountants Raglan
<b>Auditor:</b>	Stephen Nelley Anderson Accounting on behalf of the Auditor General
<b>Bankers:</b>	BNZ Hamilton
<b>Solicitors:</b>	Norris Ward Mckinnon Hamilton

## NEW ZEALAND INSTITUTE OF RURAL HEALTH

Directory  
For the year ended 30 June 2012

Name	Position	Term expires
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***Trustees:***

Mr David Clarke	Chairperson	March 2015
Assoc Professor Judy Kilpatrick		July 2016
Mrs Sherrill Dackers		May 2016
Ms Ruth Rhodes		March 2013
Dr John Adams		December 2015
Ms Kim Gosman		October 2013
Dr Raina Elley		June 2015
Mr Karl Metzler		August 2015

***Chief Executive Officer:***

Ms Robin Steed

## NEW ZEALAND INSTITUTE OF RURAL HEALTH

### Statement of Comprehensive Income for the year ended 30 June 2012

	Notes	2012 Actual \$	2012 Budget \$	2,011 Actual \$
<b>Income</b>				
Contracts - District Health Boards		394,942	394,240	470,517
Contracts - Tertiary Institutions		-	-	918
Contracts - Other		448,401	565,400	390,996
Donations & Sponsorship		-	-	0
Interest		18,232	21,600	22,127
Sundry Income		1,852	30,000	5,410
<b>Total Revenue</b>		<b>863,427</b>	<b>1,011,240</b>	<b>889,968</b>
<b>Expenses</b>				
Administration Expenses		61,067	50,700	60,109
Audit Fees		6,550	6,000	5,900
Board of Trustees Remuneration		30,000	30,000	29,000
Contracts - Expenses		307,618	265,249	163,914
Contractors		78,850	-	122,219
Interest		273	-	993
Operating Lease Costs	8	14,628	-	12,490
Professional & Consultancy Fees		10,417	7,000	18,647
Rental		27,850	29,100	29,100
Salaries & Wages		416,876	529,496	382,269
Travel & Accommodation		30,320	48,000	40,878
<b>Total Cash Expenditure</b>		<b>984,449</b>	<b>965,545</b>	<b>865,519</b>
<b>Non-Cash Expenditure</b>				
Depreciation on Fixed Assets	7	4,341	4,800	5,100
Loss on Disposal of Fixed Assets		474	-	737
<b>Total Non-Cash Expenditure</b>		<b>4,815</b>	<b>4,800</b>	<b>5,837</b>
<b>Total Expenses</b>		<b>989,264</b>	<b>970,345</b>	<b>871,356</b>
<b>Net Operating Surplus (Deficit)</b>		<b>( 125,837 )</b>	<b>40,895</b>	<b>18,612</b>
<b>Other Comprehensive Income</b>		<b>-</b>	<b>-</b>	<b>0</b>
<b>Total Comprehensive Income</b>		<b>( 125,837 )</b>	<b>40,895</b>	<b>18,612</b>

The accompanying accounting policies and notes form an integral part of these Financial Statements

## NEW ZEALAND INSTITUTE OF RURAL HEALTH

### Statement of Financial Position as at 30 June 2012

	Notes	2012 Actual \$	2012 Budget \$	2,011 Actual \$
Trust Capital	2	400	400	400
Retained Surplus		237,478	404,210	363,315
<b>Public Equity</b>		<b>237,878</b>	<b>404,610</b>	<b>363,715</b>
<b>Represented by:</b>				
<b>Current Assets</b>				
Cash and Cash Equivalents	3	81,762	508,048	177,471
Investments	4	271,156	-	289,705
Receivables and Prepayments	5	97,269	85,300	85,247
Unexpired Interest	9	-	-	273
<b>Total Current Assets</b>		<b>450,187</b>	<b>593,348</b>	<b>552,696</b>
<b>Current Liabilities</b>				
Accounts Payable	6	189,529	192,500	132,728
Equipment Finance - current portion	9	-	-	3,637
<b>Total Current Liabilities</b>		<b>189,529</b>	<b>192,500</b>	<b>136,365</b>
<b>Net Working Capital</b>		<b>260,658</b>	<b>400,848</b>	<b>416,331</b>
<b>Non-Current Assets</b>				
Property, Plant & Equipment	7	7,809	3,762	8,562
<b>Total Non-Current Assets</b>		<b>7,809</b>	<b>3,762</b>	<b>8,562</b>
<b>Non-Current Liabilities</b>				
Equipment Finance - non-current portion	9	-	-	0
Waikato District Health Board - non-current portion	8	30,589	-	61,178
<b>Total Non-Current Liabilities</b>		<b>30,589</b>	<b>-</b>	<b>61,178</b>
<b>Net Assets</b>		<b>237,878</b>	<b>404,610</b>	<b>363,715</b>

The accompanying accounting policies and notes form an integral part of these Financial Statements



## NEW ZEALAND INSTITUTE OF RURAL HEALTH

### Statement of Movements in Equity for the year ended 30 June 2012

	<i>Notes</i>	<i>2012 Actual \$</i>	<i>2012 Budget \$</i>	<i>2,011 Actual \$</i>
<b>Total Comprehensive Income</b>		( 125,837 )	40,895	18,612
Equity at beginning of year		363,715	363,715	345,103
<b>Equity at end of year</b>		<b>237,878</b>	<b>404,610</b>	<b>363,715</b>
<b>Movements in Equity for the Year</b>		<b>( 125,837 )</b>	<b>40,895</b>	<b>18,612</b>

*The accompanying accounting policies and notes form an integral part of these Financial Statements*

## NEW ZEALAND INSTITUTE OF RURAL HEALTH

### Notes to the Accounts

For the year ended 30 June 2012

#### 1. STATEMENT OF ACCOUNTING POLICIES

##### Reporting Entity

These financial statements are for the New Zealand Institute of Rural Health.

The New Zealand Institute of Rural Health is incorporated under the Charitable Trusts Act 1957. The Institute's financial statements are general purpose financial statements that have been presented in accordance with the Financial Reporting Standards issued by the Institute of Chartered Accountants of New Zealand, and as required by the Trust Deed. New Zealand Equivalents to International Financial Reporting Standards (NZIFRS) as appropriate to public benefit entities that qualify for differential reporting have been applied.

##### General Accounting Policies

The accounting principles recognised as appropriate for the measurement and reporting of financial performance and financial position on a historical cost basis are followed by the New Zealand Institute of Rural Health.

These financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand. For this purpose the Institute has designated itself as a public benefit entity.

The information is presented in New Zealand dollars.

##### Differential Reporting

The Institute qualifies for differential reporting as it is not publicly accountable, and is not large as defined in the Framework for Differential Reporting. The Institute has taken advantage of all available differential reporting exemptions except GST exclusive accounting is used.

##### Specific Accounting Policies

The following specific accounting policies that materially affect the measurement of financial performance and the financial position have been applied:

##### (a) Revenue

Interest and donations are recognised on an accrual basis.

Contract revenue is recognised as revenue when it becomes receivable, unless there is an obligation to return the funds if conditions of the contract are not met. If there is such an obligation the funds are initially recorded as income in advance, and recognised as revenue when conditions of the contract are satisfied.

##### (b) Receivables

Receivables are stated at their estimated realisable value.

##### (c) Investments

Short-term bank deposits are classified as held to maturity. They are measured at amortised cost using the effective interest method, ie interest is accounted for as it is earned.

##### (d) Income Tax

The New Zealand Institute of Rural Health has charitable status and is exempt from income tax.





## NEW ZEALAND INSTITUTE OF RURAL HEALTH

### Notes to the Accounts

For the year ended 30 June 2012

**(e) Goods and Services Tax (GST)**

The financial statements have been prepared on a GST exclusive basis. All transactions have been stated exclusive of Goods and Services Tax with the exception of accounts receivable and accounts payable which are GST inclusive.

**(f) Financial Instruments**

Financial instruments in the statement of financial position include cash balances, receivables and payables.

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

Property, Plant and Equipment are recorded at cost less accumulated depreciation.

**(h) Depreciation**

Depreciation has been calculated to allocate the cost or valuation of assets over their estimated useful lives at the following rates:

Plant and Equipment	22% to 60% DV
Furniture, Fixtures, Fittings	11.4% to 31.2% DV
Domain Name	10% SL

**(i) Budget Figures**

The budget figures are extracted from the New Zealand Institute of Rural Health budget that was approved by the Trustees at the beginning of the year.

**(j) Employee Entitlements – Salary Accruals**

Liabilities for annual leave, sick leave, retiring leave and long-service leave are accrued and recognised in the balance sheet. Annual leave and sick leave are recorded at the undiscounted amount expected to be paid for the entitlement earned. For sick leave this is based on the unused entitlement accumulated at balance date and expected to be utilised in the future. For retiring leave and long-service leave the liability is equal to the present value of the estimated future cash outflows, calculated on an actuarial basis, as a result of employee services provided at balance date.

**(k) Changes in Accounting Policies**

There have been no changes in accounting policies during the year. Policies have been applied on a basis consistent with the previous year.



## NEW ZEALAND INSTITUTE OF RURAL HEALTH

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### Notes to the Accounts for the year ended 30 June 2012

	2012 Actual \$	2011 Actual \$
<b>2 Trust Capital</b>		
Opening Trust Capital Balance	400	400
<i>Capital contributions from new stakeholders:</i>	-	0
Closing Trust Capital Balance	400	400
<b>3 Cash and Cash Equivalents</b>		
BNZ Cheque Account -000	7,916	6,567
BNZ Business Advance Call Account	73,846	57,013
SBS Term Investment @ 4.72% matures 22/09/2011	-	113,891
	<b>81,762</b>	<b>177,471</b>
<b>4 Investments</b>		
SBS Term Investment @ 4.36% matures 15/10/2012	127,027	130,694
SBS Term Investment @ 4.36% matures 12/10/2012	104,110	101,743
SBS Term Investment @ 3.53% matures 27/08/2012	40,019	57,268
	<b>271,156</b>	<b>289,705</b>
<b>5 Receivables &amp; Prepayments</b>		
Accounts Receivable	96,373	81,599
GST Receivable	896	3,298
Prepayments	-	350
	<b>97,269</b>	<b>85,247</b>
<b>6 Accounts Payable</b>		
Accounts Payable	135,191	78,295
Employee Accruals	52,423	53,341
Credit Card Account	1,915	1,092
GST Payable	-	0
	<b>189,529</b>	<b>132,728</b>

### 7 Property, Plant & Equipment

	2012			2011		
	Cost/ Value	Accum Deprn	Book Value	Cost/ Value	Accum Deprn	Book Value
Furniture, Fixtures, Fittings	5775	4031	1744	6115	4230	1885
Plant & Equipment	51023	45104	5919	52412	45949	6463
Domain Name	679	533	146	679	465	214
	<b>57477</b>	<b>49668</b>	<b>7809</b>	<b>59206</b>	<b>50644</b>	<b>8562</b>

#### Depreciation

	2012	2011
Furniture, Fixtures, Fittings	304	340
Plant & Equipment	3,969	4,692
Domain Name	68	68
	<b>4,341</b>	<b>5,100</b>

## NEW ZEALAND INSTITUTE OF RURAL HEALTH

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### Notes to the Accounts for the year ended 30 June 2012

#### 8 Commitments as at 30 June 2012

##### *Operating Lease Commitments*

Lease commitments under non-cancellable operating leases:

	2012	2011
	\$	\$
Not later than one year	40,799	41,079
Later than one year and not later than two years	40,239	40,799
Later than two years	57,991	98,230
	<b>139,029</b>	<b>180,108</b>

The New Zealand Institute of Rural Health has entered into a lease agreement for a property situated at 9 Anzac Avenue, Cambridge, commencing 1 May 2010. The lease has a renewal date of 1 May 2013, with a final expiry on 30 April 2016.

On 16th February 2009 the New Zealand Institute of Rural Health had entered into a rental agreement for a photocopier with Leasing Solutions Limited. The agreement is for 48 months and expires January 2013.

In February 2011 the New Zealand Institute of Rural Health entered into an agreement to lease a motor vehicle through the Waikato District Health Board's arrangement with LeasePlan. The lease is for 48 months, and expires January 2015.

##### *Other Commitments - Waikato District Health Board*

The New Zealand Institute of Rural Health has received funding for a programme to supply Thrombolysis drugs in rural communities. This programme commenced in the year ended 30th June 2003 and continued into the year ended 30th June 2010. The drugs for the Thrombolysis programme were supplied by the Waikato District Health Board, and this cost has been charged to the New Zealand Institute of Rural Health. The balance is to be repaid through six-monthly instalments of \$15,294, with the final payment due 14 June 2014. The term portion of this debt has been treated as a non-current liability.

#### 9 Finance leases

On 21 May 2009, the New Zealand Institute of Rural Health entered into a finance lease with Equipment Finance Limited for the supply and installation of a server. The term of the agreement is for 36 months, and repayments are \$330.64 per month. The last instalment was paid on 28 May 2012.

#### 10 Contingent Losses or Gains as at 30 June 2012

There were no contingent losses or gains outstanding as at 30 June 2012 (30 June 2011: Nil).

#### 11 Related Party Transactions

The Institute has the following stakeholders:

- Waikato District Health Board
- University of Auckland
- Southern District Health Board (formerly Otago District Health Board)
- University of Otago

Each stakeholder is represented on the Board of Trustees

The Chairperson of the New Zealand Institute of Rural Health, David Clarke, is a Director of Cranleigh Merchant Bankers.

### Notes to the Accounts for the year ended 30 June 2012

#### 11 Related Party Transactions (cont'd)

A Trustee of the New Zealand Institute of Rural Health, Brian Rousseau, is Regional Chief Executive Officer of Southern District Health Board

The following related party transactions occurred during the year:

	2012 \$	2011 \$
Revenue received from Waikato District Health Board	394,942	433,985
Payments made to Waikato District Health Board	4,000	(151,139)
Revenue received from Cranleigh Health	-	45,572

#### 12 Board of Trustees Remuneration

Remuneration paid to the Board members	30,000	29,000
Other Expenses	1,065	1,743

*The Board of Trustees fees were apportioned as follows:*

S Dackers	5,000	5,000
D Clarke	20,000	20,000
K Gosman	5,000	4,000
	<b>30,000</b>	<b>29,000</b>

#### 13 Statement of Uncommitted Funds

*Funds held:*

Cash & Investments	352,918	467,176
Receivables & Prepayments	97,269	85,247
	<b>450,187</b>	<b>552,423</b>

*To meet the following commitments*

Accounts Payable	189,529	132,728
Equipment Finance - current portion	-	3,637
Waikato District Health Board - non-current portion	30,589	61,178
	<b>220,118</b>	<b>197,543</b>

<b>Leaving uncommitted / (overcommitted) funds</b>	<b>230,069</b>	<b>354,880</b>
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#### 14 Subsequent Events

There are no matters or events that have arisen, or been discovered, subsequent to balance date that would require adjustment to, or disclosure in these financial statements.



## REPORT TO THE AUDITOR GENERAL

### TO THE READERS OF NEW ZEALAND INSTITUTE OF RURAL HEALTH'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

The Auditor-General is the auditor of New Zealand Institute of Rural Health (the Institute). The Auditor-General has appointed me, Stephen Nelley, using the staff and resources of Anderson Accounting to carry out the audit of the financial statements of the Institute on her behalf.

We have audited the financial statements of the Institute on pages stamped by Anderson Accounting, that comprise the statement of financial position as at 30 June 2012, the statement of comprehensive income, and the statement of changes in equity for the year ended on that date, and the notes to the financial statements that include accounting policies and other explanatory information.

#### Opinion

In our opinion the financial statements of the Institute on pages stamped by Anderson Accounting:

- comply with generally accepted accounting practice in New Zealand; and
- fairly reflect the Institute's:
  - financial position as at 30 June 2012 and
  - financial performance for the year ended on that date.

Our audit was completed on 21 December 2012. This is the date at which our opinion is expressed.

The basis of our opinion is explained below. In addition, we outline the responsibilities of the Board of Trustees and our responsibilities, and we explain our independence.

#### Basis of opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and carry out our audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

Material misstatements are differences or omissions of amounts and disclosures that would affect a reader's overall understanding of the financial statements. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

An audit involves carrying out procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including our assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Institute's preparation of financial statements that fairly reflect the matters to which they relate. We consider internal control 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 Institute's internal control.

An audit also involves evaluating:

- the appropriateness of accounting policies used and whether they have been consistently applied;
- the reasonableness of the significant accounting estimates and judgements made by the Board of Trustees;
- the adequacy of all disclosures in the financial statements; and
- the overall presentation of the financial statements.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements. We have obtained all the information and explanations we have required and we believe we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.





### **Responsibilities of the Board of Trustees**

The Board of Trustees is responsible for preparing financial statements that:

- comply with generally accepted accounting practice in New Zealand; and
- fairly reflect the Institute's financial position and financial performance.

The Board of Trustees is also responsible for such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Board of Trustees' responsibilities arise from the New Zealand Public Health and Disability Act 2000 and the Crown Entities Act 2004.

### **Responsibilities of the Auditor**

We are responsible for expressing an independent opinion on the financial statements and reporting that opinion to you based on our audit. Our responsibility arises from section 15 of the Public Audit Act 2001 and the Crown Entities Act 2004.

### **Independence**

When carrying out the audit, we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the New Zealand Institute of Chartered Accountants.

Other than the audit, we have no relationship with or interests in the Institute.

A handwritten signature in blue ink, appearing to read 'S B Nelley', written over a light blue circular stamp.

**S B NELLEY**  
**ANDERSON ACCOUNTING**  
On behalf of the Auditor-General  
Cambridge, New Zealand