



Health Promotion Agency

# ***Annual Report***

*For the Year Ended 30 June 2013*

Presented to the House of Representatives pursuant  
to Section 150 (3) of the Crown Entities Act 2004



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# FOREWORD

The Health Promotion Agency's (HPA's) first year of operation included a focus on establishing a new, integrated organisation delivering on its objectives. An important aspect has been developing a strong, capable organisation valued for its expertise in health promotion practice and able to influence the many sectors and environments that contribute to good health and wellbeing and healthy lifestyles.

HPA is working to provide best value for money for the Government by continuing to make ongoing improvements in the way we work, focusing on activities where we can make the most impact, wherever possible working in partnership with others and managing our organisational costs effectively.

In times of fiscal constraint, HPA aims to ensure financial sustainability through setting tight, realistic budgets and careful management. During our first year, we have identified ways to lift productivity and contribute to government-wide efficiency and effectiveness gains. Moving into 2013/14 we will continue to look for opportunities for collaboration with other agencies including the Ministry of Health, District Health Boards (DHBs), primary health organisations (PHOs), and the wider health sector to ensure services delivered to New Zealanders are the best they can be given the tight financial environment.

A number of significant milestones have been achieved in our first year. We have produced the HPA's first and second Statements of Intent (tabled in Parliament in November 2012 and July 2013). We completed the organisational change process, developing an efficient and effective operational structure. Our Wellington staff relocated to a single office location in January 2013 and we successfully negotiated the use of shared office accommodation in Christchurch. Our relationship with the Ministry of Health was strengthened significantly with the signing of a Memorandum of Understanding, which will guide our relationship.

At year end, HPA's total revenue was \$28.9m against the 2012/13 Statement of Intent budget of \$27.7m. The increase in income is a consequence of some additional programmes of work, partly offset by a shortfall in alcohol levy revenue of \$395,000. HPA is now using all-of-Government suppliers for procured services including advertising and travel and has worked closely with the Property Management Centre of Expertise in consolidating its accommodation needs. As a result of efficiency gains, the agency ended the year ahead of its first year savings target with a 2012/13 year end surplus of \$266,000, 21% ahead of the forecast surplus of \$220,000.

## Key programme achievements

The passing of alcohol reform legislation in December 2012 had a significant impact on HPA's alcohol work. The legislation emerged from the 2009 Law Commission review of New Zealand's liquor laws and HPA has been involved at all stages, including the review itself. During the last year we continued working with Ministry of Justice and other agencies such as ACC, Police and Local Government New Zealand on planning for the successful implementation of the new law, which is being phased in throughout 2013.

During the year HPA has undertaken a significant amount of work with local authorities to develop guidance for district licensing committees, as well as helping them with their development of local alcohol policies.

A Memorandum of Understanding has been signed between HPA and the New Zealand Defence Force. The Memorandum includes all three defence forces (New Zealand Army, Royal New Zealand Navy, and Royal New Zealand Air Force) and will further strengthen our collaborative working relationships regarding alcohol awareness and harm prevention.


The new Say Yeah, Nah alcohol moderation campaign launched in May 2013 and contributed to 93% of the target audience being aware of alcohol moderation marketing messages. Say Yeah, Nah was selected as 'ad of the month' by industry magazine *AdMedia* in June. The Helpseekers' radio advertisements have contributed to a 24% year-on-year (June 2012 to June 2013) increase in calls to the Alcohol Drug Helpline (and a 17% increase in alcohol-related calls).

Having launched the first national promotion to encourage people to get their heart health check (in September 2012), the Get a heart and diabetes check campaign launched in late-June 2013 with radio and press advertising, followed up by the launch of a television presence on 30 June. Ex-All Black Wayne (Buck) Shelford is the 'hero' of the promotion. Buck is personally committed to promoting men's health in particular and has a good connection with key audiences. A vital aspect of this work is the successful working relationship that has been fostered with the Ministry of Health, Heart Foundation, Diabetes New Zealand, and interested PHOs.

Phase 7 of the successful Smoking Not *Our* Future initiative launched in March 2013. Smoking Not *Our* Future builds anti-tobacco and pro-smokefree attitudes among young people. Phase 7 includes a mixture of television and magazine commercials and promotional activities at events.

The 2013 Don't let the flu knock you influenza campaign launched in late-March, including TV, radio, outdoor, print, and online advertising. By 30 June, 1.245m doses of the vaccine had been distributed – beating the target of 1.2m doses.

The Board of HPA appreciates the effort and commitment of its staff that work hard to ensure our work is effective as we strive to improve New Zealanders' health. We are very proud of what has been achieved in our first year of existence.



Dr Lee Mathias  
**Chairman**  
Health Promotion Agency



Clive Nelson  
**Chief Executive**  
Health Promotion Agency

# PRESENTATION OF 2012/13 ANNUAL REPORT

*The Health Promotion Agency's Board is pleased to present the annual report of the Health Promotion Agency for the period ended 30 June 2013.*

The image shows two handwritten signatures in black ink. The signature on the left is 'L. Mathias' and the signature on the right is 'Rea Wikaira'.

*Dr Lee Mathias*  
**Chairman**  
Health Promotion Agency  
21 October 2013

*Rea Wikaira*  
**Deputy Chairman**  
Health Promotion Agency  
21 October 2013

# HEALTH PROMOTION AGENCY

The Health Promotion Agency (HPA) is a Crown entity under the Crown Entities Act 2004. It was established on 1 July 2012 by the New Zealand Public Health and Disability Amendment Act 2012 with an overall function to lead and support activities for the following purposes:

- promoting health and wellbeing and encouraging healthy lifestyles
- preventing disease, illness and injury
- enabling environments that support health and wellbeing and healthy lifestyles
- reducing personal, social and economic harm.

It also has the following alcohol-specific functions:

- giving advice and making recommendations to government, government agencies, industry, non-government bodies, communities, health professionals, and others on the sale, supply, consumption, misuse and harm of alcohol so far as those matters relate to HPA's general functions
- undertaking or working with others to research the use of alcohol in New Zealand, public attitudes towards alcohol, and problems associated with, or consequent on, the misuse of alcohol.

As a Crown Agent under the Crown Entities Act 2004, the HPA is required to give effect to government policy when directed by the responsible Minister. However, in delivering its alcohol-specific functions, the HPA must only have regard to government policy if directed to do so by the Minister.

The HPA's functions are consistent with the previous functions of the Health Sponsorship Council (HSC) and the Alcohol Advisory Council of New Zealand (ALAC). Both these organisations were disestablished on 30 June 2012 by the same Act that established the HPA. The HPA is funded from Vote Health, the levy on alcohol produced or imported for sale in New Zealand (previously paid to ALAC) and part of the problem gambling levy.

## Vision and Mission

**The HPA's vision is:**

*New Zealanders realise their potential for good health and improved quality of life.*

*New Zealand's economic and social development is enhanced by people leading healthier lives.*

**The HPA's mission is:**

*The Health Promotion Agency inspires all New Zealanders to lead healthier lives.*

Supporting this vision and mission is an approach where the HPA strives to be an expert organisation in health promotion practice, influencing all sectors that contribute to good health, wellbeing and healthy lifestyles. The HPA's programmes will, where appropriate, prioritise populations that are disproportionately impacted by disease, illness or injury and make it easier for these populations to lead healthier lives. Work is focused where it is most needed and where it can make the most difference.

## HPA Board

**The following Board members governed the HPA during the period 1 July 2012 to 30 June 2013:**

Dr Lee Mathias (Chairman)

Rea Wikaira (Deputy Chairman)

Barbara Docherty

Katherine Rich

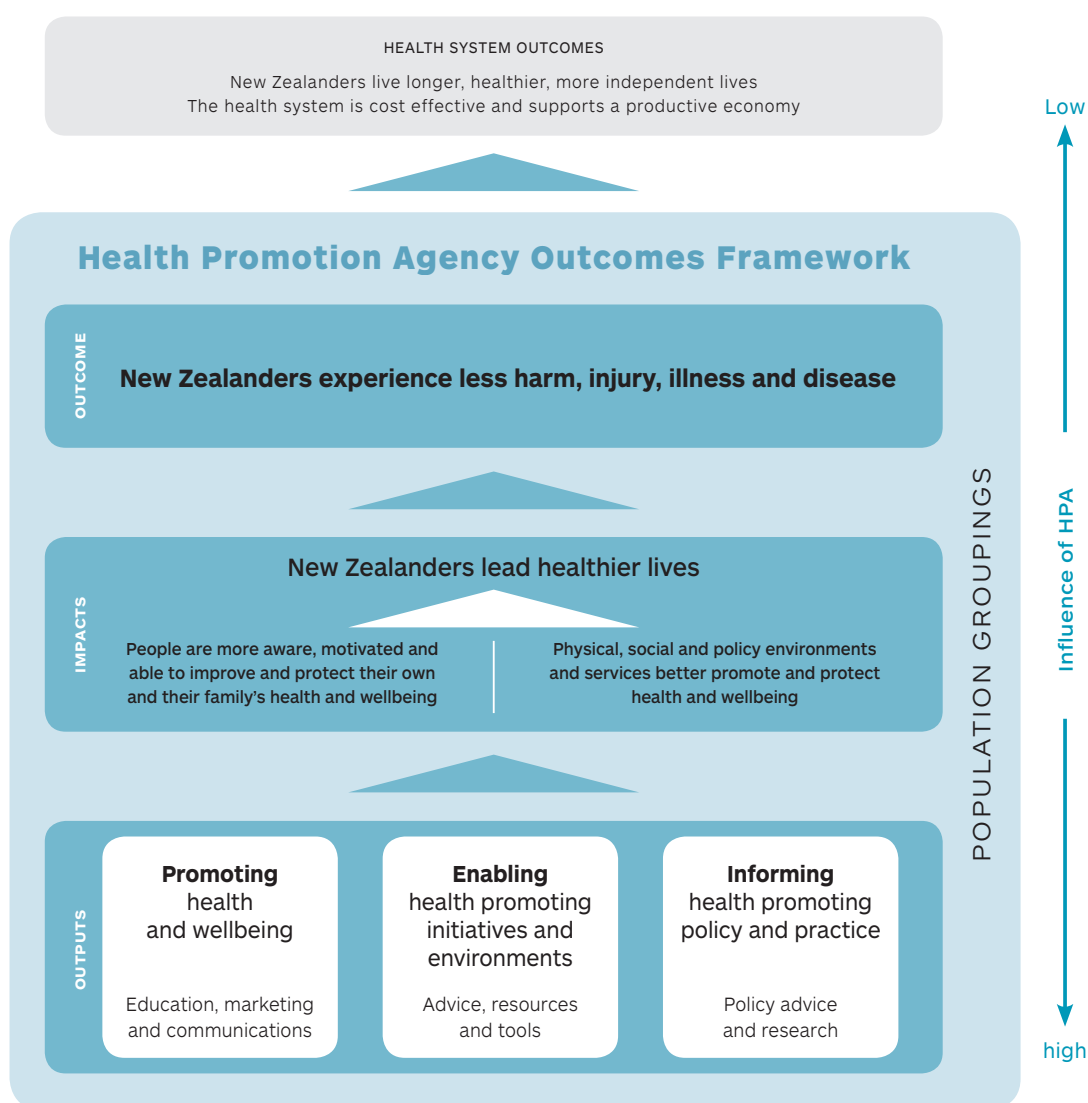
Professor Grant Schofield

Jamie Simpson

Dame Susan Devoy was a Board member until March 2013. At that time she was appointed Race Relations Commissioner and subsequently resigned from the HPA Board. She was replaced early in 2013/14 by Dr Monique Faleafa.

# ACTIVITY REPORT

HPA's *Statement of Intent 2013-2015* provided the strategic direction for its work during 2012/13. Figure 1 below summarises this direction. It shows the intervention logic for our work and outlines the outcome, impacts and outputs that we are working towards achieving. It also illustrates our intention to focus our efforts on population groupings disproportionately impacted by harm, injury, illness and disease. The three outputs are under one output class.



**FIGURE 1: HPA OUTCOMES FRAMEWORK**

This activity report provides brief overviews of the performance story for each of HPA's work areas. It also provides tables showing HPA's progress towards achieving its impacts. Further detail of HPA's performance against specific output measures for activities undertaken in the year ended 30 June 2013 is outlined in the Statement of Service Performance tables (see pages 33 to 41).



# ALCOHOL

*New Zealand has a very high level of acute alcohol-related harms, such as injuries, road trauma, offending, and alcohol poisoning, relative to other countries.<sup>1</sup>*

These harms are related to drinking large amounts of alcohol on one occasion. Many high-risk drinkers regularly drink to intoxication, which puts them at risk of acute harms. Many others regularly drink at a level that increases their risk of developing a chronic health condition, such as liver disease, addiction and some cancers. Alcohol is known to be causally related to more than 60 different health conditions and, for almost all conditions, heavier alcohol use means higher risk of disease.<sup>2</sup>

Drinking alcohol moderately results in less alcohol-related harm than heavy drinking. Taking action to change drinking behaviour from heavy to moderate drinking levels is, therefore, key to reducing harm from alcohol. For some people, this change may mean not drinking any alcohol.

HPA's work to reduce alcohol-related harm is broad and comprehensive in its approach and includes work to fulfil its statutory function to provide alcohol-related advice and research.

## Support for the implementation of the Sale and Supply of Alcohol Act 2012

A major focus during 2012/13 has been working closely with the Ministry of Justice and other central and local government agencies on the implementation of the Sale and Supply of Alcohol Act 2012, which passed in December 2012.

HPA's work on the implementation of the Act has included:

- assisting with strategic oversight and programme coordination through participation in coordination and advisory groups
- assisting territorial authorities with local alcohol policies, including the provision of online guidance
- providing training and guidance material for regulatory enforcement agencies
- updating alcohol resources to reflect changes in legislation

- undertaking initial preparation for raising awareness and communicating legislative changes to the public, in particular the social supply of alcohol to minors
- working in partnership with the hospitality industry to plan for the development of guidelines on alcohol advertising and promotions.

Ten regional workshops, informing and training regulatory agency staff in the provisions of the new alcohol legislation, have been completed, with more than 400 staff involved in liquor licensing attending the workshops. Planning is now underway for phase 2 of this training with a similar number of workshops planned for October and November 2013.

HPA worked with Local Government New Zealand and representatives from councils to develop guidance to assist territorial authorities in the selection and appointment of district licensing committee members. HPA is also assisting the Ministry of Justice and Local Government New Zealand with the development of training for district licensing committee members.

## Enabling better drinking environments

HPA has worked with the hospitality sector, industry, regulatory agencies, large event organisers, sporting organisations, the uniformed services and others to help create drinking environments and cultures that reduce alcohol-related harm.

Work was undertaken with the organisers of the Wellington Rugby Sevens, the Police and Wellington City Council to develop a number of initiatives to try to reduce alcohol-related impacts and eliminate alcohol sales to minors around the time of the Sevens tournament.

1 Baumberg, B. (2006). The global economic burden of alcohol: a review and some suggestions. *Drug & Alcohol Review*, 25(6), 537-551.

2 Room, R., Babor, T., & Rehm, J. (2005). Alcohol and public health. *The Lancet*, 365(9458), 519-530.

A Memorandum of Understanding (MOU) between HPA and the New Zealand Defence Force was signed, which replaces the previous MOU between ALAC and the Royal New Zealand Air Force. The new MOU incorporates all three defence forces (New Zealand Army, Royal New Zealand Navy and Royal New Zealand Air Force) and will further strengthen a collaborative working relationship that promotes alcohol awareness and harm prevention within uniformed services.

Guidelines for safe zones at large events have been drafted in collaboration with New Zealand Event Management, Wellington Free Ambulance, St John Ambulance Service, and Wellington Regional Public Health. These guidelines supplement ALAC's 2010 *Guidelines for Managing Alcohol at Large Events* and will assist event organisers and medical providers in the planning and provision of safe zones for intoxicated patrons at large events.

HPA has developed a new *Intoxication Assessment Tool* in consultation with New Zealand Police, the New Zealand Institute of Licensing Inspectors, and the hospitality industry (Hospitality NZ and the Trinity Group). The tool will assist bar staff in their management of intoxicated patrons in their bars and the regulatory agencies in their monitoring and enforcement roles.

In May 2013, a one-day workshop was held for regional members of New Zealand Wine and New Zealand Winegrowers from across the country. Primarily to provide guidance on hosting a safe and successful food and wine festival, the workshop was the first stage in the HPA's development of guidelines for managing alcohol at food and wine festivals.

HPA has also coordinated and worked with others to develop the Auckland Liquor Licensing Framework. The framework is an important resource that reflects the joint commitment of the regulatory agencies (Police, Auckland Council, Auckland Regional Public Health Service and the New Zealand Fire Service) and guides them in promoting effective and consistent decision making about liquor licensing activities, with the overall goal of preventing alcohol-related harm. The framework also has the potential to be adapted and used by regulatory agencies in any other part of New Zealand.

*Guidelines for Conducting a Health Impact Assessment for Local Alcohol Planning* were published in April 2013. Health impact assessment is a tool that can be used in different policy settings, including the development of alcohol strategies and liquor control bylaws. It may also be used to address a specific alcohol-related issue such as outlet density or trading hours of licensed premises.

## Say Yeah, Nah

HPA uses a range of strategies, which together form part of a national alcohol marketing campaign, and other communications activity to help New Zealanders make positive decisions about their alcohol use.

The Ease up on the drink campaign was awarded two bronze awards at the Safety 2012 world conference (for overall campaign and evaluation).

Building on Ease up, Say Yeah, Nah launched in May 2013. This work is built around the term 'Yeah Nah' – a uniquely Kiwi way of saying no in a positive way. It:

- gives people a language to enable them to refuse a drink
- gives social permission to refuse a drink
- encourages people to support their mates who are trying to ease up
- helps build a social movement.

Elements of the campaign, which runs through to the end of September 2013, include television, print, online, and outdoor advertising. Say Yeah, Nah resources for community groups were also developed to enable them to promote the message at a local level. Demand for this material has been, and continues to be, high.

Say Yeah, Nah was selected as 'ad of the month' by industry magazine *AdMedia* in June and the campaign contributed to 93% of the target audience being aware of alcohol moderation marketing messages and 63% considering the messages relevant.

As an adjunct to Say Yeah, Nah, radio advertising, designed to increase help seeking among problematic drinkers or anyone that is concerned about someone else's drinking, began in June, contributing to a 24% year-on-year (June 2012 to June 2013) increase in calls to the Alcohol Drug Helpline (and a 17% increase in alcohol-related calls).

## Alcohol policy advice and research

A core to HPA's alcohol work is its ability to provide evidence-based, quality information and advice about alcohol, its effects and its implications for central and local government decision-making processes. HPA does this through contributing to interagency discussions and work programmes as well as working in partnership with others at national, regional and community levels. It has also provided advice through online communications, guidelines and other resources, the *Alcohol/NZ* magazine, the *Ease up* stakeholder e-newsletters, research reports, training events and presentations.

Both oral and written submissions have been provided to Parliamentary select committees and on local government and government agency policy documents. Submissions in 2012/13 included:

- an oral submission to the Health Select Committee's Inquiry into Preventing Child Abuse and Improving Children's Health Outcomes
- a written submission on the Local Government Act 2002 Amendment Bill 2012 and an oral submission on the Bill to the Local Government and Environment Select Committee
- a written submission to the Ministry of Health on its Review of Tier One Public Health Services Service Specification
- a written submission on the Waimakariri District Council's local alcohol policy (the first of a series of submissions responding to territorial authorities' local alcohol policies).

HPA has also contributed alcohol policy advice on a range of central and local government interagency work programmes including the:

- Government's Drivers of Crime initiative, in particular on increasing the use of alcohol screening and brief interventions in the health and justice sectors
- implementation of the New Zealand Injury Prevention Strategy and the development of a new injury prevention action plan
- revision of the National Drug Policy
- implementation of the Mental Health and Addiction Service Development plan
- Ministry of Justice-led policy work, including with Local Government New Zealand, related to the sale and supply of alcohol.

Research and evaluation are used to support HPA's alcohol-related policy, service development and monitoring work. Research work has included collecting information on attitudes and behaviour related to alcohol as part of its annual monitoring programme and working collaboratively with other organisations to improve the collection of alcohol-related data.

## Support for health sector and community action on alcohol

HPA works with health sector agencies to support and encourage greater use of alcohol screening and brief interventions in a range of healthcare settings, in particular through primary health services. Support for the addictions workforce has also been a focus, with HPA sponsoring and running training initiatives. HPA was a major sponsor of the 2012 Cutting Edge conference for the addictions workforce. Two regional forums were also held as well as workshops focused on alcohol and older adults.

In partnership with the Ministry of Health, HPA funds the Alcohol Drug Helpline for people seeking help for their own or other people's alcohol and drug problems. The Helpline is a national 0800 telephone service that operates 12 hours a day (10am to 10pm), seven days a week, providing immediate access to professional help, support, information and brief intervention and, if appropriate, referral to treatment services for people who identify as having alcohol or drug problems.

The children's book *Ruby's Dad* launched in late-June 2013. Developed by HPA and Skylight, the book highlights the impact of parental drinking on children. The launch included a panel of speakers who grew up with parents who were heavy drinkers. Guidelines were also developed for adult, family and child clinicians and parents on how they can use the book to help children.

HPA has worked with and funded community groups and organisations to provide community action that influences positive alcohol-related social change. Fifteen organisations received support through HPA's 2012/13 Community Action for Alcohol Fund. The successful organisations were a mixture from the northern, central and southern regions and the projects had a focus on Māori, Pacific or youth.

A wide range of regional alcohol-related work was undertaken to partner with others and broker for change by initiating community or regional projects and then supporting others to continue to work to ensure the change is sustainable. Regional work has also supported the Say Yeah, Nah campaign and the planning for the effective implementation of the Sale and Supply of Alcohol Act 2012.

## 2012/13 Progress

Measure	Result
At least 90% of the target audience is aware of alcohol moderation marketing and campaign messages	<b>Achieved</b> – 93% of target audience was aware of alcohol moderation marketing and campaign messages
At least 50% of the target audience considers the campaign messages are relevant to themselves or someone they care about	<b>Achieved</b> – 63% of target audience consider the messages relevant
Two <i>Alcohol/NZ</i> magazines and 11 <i>Ease up</i> e-newsletters are produced	<b>Achieved</b> – two <i>Alcohol/NZ</i> magazines and 13 issues of <i>Ease up</i> produced
Numbers of visitors to alcohol.org.nz are maintained (2011/12 – 141,327 visitors and 207,240 visits)	<b>Achieved</b> – 203,366 visitors and 267,704 visits
75% of stakeholder respondents indicate satisfaction with alcohol magazines, newsletters and website	<b>Not achieved</b> – 65% of respondents indicate satisfaction
New or updated resources for regulatory agencies and premises and uptake of resources	<b>Achieved</b> – following introduction of the Sale and Supply of Alcohol Act 2012, a new series of bar signs and an intoxication assessment tool have been developed
75% of stakeholder respondents indicate satisfaction with resources and tools for alcohol legislation requirements	<b>Achieved</b> – 77% of respondents indicate satisfaction
New or updated resources for primary healthcare and other settings and uptake of resources	<b>Achieved</b> – a number of resources have been rebranded to HPA and demand remains high
75% of stakeholder respondents indicate satisfaction with alcohol-related resources and tools for health sector action	<b>Exceeded</b> – 86% of respondents indicate satisfaction
Alcohol Drug Helpline shows at least 95% of all calls received are answered by trained brief intervention counsellors	<b>Achieved</b> – 100% of calls answered by trained brief intervention counsellors
At least 25% of all Alcohol Drug Helpline alcohol-relevant calls answered receive brief intervention	<b>Achieved</b> – 39% of all calls answered received brief intervention
Evaluation results show overall satisfaction with the Cutting Edge conference (75% score in top two categories of a five-point scale)	<b>Achieved</b> – 83% of participants rated their satisfaction in the top two categories
Community action projects funded through 2012/13 CAAF funding round	<b>Fifteen</b> projects approved
New online resource to support community action on alcohol	<b>Achieved</b> – <i>What is community action?</i> produced
75% of stakeholder respondents indicate satisfaction with resources and advice for community action on alcohol	<b>Not achieved</b> – 65% of respondents indicate satisfaction
Alcohol submissions are made and provided by the specified timeframes	<b>Three</b> written submissions and two oral submissions made and provided within timeframes
Minimum of 3,200 people are interviewed for the 2012 Annual Attitudes and Behaviour Alcohol Survey	<b>Achieved</b> – 3,243 people surveyed
Reports for the 2011 Annual Attitudes and Behaviour Alcohol Survey are published in 2012/13	<b>Partially achieved</b> – final drafts for publication were completed in 2012/13. Planned for release in first quarter of 2013/14 following some necessary checking of data presentation.

See pages 33, 38, 39 and 41 for details.

## Progress towards impacts

HPA provides a key leadership role in promoting collaboration and working in partnership with many stakeholders. Because alcohol impacts on society in multiple ways, many sectors, agencies and groups have an interest and role to play in reducing alcohol-related harm.

A reduction in alcohol-related harm will have a positive impact on a range of health, justice, economic and broader social outcomes. Successfully achieving our alcohol-related impacts is dependent on:

- collaborative effort across sectors and between agencies
- the work and priorities of other agencies that also contribute to achieving our impacts
- positive progress on broad alcohol-related strategies, such as improvements to legislation on the sale and supply of alcohol.

## Impact Measures For Alcohol: Progress Towards 2015

2015 Target	Interim result 30 June 2013 ( <i>Trend/comment</i> )
<b>1. New Zealanders lead healthier lives</b>	
<b>78%</b> of adults (18+ years) are non-drinkers or lower-risk drinkers <sup>3</sup> (2011 Alcohol Behaviours and Attitudes Survey – 76%)	Progress towards target has not changed from previous year. The latest result from the 2012 Alcohol Behaviours and Attitudes Survey is 74%*
<b>21%</b> of adults (18+ years) are involved in medium- to high-risk drinking <sup>4</sup> (2011 Alcohol Behaviours and Attitudes Survey – 23%)	Progress towards target has not changed from previous year. The latest result from the 2012 Alcohol Behaviours and Attitudes Survey is 26%*
<b>47%</b> of adult (18+ years) medium- to high-risk drinkers report drinking less than the previous year (2011 Alcohol Behaviours and Attitudes Survey – 45%)	Progress towards target has not changed from previous year. The latest result from the 2012 Alcohol Behaviours and Attitudes Survey is 45%
<b>2. People are more aware, motivated and able to improve and protect their own and their family's health and wellbeing</b>	
<b>49%</b> of adults (18+ years) have thought about cutting back on how much they drink (2011 Alcohol Behaviours and Attitudes Survey – 35%)	Progress towards target has not changed from previous year. The latest result from the 2012 Alcohol Behaviours and Attitudes Survey is 32%*
<b>49%</b> of drinkers who got drunk on the last occasion have decided to drink less than they used to (2011 Alcohol Behaviours and Attitudes Survey – 35%)	Progress towards target has not changed from previous year. The latest result from the 2012 Alcohol Behaviours and Attitudes Survey is 31%*
Increase in proportion of adult (18+ years) medium- to high-risk drinkers who report that they sought help (baseline data collected in 2012/13)	The 2012 Alcohol Behaviours and Attitudes Survey indicates a small proportion (3%) of medium- to high-risk drinkers reported seeking help
<b>3. Physical, social and policy environments and services better promote and protect health and wellbeing</b>	
<b>68%</b> of adults (18+ years) disagree or strongly disagree that drunkenness is acceptable in some situations (2011 Alcohol Behaviours and Attitudes Survey – 64%)	Progress towards the target has not changed from previous year. The latest result from the 2012 Alcohol Behaviours and Attitudes Survey is 66%*

\* Indicates that the difference between the 2012 and 2011 measures is not statistically significant ie, there is no evidence of any change from the previous (2011) year.

3 Lower-risk drinking is consuming 1-6 standard drinks on the last drinking occasion.

4 Medium- to high-risk drinking is consuming seven or more standard drinks on the last drinking occasion.

# TOBACCO CONTROL

*Smoking remains the single biggest cause of preventable morbidity and mortality in New Zealand. The HPA's tobacco-related activities sit within the wider context of the New Zealand Government's goal that New Zealand be smokefree by 2025.*

Reducing smoking initiation among young Māori is the major focus of our work, since the number of young people taking up smoking is significantly higher among this group than the general population.

Young people are less likely to begin smoking if they hold anti-tobacco and pro-smokefree attitudes. They are also less likely to begin smoking if access to cigarettes or tobacco is difficult, so access to tobacco has been added to our environmental work. Work is also undertaken to support the Ministry of Health's other two objectives – to increase quitting and to reduce exposure to second-hand smoke.

The New Zealand Government's goal of New Zealand becoming smokefree by 2025 continues to be a focus for HPA and the tobacco control sector in general.

## Smoking Not Our Future

Smoking Not Our Future uses a range of strategies to build anti-tobacco and pro-smokefree attitudes among young people, with a particular focus on young Māori females. This is achieved through partnerships with events such as Smokefreerockquest and Smokefree Pacifica Beats and by building a community of youth who are actively engaged in creating a youth smokefree movement.

The final television and magazine advertisements for Phase 6 of Smoking Not Our Future were aired and printed during October and November 2012, with Phase 7 launching in March 2013. Phase 7 includes a mixture of television and magazine advertisements, promotional activities at events such as Te Matatini, Polyfest and Pasifika festivals, and online promotions eg, an application where people can create their own Smoking Not Our Future posters. The poster application was tested at the Te Matatini event in Rotorua (21-24 February) with more than 1,000 posters developed and printed.

The Smoking Not Our Future Facebook page exceeded 100,000 'likes' in April 2013, making this Facebook page number 32 in the country in terms of 'likes'.

## Smokefreerockquest and Smokefree Pacifica Beats

Smokefreerockquest and Smokefree Pacifica Beats nurture youth development, keeping young people connected to their schools, peers, music teachers, and supportive whānau (all proven protective factors against young people taking up smoking).

These events provide HPA with a prime opportunity to get messages from Smoking Not Our Future in front of a youth audience. The events also help HPA stay in touch with young people, to listen and learn what young people are 'in to' each year and to find out what is important to them. They are one of HPA's key ways of getting involved with youth in settings of their choice – not just broadcasting to them.

## SMOKEFREEROCKQUEST

Smokefreerockquest is a national, high-profile contemporary music competition for secondary school students. It is an excellent vehicle to build awareness of Smoking Not Our Future and to create an association between Smokefree, New Zealand music, and popular youth culture.

In 2012, Smokefreerockquest received entries from 630 bands (2,287 musicians) from 291 schools. In addition to active participants, 12,500 people attended the events as spectators.



## SMOKEFREE PACIFICA BEATS

Like Smokefreerockquest, Smokefree Pacifica Beats is an annual, nationwide contemporary music competition for secondary school students. However, Smokefree Pacifica Beats has the additional requirement that the bands must incorporate cultural elements into their music.

Smokefree Pacifica Beats is a particularly good way to engage with Māori and Pacific youth, priority audiences, and especially young Māori females, who have the highest rates of taking up smoking. In 2012, 45 schools entered a total of 72 bands. In total there were 1,900 people in attendance at the heats, regional finals and the national final.

## World Smokefree Day

World Smokefree Day is held on 31 May each year. The HPA coordinates this event and works closely with the tobacco control sector and other organisations eg, Pharmacy Guild, to help promote the day. The HPA supported 32 regional teams to implement World Smokefree Day initiatives in their regions, with a focus on Quit Now. It's about Whānau. Teams are encouraged to incorporate the focus into their ongoing work and extend activities to more than one day. Support included the provision of the theme and associated promotional material, guidance on potential initiatives, a media guide and template media releases, and physical resources to enhance delivery.

## Sector support

The 2012 National Tobacco Control Conference, hosted by the National Smokefree Working Group, was held in November 2012. The conference was opened by Hon Tariana Turia and more than 320 delegates attended. The conference inspired the sector to coordinate its activities to achieve the objective of a Smokefree New Zealand by 2025.

The HPA has been asked to sit on the organising and planning committees for the Oceania Tobacco Control Conference – a biennial conference that is the biggest tobacco control event in Australasia. The conference is being hosted by the Cancer Society of New Zealand and will be held in October 2013 in Auckland.

## 2012/13 Progress

Measure	Result
60% of target audience sees Smoking Not <i>Our</i> Future television advertising during the year	<b>Achieved</b> – 68.7% of audience saw the advertising
Target audience sees Smoking Not <i>Our</i> Future television advertising an average of three times	<b>Achieved</b> – advertising seen an average of 8.5 times
Smokefreerockquest attendance figures are maintained or increased	<b>Partially achieved</b> – entry numbers were down slightly on 2011, although attendance numbers at events were up
Smokefree Pacifica Beats attendance figures are maintained or increased	<b>Not achieved</b> – numbers were down on the 2011 event. These lower figures may be attributed to two events having to be cancelled or postponed. Plans have been put in place to ensure better numbers in 2013
Establish baseline figure for reach of online parent-to-parent 'tips'	A total of 2,829,270 saw content in 2012/13
Establish baseline figure for number of 'likes' (how many people saw content) of online parent-to-parent 'tips'	<b>'Likes'</b> increased from 342 at 1 July 2012 to 6,753 at 30 June 2013
Establish baseline figure for talking about this (measure of engagement) for online parent-to-parent 'tips'	<b>Talking about this</b> at 30 June 2013 – 29,502
At least 80% of participants attending HPA workshops report they feel confident in using the HPA Smokefree Schools resources effectively	<b>Achieved</b> – 90+% of attendants felt confident or very confident
An average of 10% engagement is achieved per new Smoking Not <i>Our</i> Future posting on Facebook	<b>Achieved</b> – initial calculations indicate an average of 10% engagement
At least 30 communities are supported to implement local World Smokefree Day initiatives	<b>Achieved</b> – 32 communities supported
Nine out of 10 stakeholders confirm that their work is more effective as a result of using HPA support	<b>In total</b> , 88% of the 24 respondents confirm their work is more effective. Based on the sample size and margin of error, this result should be considered as achieved
Evaluation shows the national tobacco control conference to be of value to delegates in their efforts to reduce smoking	<b>Achieved</b> – more than 92% agreed or strongly agreed they had learned things at the conference to help them contribute more effectively to reducing smoking
New Zealand Smoking Monitor (NZSM) is in field continuously during 2012/13	<b>Achieved</b> – NZSM in field continuously
Data from NZSM is reported to the Ministry of Health regularly	<b>Achieved</b> – monthly, quarterly and annual data provided
Analysis of NZSM data is provided to the Ministry of Health's satisfaction	<b>Achieved</b>
New Zealand Youth Tobacco Monitor (NZYTM) data is provided to Action for Smoking and Health (ASH)	<b>Achieved</b> – material provided to ASH in October 2012
NZYTM data is provided to the satisfaction of ASH in line with the memorandum of understanding between HPA and ASH	<b>Achieved</b>

See pages 34, 39 and 41 for details.



## Progress towards impacts

HPA provides a key leadership role in the tobacco control sector. While playing a significant role within the sector (particularly around reducing the number of young people taking up smoking), a number of other organisations play

a part. Achieving HPA's impacts is, therefore, reliant on promoting collaboration and working in partnership with many stakeholders.

## Impact Measures For Tobacco: Progress Towards 2015

2015 Target	Interim result 30 June 2013 <i>(Trend/comment)</i>
<b>1. New Zealanders lead healthier lives</b>	
<b>47%</b> of Māori 14 to 15-year-olds report being 'never smokers' (2011 New Zealand Youth Tobacco Monitor – 46.2%)	The latest result from the 2012 ASH Year 10 Snapshot Survey (part of the New Zealand Youth Tobacco Monitor) is 44.4%*
<b>2. People are more aware, motivated and able to improve and protect their own and their family's health and wellbeing</b>	
<b>70%</b> of Māori Year 10 students agree that non-smokers dislike being around people who are smoking (2010 Youth Insights Survey – 66.7%)	Progress towards the target has not changed from previous survey. The latest result from the 2012 Youth Insights Survey is 67.1%**
<b>90%</b> of Māori Year 10 students report that non-smokers should be proud to be smokefree/auahi kore (2010 Youth Insights Survey – 86.9%)	Progress towards the target has not changed from previous survey. The latest result from the 2012 Youth Insights Survey is 86%**
<b>3. Physical, social and policy environments and services better promote and protect health and wellbeing</b>	
<b>74%</b> of Māori Year 10 students think that they are 'definitely' or 'probably' not able to get cigarettes/tobacco from anyone in their family/whānau, or from their home (2010 Youth Insights Survey – 72.9%)	Target has been partially met. The latest result from the 2012 Youth Insights Survey is 76.5%**
<b>Increase</b> in proportion of Māori Year 10 students who think that they are 'definitely' or 'probably' not able to get cigarettes/tobacco from a shop (baseline data collected in 2012/13)	The 2012 Youth Insights Survey indicates a high level of agreement with this statement (80.5%)

\* Information on whether the 2012 result is statistically significant from the previous survey is not provided. As this is not an HPA survey we are unable to confirm whether this is a meaningful change.

\*\* Indicates that the difference between the 2012 and 2010 measures is not statistically significant ie, there is no evidence of any change from the previous (2010) survey.

# MINIMISING GAMBLING HARM

*Gambling-related harm is a continuing issue in New Zealand that has significant health, social and economic implications.*

Evidence supports the desirability of getting help and/or making changes in the early stages of harmful gambling. Less harm has occurred at this stage and lower levels of intervention (including self-management) are needed to prevent worsening of the problem. The HPA's work in this area aims to raise awareness of gambling risks and harms and motivate people to seek help and take positive action early, both for themselves and for others they care about. It also seeks to influence gambling environments so early-stage problem gamblers are identified and gambling harm is minimised.

## Choice Not Chance

HPA's minimising gambling harm programme – Choice Not Chance – aims to raise awareness of gambling risks and harms and motivate people to seek help and take positive action early, both for themselves and others they care about.

A key focus of HPA and our gambling sector partners is the annual celebration of World Gamblefree Day (1 September). HPA's involvement in World Gamblefree Day 2013 included running the Scribe With Us competition (where people write a rap, song, story, or poem about the harm caused by gambling). New Zealand musicians Scribe and Ladi6 ran recording workshops to coach the song and rap finalists and entries were then judged by the public through online voting.

Of all the Scribe With Us entrants, approximately 60% were between 18 and 34-years-old, 30% were Māori and 20% Pacific, representing good coverage of Choice Not Chance's target population groups. The public voting phase of the competition was also popular, with more than 8,300 New Zealanders voting for their favourite artist. The Scribe With Us events throughout the country during August and September 2012 further engaged key audiences. The final Scribe With Us event was held in Porirua in late-September 2012, with more than 300 people in attendance. As well as engaging key audiences,

this event provided a valuable opportunity for service providers to work together and connect with a number of broader social services.

During the year, a pocket-sized resource was developed and distributed to Class 4 gambling venues (pubs and clubs with pokie machines) throughout New Zealand. This resource promotes the new multi-venue exclusion options for patrons concerned about their gambling, as well as general tips and referrals to further support.

## COIN TOSS

The 'coin toss' television advertising achieved very positive results, reaching 77.1% of the target audience with an average viewing frequency of 5.9 times. Radio also performed well, reaching 38% of the audience with an average listening frequency of 4.3 times.

A post-campaign survey was conducted with 350 people that have experienced gambling harm (at-risk or concerned others) and 500 others. Total recall of the advertising was high – 86% for those that had experienced harm (our target audience) and 75% for those who had not experienced harm. In total, 38% of those that had experienced harm reported taking positive action (such as having a chat with someone, cutting back or stopping gambling) as a result of seeing the advertising.

The receipt of an additional \$200,000 per annum (2013 to 2016) allows HPA to continue to run a national communications campaign and develop messages specifically for venues. The HPA has started planning for this campaign, including scoping best practice, having discussions with the Department of Internal Affairs and sector partners, and developing appropriate baseline measures.

## 2012/13 Progress

Measure	Result
Establish baseline figures for website hits of new self-help tools on the Choice Not Chance website	<b>New website tool</b> available
Calls to the Gambling Helpline are 29% higher at times when mass media advertising is running compared with when it is not	<b>Not achieved</b> – calls to the Gambling Helpline 24.5% higher in months that advertising ran
Post-campaign evaluation of Choice Not Chance media shows that 65% of respondents have prompted recall to messages	<b>Exceeded</b> – prompted recall of Kiwi Lives 3 TV commercials was 86% for those who had experienced gambling harm and 75% for those who had not
At least 150 people enter Scribe With Us	<b>Not achieved</b> – 124 valid entries received
At least 5,000 votes are cast as part of the Scribe With Us competition	<b>Exceeded</b> – 8,300 votes cast
Health promotion resources and advice are provided to all 35 problem gambling services	<b>Achieved</b>
At least 70% of respondents to a survey of public health problem gambling services report being better able to do their jobs as a result of HPA support	<b>Exceeded</b> – 84% of gambling services said they were better able to do their jobs
At least 25 local gambling-related media stories are generated as a result of Gamblefree Day community activities supported by HPA	<b>Achieved</b> – 35 stories generated

See pages 35 and 40 for details.

## Progress towards impacts

HPA provides a key role in promoting collaboration and working in partnership with many stakeholders. Because harmful gambling impacts on society in a number of ways, many sectors, agencies and groups have an interest and role to play in minimising gambling harm.

While HPA's focus is on raising awareness of gambling risks and harms and motivating early help-seeking behaviours, we also work with others to influence gambling environments to help achieve our gambling-related impacts.

## Impact Measures For Minimising Gambling Harm: Progress Towards 2015

2015 Target	Interim result 30 June 2013 ( <i>Trend/comment</i> )
<b>1. New Zealanders lead healthier lives</b>	
<b>3%</b> of past year gamblers are problem/moderate-risk gamblers and 6.5% are low-risk gamblers <sup>5</sup> (2010 Health and Lifestyles Survey – 3.7% problem/moderate-risk gamblers and 7.3% low-risk gamblers <sup>6</sup> )	This target has been partially met. The latest result from the 2012 Health and Lifestyles Survey is 1.9% for problem/moderate-risk gamblers and 4.2% for low-risk gamblers*
<b>2. People are more aware, motivated and able to improve and protect their own and their family's health and wellbeing</b>	
<b>52%</b> of people aged 18 to 65 can describe at least one sign of someone gambling at a harmful level (2012 Health and Lifestyles Survey – 50.3% <sup>7</sup> )	No interim results. Next survey to be undertaken in 2014
<b>48%</b> of people can name at least one thing they can do to help someone who is gambling too much (2012 Health and Lifestyles Survey – 45.4%)	No interim results. Next survey to be undertaken in 2014
<b>3. Physical, social and policy environments and services better promote and protect health and wellbeing</b>	
<b>Increase</b> in awareness of legal requirements of venues to minimise risks of players becoming problem gamblers (baseline to be collected in 2012/13)	Results from the Kiwi Lives 3 Campaign Evaluation indicate: <ul style="list-style-type: none"> <li>42% of respondents who had experienced or been exposed to gambling harm reported that venues with poker machine had a legal responsibility to prevent their customers' gambling from becoming harmful</li> <li>34% of respondents who had not experienced or been exposed to gambling harm reported that venues with poker machines had a legal responsibility to prevent their customers' gambling from becoming harmful</li> </ul>

\*The change in proportion between the 2010 and 2012 surveys for problem/moderate-risk gamblers is not statistically significant. The change in proportion for low-risk gamblers is statistically significant.

5 Measured using the Problem Gambling Severity Index.

6 Updated analyses show that the result for low-risk gamblers is 7.2% and for problem/moderate-risk gamblers is 3.6% in 2010.

7 The 50.3% estimate is based on people aged 15 and over.

# NUTRITION AND PHYSICAL ACTIVITY

*The Ministry of Health estimated that, in 2008, 1,128,500 New Zealand adults (about one-quarter of the adult population) were overweight and 826,100 were obese.<sup>8</sup>*

Overweight and obesity are risk factors for most serious chronic diseases, including type 2 diabetes, ischaemic heart disease, stroke and several common cancers. In New Zealand in 2006/07, one in five children were overweight (20.9% of 2 to 14-year-olds) and a further one in 12 (8.3%) was obese.<sup>9</sup> Obesity rates are considerably higher for Māori and Pacific children (11.8%; 23.3%) than for European or Asian children (5.5%; 5.9%), so improving nutrition outcomes for Māori and Pacific children is a key focus for the HPA. Parents and caregivers directly shape a child's physical and social environment, and indirectly influence behaviours, habits and attitudes. Influencing their decision making toward more positive choices for their children is, therefore, critical.

## Breakfast-eaters have it better

In 2012/13, Breakfast-eaters have it better was the primary focus of HPA's nutrition and physical activity work. However, the focus for 2013/14 is likely to be a refocus towards maternal and infant health. Despite this, Breakfast-eaters have it better promotions will be maintained into 2013/14.

The HPA promoted its Breakfast-eaters have it better message in Countdown supermarkets during May 2013 via in-store radio promotions and trolley advertising. The HPA also leveraged its activities with Sanitarium during this timeframe. Breakfast promotions were held in June with three junior rugby clubs in Wellington as part of HPA's partnership with Wellington Rugby (WRFU). WRFU has secured sponsorship from Harraways and All Good Bananas to support these events.

Breakfast-eaters promotions organised with commercial radio network Mai FM worked well, reaching more than 50,000 parents/caregivers with children aged 5 to 14 years. In addition to radio listeners, Breakfast-eaters messages were included on the Mai FM website (2,296 views) and in the Mai FM e-newsletter (which was sent to 40,000 subscribers).

During 2012/13, HPA commenced a formative development process for future work on maternal and infant nutrition. As part of this work HPA coordinated three technical advisory groups in May 2013 (with experts, Māori, and Pacific) to guide the development of HPA's approach targeting families and whānau with young children (aged under five years). This advice will guide the future direction of the programme.

<sup>8</sup> Ministry of Health. (2008). *A portrait of health: key results of the 2006/07 New Zealand Health Survey*. Wellington: Ministry of Health.

<sup>9</sup> Ibid.

## 2012/13 Progress

Measure	Result
At least 49,000 parents of children aged 5 to 12 years are reached with breakfast messages through regionalised radio promotions	<b>Achieved</b> – Breakfast-eaters promotions reached more than 50,000 parents
Average total reach for online activity during online promotions is increased by 15%	<b>Exceeded</b> – average reach for 2012/13 increased by 659%
Two Māori community projects aimed at increasing capacity and capability of Māori communities to improve nutrition outcomes are funded	<b>Achieved</b> – two providers funded and delivered projects
Evaluation of Māori community projects provide recommendations for how HPA could engage more effectively with Māori on healthy eating	<b>Achieved</b> – evaluation reports received
At least 10 sector e-newsletters are produced	<b>Achieved</b> – 12 e-newsletters produced
At least 20 sector communications, such as forums and presentations	<b>Achieved</b> – 21 sector communications
At least 82% of resource users agree that they are better able to do their work as a result of HPA support	<b>Achieved</b> – 84% of resource users agreed or strongly agreed they were better able to do their work

See pages 35 and 40 for details.

## PROGRESS TOWARDS IMPACTS

The nutrition and physical activity sectors are broad and diverse, with a large number of stakeholders. Working with these groups is crucial to HPA achieving its impacts.

## Impact Measures For Nutrition And Physical Activity: Progress Towards 2015

2015 Target	Interim result 30 June 2013 ( <i>Trend/comment</i> )
<b>1. New Zealanders lead healthier lives</b>	
<b>86%</b> of Māori parents/caregivers and 85% of Pacific parents/caregivers of 5 to 14-year-old children report that their child eats breakfast every day (2012 Health and Lifestyles Survey – 84% Māori and 82.9% Pacific <sup>10</sup> )	No interim results. Next survey to be undertaken in 2014
<b>2. People are more aware, motivated and able to improve and protect their own and their family's health and wellbeing</b>	
<b>Increase</b> in proportion of Māori and Pacific parents/caregivers who agree or strongly agree with the statement: "What my child eats affects his/her performance at school" (baseline to be collected in 2012/13)	The 2012 Health and Lifestyles Survey indicates a high proportion of parents/caregivers agree with this statement (76.4% Māori, 91.2% Pacific)

<sup>10</sup> Updated analyses show that the result for Pacific is 80.6% in 2012.

# SUN SAFETY

*HPA's SunSmart work encourages New Zealanders of all ages to practise sun safe behaviours.*

## Under Your Skin

The Under Your Skin youth campaign kicked off daylight saving in Wanaka in late-September 2012. The HPA, in partnership with Skin Alive (a New Zealand sunscreen company) and Quicksilver, set up the ultraviolet (UV) camera and sunscreen stand at Mt Aspiring College and at Cardrona ski field. The UV camera allows people to see the skin damage that cannot be seen with the naked eye.

HPA also attended the BMW Golf Open in November 2012. This event was a good opportunity to build a relationship with New Zealand Golf to promote sun safety messages to junior golfers, as well as promoting the Sun Protection Alert (a tool to communicate messages around UV radiation).

In addition, sun safety messages were included in numerous partners' publications over the summer months, including Site Safe, Registered Master Builders, Interislander, Visique, Pharmacy Guild, Pharmaceutical Society and ACC.

The Under Your Skin team attended 12 events during the summer months. The events were a mixture of youth and recreational events eg, surfing events and visiting high schools. More than 1,200 UV pictures were taken at these events and shared with participants via social media.

## Other activities

HPA hosted a shade audit training session in November 2012 with the Cancer Society of New Zealand and Surf Lifesaving New Zealand. As well as providing training, the Cancer Society used the Director of Webshade (the trainer and leading expert in shade audits) to present to the Ministry of Education to encourage them to provide adequate shade for all new schools being built and undergoing renovations. HPA also provided a shade audit of a reserve in Orewa for the Hibiscus and Bays Local Board of the Auckland Council.

In November 2012, the HPA, in conjunction with the Melanoma Foundation of NZ and Cancer Society of NZ, developed a skin cancer self-care card to be distributed to the Pharmaceutical Society's pharmacists. A total of 1,580 cards were distributed, exceeding the target of 650 cards distributed.

The biennial Melanoma Summit was held in April 2013. At the Summit, Dr Paul Hutchinson announced to the 230 delegates that the Government will make amendments to the Health Act, to ban the use of sunbeds by under 18-year-olds, which will come into effect by the end of 2013. He also announced the Government's support for the HPA's Don't Let the Sun Get Under Your Skin youth campaign. Evaluation showed that 97% of respondents agreed or strongly agreed that the Summit was useful.

Local Government New Zealand has expressed an interest in partnering with the HPA on shade audit workshops in 2014. These workshops will highlight the importance of building shade into long-term council plans and will include other strategic support that can be provided by the HPA eg, development of sun safety policies for their employees and at council-supported community events.

## 2012/13 Progress

Measure	Result
Sun safety personnel and resources are present at eight summer events	<b>Achieved</b> – sun safety personnel attended 12 events
More than 2,500 'likes' on Facebook by 31 March 2013	<b>Achieved</b> – 3,061 'likes' by 31 March 2013
Establish baseline of adults that have seen the Sun Protection Alert	<b>Fifty percent</b> of adults reported they have seen the Sun Protection Alert
Establish baseline of adults who report they have understood the Sun Protection Alert	<b>A total of 78.5%</b> of adults reported they understood the Sun Protection Alert
650 skin cancer cards are distributed to pharmacies	<b>Exceeded</b> – 1,580 skin cancer cards distributed
At least 90% of delegates from the Melanoma Summit 2013 'agree' or 'strongly agree' that the Summit was useful	<b>Achieved</b> – 97% agreed or strongly agreed that the Summit was useful
Data from the 2012/13 Sun Exposure Survey is analysed and a final dataset is available for internal use and for external use by application	<b>Achieved</b> – survey was undertaken in January 2013 and data analysis was completed in June 2013

See pages 36 and 40 for details.

## Progress towards impacts

HPA's current primary focus is on adolescents (aged 13 to 17 years). To achieve our impacts we also work with other organisations that influence the environments where

adolescents seek, or are potentially exposed to, excessive UV radiation.

## Impact Measures For Sun Safety: Progress Towards 2015

2015 Target	Interim result 30 June 2013 ( <i>Trend/comment</i> )
<b>1. New Zealanders lead healthier lives</b>	
<b>80%</b> of youth (13 to 24-years-old) report they were not sunburnt while outdoors the previous summer weekend (2010 Sun Exposure Survey – 79%)	Progress towards the target has not changed from previous survey. The latest result from the 2013 Sun Exposure Survey is 79.2%
<b>2. People are more aware, motivated and able to improve and protect their own and their family's health and wellbeing</b>	
<b>67%</b> of youth (13 to 24-years-old) who spent 15 minutes or more outdoors during the previous weekend agree with the statement: "Most of my friends think that a suntan is a good thing" (2010 Sun Exposure Survey – 69% <sup>11</sup> )	Progress towards the target has not changed from previous survey. The latest result from the 2013 Sun Exposure Survey is 73%*
<b>3. Physical, social and policy environments and services better promote and protect health and wellbeing</b>	
<b>Nine</b> territorial local authorities have sun protection policies in place (2006 Territorial Authority Sun Safety Survey – four territorial local authorities)	Target has been met. The latest result from the 2013 Territorial Authority Sun Safety Survey is at least 10 territorial local authorities have policies in place

\* Indicates that the difference between the 2013 and 2010 measure is not statistically significant ie, there is no evidence of any change from the previous (2010) survey.

<sup>11</sup> Updated analyses show that the result is 71.6% in 2010.



# RHEUMATIC FEVER

*It is essential that parents/caregivers and whānau are aware of the risk factors for rheumatic fever, understand the link between sore throats and the risk of rheumatic heart disease, and seek immediate treatment for children affected by a sore throat.*

Resources in English, te reo Māori and four Pacific languages, supporting tools (school newsletter inserts with sore throat messages, presentation templates), and simple merchandise were developed during the year.

Work continued with the Pacific Advisory Group (for rheumatic fever) to develop the Pacific language resources and also develop actions for further engagement with Pacific communities.

During 2012/13, HPA undertook work to review current messages and develop new messages as well as developing new communications channels eg, radio. Expert working groups were convened to review and develop messages and a communications and stakeholder engagement plan was completed.

## 2012/13 Progress

Measure	Result
New resources are developed for parents, children and communities	<b>Achieved</b> – development of one Te Reo and four Pacific languages completed
75% of surveyed resource users are satisfied with resources to support rheumatic fever prevention	<b>Achieved</b> – 82% of respondents were satisfied with the quality of resources

See page 36 for details.

# MORE HEART AND DIABETES CHECKS

*In 2012/13, HPA developed and delivered two promotions to help increase the number of heart and diabetes checks being undertaken.*

In early 2012/13, we were asked to develop a strategy to encourage the eligible population to get a cardiovascular risk assessment. To assist with this initiative we worked with key stakeholders including the Heart Foundation, PHARMAC, primary health organisations (PHOs) and others to launch a first stage of national/regional activity to coincide with World Heart Day on 29 September 2012.

HPA secured the involvement of former All Black captain Wayne 'Buck' Shelford. Buck is personally committed to promoting men's health and has a good connection with key audiences. VTNZ joined as a commercial partner and distributed Get a heart health check reminders to all owners of cars having a warrant of fitness during October.

In addition to radio advertising, print resources were distributed to all hospitals and GP offices for four months starting in October. HPA also negotiated an excellent deal with Māori Television to air PHARMAC's One Heart Many Lives commercial. This deal represents a significant saving, as HPA was able to promote salient messages regarding the importance of heart risk assessments without incurring any production costs. Work continues to support PHOs to increase the numbers of heart health checks they are undertaking.

Other strategies included:

- presenting to workplace organisations including Site Safe Accredited Employers (this includes all of the major construction companies in New Zealand) and the Taxi Federation Conference
- participating in the Active Post community event at the AUT Millennium Institute on Auckland's North Shore, where a team of 23 nurses, supported by the HPA and the Heart Foundation, undertook heart checks in a marquee on the campus. Approximately 82% of those assessed were at mild cardiovascular risk
- working with PHOs and the Wellington Heart Foundation to support a Wellington-wide promotion of getting a heart health check in February 2013. Initiatives included delivering strategic marketing and communications advice and support, including billboards, t-shirts, radio ads, bumper stickers and templated media releases for local use, plus a series of heart check events
- encouraging the Heart Foundation's local heart health advocates to take an active part in the promotion. This resulted in the involvement of local businesses e.g, The Warehouse in Timaru gave out 15,000 pamphlets at their check-outs during Heart Week (11–15 February) and The Warehouse in Dunedin put 15,000 Bring Back Buck flyers into customers' bags on the same week.

Following the success of the initial work in 2012, HPA was asked to reinvigorate the campaign in June 2013. This work supports the Government's national target of more heart and diabetes checks. Key features of the work are:

- a national mass media campaign
- sector engagement and development
- workplace engagement.

The campaign runs through to the end of October 2013 and aims to educate and change attitudes ('I need to get a heart and diabetes check – it's easy') and drive behaviour change ('Go to the doctor or nurse

for a check'). Buck Shelford was once again used as the 'hero' to deliver the messaging. The campaign includes elements of PR, national television commercials, a national radio commercial, newspaper advertisements, print collateral (posters and flyers), websites, and toolkits for PHOs and workplaces (with key messages and FAQs, newsletters and collateral).

To ensure a nationally coordinated approach, HPA once again worked closely with the Ministry of Health, Heart Foundation, Diabetes NZ and a number of interested PHOs.

## 2012/13 Progress

Measure	Result
New resources produced for eligible population	<b>Achieved</b> – new resources developed in time for launch on 25 September 2012
Work with commercial partners to promote heart check awareness messages	<b>Achieved</b> – project launched at VTNZ and resources were put into all cars having a warrant of fitness during the month of October 2012
Baseline established for awareness of cardiovascular risk disease assessment	<b>Over two-thirds</b> (68%) of respondents stated they knew what a cardiovascular risk assessment is

See page 36 for details.

# MENTAL HEALTH

*Positive mental health is an important part of overall health and wellbeing. HPA aims to minimise the impact of mental illness on New Zealanders in the context of a broader approach to wellbeing.*

During the year, KPMG was commissioned by the Ministry of Health to undertake a Value for Money (VfM) review of the National Depression Initiative (NDI), with the intent of improving efficiency and effectiveness of the services delivered under the NDI. While the review was unable to make clear conclusions on an overall VfM (due to lack of quantitative data in some key areas), there were some very useful insights:

- There is clear evidence about the campaign's effectiveness in increasing help-seeking behaviour and it has proven to be cost effective.
- The report recommended that the NDI requires stronger leadership, clearer direction and better communications with key stakeholders. The HPA has an opportunity to help provide this and is currently working with the Ministry of Health to develop an overall strategy. Work is also underway to explore opportunities to extend the programme to better meet the needs of specific target audiences.

The HPA has had meetings with Sir John Kirwan (the 'face' of NDI since its inception) to outline some views on how the programmes can be further improved.

The HPA is also supporting the Ministry of Health with the development of a new national plan for Like Minds, Like Mine. As part of developing the new plan, consultation with the sector has been undertaken. The HPA is responsible for the stocktake of mental health promotion activities and literature review. The new national plan will be completed by the end of 2013.

# IMMUNISATION

*HPA's focus in the immunisation area is to provide marketing and communications assistance to support the achievement of the Ministry of Health's immunisation outcome of 'Good health and independence are promoted and protected'.*

While HPA was involved with a number of projects and resource development in this space there were three larger projects – Don't assume you're immune targeting teenagers before they leave secondary school and first year university students, supplementing the national Don't let the flu knock you campaign, and coordination of Immunisation Week.

## **Don't assume you're immune**

Don't assume you're immune is an approach to increase the number of teenagers/young adults getting immunised for a variety of diseases eg, HPV, measles, whooping cough, meningococcal disease. HPA worked with four tertiary institutions to promote these messages via their student health centres as well as promoting the messages to parents and caregivers of year 12 and 13 students.

This initiative included radio advertisements, social media placements, digital display screens placed in malls and university student areas, print advertisements, the distribution of resources to all secondary schools in the country and selected universities, and the development of a new web page on the Immunisation Advisory Centre (IMAC) website.

## **Don't let the flu knock you**

During the year, HPA was asked to enhance the influenza campaign that is coordinated by the National Influenza Specialist Group (NISG). The main objective of the campaign was to increase the number of flu vaccinations from 1m to 1.2m.

The campaign launched in mid-March and continued until the end of July. HPA expanded the reach of the television commercials, created two radio advertisements and developed a number of other placement opportunities eg, bus backs, MediTV, workplace promotions, and information included in all passports being distributed by the Department of Internal Affairs.

By 30 June, 1.245m doses of the vaccine had been distributed – beating the target of 1.2m doses.

## **Immunisation Week**

HPA coordinates Immunisation Week, which includes distributing resource packs to all District Health Boards in the country and providing 1,300 resource packs to GP surgeries, midwifery centres, primary health organisations, public health units, and Plunket regional offices. The Ministry of Health received favourable comments about the timeliness and usefulness of these resources.

# ORGANISATIONAL PERFORMANCE

During 2012/13, priority was given to creating a high-performing organisation. This was achieved by:

- successfully establishing the new operating structure by December 2012 and ensuring no momentum was lost on former HSC and ALAC work programmes or work, which enabled HPA staff to operate effectively from day one
- completing and signing off HPA's first and second Statements of Intent (tabled in November 2012 and July 2013)
- finalising a memorandum of understanding and an output agreement with the Ministry of Health
- securing lease agreements for Wellington and Christchurch office accommodation.

At year end, HPA's total revenue was \$28.9m against the 2012/13 Statement of Intent budget of \$27.7m.

The increase in income is a consequence of some additional programmes of work, partly offset by a shortfall in alcohol levy revenue of \$395,000. HPA is now using all-of-Government suppliers for procured services including advertising and travel and has worked closely with the Property Management Centre of Expertise in consolidating its accommodation needs. As a result of efficiency gains, the agency ended the year ahead of its first year savings target with a 2012/13 year end surplus of \$266,000, 21% ahead of the forecast surplus of \$220,000.

# GOOD EMPLOYER STRATEGIES

The founding organisations of HPA (Alcohol Advisory Council and Health Sponsorship Council) both had a range of good employer strategies. HPA is currently in the process of unifying these strategies to ensure we have a comprehensive approach.

The HPA employs 74 FTEs (77% female and 23% male) located in Wellington, Auckland and Christchurch.

## Leadership, accountability and culture

- Management has introduced quarterly staff meetings and management group meetings are conducted six weekly. These meetings are designed to provide opportunities to inform staff and to enable managers to participate in the development of the HPA's culture, policy and processes.
- Managers conduct regular meetings with staff either as one-on-one sessions or through group sessions.
- Values have been developed in consultation with staff and form part of the HPA's working environment.
- Further work is being undertaken around the development of policies and procedures. Discussion with, and involvement from, staff is a key component of this work.

## Recruitment, selection and induction

- HPA's process for recruiting and inducting new staff clearly follows our employment responsibilities to advertise, recruit, and appoint the best candidate for the role, taking into account equal employment opportunities.
- Roles are advertised widely and, where requested, various styles of interview processes are used ie, whānau support can be provided in the interview process.
- All new staff undergo a formal induction process, which has continued to be developed and refined (using feedback from those staff who have undertaken the process) to ensure it meets new staff members' needs.

## Employee development, promotion and exit

- Professional development is budgeted for, and supported by, general managers. Development opportunities other than external training are also provided where possible.
- Exit interviews are conducted with departing staff and feedback provided to senior management. This enables the organisation to consider what, if any, actions need to be undertaken.
- We continue to work on our learning and development framework, the design of our roles, and are in the process of defining the level of the roles and developing a remuneration framework to fit our organisation.

## Flexibility and work design

- Work-life-family balance is available through a variety of flexible working hours and conditions for people with specific circumstances.

## Remuneration, recognition and conditions

- Remuneration is reviewed annually in conjunction with a performance review.
- All staff have equal access to job opportunities and conditions.

## Harassment and bullying prevention

- There is zero tolerance of harassment and bullying, with the policy currently being reviewed and training being developed.

## Safe and healthy environment

- A new health, safety and wellbeing committee has been formed and a hazard audit has been conducted.
- There continues to be a strong focus on employee health, safety and wellbeing.
- Well-being initiatives will continue to be provided.

# STATEMENT OF RESPONSIBILITY

FOR THE YEAR ENDED 30 JUNE 2013

The Board and management of the Health Promotion Agency are responsible for:

- preparing these financial statements, statement of service performance, and the judgements used therein
- establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial and non-financial reporting.

The Board and management are of the opinion that these financial statements and the statement of service performance fairly reflect the financial position and operations of the Health Promotion Agency for the reporting period.

The image shows two handwritten signatures in black ink. The signature on the left is 'Dr Lee Mathias' and the signature on the right is 'Rea Wikaira'.

*Dr Lee Mathias*  
**Chairman**  
Health Promotion Agency

*Rea Wikaira*  
**Deputy Chairman**  
Health Promotion Agency



# INDEPENDENT AUDITOR'S REPORT

## *To the readers of the Health Promotion Agency's financial statements and non-financial performance information for the year ended 30 June 2013*

The Auditor-General is the auditor of the Health Promotion Agency (the Agency). The Auditor-General has appointed me, Kelly Rushton, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements and non-financial performance information of the Agency on her behalf.

We have audited:

- the financial statements of the Agency on pages 42 to 59, that comprise the statement of financial position as at 30 June 2013, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date and notes to the financial statements that include accounting policies and other explanatory information; and
- the non-financial performance information of the Agency that comprises the statement of service performance on pages 33 to 41 and the report about impacts on pages 11, 15, 18 20 and 22.

### Opinion

In our opinion:

- the financial statements of the Agency on pages 42 to 59:
  - comply with generally accepted accounting practice in New Zealand; and
  - fairly reflect the Agency's:
    - financial position as at 30 June 2013; and
    - financial performance and cash flows for the year ended on that date.

- the non-financial performance information of the Agency on pages 33 to 41 and 11, 15, 18 20 and 22:
  - complies with generally accepted accounting practice in New Zealand; and
  - fairly reflects the Agency's service performance and impacts for the year ended 30 June 2013, including for each class of outputs:
    - its service performance compared with forecasts in the statement of forecast service performance at the start of the financial year; and
    - its actual revenue and output expenses compared with the forecasts in the statement of forecast service performance at the start of the financial year.

Our audit was completed on 21 October 2013. 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 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 and non-financial performance information are free from material misstatement.

Material misstatements are differences or omissions of amounts and disclosures that, in our judgement, are likely to influence readers' overall understanding of the financial statements and non-financial performance information. 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 and non-financial performance information. The procedures selected depend on our judgement, including our assessment of risks of material misstatement of the financial statements and non-financial performance information, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the preparation of the Agency's financial statements and non-financial performance information 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 Agency'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;
- the appropriateness of the reported non-financial performance information within the Agency's framework for reporting performance;
- the adequacy of all disclosures in the financial statements and non-financial performance information; and
- the overall presentation of the financial statements and non-financial performance information.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements and non-financial performance information. Also we did not evaluate the security and controls over the electronic publication of the financial statements and non-financial performance information.

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

The Board is responsible for preparing financial statements and non-financial performance information that:

- comply with generally accepted accounting practice in New Zealand;
- fairly reflect the Agency's financial position, financial performance and cash flows; and
- fairly reflect its service performance and impacts.

The Board is also responsible for such internal control as is determined necessary to enable the preparation of financial statements and non-financial performance information that are free from material misstatement, whether due to fraud or error. The Board is also responsible for the publication of the financial statements and non-financial performance information, whether in printed or electronic form.

The Board's responsibilities arise from the Crown Entities Act 2004 and the New Zealand Public Health and Disability Amendment Act 2012.

## Responsibilities of the Auditor

We are responsible for expressing an independent opinion on the financial statements and non-financial performance information 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 External Reporting Board.

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



K.M. Rushton  
Audit New Zealand  
On behalf of the Auditor-General  
Wellington, New Zealand

# STATEMENT OF SERVICE PERFORMANCE

FOR THE YEAR ENDED 30 JUNE 2013

## Output 1:

### Promoting health and wellbeing – education, marketing and communications

Activity	Performance measures	Result
Alcohol		
Alcohol national marketing campaign	<p><b>1.1</b> At least 90% of the target audience is aware of alcohol moderation marketing and campaign messages</p> <p><b>1.2</b> At least 50% of the target audience considers the campaign messages are relevant to themselves or someone they care about</p>	<ul style="list-style-type: none"> <li>• <b>Achieved</b> – 93% of the target audience was aware of alcohol moderation marketing and campaign messages</li> <li>• <b>Achieved</b> – 63% of target audience consider the messages relevant</li> </ul>
Newsletters, magazines and website	<p><b>1.3</b> Two <i>AlcoholNZ</i> magazines and 11 <i>Ease up</i> e-newsletters are produced</p> <p><b>1.4</b> Number of visitors to <a href="http://www.alac.org.nz">www.alac.org.nz</a> are maintained (2011/12 – 141,327 visitors and 207,240 visits)</p> <p><b>1.5</b> 75% of stakeholder respondents indicate satisfaction (top two categories of a five-point scale) with alcohol magazines, newsletters and website</p>	<ul style="list-style-type: none"> <li>• <b>Achieved</b> – two <i>AlcoholNZ</i> magazines published and distributed this financial year (one in October 2012 and one in June 2013). Thirteen issues of <i>Ease up</i> were published in the financial year</li> <li>• <b>Achieved</b> – there were a total of 203,366 visitors and 267,704 visits for 2012/13</li> <li>• <b>Not achieved</b> – 65% of respondents indicate satisfaction</li> </ul>

Activity	Performance measures	Result
<b>Tobacco Control</b>		
Smoking Not <i>Our</i> Future media campaign	<p><b>1.6</b> Reach – 60% of target audience sees television advertising during the year<sup>12</sup></p> <p><b>1.7</b> Frequency – target audience sees the television advertisements an average of three times<sup>13</sup></p>	<ul style="list-style-type: none"> <li>• <b>Achieved</b> – reach 68.7%</li> <li>• <b>Achieved</b> – target audience saw the television advertisements an average of 8.5 times</li> </ul>
Smoking Not <i>Our</i> Future sponsorships	<p><b>1.8</b> Smokefreerockquest attendance figures are maintained or increased (2011 – 738 bands, 307 secondary schools, 9,034 people in attendance at regional finals)</p> <p><b>1.9</b> Smokefree Pacifica Beats attendance figures are maintained or increased (2011 – 98 bands, 84 schools, 3,760 people in attendance)</p>	<ul style="list-style-type: none"> <li>• <b>Partially achieved</b> – 630 bands, 291 schools, 12,500 event attendees. In addition, 2,287 band members took part and 2,000 unique computers streamed the finals online (usually there are between one and four people watching each live stream). Entry numbers were down slightly on 2011, although attendance numbers at events were up, which means better leveraging of Smoking Not <i>Our</i> Future messages. Live streaming of finals events also means wider coverage for the event</li> <li>• <b>Not achieved</b> – while numbers were down on the 2011 event (72 bands, 45 schools, and 1,900 in attendance), an extra 160 streamed the finals online. These lower figures may be attributed to two events having to be cancelled or postponed. Plans have been put in place to ensure better numbers in 2013</li> </ul>
Online parent-to-parent 'tips' strategy	<p><b>1.10</b> Reach – measure of how many people saw content (baseline in 2012/13)</p> <p><b>1.11</b> Number of 'likes' – measure of the customer base (baseline in 2012/13)</p> <p><b>1.12</b> Talking about this<sup>14</sup> – measure of engagement (baseline in 2012/13)</p>	<ul style="list-style-type: none"> <li>• <b>A total</b> of 2,829,270 saw content in 2012/13</li> <li>• <b>'Likes'</b> increased from 342 (1 July 2012) to 6,753 as at 30 June 2013</li> <li>• <b>Talking about this</b> at 30 June 2013 – 29,502</li> </ul>

<sup>12</sup> 'Reach' is the percentage of the target audience that has seen an advertisement at least once. Industry defines a good reach as 55 to 60% of audience.

<sup>13</sup> Frequency equals the average number of times the target audience sees an advertisement. Industry defines a minimum frequency to encourage action as three times.

<sup>14</sup> 'Talking about this' is a measure of the number of people who have created a story from a post.

Activity	Performance measures	Result
Minimising Gambling Harm		
Choice Not Chance campaign	<p><b>1.13</b> Website hits on new self-help tools on the Choice Not Chance website (baseline in 2012/13)</p> <p><b>1.14</b> Calls to the Gambling Helpline are 29% higher at times when mass media advertising is running compared with when it is not (29% in 2008/09, 2009/10, 2010/11)</p> <p><b>1.15</b> Post-campaign evaluation of all media shows that 65% of respondents have a prompted recall of messages<sup>15</sup></p>	<ul style="list-style-type: none"> <li>• <b>New website tool</b> available on website. In first month of availability 26 tests completed, 66 page views, and 40 unique visitors</li> <li>• <b>Not achieved</b> – calls to Gambling Helpline averaged 169.8 calls in months that advertising ran, compared to 136.42 in months with no advertising (a 24.5% increase)</li> <li>• <b>Exceeded</b> – the prompted recall of Kiwi Lives 3 TV commercials was 86% for those who had experienced gambling harm and 75% for those who had not</li> </ul>
Scribe With Us competition	<p><b>1.16</b> At least 150 people enter the competition (100 in 2011/12)</p> <p><b>1.17</b> At least 5,000 votes are cast as part of the competition (new measure)</p>	<ul style="list-style-type: none"> <li>• <b>Not achieved</b> – 124 valid entries received. However, it is a 24% increase on 2011/12</li> <li>• <b>Exceeded</b> – 8,300 votes</li> </ul>
Nutrition and Physical Activity		
Breakfast-eaters campaign	<p><b>1.18</b> At least 49,000 parents of children aged 5 to 12 years are reached with breakfast messages through regionalised radio promotions</p> <p><b>1.19</b> Average total reach for online activity during online promotions is increased by 15% by June 2013 (average of 231,708/month in 2011/12)</p>	<ul style="list-style-type: none"> <li>• <b>Achieved</b> – Breakfast-eaters promotions organised with commercial radio network MaiFM reached more than 50,000 parents/ caregivers with children aged 5 to 14 years</li> <li>• <b>Exceeded</b> – average total reach for online activity for 2012/13 was 1,759,298/month (an increase of 659%)</li> </ul>

<sup>15</sup> This target is our best estimate, based on the duration, reach, frequency and value of problem gambling's media work.

Activity	Performance measures	Result
<b>Sun Safety</b>		
Youth-targeted sun safety campaign	<p><b>1.20</b> Sun safety personnel and resources are present at eight summer events (four events in 2011/12)</p> <p><b>1.21</b> More than 2,500 'likes' on Facebook by 31 March 2013 (930 in March 2012)</p>	<ul style="list-style-type: none"> <li>• <b>Achieved</b> – sun safety personnel were present at 12 summer events</li> <li>• <b>Achieved</b> – 3,061 'likes' at 31 March 2013</li> </ul>
Sun Protection Alert	<p><b>1.22</b> Number of adults who report they have seen the Sun Protection Alert (baseline in 2012/13)</p> <p><b>1.23</b> Number of adults who report they have understood the Sun Protection Alert (baseline in 2012/13)</p>	<ul style="list-style-type: none"> <li>• <b>Fifty percent</b> of adults reported they have seen the Sun Protection Alert</li> <li>• <b>A total of</b> 78.5% of adults reported they have understood the Sun Protection Alert</li> </ul>
<b>Rheumatic Fever</b>		
Resources and tools to support rheumatic fever prevention	<p><b>1.24</b> New resources for parents, children and communities</p> <p><b>1.25</b> 75% of surveyed resource users are satisfied with resources to support rheumatic fever prevention</p>	<ul style="list-style-type: none"> <li>• <b>Achieved</b> – development of language resources (Te Reo and four Pacific languages) has been completed</li> <li>• <b>Achieved</b> – 82% of respondents were satisfied with the quality of the resources and 72% believed the resources were appropriate for their community's needs</li> </ul>
<b>Cardiovascular Disease</b>		
Heart check awareness campaign	<p><b>1.26</b> New resources produced for eligible population</p> <p><b>1.27</b> Work with commercial partners to promote heart check awareness messages</p> <p><b>1.28</b> Awareness of cardiovascular risk disease assessment (baseline in 2012/13)</p>	<ul style="list-style-type: none"> <li>• <b>Achieved</b> – new resources developed in time for launch (at VTNZ Parnell) on 25 September 2012</li> <li>• <b>Achieved</b> – project was launched at VTNZ on 25 September and resources put into all cars having a warrant of fitness during the month of October 2012</li> <li>• <b>Over two-thirds</b> (68%) of respondents stated they knew what a cardiovascular risk assessment was and this rate was the same for both males and females</li> </ul>

Activity	Performance measures	Result
<b>Health Promotion Initiatives Transferred from Ministry of Health</b>		
Management and monitoring of contracts for delivery of health promotion initiatives in mental health and immunisation	<p><b>1.29</b> Contracts are actively managed according to specifications of each contract</p> <p><b>1.30</b> Service specifications are met on time, at agreed cost and to required quality</p>	<ul style="list-style-type: none"> <li>• <b>Achieved</b> – contract actively managed</li> <li>• <b>Achieved</b> – met obligations as set out in the contract</li> </ul>
Management and monitoring of contracts for evaluation of mental health initiatives	<p><b>1.31</b> Contracts are actively managed according to specifications of each contract</p> <p><b>1.32</b> Service specifications are met on time, at agreed cost and to required quality</p>	<ul style="list-style-type: none"> <li>• <b>Achieved</b> – contract actively managed</li> <li>• <b>Achieved</b> – met obligations as set out in the contract</li> </ul>
Management and monitoring of contracts for production and distribution of nationally-available health education resources	<p><b>1.33</b> Contracts are actively managed according to specifications of each contract</p> <p><b>1.34</b> Service specifications are met on time, at agreed cost and to required quality</p>	<ul style="list-style-type: none"> <li>• <b>Achieved</b> – contract actively managed</li> <li>• <b>Achieved</b> – met obligations as set out in the contract</li> </ul>
Planning for future delivery of mental health and immunisation initiatives and health education resources	<p><b>1.35</b> Review of current delivery of the former Ministry of Health-contracted health promotion initiatives is completed by 31 March 2013</p> <p><b>1.36</b> Recommendations for future delivery of the former Ministry of Health-contracted health promotion initiatives developed in consultation with the Ministry of Health</p>	<ul style="list-style-type: none"> <li>• <b>Achieved</b> – planning is underway for the 2013/14 financial year</li> <li>• <b>Achieved</b> – HPA and Ministry have consulted on future delivery for former Ministry programmes</li> </ul>

## Output 2

### Enabling health promoting initiatives and environments

#### – advice, resources and tools

Activity	Performance measures	Result
<b>Alcohol</b>		
Resources and tools for alcohol legislation requirements	<p><b>2.0</b> New or updated resources for regulatory agencies and premises and uptake of resources</p> <p><b>2.1</b> 75% of stakeholder respondents indicate satisfaction (top two categories of a five-point scale) with resources and tools for alcohol legislation requirements</p>	<ul style="list-style-type: none"> <li>• <b>Achieved</b> – alcohol legislation passed December 2012. Following the introduction of the legislation a new series of bar signs and an intoxication assessment tool have been developed</li> <li>• <b>Achieved</b> – 77% of respondents indicate satisfaction with resources and tools for alcohol legislation requirements</li> </ul>
Resources and tools for health sector action	<p><b>2.2</b> New or updated resources for primary healthcare and other settings and uptake of resources</p> <p><b>2.3</b> 75% of stakeholder respondents indicate satisfaction (top two categories of a five-point scale) with alcohol-related resources and tools for health sector action</p>	<ul style="list-style-type: none"> <li>• <b>A number</b> of resources have been rebranded to HPA and demand remains high. Distribution figures for alcohol health-related resources – 344,593 as at 30 June 2013</li> <li>• <b>Exceeded</b> – 86% of respondents indicate satisfaction with alcohol-related resources for health sector action</li> </ul>
Alcohol Drug Helpline	<p><b>2.4</b> Alcohol Drug Helpline shows at least 95% of all calls received are answered by trained brief intervention counsellors</p> <p><b>2.5</b> At least 25% of all Alcohol Drug Helpline alcohol-relevant calls answered receive brief intervention</p>	<ul style="list-style-type: none"> <li>• <b>Achieved</b> – 100% of calls received were answered by trained brief intervention counsellors</li> <li>• <b>Achieved</b> – 39% of all Alcohol Drug Helpline alcohol-relevant calls answered received brief intervention</li> </ul>
Supporting the Cutting Edge national addictions conference for the addiction treatment sector	<p><b>2.6</b> Evaluation results show overall satisfaction with the conference (75% score in top two categories of a five-point scale)</p>	<ul style="list-style-type: none"> <li>• <b>Achieved</b> – the Cutting Edge conference was held 6-7 September 2012 with 385 attending. In total, 85% of participants rated their satisfaction in the top two categories</li> </ul>



Activity	Performance measures	Result
<b>Alcohol, continued</b>		
Community action on alcohol fund (CAAF) projects	<b>2.7</b> Community action projects funded through 2012/13 CAAF funding round	<ul style="list-style-type: none"> <li>• <b>Fifteen</b> applications were approved in the 2012/13 CAAF funding round</li> </ul>
Resources and advice for community action on alcohol	<b>2.8</b> New online resource to support community action on alcohol	<ul style="list-style-type: none"> <li>• <b>Achieved</b> – <i>What is community action?</i> has been added to the alcohol.org.nz website. This resource includes video content</li> </ul>
	<b>2.9</b> 75% of stakeholder respondents indicate satisfaction (top two of a five-point scale) with resources and advice for community action on alcohol	<ul style="list-style-type: none"> <li>• <b>Not achieved</b> – 65% of respondents indicate satisfaction with resources and advice for community action on alcohol. Feedback was generally positive, with a desire expressed for more information sharing and relationship building</li> </ul>
<b>Tobacco Control</b>		
Smokefree Schools project	<b>2.10</b> At least 80% of participants attending HPA workshops report that they feel confident in using the HPA Smokefree Schools resources effectively	<ul style="list-style-type: none"> <li>• <b>Achieved</b> – 90+% of participants who attended workshops felt confident or very confident in using the resources effectively</li> </ul>
Smoking Not Our Future Facebook strategy	<b>2.11</b> An average of 10% engagement is achieved per new posting on Facebook (measure of engaged users) <sup>16</sup>	<ul style="list-style-type: none"> <li>• <b>Achieved</b> – initial calculations indicate an average of at least 10% per new posting throughout the year</li> </ul>
Local smokefree initiatives	<b>2.12</b> At least 30 communities are supported to implement local World Smokefree Day initiatives  <b>2.13</b> Nine out of 10 stakeholders confirm that their work is more effective as a result of using HPA support (10 out of 10 in 2012, nine out of 10 in 2011)	<ul style="list-style-type: none"> <li>• <b>Achieved</b> – 32 communities supported</li> <li>• <b>A total</b> of 88% of the 24 respondents confirm their work is more effective as a result of HPA's support. Based on the sample size and margin of error, this result should be considered as achieved</li> </ul>
National tobacco control conference	<b>2.14</b> Evaluation shows the conference to be of value to delegates in their efforts to reduce smoking (75% score in top two categories of a five-point scale)	<ul style="list-style-type: none"> <li>• <b>Achieved</b> – more than 92% of respondents agreed or strongly agreed that they had learned things at the conference that would enable them to contribute more effectively to reducing smoking</li> </ul>

16 'Engaged users' is the number of people who have clicked anywhere on a post.

Activity	Performance measures	Result
<b>Minimising Gambling Harm</b>		
Supporting frontline services	<p><b>2.15</b> Health promotion resources and advice are provided to all 35 problem gambling services</p> <p><b>2.16</b> At least 70% of respondents to a survey of public health problem gambling services report being better able to do their jobs as a result of HPA support (70% in 2012)</p>	<ul style="list-style-type: none"> <li>• <b>Achieved</b> – delivered to all services contracted by the Ministry</li> <li>• <b>Exceeded</b> – 84% of gambling service providers surveyed said that they were better able to do their job as a result of HPA's support</li> </ul>
Gamblefree day	<b>2.17</b> At least 25 local gambling-related media stories are generated as a result of community activities supported by HPA (16 in 2011/12)	<ul style="list-style-type: none"> <li>• <b>Achieved</b> – at least 35 stories generated</li> </ul>
<b>Nutrition and Physical Activity</b>		
Supporting community initiatives	<p><b>2.18</b> Two Māori community projects aimed at increasing capacity and capability of Māori communities to improve nutrition outcomes are funded</p> <p><b>2.19</b> Evaluations of Māori community projects provide recommendations for how HPA could engage more effectively with Māori on healthy eating</p>	<ul style="list-style-type: none"> <li>• <b>Achieved</b> – two providers have been funded and have delivered projects</li> <li>• <b>Achieved</b> – evaluation reports received</li> </ul>
Supporting frontline services	<p><b>2.20</b> At least 10 sector e-newsletters are produced</p> <p><b>2.21</b> At least 20 sector communications, such as forums and presentations</p> <p><b>2.22</b> At least 82% of resource users agree that they are better able to do their work as a result of HPA support (82% in 2011/12)</p>	<ul style="list-style-type: none"> <li>• <b>Achieved</b> – 12 sector newsletters produced</li> <li>• <b>Achieved</b> – 21 sector communications</li> <li>• <b>Achieved</b> – 84% of resource users agreed or strongly agreed that they were better able to do their work as a result of HPA support</li> </ul>
<b>Sun Safety</b>		
Information and tools to promote and encourage sun protective behaviour	<b>2.23</b> 650 skin cancer cards distributed to pharmacies by 30 June 2013 (570 in 2011/12)	<ul style="list-style-type: none"> <li>• <b>Exceeded</b> – 1,580 skin cancer cards were distributed</li> </ul>
Funding and other support services are provided to hold the 2013 Melanoma Summit	<b>2.24</b> At least 90% of delegates from the Melanoma Summit 2013 'agree' or 'strongly agree' that the Summit was useful (top two categories of a three-point scale)	<ul style="list-style-type: none"> <li>• <b>Achieved</b> – evaluation shows that 97% agreed or strongly agreed that the Summit was useful</li> </ul>

## Output 3

### Informing health promoting policy and practice – policy advice and research

Activity	Performance measures	Result
Alcohol Policy Advice		
Policy advice/submissions	<p><b>3.0</b> Number of submissions</p> <p><b>3.1</b> Submissions are provided by the specified timeframes</p>	<ul style="list-style-type: none"> <li>• <b>Three</b> written submissions and two oral submissions made</li> <li>• <b>Achieved</b> – all submissions made within specified timeframes</li> </ul>
Research		
New Zealand Smoking Monitor (NZSM)	<p><b>3.2</b> The NZSM is in field continuously during 2012/13</p> <p><b>3.3</b> Data from the NZSM is reported to the Ministry of Health monthly, quarterly and annually</p> <p><b>3.4</b> Analysis of data is provided to the Ministry of Health's satisfaction</p>	<ul style="list-style-type: none"> <li>• <b>Achieved</b> – NZSM in field continuously</li> <li>• <b>Achieved</b> – monthly, quarterly and annual data provided to the Ministry of Health</li> <li>• <b>Achieved</b></li> </ul>
New Zealand Youth Tobacco Monitor (NZYTM)	<p><b>3.5</b> Data is provided to ASH (Action for Smoking and Health)</p> <p><b>3.6</b> Data is provided to the satisfaction of ASH in line with the memorandum of understanding between the HPA and ASH</p>	<ul style="list-style-type: none"> <li>• <b>Achieved</b> – material sent to ASH in October 2012</li> <li>• <b>Achieved</b> – top line data released by ASH in April 2013</li> </ul>
Health and Lifestyles Survey	<b>3.7</b> Data from the 2012 survey is analysed and a final dataset is available for internal use and for external use by application	<ul style="list-style-type: none"> <li>• <b>Achieved</b> – the final dataset is available and ongoing analysis was undertaken throughout 2012/13</li> </ul>
Sun Exposure Survey	<b>3.8</b> Data from the 2012/13 survey is analysed and a final dataset is available for internal use and for external use by application	<ul style="list-style-type: none"> <li>• <b>Achieved</b> – the survey was undertaken in January 2013 and data analysis was completed in June 2013</li> </ul>
Annual Attitudes and Behaviour Alcohol Survey	<p><b>3.9</b> Minimum of 3,200 people are interviewed for the 2012 survey</p> <p><b>3.10</b> Reports for the 2011 Annual Attitudes and Behaviour Alcohol Survey are published in 2012/13</p>	<ul style="list-style-type: none"> <li>• <b>Achieved</b> – a total of 3,243 people were surveyed during November 2012 and January 2013</li> <li>• <b>Partially achieved</b> – final drafts for publication were completed in 2012/13. Planned for release in first quarter of 2013/14 following some necessary checking of data presentation</li> </ul>

# STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2013

	Notes	Actual 2013 \$000	Budget 2013 \$000	SOI 2013 \$000
<b>Revenue</b>				
Levy income	2	13,499	13,632	13,894
Crown income	3	14,820	14,824	13,297
Interest		282	140	140
Other income	4	332	230	415
<b>Total Revenue</b>		<b>28,933</b>	<b>28,826</b>	<b>27,746</b>
<b>Expenditure</b>				
Personnel expense	5	6,076	5,977	6,382
Depreciation, amortisation and loss on disposal		136	134	135
Other operating expenses	6	2,035	2,078	1,751
Programme expenditure		20,420	20,417	19,478
<b>Total Expenditure</b>		<b>28,667</b>	<b>28,606</b>	<b>27,746</b>
<b>Surplus (deficit)</b>		<b>266</b>	<b>220</b>	<b>–</b>
<b>Total Comprehensive income for the year</b>		<b>266</b>	<b>220</b>	<b>–</b>

Explanations of major variances against the SOI are provided in note 23.

The accompanying accounting policies and notes form an integral part of these financial statements.

# STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2013

	Actual 2013 \$000	Budget 2013 \$000	SOI 2013 \$000
<b>Balance at 1 July</b>			
Capital contribution	2,124	1,194	1,194
<b>Total balance 1 July</b>	<b>2,124</b>	<b>1,194</b>	<b>1,194</b>
<b>Comprehensive income</b>			
Surplus (deficit)	266	220	–
<b>Total comprehensive income</b>	<b>266</b>	<b>220</b>	<b>–</b>
<b>Owner transactions</b>			
Capital contribution	1,300	1,300	1,300
<b>Total owner transactions</b>	<b>1,300</b>	<b>1,300</b>	<b>1,300</b>
<b>Balance at 30 June</b>			
Capital contribution	3,424	2,494	2,494
Accumulated funds	266	220	–
<b>Total balance at 30 June</b>	<b>3,690</b>	<b>2,714</b>	<b>2,494</b>

Explanations of major variances against the SOI are provided in note 23.

The accompanying accounting policies and notes form an integral part of these financial statements.

# STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2013

	Notes	Actual 2013 \$000	Budget 2013 \$000	SOI 2013 \$000
<b>Assets</b>				
<b>Current assets</b>				
Cash and cash equivalents	7	280	960	960
Trade and other receivables	8	5,634	2,309	2,309
Investments	9	5,500	2,700	2,700
<b>Total current assets</b>		<b>11,414</b>	<b>5,969</b>	<b>5,969</b>
<b>Non-current assets</b>				
Property, plant and equipment	10	164	460	460
Intangible assets	11	27	30	30
<b>Total non-current assets</b>		<b>191</b>	<b>490</b>	<b>490</b>
<b>Total assets</b>		<b>11,605</b>	<b>6,459</b>	<b>6,459</b>
<b>Liabilities</b>				
<b>Current liabilities</b>				
Trade and other payables	12	6,434	3,525	3,745
Employee entitlements	13	538	220	220
Income in advance		658	-	-
Provisions	14	219	-	-
<b>Total current liabilities</b>		<b>7,849</b>	<b>3,745</b>	<b>3,965</b>
<b>Non-current liabilities</b>				
Employee entitlements	13	66	-	-
<b>Total non-current liabilities</b>		<b>66</b>	<b>-</b>	<b>-</b>
<b>Total liabilities</b>		<b>7,915</b>	<b>3,745</b>	<b>3,965</b>
<b>Net assets</b>		<b>3,690</b>	<b>2,714</b>	<b>2,494</b>
<b>Equity</b>				
Capital contribution		3,424	2,494	2,494
Accumulated funds		266	220	-
<b>Total equity</b>		<b>3,690</b>	<b>2,714</b>	<b>2,494</b>

Explanations of major variances against the SOI are provided in note 23.

The accompanying accounting policies and notes form an integral part of these financial statements.

# STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2013

	Notes	Actual 2013 \$000	Budget 2013 \$000
<b>Cash flows from operating activities</b>			
Receipts from levies		12,978	13,894
Receipts from the Crown		13,266	13,297
Interest received		242	140
Receipts from other income		668	315
Payments to suppliers		(19,866)	(18,982)
Payments to employees		(6,017)	(6,219)
Goods and services tax (net)		127	-
<b>Net cash flow from operating activities</b>	<b>15</b>	<b>1,398</b>	<b>2,445</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment		(134)	(85)
Purchase of intangible assets		(28)	-
Acquisition of investments		(5,500)	(5,700)
<b>Net cash flow from investing activities</b>		<b>(5,662)</b>	<b>(5,785)</b>
<b>Cash flows from financing activities</b>			
Transfer of funds from the Alcohol Advisory Council		1,530	1,500
Transfer of funds from the Health Sponsorship Council		1,714	1,500
Capital contribution		1,300	1,300
<b>Net cash flow from financing activities</b>		<b>4,544</b>	<b>4,300</b>
Net increase (decrease) in cash and cash equivalents		280	960
<b>Cash and cash equivalents at the end of the year</b>	<b>7</b>	<b>280</b>	<b>960</b>

The accompanying accounting policies and notes form an integral part of these financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2013

## Note 1: Statement of accounting policies

### REPORTING ENTITY

The Health Promotion Agency (HPA) is a Crown entity as defined by the Crown Entities Act 2004 and is domiciled in New Zealand. HPA was established on 1 July 2012 by the New Zealand Public Health and Disability Amendment Act 2012, and its ultimate parent is the New Zealand Crown.

The New Zealand Public Health and Disability Amendment Act 2012 dissolved the Alcohol Advisory Council (ALAC) and the Health Sponsorship Council (HSC) at the close of 30 June 2012. The function, duties and powers of both Councils were transferred to HPA.

HPA has an overall function to lead and support activities for the following purposes:

- promoting health and wellbeing and encouraging healthy lifestyles
- preventing disease, illness and injury
- enabling environments that support health and wellbeing and healthy lifestyles
- reducing personal, social and economic harm.

It also has functions specific to providing advice and research on alcohol issues.

HPA has designated itself as a public benefit entity for the purposes of New Zealand equivalents to International Financial Reporting Standards (NZ IFRS).

### BASIS OF PREPARATION

#### Statement of compliance and measurement base

The financial statements of HPA have been prepared in accordance with the requirements of the Crown Entities Act 2004. The financial statements have been prepared on an historical cost basis for a going concern in accordance with New Zealand Generally Accepted Accounting Practice (GAAP) and were authorised for issue by the Board on 21 October 2013.

The financial statements comply with NZ IFRS and other applicable financial reporting standards as appropriate for public benefit entities.

#### Functional and presentational currency

These financial statements are presented in New Zealand dollars, which is the entity's functional currency. All financial information has been rounded to the nearest thousand dollars (\$000).

#### Use of estimates and judgements

The process of applying accounting policies requires HPA to make judgements, estimates and assumptions that affect the reported amount of assets, liabilities, income and expenses. The estimates and associated assumptions are based on past experience and various other factors that are believed to be reasonable under the circumstances. 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 future periods affected.

#### Changes in accounting policies

This is HPA's first annual report and the significant accounting policies were adopted during the reporting period.



Standards, amendments and interpretations issued that are not yet effective and have not been early adopted and which are relevant to HPA are:

- NZ IFRS 9 *Financial Instruments* will eventually replace NZ IAS 39 *Financial Instruments: Recognition and Measurement*. NZ IAS 39 is being replaced through the following three main phases: Phase 1 Classification and Measurement, Phase 2 Impairment Methodology, and Phase 3 Hedge Accounting. Phase 1 has been completed and has been published in the new financial instrument standard NZ IFRS 9. NZ IFRS 9 uses a single approach to determine whether a financial asset is measured at amortised cost or fair value, replacing the many different rules in NZ IAS 39. The approach in NZ IFRS 9 is based on how an entity manages its financial assets (its business model) and the contractual cash flow characteristics of the financial assets. The financial liability requirements are the same as those of NZ IAS 39, except for when an entity elects to designate a financial liability at fair value through the surplus/deficit. The new standard is required to be adopted for the year ended 30 June 2016. However, as a new Accounting Standards Framework will apply before this date, there is no certainty when an equivalent standard to NZ IFRS 9 will be applied by public benefit entities.

The Minister of Commerce has approved a new Accounting Standards Framework (incorporating a Tier Strategy) developed by the External Reporting Board (XRB). Under this Accounting Standards Framework, HPA is classified as a Tier 1 reporting entity and it will be required to apply full Public Benefit Entity Accounting Standards (PAS). These standards are being developed by the XRB based on current International Public Sector Accounting Standards. The effective date for the new standards for public sector entities is expected to be for reporting periods beginning on or after 1 July 2014. This means HPA expects to transition to the new standards in preparing its 30 June 2015 financial statements. As the PAS are still under development, HPA is unable to assess the implications of the new Accounting Standards Framework at this time.

Due to the change in the Accounting Standards Framework for public benefit entities, it is expected that all new NZ IFRS and amendments to existing NZ IFRS will not be applicable to public benefit entities. Therefore, the XRB has effectively frozen the financial reporting requirements for public benefit entities up until the new Accounting Standards Framework is effective. Accordingly, no disclosure has been made about new or amended NZ IFRS that exclude public benefit entities from their scope.

## SIGNIFICANT ACCOUNTING POLICIES

### Revenue

Revenue is measured at the fair value of consideration received or receivable.

#### *Revenue from the Crown*

HPA is funded through revenue received from the Crown, which is restricted in its use for the purpose of HPA meeting its objectives as specified in the Statement of Intent 2012–2015.

Revenue from the Crown is recognised as revenue when earned and is reported in the financial period to which it relates.

#### *Levy income*

Levy income is recognised as income in the accounting period when earned and is reported in the financial period to which it relates.

Levy income is received from:

- New Zealand Customs, assessed on locally produced beer, spirits, grape wine, fruit wine and imported liquor, and
- Ministry of Health, assessed on the turnover from non-casino gaming machines, casinos, the New Zealand Racing Board and the New Zealand Lotteries Commission.

### Interest

Interest income is recognised using the effective interest method.

## Leases

### Operating leases

Leases that do not transfer substantially all the risks and rewards incidental to ownership of an asset to the HPA are classified as operating leases. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the term of the lease in the Statement of Comprehensive Income.

HPA leases office equipment and premises.

### Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less.

### Debtors and other receivables

Debtors and other receivables are recorded at their face value, less any provision for impairment.

Impairment of a receivable is established when there is objective evidence that HPA will not be able to collect amounts due according to the original terms of the receivable. Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, receivership or liquidation, and default in payments are considered indicators that the debt is impaired. The amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the surplus or deficit. When the receivable is uncollectable, it is written off against the allowance account for receivables. Overdue receivables that have been renegotiated are reclassified as current (that is, not past due).

### Investments

Investments in bank deposits are initially measured at fair value plus transaction costs. After initial recognition investments in bank deposits are measured at amortised cost using the effective interest method. For bank deposits, impairment is established when there is objective evidence that the HPA will not be able to collect amounts due according to the original terms of the deposit. Significant financial difficulties of the bank, probability that the bank will enter into insolvency, and default in payments are considered indicators that the deposit is impaired.

## Property, plant and equipment

Property, plant and equipment comprise artwork, library books and films, furniture and office equipment, computer equipment, leasehold improvements, and motor vehicles.

Property, plant and equipment are shown at cost or valuation, less accumulated depreciation and impairment losses.

### Additions

The cost of an item of property, plant and equipment is recognised as an asset only when it is probable that future economic benefits or service potential associated with the item will flow to HPA and the cost of the item can be measured reliably.

Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value when control over the asset is obtained.

### Disposals

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

### Subsequent costs

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to HPA and the cost of the item can be measured reliably. The costs of day-to-day servicing of property, plant and equipment are recognised in the Statement of Comprehensive Income as they are incurred.

### Depreciation

Depreciation is provided on a straight-line basis on all property, plant and equipment, at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives. The useful lives and associated depreciation rates of major classes of assets are estimated as follows:

Furniture and Fittings	10 years	10.0%
General Office Equipment	5 years	20.0%
Computer Equipment	3–5 years	20% to 33.0%
Leasehold Improvements*	3 years	33.0%
Motor Vehicles	5 years	20.0%

\* Leasehold improvements are depreciated over the unexpired period of the lease or the estimated remaining useful lives of the improvements, whichever is the shorter.

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year end.

### **Intangible assets**

#### ***Software acquisition and development***

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

Costs that are directly associated with the development of software for internal use are recognised as an intangible asset. Direct costs include the software development, employee costs and an appropriate portion of relevant overheads. Staff training costs are recognised as an expense when incurred.

Costs associated with maintaining computer software are recognised as an expense when incurred.

Costs associated with the development and maintenance of HPA's website are recognised as an expense when incurred.

#### ***Amortisation***

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each period is recognised in the Statement of Comprehensive Income.

The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows:

Acquired computer software	3 years	33.0%
Developed computer software	4 years	20.0%

### **Impairment of property, plant and equipment and intangible assets**

Property, plant and equipment and intangible assets that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is depreciated replacement cost for an asset where the future economic benefits or service potential of the asset are not primarily dependent on the asset's ability to generate net cash inflows and where HPA would, if deprived of the asset, replace its remaining future economic benefits or service potential.

If an asset's carrying amount exceeds its recoverable amount, the asset is impaired and the carrying amount is written down to the recoverable amount. For re-valued assets the impairment loss is recognised against the revaluation reserve for that class of asset. Where that results in a debit balance in the revaluation reserve, the balance is recognised in the Statement of Comprehensive Income.

For assets not carried at a re-valued amount, the total impairment loss is recognised in the Statement of Comprehensive Income.

### **Creditors and other payables**

Short-term creditors and other payables are recorded at their face value.

### **Short-term employee entitlements**

Employee entitlements that are due to be settled within 12 months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date and annual leave earned but not yet taken at balance date.

A liability and an expense are recognised for performance pay where there is a contractual obligation or where there is a past practice that has created a constructive obligation.

A liability for sick leave is recognised to the extent that absences in the coming year are expected to be greater than the sick leave entitlements earned in the coming year. The amount is calculated based on the unused sick leave entitlement that can be carried forward at balance date, to the extent that it will be used by staff to cover those future absences.

### **Long-term employee entitlements**

Employee benefits that are payable beyond 12 months after the end of the period in which the employee renders the related service, such as long service leave, have been calculated on an actuarial basis. The calculations are based on:

- likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement and contractual entitlements information; and
- the present value of the estimated future cash flows.

The discount rate is based on the weighted average of government bonds with terms to maturity similar to those of the relevant liabilities. The inflation factor is based on the expected long-term increase in remuneration for employees.

### **Defined contribution schemes**

Obligations for contributions to KiwiSaver and ASB Group Master Trust are accounted for as defined contribution schemes and are recognised as an expense in the Statement of Comprehensive Income as incurred.

### **Provisions**

A provision is recognised for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, it is probable that an outflow of future economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense and is included in 'finance costs'.

### **Onerous contracts**

A provision for onerous contracts is recognised when the expected benefits to be derived from a contract are lower than the unavoidable cost of meeting the obligations under the contract.

The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract.

### **Equity**

Equity is measured as the difference between total assets and total liabilities.

### **Goods and services tax**

All items in the financial statements are presented exclusive of goods and services tax (GST), except for receivables and payables, which are presented on a GST-inclusive basis. Where GST is not recoverable as input tax then it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the Statement of Financial Position.

The net GST paid to, or received from, the IRD, including the GST relating to investing and financing activities, is classified as a net operating cash flow in the Statement of Cash Flows.

Commitments and contingencies are disclosed exclusive of GST.

### **Income tax**

HPA is a public authority and consequently is exempt from the payment of income tax. Accordingly, no charge for income tax has been provided for.

### **Budget figures**

The budget figures are derived from the Statement of Intent 2012–2015 as approved by the Board. The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted by HPA for the preparation of the financial statements.

### **Statement of cost accounting policies**

HPA has determined the cost of outputs using the cost allocation system outlined below.

#### *Types of cost*

Direct costs are those costs directly attributed to an output. Indirect costs are those costs that cannot be identified with a specific output in an economically feasible manner.

#### *Method of assigning direct costs to outputs*

Direct costs are those costs directly attributable to an output. Indirect costs are those costs that cannot be identified in an economically feasible manner with a specific output.

Direct costs are charged directly to outputs. Indirect costs are charged to outputs based on cost drivers and related activity or usage information. Personnel and other indirect costs are assigned to outputs based on the cost of assessed direct time.

### **Critical accounting estimates and assumptions**

In preparing these financial statements HPA has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

#### *Property, plant and equipment useful lives and residual value*

At each balance date HPA reviews the useful lives and residual values of its property, plant and equipment. Assessing the appropriateness of useful life and residual value estimates of property, plant and equipment requires HPA to consider a number of factors such as the physical

condition of the asset, expected period of use of the asset by HPA, and expected disposal proceeds from the future sale of the asset.

An incorrect estimate of the useful life or residual value will impact the depreciation expense recognised in the Statement of Comprehensive Income, and carrying amount of the asset in the Statement of Financial Position.

HPA minimises the risk of this estimation uncertainty by:

- physical inspection of assets;
- asset replacement programmes;
- review of second-hand market prices for similar assets;
- analysis of prior asset sales.

HPA has not made significant changes to past assumptions concerning useful lives and residual values.

#### Long service leave

HPA has minimal exposure in relation to estimates and uncertainties surrounding long service leave liabilities.

#### Critical judgements in applying HPA's accounting policies

Management has exercised the following critical judgements in applying HPA's accounting policies for the period ended 30 June 2013.

#### Leases classification

Determining whether a lease agreement is a finance or an operating lease requires judgement as to whether the agreement transfers substantially all the risks and rewards of ownership to HPA.

Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term and determining an appropriate discount rate to calculate the present value of the minimum lease payments. Classification as a finance lease means the asset is recognised in the Statement of Financial Position as property, plant and equipment, whereas for an operating lease no such asset is recognised.

HPA has exercised its judgement on the appropriate classification of equipment leases and has determined a number of lease arrangements are operating leases.

#### Contingent assets and contingent liabilities

Contingent liabilities are disclosed if the possibility that they will crystallise is not remote. Contingent assets are disclosed if it is probable that the benefits will be realised.

## Note 2: Levy income

	Actual 2013 \$000
Alcohol levy	12,021
Problem gambling levy	1,478
<b>Total Levy income</b>	<b>13,499</b>

## Note 3: Crown income

The HPA has been provided with funding from the Crown for specific purposes as set out in its founding legislation and the scope of the relevant government appropriations. Apart from these general restrictions, there are no unfulfilled conditions or contingencies attached to government funding.

## Note 4: Other income

	Actual 2013 \$000
Sales of merchandise	83
Conference registrations	248
Other income	1
<b>Total Other income</b>	<b>332</b>

## Note 5: Personnel expense

	Actual 2013 \$000
Salaries and wages	5,548
Temporary and contract staff	221
Defined contribution plan employer contributions	167
ACC	36
FBT	1
Recruitment expenses	54
Other	49
<b>Total Personnel expense</b>	<b>6,076</b>

## Note 6: Other operating expenses

	Actual 2013 \$000
Fees to Audit New Zealand for audit of financial statements	65
Onerous contracts	219
Operating lease expenses	833
Other expenses	918
<b>Total other operating expenses</b>	<b>2,035</b>

Other expenses include one-off costs of merging the former ALAC and HSC into HPA of \$399,000, see note 24.

## Note 7: Cash and cash equivalents

	Actual 2013 \$000
Cast at bank and on hand	48
Term deposits with maturities less than 3 months	232
<b>Total Cash and cash equivalents</b>	<b>280</b>

The carrying value of cash at bank and short-term deposits with maturities less than three months approximates their fair value.

## Note 8: Trade and other receivables

	Actual 2013 \$000
Trade debtors	93
Crown funding receivable from Ministry of Health	1,953
Levies receivable from NZ Customs Service	2,868
GST receivable	674
Other receivables	46
<b>Total Trade and other receivables</b>	<b>5,634</b>

The carrying value of receivables approximates their fair value. The aging profile at year end is detailed below:

	Gross \$000
Not past due	4,107
Past due 1-30 days	1,527
Past due 31-60 days	-
Past due 61-90 days	-
Past due over 90 days	-
	<b>5,634</b>

All receivables greater than 30 days in age are considered to be past due. No receivables are considered impaired.

## Note 9: Investments

Investments comprise term deposits with registered New Zealand banks, having maturities less than 12 months and carrying amounts that approximate their fair value.

## Note 10: Property, plant and equipment

	Artwork books & films \$000	Furniture and office equipment \$000	Computer equipment \$000	Leasehold improvements \$000	Motor vehicles \$000	Total \$000
<b>Cost</b>						
Property, plant and equipment transferred from ALAC at 1 July 2012	110	306	190	305	45	956
Property, plant and equipment transferred from HSC at 1 July 2012	-	76	120	54	-	250
<b>Balance at 1 July 2012</b>	<b>110</b>	<b>382</b>	<b>310</b>	<b>359</b>	<b>45</b>	<b>1,206</b>
Additions	-	26	107	-	-	133
Disposals	(2)	(68)	(65)	(359)	-	(494)
<b>Balance at 30 June 2013</b>	<b>108</b>	<b>340</b>	<b>352</b>	<b>-</b>	<b>45</b>	<b>845</b>
<b>Accumulated depreciation</b>						
Property, plant and equipment transferred from ALAC at 1 July 2012	(93)	(277)	(181)	(305)	(33)	(889)
Property, plant and equipment transferred from HSC at 1 July 2012	-	(56)	(97)	(14)	-	(167)
<b>Balance at 1 July 2012</b>	<b>(93)</b>	<b>(333)</b>	<b>(278)</b>	<b>(319)</b>	<b>(33)</b>	<b>(1,056)</b>
Depreciation expense	-	(16)	(36)	(5)	(5)	(62)
Elimination on disposal	1	52	60	324		437
<b>Balance at 30 June 2013</b>	<b>(92)</b>	<b>(297)</b>	<b>(254)</b>	<b>-</b>	<b>(38)</b>	<b>(681)</b>
<b>Carrying amounts</b>						
1 July 2012	17	49	32	40	12	150
30 June 2013	16	43	98	-	7	164



## Note 11: Intangible assets

	Computer Software \$000
<b>Cost</b>	
Intangible assets transferred from ALAC at 1 July 2012	332
Intangible assets transferred from HSC at 1 July 2012	20
<b>Balance at 1 July 2012</b>	<b>352</b>
Additions	28
Disposals	(140)
<b>Balance at 30 June 2013</b>	<b>240</b>
<b>Accumulated depreciation</b>	
Intangible assets transferred from ALAC at 1 July 2012	(318)
Intangible assets transferred from HSC at 1 July 2012	(18)
<b>Balance at 1 July 2012</b>	<b>(336)</b>
Amortisation expense	(17)
Elimination on disposal	140
<b>Balance at 30 June 2013</b>	<b>(213)</b>
<b>Carrying amounts</b>	
1 July 2012	16
30 June 2013	27

## Note 12: Trade and other payables

	Actual 2013 \$000
Trade creditors	5,830
Accrued expenses	525
Other payables	79
<b>Total Trade and other payables</b>	<b>6,434</b>

Creditors and other payables are non-interest bearing and are normally settled on 30-day terms. Therefore, the carrying value of creditors and other payables approximates their fair value.

## Note 13: Employee entitlements

	Actual 2013 \$000
<b>Current portion</b>	
Accrued salaries and wages	188
Annual leave	322
Sick leave	23
Long service leave	5
<b>Total Current portion</b>	<b>538</b>
<b>Non-current portion</b>	
Long service leave	66
<b>Total Non-current portion</b>	<b>66</b>
<b>Total Employee entitlements</b>	<b>604</b>

The present value of long service leave obligations depends on a number of factors that are determined on an actuarial basis.

Two key assumptions used in calculating this liability include the discount rate and the salary inflation factor. Any changes in these assumptions will affect the carrying amount of the liability. Expected future payments are discounted using forward discount rates derived from the yield curve of New Zealand government bonds.

The discount rates used have maturities that match, as closely as possible, the estimated future cash outflows. The salary inflation factor has been determined after considering historical salary inflation patterns and after obtaining advice from an independent actuary.

A weighted average discount rate of 5.0% and an inflation factor of 2.4% were used. If the discount rate were to differ by 1% from that used, with all other factors held constant, the carrying amount of the long service leave liability would be an estimated \$3,000 higher/lower. If the salary inflation factor were to differ by 1% from that used, with all other factors held constant, the carrying amount of the long service leave liability would be an estimated \$3,000 higher/lower.



## Note 14: Provisions

HPA has a non-cancellable lease for office space previously used by ALAC. The lease expires on 31 March 2014.

A provision has been recognised for the obligation of the future payments.

## Note 15: Reconciliation of net deficit with net cash flows from operating activities

	Actual 2013 \$000
<b>Net Surplus (deficit)</b>	<b>266</b>
<i>Add (less) non-cash items</i>	
Depreciation and amortisation expense	136
<b>Total Non-cash items</b>	<b>136</b>
<i>Add (less) movements in working capital Items</i>	
Decrease (increase) in receivables and prepayments	(1,993)
(Decrease) increase in accounts payable	2,930
(Decrease) increase in employee entitlements	59
<b>Net working capital movements</b>	<b>996</b>
<b>Net cash flow from operating activities</b>	<b>1,398</b>

## Note 16: Capital commitments and operating leases

Capital commitments represent capital expenditure contracted for at balance date but not yet incurred.

There are no capital commitments at balance date.

The future aggregate minimum lease payments to be paid under non-cancellable operating leases are as follows:

	Actual 2013 \$000
<b>Office rental leases</b>	
Not later than one year	543
Later than one year and not later than two years	500
Later than two years and not later than five years	824
Later than five years	-
<b>Total Office rental leases</b>	<b>1,867</b>
<b>Office equipment leases</b>	
Not later than one year	10
Later than one year and not later than two years	10
Later than two years and not later than five years	15
Later than five years	-
<b>Total Office equipment leases</b>	<b>35</b>
<b>Total Commitments</b>	<b>1,902</b>

HPA has four leased properties as at 30 June 2013.

The Wakefield Street property has been sublet due to it being surplus to requirements. The lease is cancellable on 31 October 2015. The sublease expires on 31 March 2014 with the subtenant having a right of renewal for a further year.

The Customhouse Quay property is currently vacant with its lease expiring on 31 March 2014. HPA has a recognised provision for lease on vacated property as noted in note 14.

The Terrace lease commenced on 1 December 2012 and expires on 30 June 2018. There is a right of renewal on 30 June 2018.

The Ellerslie Racecourse Drive lease expires on 22 April 2014.

There are no restrictions placed on HPA by any of its leasing arrangements.

Total future minimum sublease payments to be received under non-cancellable subleases for office space at 30 June are \$169,000.

## Note 17: Contingencies

### Contingent liabilities

There are no contingent liabilities at balance date.

### Contingent assets

There are no contingent assets at balance date.

## Note 18: Related party transactions

HPA is a wholly owned entity of the Crown.

### Significant transactions with government-related entities

HPA has been provided with funding from the Crown for specific purposes as set out in its founding legislation and the scope of the relevant government appropriations.

### Collectively, but not individually, significant transactions with government-related entities

In conducting its activities, HPA is required to pay various taxes and levies (such as GST, FBT, PAYE, and ACC levies) to the Crown and entities related to the Crown. The payment of these taxes and levies, other than income tax, is based on the standard terms and conditions that apply to all tax and levy payers. HPA is exempt from paying income tax.

HPA also purchases goods and services from entities controlled, significantly influenced, or jointly controlled by the Crown. Purchases from these government-related entities for the year ended 30 June 2013 totalled \$0.5m and included air travel from Air New Zealand, levy collection fees from the NZ Customs Service, weather advice from the Meteorological Service and audit services from Audit New Zealand.

### Key management personnel

No related party transactions took place during the period of review for Board members or any of the members of the Executive Management team.

## Note 19: Employee remuneration

### Remuneration \$000

### Actual 2013

100 – 110	2
110 – 120	–
130 – 140	–
140 – 150	2
150 – 160	1
160 – 170	1
170 – 180	1
210 – 220	–
220 – 230	–
230 – 240	–
240 – 250	1
<b>Total</b>	<b>8</b>

During the year ended 30 June 2013 three employees received compensation and other benefits in relation to cessation totalling \$47,000.

Contribution to defined contribution schemes for 2013 was \$166,000.

### Key management personnel compensation

### Actual 2013 \$000

Board members' fees	126
Salaries and other short-term employee benefits	892
Post-employment benefits	25
Other long-term benefits	–
Termination benefits	–
<b>Total key management personnel compensation</b>	<b>1,043</b>

Key management personnel includes all Board members, the Chief Executive, and the four members of the Executive Management team.

## Note 20: Board member remuneration

	Actual 2013 \$000
Lee Mathias (Chair)	31
Rea Wikaira (Deputy Chair)	19
Barbara Docherty	16
Grant Schofield	16
Jamie Simpson	16
Katherine Rich	16
Susan Devoy (Retired April 2013)	12
<b>Total Board member remuneration</b>	<b>126</b>

HPA has not provided any indemnity nor insurance cover during 2012/13 to any Board member.

No Board members received compensation or other benefits in relation to cessation.

## Note 21: Financial instruments

### FINANCIAL INSTRUMENT CATEGORIES

The carrying amount of financial assets in the NZ IAS 39 categories are as follows:

	Actual 2013 \$000
<b>Loans and receivables</b>	
Cash and cash equivalents	280
Trade and other receivables	5,634
Investments	5,500
<b>Total Loans and receivables</b>	<b>11,414</b>

### Financial liabilities at amortised cost

Trade and other payables	6,434
<b>Total Financial liabilities at amortised cost</b>	<b>6,434</b>

## FINANCIAL INSTRUMENT RISKS

HPA's activities expose it to a variety of financial instrument risks, including market risk, credit risk, and liquidity risk. HPA has a series of policies to manage the risks associated with financial instruments and seeks to minimise exposure from financial instruments. These policies do not allow any transactions that are speculative in nature to be entered into.

### Market risk

#### Fair value interest rate risk

Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates. HPA's exposure to fair value interest rate risk is limited to its bank deposits which are held at fixed rates of interest. HPA does not actively manage its exposure to fair value interest rate risk.

Term deposits are made for varying periods of up to, including and greater than three months, depending on the immediate cash requirements of HPA, and earn interest at the respective short-term deposit rates.

#### Sensitivity analysis

As at 30 June 2013, if the average interest rate on interest bearing deposits over the year had been 100 basis points higher or lower, with all other variables held constant, the surplus for the 12 months would have been \$67,000 higher or \$61,000 lower.

### Credit risk

Credit risk is the risk that a third party will default on its obligation to HPA, causing it to incur a loss. Due to the timing of its cash inflows and outflows, HPA invests surplus cash with registered banks. HPA has processes in place to review the credit quality of customers prior to the granting of credit.

In the normal course of business, HPA is exposed to credit risk from cash and term deposits with banks, debtors and other receivables. For each of these, the maximum credit exposure is best represented by the carrying amount in the Statement of Financial Position.

HPA invests funds and enters into derivative financial instruments only with registered banks that have a Moody's rating of at least Aa3 and a Standard and Poor's long-term credit rating of at least Aa3. HPA has experienced no defaults of interest or principal payments for term deposits.

HPA holds no collateral or other credit enhancements for financial instruments that give rise to credit risk.

### Liquidity Risk

Liquidity risk is the risk that HPA will encounter difficulty raising liquid funds to meet commitments as they fall due. Prudent liquidity risk management implies maintaining sufficient cash and the ability to close out market positions.

HPA manages liquidity risk by continuously monitoring forecast and actual cash flow requirements.

### *Contractual maturity analysis of financial liabilities*

The table below analyses financial liabilities into relevant maturity groupings based on the remaining period at balance date to the contractual maturity date.

The amounts disclosed are the contractual undiscounted cash flows.

	Carrying amount \$000	Contractual cash flows \$000	Less than 6 months \$000	6-12 months \$000	Later than 1 year \$000
Trade and other payables	6,434	6,434	6,434	-	-
<b>Total</b>	<b>6,434</b>	<b>6,434</b>	<b>6,434</b>	<b>-</b>	<b>-</b>

### Credit Facilities

HPA did not have bank overdraft facilities as at 30 June 2013.

## Note 22: Capital management

HPA's capital is its equity, which comprises accumulated funds. Equity is represented by net assets.

HPA is subject to the financial management and accountability provisions of the Crown Entities Act 2004, which impose restrictions in relation to borrowings, acquisition of securities, issuing guarantees and indemnities, and the use of derivatives.

HPA manages its equity as a by-product of prudently managing revenues, expenses, assets, liabilities, investments, and general financial dealings to ensure that it effectively achieves its objectives and purpose, while remaining a going concern.

## Note 23: Explanation of major variances against Statement of Intent

### STATEMENT OF COMPREHENSIVE INCOME

#### Crown income

Crown income is higher than budget following additional service requests and funding agreements with the Ministry of Health during the financial year.

#### Programme expenditure

Programme expenditure is higher than budget following execution of agreed additional service requests.

### STATEMENT OF FINANCIAL POSITION

Working capital Working capital (current assets less current liabilities) is higher than budget and follows from the agreed additional service requests and funding agreements with the Ministry of Health.

#### Equity

Equity is higher than budget as a result of the actual contribution from predecessor organisations being higher than originally forecast.

## Note 24: Merger costs

	Actual 2013 \$000
<i>Merger costs include:</i>	
Consultants and legal fees	8
Rent	254
Co-location building costs	81
Co-location IT costs	37
Software costs	19
<b>Total Merger costs</b>	<b>399</b>





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