



Annual Report
2015-2016



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Mihi

He maungarongo ki runga te mata o te whenua
He whakaro pai ki ngā tāngata katoa
Arohaina ngā teina me ngā tuākana
E wehi ana ki te Atua Whakahōnoretia te Kīngi Māori o
te Motu!

Kīngi Tuheitia E noho nei i runga i te
ahurewa tapu o ana tipuna tatū mai ki runga tōna Whaea Te
Arikinui Te Atairangikaahu Te Raukura o Te Motu Te Raukura o
Te Ao Katoa, Te Whare Kahui Arikinui.

Paimarire

Ahakoā ngā mano huri atu ki te hamarietanga
Mahue mai ki au kotahi mano, e rima rau rima tekau,
Tekaumārua, ko ahau kei roto ko te Atua tōku piringa
Ka puta ki te whei-ao ki te Ao mārama

Ka tangi taweke ki ngā tōtara haemata o te wao nui a Tane
Koutou kua huri ki tuao te arai, koutou kua
whetūrangitia e nga Rangatira whatukura, e nga
Rangatira Mareikura Nga kai pūpuri te taonga o mate
Ka hiri, ka hiri, ka hiritia I raro o te mana o Matariki
Tēnei a Hāpai Te Hauora Tāpui e tuku aroha, e tuku
Poroporoaki ki a koutou, moe mai i raro ngā
manaakitanga o te Matua Nui I Te Rangi.

Ki a tātou te kanohi ora, e noho nei tātou
Hei urupā mō rātou kua wehe atu ki tua ki Paerau
Tenei te kōkiritia ki runga i te kotahitanga.

Māori Ora Mauri Ora - Tihei Mauri Ora

Whakapapa

In 1996, Hāpai Te Hauora Tapui Ltd (Hapai) was established as a regional provider of Māori public health services in the greater Auckland region. Northern Regional Health Authority entered into negotiations with Te Runanga o Ngāti Whatua; the Tainui Trust Board (who later mandated Raukura Hauora o Tainui to represent the Tainui Trust Board), and Te Whānau o Waipareira Trust Board.

Hāpai was created from a tripartite Memorandum of Understanding between Te Runanga o Ngāti Whatua, Raukura Hauora o Tainui and Te Whānau o Waipareira Trust Board. The subsequent arrangement provided an integrated and collaborative entity that cemented regional Māori public health services in one place for Tāmaki Makaurau.

The entity was tasked to develop and implement a range of culturally appropriate Māori public health programmes. These programmes contribute to improving Māori health status by working with communities to actively address health issues that impact on Māori health and the wellbeing of all New Zealanders.

Hāpai was invited to develop and implement a framework based on Māori health priorities, and to deliver programmes in ways appropriate to Māori audiences. It has done that successfully since its inception in 1996, and has grown in reach to a national provider of advocacy, public health and health promotion to reduce inequalities and advocate the wellbeing of all New Zealanders.

Mission

ORANGA TANGATA
ORANGA WHENUA
HEALTHY LIVES
HEALTHY ENVIRONMENTS



Principles

KOTAHITANGA
WHANAUNGATANGA
RANGATIRATANGA



Vision

ADVANCE MAORI WELLBEING THROUGH
INNOVATION AND LEADERSHIP



Strategic Outcome Goals

THE HĀPAI GOALS ARE THAT MĀORI
POPULATIONS WILL BE:

KO NGĀ WHĀINGA O HĀPAI TE HAUORA MŌ TE IWI MĀORI

Free from preventable health problems

Kia aukati ngā momo ate

Confident as Māori

Kia tū kaha i roto i te ao Māori

Healthy well and secure

Kia hora te orange

Included in their communities

kia ngākau nui i ngā hāpori me ngā hāpori, me ngā kāinga

Members of flourishing whanau

kia puāwai ngā whānau

Living and working in healthy environments

kia noho pai i te ao tūroa



Chairmans Report



This has been another successful year for Hāpai Te Hauora, and I wish to acknowledge the work of the Chief Executive Officer, Lance Norman and the Kaimahi Hou of Hāpai Te Hauora. Hapai are continuing to be the leader in Māori Public Health, and have had a number of successful and positive opportunities to collaborate with Māori and Non-Māori organisations through Aotearoa.

I am pleased to report that Hāpai have had a concentration on expanding their business as usual, winning various contracts in the Information Technology (Website) and Research and Evaluation space.

Hāpai continue to focus on providing high quality infrastructure support to national bodies such as the Gambling Sector and the National Māori Tobacco Control sector, in order to ensure our whānau, hapu and Iwi are benefiting from coordinated and seamless approaches collectively to achieve health equity for all.

National Leadership is a key focus heading into our next financial year, and we hope that with our current and future

collaborative approach to business, we will find ourselves as the National Leaders in Māori Health overall.

Hāpai continue to be committed to our mission of:

**“Oranga Tangata,
Oranga Whenua”
(Healthy lives, healthy
environments).**

The values, principles, quality processes and methodologies of Hāpai Te Hauora are underpinned by the Mauri Ora, Māori Ora Framework (MOMO).

Our values and principles include:

- Manaaki – safe, inclusive and respectful practices
- Mātauranga – the sharing and gaining of knowledge that is useful, timely and relevant
- Tika – integrity
- Pono - transparency
- Aroha – caring for the community
- Tautoko – supporting communities and what's important to them

• Whenua – acknowledging our connection to the environment

• Tangihanga – respect and acknowledgement of the work and people that have come before us.

The MOMO framework values excellence in Māori Public Health, Tobacco Control, Minimisation and Prevention of Gambling Harm, Research and Evaluation and Information Technology, and by generating relevant, useful, accurate and actionable information that can inform and influence public health policy, strategic planning, and improve the quality and success of our whānau, hapu and Iwi, is the pathway to achieve our mission.

We look forward to a challenging, but positive year ahead where Hāpai Te Hauora put themselves out in the public domain as a force to be reckoned with.

Nāku noa, na

Mike Paki
Chairman

Hāpai Te Hauora Tāpui

Chief Executive Officer Report

Hāpai Te Hauora
“The voice of Māori in Public Health”

Hāpai Te Hauora (Hāpai) has continued to expand its leadership role in the Public Health Space, now having three national contracts and three regional contracts. All three national contracts are for everybody in New Zealand highlighting that Māori can lead in the way in health for all communities. Hāpai continues to be the voice of Māori in Public Health on a number of organisations including: New Zealand Health Promotion Forum, Injury Prevention Aotearoa, New Zealand Public Health Association, National Smokefree Coalition, National Smokefree Working Group and the Addictions Practitioners Association Aotearoa – New Zealand, Healthy Families Waitakere and Healthy Auckland Together.

The Hāpai Strategic Plan developed by Sir Professor Mason Durie is well into the implementation mode. The key objective of our Strategic Plan is to achieve Oranga Tangata, Oranga Whenua (Healthy Lifestyles, Healthy Environments), and focuses on Long-Term Outcomes. Essentially, Hāpai plans to target any policy, programme, or initiative that will help Whānau regarding their Health aspect of their lives. In some situations this has required Hāpai to partner up with some significant

organisations to work in collaboration over key health matters. This includes organisations such as the Cancer Society, Mental Health Foundation of New Zealand, NZ Dental Association, NZ Drug Foundation, Plunket New Zealand, and large Universities that have huge research capacity such as Auckland University, Massey University and Otago University. These organisations give us huge leverage with regards to addressing a number of health issues our communities have.

The Collective Impact contract from Te Pou Matakana, the North Island Whānau Ora Commission Agency continues to run well. Hāpai is part of a placed based Collective Impact called Ngā Pou o Te Whare o Waipareira as well as a Tamaki wide Whānau Ora Collective Impact called Te Kāhui Ora o Tāmaki made up of seven Māori providers. Hāpai role is to coordinate the service mapping across the multiple providers based in the Whānau Centre and there is huge alignment between our Collective Impact Common Agenda and our Hāpai Strategic Plan which is to improve health literacy of our Whānau which is generally a huge barrier to accessing services.

Hāpai continues to be funded for the regional contracts for Māori Public Health Leadership and Minimisation and Prevention of Gambling Harm Public Health as well as our national contracts for National Coordination Services for the Minimisation and Prevention of Gambling Harm Sector and National Public Health Workforce Development Services for the Minimisation and Prevention of Gambling Harm Sector. Last year the Ministry of Health reconfigured all Tobacco Control contracts. Hāpai previously held the contract for Māori Tobacco Control Leadership Services was successful for the National Tobacco Control Advocacy Service. This contract effectively replaced six previous national organisations to one lead organisation. The incumbent had held this contract for almost 20 years so we are extremely proud that a Māori organisation is leading the sector in this space, particularly as this harmful product kills almost 5,000 Whānau per annum and Māori have disproportionately high smoking rates.

Nāku noa, na

Lance Norman
Chief Executive Officer
Hāpai Te Hauora Tapui



Māori Ora Mauri Ora

MĀORI ORA MAURI ORA VALUES AND PRINCIPLES WE USE IN OUR EVERYDAY PRACTICE:



Manaaki - All actions are carried out in partnership with communities/whānau and in a manner that ensures communities/whānau safety and respects whānau collective beliefs.

Mātauranga - Ensuring the information given to communities/whānau is correct and current. The knowledge gained is responsive to the needs of communities/whānau.

Tika - Integrity

Pono - Collaborative projects enable transparency between the communities/whānau and Hāpai partners

Aroha - Communities/whānau sit at the forefront of all developing and existing relationships held

Tautoko - Partners understand the directives set out by the communities/whānau.

Whenua - acknowledging the need to enhance the environment, while acknowledging the historical value of the places the community/whānau live and play in.

Tangihanga - Ancient philosophies and beliefs underpin our mahi. The significance of this tohu is used to assess contemporary methods of delivery that impact communities/whānau.

Staff Profiles

LANCE NORMAN

CEO



RANGI MCLEAN
National Cultural
Advisor



SELAH HART
Operations Manager



JASON ALEXANDER
Information
Communication
Technology



WILLIAM CAMERON
Information
Communication
Technology



PAPA NAHI
Māori Public
Health Leadership



ARNIA APPLEBY
Māori Public
Health Leadership



ZOE HAWKE
National Tobacco
Control Leadership



HECTOR KAIWAI
National Tobacco
Control Leadership



MASON NGAWHIKA
National tobacco
Control Leadership



LAYLA LYNDON-TONGA
National
Coordination
Service
Problem Gambling



SUAREE BORELL
Public Health
Workforce
Development
Problem Gambling



KARLY BRETT
Gambling Harm
Infrastructure



ANTHONY HAWKE
Prevention of
Gambling Harm

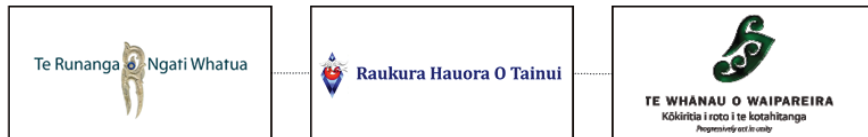


LAETICIA MAHE
Prevention of
Gambling Harm



Māori Public Health Leadership

Yet another productive year for our Māori Public Health Leadership team in 2015-2016, with our Whānau Whānui owners and subcontractors Te Whanau o Waipareira, Raukura Hauora o Tainui and Te Runanga o Ngāti Whatua continuing to navigate public health action, activity and leadership in their communities across Tāmaki Makaurau. We see a continuation of significant outcomes for Māori as a result of our work, proving the role Whānau Whānui have played in health outcomes where needed most.



Our strong relationships in the health and community sector means opportunities to further strengthen Māori public health activities continued to arise often over the year.

We've continued to capitalise on those opportunities and have also put into action the Memorandums of Understanding with Auckland Regional Public Health Services, New Zealand Drug Foundation and Odyssey House Trust, as well as strengthening our relationships with the communities we are tasked to empower.

At the same time at a higher level, we have kept abreast of changes in the public health landscape including some key leadership activities in Well Child, Nutrition and Physical Activity, Alcohol and Other Drug Harm Reduction, and Tobacco Control.

One highlight was the opportunity for Hāpai to attend the UNGASS 2016, the biggest global conversation on drug policy in the last 15 years was run by the United Nations in New York City 19-20 April 2016. A delegation of NZ NGOs joined diplomats, politicians, UN agencies and civil society representatives at the UN General Assembly Special Session.



Another highlight was our 2016 Hui-ā-Tau, held at Te Mahurehure Marae on 2nd June 2016, where we showcased our abilities as a regional collective to achieve significant improvements to the health and well-being of the environments and communities across Tāmaki Makaurau.



To conclude, we pride ourselves on the commitment and dedication of our team and look forward to the coming year.

National Tobacco Control Leadership

This particular service for Hāpai has provided a new and exciting experience over the past 2 years, as we move and navigate into the “new world” for Tobacco Control. In this period, Hapai worked tirelessly to undertake our obligations as the National Māori Tobacco Control Leadership service and have worked to support and prepare the Māori sector through a Ministry of Health stop smoking realignment process. This in turn, ensured that Hāpai were well positioned to secure a single National Tobacco Control Advocacy request for proposal.

As our Te Ara Ha Ora National Māori Tobacco Control contract finishes on the 1st July 2016 it is replaced with the National Tobacco Control Advocacy service, awarded to Hāpai by Associate Minister of Health Sam Lotu-liga which puts us in a place of influence, to provide leadership and advocacy in order to achieve a Smokefree Aotearoa by 2025.

We thank our partners and collaborators, including the Cancer Society of New Zealand, Aspire2025 and Bode3 of the University of Otago, the Northland District Health Board - Public Health Unit, Te Wakahuia Manawatu Trust, and many other sector leaders for the continued support and guidance on this new adventure.

A key highlight of our year has included the work dedicated to Tax Increases that was successfully adopted by the government to increase tax on tobacco products, alongside a number of co-facilitated workshops including a korero on Smokefree Maunga as well as the Auckland Council with guest expert speakers from Australia.



Gambling Harm Infrastructure

NATIONAL COORDINATION SERVICE

Background:

This particular service contract for Hāpai is a sector first, in that the coordination of gambling services has never been held within a Kaupapa Maori organisation before. National Co-ordination of Gambling Harm services is an integral part of the ministry of health infrastructure menu and has been operational for 9 years. Hāpai have held this particular service agreement since 2013 and have appointed an appropriate manager to lead some key initiatives during this time.

Key directives:

The developments in the gambling harm sector have required a strategic and calculated approach to executing the service. Activities that have impacted on the delivery of NCS include, procurement of new services which resulted in an ongoing legal battle between a national provider and the Ministry of Health and radical changes to infrastructure and workforce development.

A reduced budget and certain initiatives no longer mandated by the funder meant that the delivery of the contract specifications demanded a level of creativity and ingenuity. Therefore, during the last 12 months Hāpai have continued to maintain status quo and finalise plans for the various initiatives underway. Since Hāpai undertook to improve the sector by reinventing the landscape one brick at a time, these highlights are detailed below.

NCS Achievements (1 Jul 2015 – 30 Jun 2016):

Transitioned the sector from hardcopy seasonal newsletters (x4 per annum) to the electronic E-News (x12 per annum)

Developed and Established the first online hub for the entire gambling sector. Established a sector wide advisory group for preventing and Minimising Gambling Harm.

Transitioned the sector from one national x3 day conference to regional forums each six months.

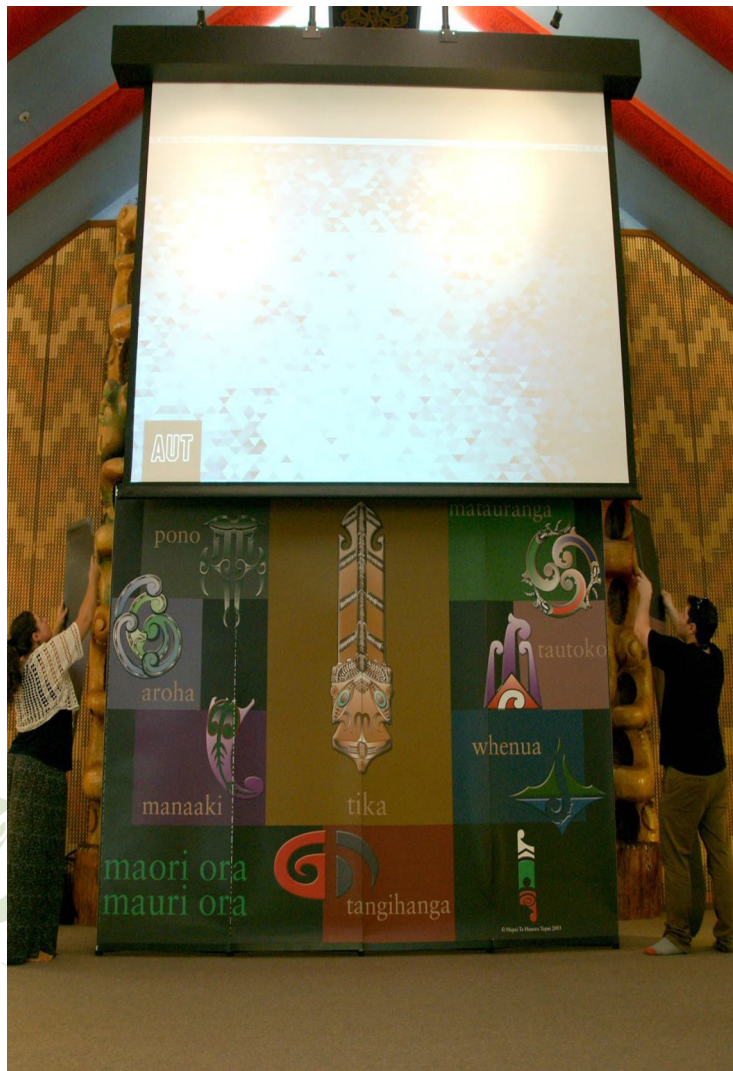
Strengthened the position of National Coordination as the central reference point to the Gambling Harm sector.



Gambling Harm Infrastructure

NATIONAL PUBLIC HEALTH WORKFORCE DEVELOPMENT

Ruia te Kākano hei oranga whānau
Sowing the seeds for collective wellbeing



Te Kākano has recently completed the last report for the three year contract, in the year to date there have been many strengths and challenges which have influenced the design and delivery of the contract. Te Kākano has continued to establish effective working relationships and enable reliable touch points with the sector, to deliver a responsive, interactive and useful public health workforce development platform.

The focus for the last 12 months has included creating the content schedule for hetaumata.co.nz, testing new components of the hub, developing content for the trainings and updating study options in the database. Alongside NCS, and other infrastructure services, the hetaumata.co.nz website is a platform and window to monitor a self-directed training website that can improve public health

training. Te Kākano as expressed in the hub has significant features (modules, real time support, and a database of PH qualifications) that will provide key learnings and strengthened opportunities to connect and layer in key messages for Public Health Gambling Harm Minimisation.

In the last 12 months, the work plan of Te Kākano remained dedicated to enabling Public Health leadership and committed to building meaningful connections and links to the workforce. Going forward Workforce Development of the future needs to work through these challenges and commit to providing high quality user centered options for training and development in Public Health skill sets.

For Te Kākano, this is our challenge, this is our aspiration.



Prevention of Gambling Harm Public Health Service

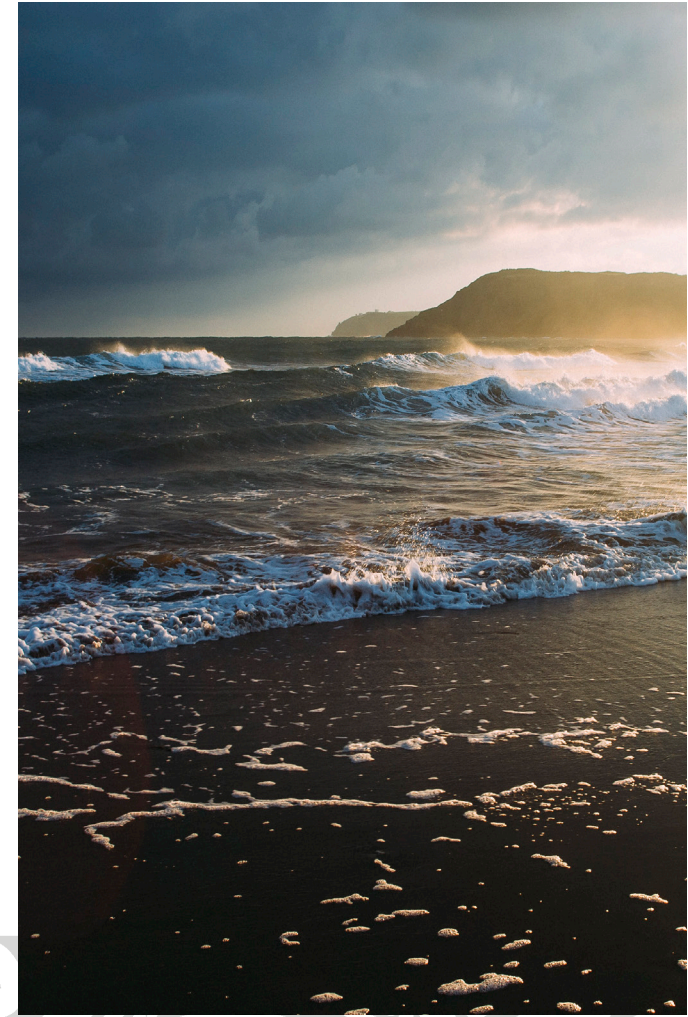
Hāpai continue to explore collaborative, community led projects in an effort to profile the diversity of Māori communities and their advocacy for the prevention of gambling related harm. Our priority areas remain those who will benefit most from building resiliency within their communities. Our focus on widening the connection Māori communities have to our kaupapa continues to evolve. Emphasis has been put on localising prevention projects in neighbourhoods to inform a matrix of community led strategies with our regional partners.

The changing environment of community engagement towards collective impact and social investment suits our contract well and aligns to the empowerment component built into each of our placemaking projects. Giving whānau the ability to advocate on an issue

area such as gambling, has ensured a diversity of prevention measures are captured in consultation.

Of note, was the diversity of feedback given to the review of the Auckland Council TAB and Class 4 Gaming Venue Policy.

Continuing to strengthen our relationships with Iwi and whānau throughout the region, has helped the promotion of our 'Alternatives to pokie funding database'. As we move more towards supporting the strategic view of some of our smaller community groups, we are met with a need to build leadership, governance and process capacity. This has widened our core group of stakeholder relationships. The outcome of the mahi carried out within these activities will become apparent in the coming months.

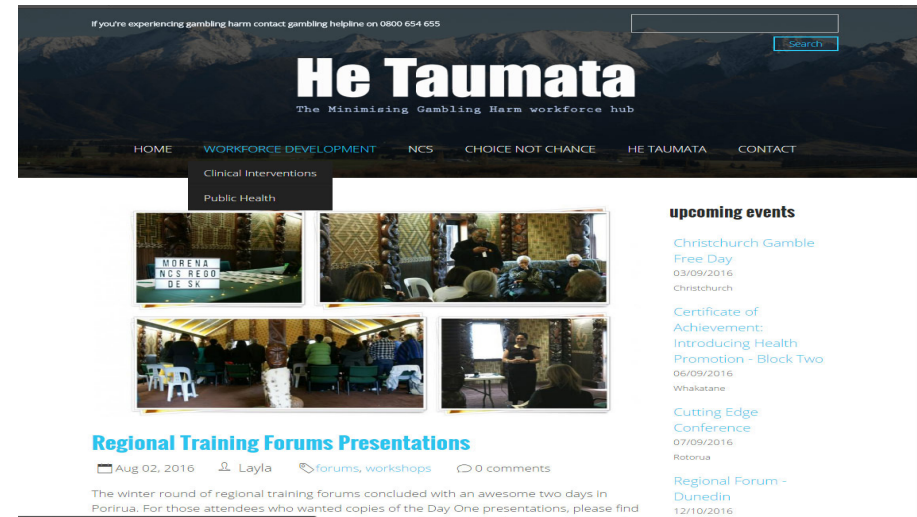


Hāpai Information Communication Technology



The Hāpai ICT team continues to look for ways for Hāpai to make the most of our resources through evaluating new technologies and then employing them effectively in order to enhance the work that Hāpai do on a day-to-day basis.

In order to reinforce this commitment and to build our capacity we employed William Cameron as an IT Assistant in October. William recently graduated with a Bachelor of Computer and Information Science from Auckland University of Technology (AUT).



In the last 12 months our ICT team have completed a number of successful projects most notably the redevelopment of the Hāpai website www.hapai.co.nz and the development of an online hub for the gambling harm workforce www.hetaumata.co.nz.

We also continue to offer our support and expertise to our owner organisations when needed.

Hāpai Research



Led the first 'International Gambling Conference Indigenous Gateway Event' funded by the Ministry of Health - Pre conference 10th February 2016

Hāpai were successful in their bid for funding to host an Indigenous Pre-Conference ahead of the International Gambling Conference (Hosted by Problem Gambling Foundation of New Zealand and Auckland University of Technology). A number of indigenous presentations were delivered, with thoughts, strategies and actions developed to assist in the Minimisation of Gambling Harm for our indigenous communities.



Established the first International Indigenous Network between NZ (Hāpai Te Hauora), Australia (Deakin University) & Canada (Laurentian University).

Hāpai have formed an pan-continental collaboration with Sheila Wahsquonaikeshik of Canada, and Janis Koolmatrie of Ngarrindjeri mob in Australia who presented at the NAGS Conference in Cairns Australia in November 2016.

Te Pou Matakana
Collective Impact Evaluation
Published 2016

Hāpai Research and Evaluation were commissioned by Te Pou Matakana to undertake an evaluation of the Collective Impact Initiative throughout the North Island. This work enables us to work alongside all funded Whānau Ora Providers, to engage, understand and acquire the learnings achieved from this initiative.

Te Pae o Te Ha Evaluation
Published 2016

Hāpai were commissioned by Te Whānau o Waipareira Trust to undertake an evaluation of the Innovations Funded project – Te Pae o Te Hā, which was funded to deliver smoking cessation practices to the West Auckland Community.



Annual Audited Accounts
for the year ended
30 June 2016

Approval of Annual Report

In the opinion of the Trustees of Hāpai Te Hauora Tapui Limited ('the company') the financial statements and notes on pages 4 to 10:

- Comply with New Zealand generally accepted accounting practice and present fairly the financial position of the company as at 30 June 2016 and the results of the company for the year ended that date;
- Have been prepared using the appropriate accounting policies, which have been consistently applied and supported by reasonable judgments and estimates.

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

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

The shareholders of the company has exercised its right under Section 211(3) of the Companies Act 1993 and agreed that this annual report need not comply with any of the sections (a) and (e) to (j) of section 211 of the Act.

The Trustees are pleased to present the financial statements of Hāpai Te Hauora Tapui Limited, as at and for the year ended 30 June 2016.

STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

	2016 \$	2015 \$
Revenue		
Service revenue	2,241,213	2,278,943
Other revenue	14,260	41,165
Total Revenues	2,255,473	2,320,108
Expenses		
Contractor fees	900,235	874,500
Wages and salaries	933,807	869,951
Other operating expenses	453,355	475,815
Depreciation	41,418	45,176
Total Expenses	2,328,815	2,265,443
Surplus/(Deficit) for the year	(73,342)	54,665
Other comprehensive revenue and expenses	-	-
Total comprehensive revenue and expense for the year	(73,342)	54,665

STATEMENT OF FINANCIAL POSITION

	Note	2016 \$	2015 \$
Assets			
Cash and cash equivalents		217,362	255,853
Term investments		159,721	105,016
Accounts receivable	3	213,512	206,426
Amount due from related parties	5	23,000	-
Other assets		6,420	65,422
Total current assets		620,015	632,717
Property, plant and equipment		38,564	188,765
Total non-current assets		38,564	188,765
Total assets		658,579	821,482
Liabilities			
Amount due to related parties	5	81,098	-
Employee entitlements		64,787	54,846
Accounts payable and accruals	4	92,352	313,396
Deferred revenue		50,444	10,000
Total current liabilities		288,681	378,242
Total liabilities		288,681	378,242
Equity			
Retained earnings		369,898	443,240
Total equity		369,898	443,240
Total liabilities and equity		658,579	821,482

STATEMENT OF CHANGES IN EQUITY

	Retained earnings	Total
	\$	\$
Balance at 1 July 2015	443,240	443,240
Deficit for the year	(73,342)	(73,342)
Other comprehensive revenue and expense	-	-
Balance at 30 June 2016	369,898	369,898
Balance at 1 July 2014	388,575	388,575
Surplus for the year	54,665	54,665
Other comprehensive revenue and expense	-	-
Balance at 30 June 2015	443,240	443,240

STATEMENT OF CASH FLOWS

	2016 \$	2015 \$
Cash flows from operating activities		
Cash received from customers	2,241,400	2,347,962
Cash paid to suppliers	(1,282,425)	(1,267,932)
Cash paid to employees	(936,658)	(934,442)
Interest paid	(15)	(323)
Net cash from operating activities	22,302	145,265
Cash flows from investing activities		
Interest received	7,433	6,986
Investment in short term deposits	(54,705)	(3,840)
Acquisition of property, plant and equipment	(13,521)	(1,622)
Net cash from investing activities	(60,793)	1,524
Net (decrease)/increase	(38,491)	146,789
Opening cash and cash equivalents 1 July	255,853	109,064
Closing cash	217,362	255,853
Made up of:		
Cash at bank	217,362	255,853
Total cash	217,362	255,853

NOTES TO THE FINANCIAL STATEMENT

1. General Overview

a) Reporting Entity

Hapai Te Hauora Tapui Limited is an entity incorporated in New Zealand, registered under the Charities Act 2005, and is domiciled in New Zealand

b) Basis of Preparation

The financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice (NZ GAAP). They comply with Tier 2 PBE Accounting Standards Not-For-Profit and disclosure concessions have been applied, on the basis that it does not have public accountability and has total annual expenses of equal to or less than \$30 million.

The financial statements have been prepared on the historical cost basis. The financial statements are presented in New Zealand Dollars (\$), which is the Company's functional currency. All financial information presented in New Zealand Dollars has been rounded to the nearest dollar, except when otherwise indicated.

c) First time adoption of PBE accounting standards

These are the Company's first financial statements prepared in accordance with Tier 2 PBE Accounting Standards. Accordingly PBE FRS 46 First Time Adoption of PBE Standards by Entities Previously Applying NZ IFRSs has been applied. The accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been applied consistently by the Company. The Company previously prepared financial statements under NZ IFRS as set out in Note 1 of the 2016 Annual Report.

The accounting policies have been applied in preparing the financial statements for the year ended 30 June 2016 and in the preparation of an opening PBE Standards statement of financial position at 1 July 2014. There were no

adjustments to amounts presented in the previous financial statements. The Company has early adopted the Disclosure Initiative (Amendments to PBE IPSAS 1). This has resulted in a number of changes to the format and presentation of the financial statements designed to enhance reader comprehension and disclosure effectiveness.

d) Use of estimates and judgements

The preparation of the financial statements in conformity with PBE IPSAS requires management to make judgement, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods.

There have been no significant estimates or judgements made in applying accounting policies and that effect amounts recognised in the financial statements.

e) Tax

Hapai is exempt from income tax due to its charitable nature. The trust registered with the Charities Commission on 30th June 2008 and its registered number is CC35364. All amounts are shown exclusive of Goods and Services Tax (GST), except for receivables and payables that are stated inclusive of GST.

NOTES TO THE FINANCIAL STATEMENT CONTINUED

2. Accounting policies

a) Revenue

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Company and revenue can be reliably measured.

Revenue is measured at the fair value of the consideration received. The following specific recognition criteria must be met before revenue is recognised. Service and non-service income is recognised as earned when all attaching conditions have been met. Where recognition criteria have not been met, the unearned amount is recorded as a liability under "Deferred Revenue".

Interest income is recognised using the effective interest method.

b) Cash and cash equivalents

Cash comprises of cash at bank, cash on hand and short term deposits with maturities of less than three months. There is a security held over deposits in the name of Hapai for letter of credit facility of \$50,000 in place with Datacom.

c) Term investments

Term investments comprise of bank term deposits held for periods of greater than three months and less than 1 year.

d) Employee entitlements.

Employee entitlements are accrued and recognized in the statement of financial position. These entitlements include annual leave earned but not taken, unpaid salary and wages or other remuneration due at balance date, including deductions held on employees' behalf. Annual leave is recorded at the undiscounted nominal values based on accrued entitlements at current rates of pay.

NOTES TO THE FINANCIAL STATEMENT CONTINUED

3. Accounts Receivable

Accounts receivable are recognised and carried at original invoice amount less any allowance for doubtful debts. A provision for doubtful for debts relates to amounts which there is uncertainty about collectability of the debtor. These are a financial asset and classified as a loan and receivable.

	2016	2015
	\$	\$
Accounts receivable	230,512	206,426
Provision for doubtful debts	(17,000)	-
	213,512	206,426

4. Accounts payable and accruals

Accounts payable and accruals represent liabilities of goods and services provided to Hapai which have not been paid, and income received but not yet earned at the end of the financial year. These amounts are non interest bearing and usually settled within 30 days. Accounts payable are classified as financial liabilities at amortised cost.

	2016	2015
	\$	\$
Accounts payable	42,316	39,540
Creditor accruals	39,933	17,962
GST payable	10,103	11,286
	92,352	68,788

NOTES TO THE FINANCIAL STATEMENT CONTINUED

5. Related Parties

a) Key Management Personnel

Key management personnel include the Board of Trustees and senior management personnel, which includes the Chief Executive Officer, Operations Manager and General Managers for various contracts. Remuneration and benefits are as follows:

	# of personnel	2016 \$	2015 \$
Trustees	7	39,594	38,016
Senior Management	3	575,735	563,178
		615,329	601,193

b) Other related parties

These transactions and balances have been identified as related party as they are with the three shareholders who have an equal ability to influence the operating and financing activities of the company.

The nature of these related party transactions and balances are:

- subcontracting for service delivery
- back office support
- lease of office space

30 June 2016

Te Whanau O Waipareira Trust
Te Runanga O Ngati Whatua
Raukura Hauora O Tainui

Balances		Transaction	
Due from	Owed to	From	To
\$	\$	\$	\$
23,000	34,090	66,550	399,955
-	23,958	-	300,000
-	23,958	-	300,000
23,000	82,006	66,550	999,955
30 June 2015			
-	39,888	-	359,884
-	58,458	-	300,833
-	23,958	-	250,000
-	122,304	-	910,717

NOTES TO THE FINANCIAL STATEMENT CONTINUED

6. Contingencies and Commitments

The company has one operating lease commitment relating to the rental of office space in the Whanau Centre.

Operating lease commitments:

	2016	2015
	\$	\$
Less than one year	40,590	40,590
Between 1 and 5 years	60,885	101,475
Total operating lease commitments	101,475	142,065

There are no other commitments and contingencies.

7. Subsequent Events

There have been no significant events subsequent to balance date that affect the information presented in the financial statements (2015: nil).



HĀPAI TE HAUORA

— MAORI PUBLIC HEALTH —