



Health Promotion Agency

Annual Report

For the Year Ended 30 June 2014

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



PO Box 2142
Wellington 6140
New Zealand
hpa.org.nz

October 2014



This work is licensed under a Creative Commons
Attribution 4.0 International licence.

CONTENTS

Foreword	2
Presentation of 2013/14 Annual Report	4
Health Promotion Agency	5
Vision and Mission	5
HPA Board	5
Activity Report	6
Alcohol	7
Tobacco Control	11
Minimising Gambling Harm	14
Nutrition and Physical Activity	16
Sun Safety	17
Rheumatic Fever	18
Mental Health	20
Immunisation	22
More Heart and Diabetes Checks	23
Oral Health	23
Primary Health Care Project	24
Before School Checks	24
Impact Tables	25
Organisational Health and Capability	30
Statement of Responsibility	32
Independent Auditor's Report	33
Statement of Service Performance for the Year Ended 30 June 2014	35
Statement of Comprehensive Income	46
Statement of Changes in Equity	47
Statement of Financial Position	48
Statement of Cash Flows	49
Notes to the Financial Statements	50

FOREWORD

We are pleased to present the Health Promotion Agency's (HPA's) annual report for 2013/14.

HPA is in its second year of operation and continues to work to establish itself as 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.

While 2013/14 saw a continuing focus on core business, HPA was called on a number of times to provide tactical health promotion, communications and marketing support to other government-led initiatives.

HPA recognises the value of collaboration, as no entity can make a significant difference by acting alone. During the year, HPA looked 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.

HPA ensures financial sustainability through careful management and setting tight, realistic budgets. HPA continues to work to provide best value for money for the Government by making ongoing improvements in the way it works, focusing on activities where it can make the most impact, wherever possible working in partnership with others, and managing organisational costs effectively.

At year end, HPA's total revenue was \$33.78m against the 2013/14 Statement of Intent budget of \$26.68m. This \$7.1m (26.6%) increase in funding represented additional work in mental health, smokefree homes and cars, a web-based data repository for the tobacco control sector, rheumatic fever, and a seasonal influenza campaign. As a result of efficiency gains HPA ended the year having achieved its second year savings target and recorded a surplus of \$33,000.

Key programme achievements

The passing of alcohol reform legislation in December 2012 and its final phases coming into effect on 18 December 2013 had a significant impact on HPA's alcohol work. HPA worked closely with other agencies in preparing material to explain the changes. HPA was particularly involved with developing national guidance on alcohol promotions for on and off-licences. It also developed and ran #Cooldad – an advertising and information campaign around the legislative requirements regarding supplying alcohol to under-18s.

The second phase of Say Yeah, Nah, featuring comedian Guy Williams, focused on making it socially acceptable to refuse a drink by positioning the person pushing alcohol on others as the spoilsport (rather than the refuser having this role).

The 2014 Don't let the flu knock you influenza campaign launched in late-March and included television, radio, outdoor, print, and online advertising. The target of distributing 1.2m doses of the vaccine was achieved by 31 July 2014.

A significant new National Depression Initiative project focused on supporting rural people that might be experiencing depression. Supported by Sir John Kirwan, six farmers shared their stories of depression, hope and staying well.

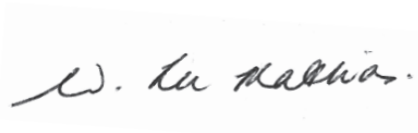
The Like Minds, Like Mine national plan 2014-2019 was launched at the end of May. HPA has a key role to play in the implementation of the new plan, particularly the new Community Partnership Fund. The Fund will support innovative projects that reduce stigma and discrimination and increase social inclusion for people with experience of mental illness.

The Stop Before You Start tobacco control campaign launched in mid June. Targeting 17 to 24-year-olds, the campaign highlights the health and social impacts of smoking and asks young adults to think about their relationship with tobacco.

A new campaign to support the Choice Not Chance minimising gambling harm programme commenced late in the year. The new messaging focuses on three key signs of harmful gambling (hiding gambling, chasing losses, and feeling guilty about gambling). Initial feedback has been positive.

A significant piece of work for HPA in 2013/14 was managing the 2014 winter rheumatic fever awareness campaign. Based on the moving story of Tristan Katoa, who contracted rheumatic fever, which led to rheumatic heart disease and open heart surgery to repair his damaged valves, the campaign aimed to increase awareness of the link between sore throats and rheumatic fever and the need to get sore throats checked by a doctor or nurse every time.

The Board of HPA appreciates the effort and commitment of its staff who work hard to ensure its work is effective as it strives to improve New Zealanders' health. We are very proud of what HPA has achieved.



Dr Lee Mathias
Chairman
Health Promotion Agency



Clive Nelson
Chief Executive
Health Promotion Agency

PRESENTATION OF 2013/14 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 2014.

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
24 October 2014

Rea Wikaira
Deputy Chairman
Health Promotion Agency
24 October 2014

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 Act 2000 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, HPA is required to give effect to government policy when directed by the responsible Minister. However, in delivering its alcohol-specific functions, HPA must only have regard to government policy if directed to do so by the Minister.

HPA has a central role in the health sector and in national health promotion. Over its short history, HPA has managed a number of high profile campaigns and built strong relationships with many other organisations providing leadership, acting as a catalyst for change, and encouraging collaboration.

HPA is funded from Vote Health, the levy on alcohol produced or imported for sale in New Zealand, and part of the problem gambling levy.

Vision and Mission

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.

HPA's mission is:

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

HPA Board

- Dr Lee Mathias (Chairman)
- Rea Wikaira (Deputy Chairman)
- Barbara Docherty
- Dr Monique Faleafa
- Katherine Rich
- Professor Grant Schofield
- Jamie Simpson

ACTIVITY REPORT

HPA's *Statement of Intent 2013-2016* provided the strategic direction for its work during 2013/14. Figure 1 below summarises this direction. It shows the intervention logic for HPA's work and outlines the outcome, impacts and outputs that it is working towards achieving. It also illustrates HPA's intention to focus its efforts on population groupings disproportionately impacted by harm, injury, illness and disease. The three outputs are under one output class.

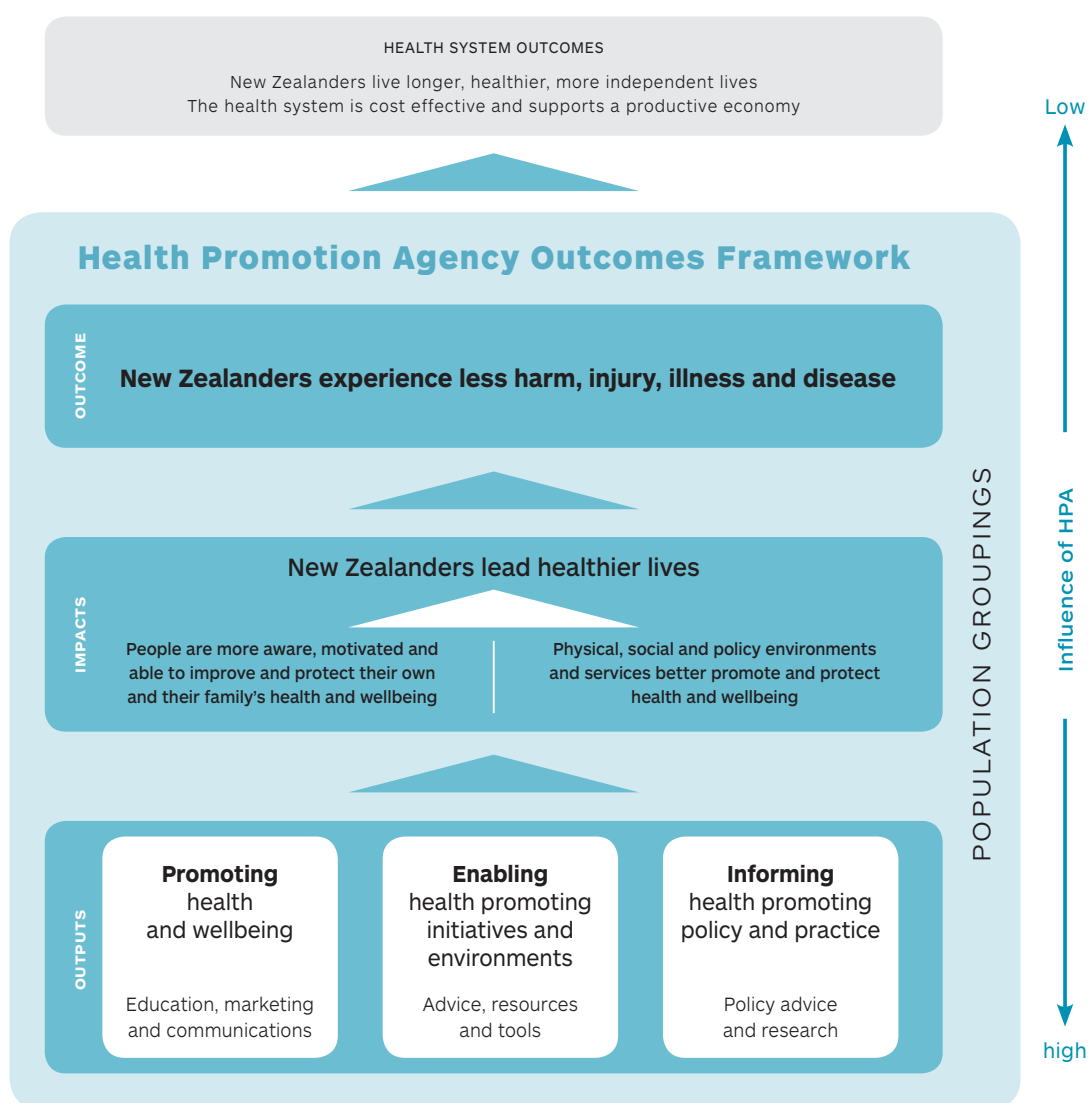


FIGURE 1: HPA OUTCOMES FRAMEWORK

Following are brief overviews of the performance story for each of HPA's work areas. Tables show HPA's progress towards achieving its impacts (see pages 25 to 29). Further detail of HPA's performance against specific output measures for activities undertaken in 2013/14 is outlined in the Statement of Service Performance tables (see pages 35 to 45).

ALCOHOL

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

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.²

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 2013/14 was working closely with the Ministry of Justice and other central and local government agencies on implementing the final phases of the Sale and Supply of Alcohol Act 2012, which came into effect on 18 December 2013.

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

- raising awareness of, and communicating legislative changes to the public, in particular changes relating to the supply of alcohol to minors
- assisting territorial authorities with local alcohol policies
- providing training and guidance material for regulatory enforcement agencies
- updating alcohol resources to reflect changes in legislation

- assisting with strategic oversight and programme coordination through participation in coordination processes and advisory groups.

In addition, HPA produced national guidance on alcohol promotions for both on and off-licence premises, including supermarkets, to inform licensees and staff about acceptable and unacceptable promotions. These guidelines were produced following consultation with a large group of regulatory and industry stakeholders and were developed in partnership with the hospitality industry.

SUPPLYING ALCOHOL TO UNDER-18S

HPA led the work on communicating the changes to the law around the supply of alcohol to minors. From 18 December 2013, it became illegal for anyone to supply alcohol to someone who is under 18 years of age unless that person is the parent or legal guardian or they have the express consent of the parent or legal guardian and the alcohol is supplied in a responsible manner. A television advertisement (#Cooldad) focusing on this issue went to air in early December 2013 and was supported by online, print and radio advertising.

HPA also worked with local groups to support their efforts to communicate the changes to their communities. An electronic toolkit was provided to DHBs and local communities for use when undertaking activities to support the campaign. Resources included an A5 tear-pad for use by some retailers, including approximately 1,000 off-licence premises.

Research undertaken in January 2014 showed that 75% of adults (18+ years) were aware of the legal requirement that they gain permission from a parent or legal guardian before providing under-18s with alcohol (40% awareness in November 2012).

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.

TRAINING, INFORMATION SHARING AND CONSISTENCY

HPA and the Ministry of Justice jointly funded the development of training for new district licensing committee (DLC) members. The training and development arm of Local Government New Zealand delivered the training. The workshops gave DLC members a better understanding of the functions, responsibilities and operation of a DLC. In total, 43 training sessions were delivered and were attended by 743 participants. Fifteen territorial authorities attended a catch-up webinar for anyone who had missed the training sessions.

Ten regional workshops to inform and train regulatory agency staff (police, licensing inspectors, and public health staff) were also held with 402 people attending, which is in addition to the 402 staff who took part in 2012/13. HPA ran these workshops in conjunction with New Zealand Police and ACC, to help ensure that all regulatory agencies were fully familiar with the requirements of the Sale and Supply of Alcohol Act 2012 by 18 December 2013 when the Act came into force in its entirety.

HPA is leading the Regulatory Agencies Steering Group. This group provides interagency expertise, advice and guidance to the regulatory agencies to ensure national consistency in processing, monitoring and enforcing the Sale and Supply of Alcohol Act 2012. Members of the group include representatives from HPA, New Zealand Police, New Zealand Institute of Liquor Licensing Inspectors, Medical Officers of Health, National Public Health Alcohol Working Group, and New Zealand Fire Service.

The Steering Group has developed an online Alcohol Licensing Manual for regulatory agencies' staff. The online resource is a significant way to ensure national consistency in alcohol licensing processes across all regulatory agencies and their staff.

HPA has also been leading an interagency working group to ensure a comprehensive and coherent approach is taken to evaluating and monitoring the impact of the legislation.

Enabling better drinking environments

HPA has worked with the hospitality sector, industry, regulatory agencies, large event organisers, sporting organisations and others to help create drinking environments and cultures that reduce alcohol-related harm. Work has included developing and publishing the following new resources:

- *Guidelines for Safe Zones at Large Events* was developed to assist event organisers and safe zone providers plan for and provide a safe zone for intoxicated patrons at large events, as part of their alcohol management plan.
- *Guidelines for Hosting Safe and Successful Large-scale Wine Events* was developed in consultation with New Zealand Winegrowers to address the special features of large-scale wine events that need to be taken in to account to ensure a safe and successful event. The guidelines complement HPA's existing *Guidelines for Managing Alcohol at Large Events*.
- *Guidelines for Serving Alcohol Safely at Workplace Events* is aimed at employers to assist them to meet their legal obligations and improve the safety of their staff.

During the year, HPA was involved with the New Zealand Police, stadium management and event organisers before several large events (NRL Nines, Sevens, BW Summer Festival (Gisborne), Big Day Out, and Homegrown) to develop a number of initiatives to reduce alcohol-related impacts and eliminate alcohol sales to minors.

Alcohol policy advice and research

An essential element of 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.

CASE STUDY

Say Yeah, Nah

The second phase of the popular Say Yeah, Nah campaign was launched in 2013/14.

The original television commercial (and surrounding activity) produced in 2012/13, helped to arm those who want to refuse a drink with the language to do so – Yeah, Nah. The second phase built on the television commercial to make it socially acceptable to refuse a drink, by positioning the person pushing alcohol on others as the spoilsport (rather than the refuser having this role) – “They’re not saying no to you, they’re saying no to the beersie”.

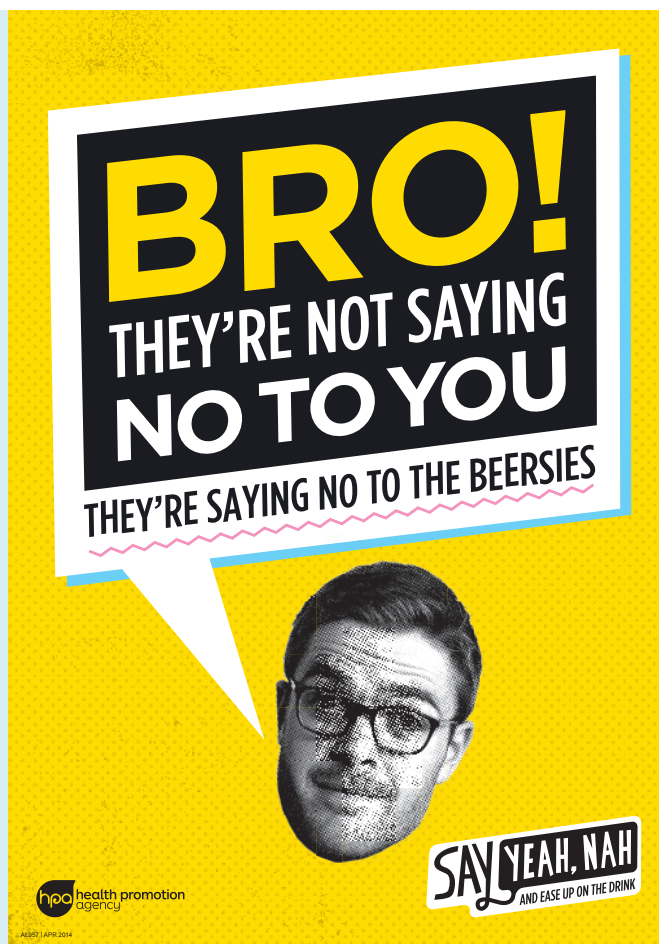
New Zealand comedian Guy Williams, shown to resonate well with the target audience (medium to high-risk drinkers aged 18 to 44 who are open to change), featured in national advertising (billboards, bus shelters, street posters, in licensed premises, online, and on radio) that focused on pre-drinking and drinking moments. There was a particular focus in and around bars in Auckland, Hamilton, Wellington and Christchurch.

At the end of May 2014, the Guy Williams campaign had delivered more than 55 million web impressions and 20,000 clicks through to sayyeahnah.org.nz. During the campaign period, more than 13,000 people viewed the Say Yeah, Nah video.

Research results show that HPA’s messages resonate with the intended audience. Māori (92%) had significantly higher levels of awareness of the Say Yeah, Nah advertising compared with respondents of ‘other’ ethnicities (82%). The target audience is more likely to say that the advertising helped or encouraged them to say “no” when they didn’t want a drink, to respect others when they said “no”, to think about their own drinking, and to start drinking less.

Awareness of Say Yeah, Nah advertising remains high (89%). The Say Yeah, Nah television commercial, in particular, had high recall among high-risk drinkers (85%). Medium-risk drinkers were more likely to report that the Say Yeah, Nah messages are personally relevant to them (41% compared with 23% for ‘all’) and also to people they care about (70% compared with 50% for ‘all’).

The #Cooldad campaign was launched in December 2013 to raise awareness of the law change that placed limits on young people’s access to alcohol.



The specific purpose of the campaign was to make adults (18+ years) aware that they are legally required to gain consent from a parent or legal guardian before providing alcohol to teens under 18.

Benchmark research conducted in November 2012 (Research New Zealand) showed that 40% of adults surveyed were aware that it would soon be a legal requirement to gain parental or legal guardian permission before providing alcohol to a minor. The same research conducted in January 2014 after the campaign took place showed that 75% knew it was now a legal requirement to gain parental or legal guardian permission before providing alcohol to a minor – an increase of 35%.

At the 2014 New Zealand Effie Awards for effectiveness in marketing communications, Say Yeah, Nah won two gold awards (for the Hardest Challenge and Best Strategic Thinking categories), silver for the Most Effective Integrated Campaign, and bronze in the Social Marketing – Public Service section.

Both oral and written submissions have been provided to parliamentary select committees and on local government and government agency policy documents. Submissions in 2013/14 included:

- an oral and a written submission to the Transport and Industrial Relations Committee on the Land Transport Amendment Bill, which included reduced blood alcohol concentration (BAC) limits for driving and a new infringements regime for drivers with a BAC between 50 mg and 80 mg of alcohol per 100ml of blood
- written submissions on 31 draft local alcohol policies (LAPs) covering 39 territorial authorities (some have undertaken joint LAPs). HPA also made oral submissions on eight LAPs covering 10 territorial authorities.

HPA has also contributed alcohol policy advice, including:

- providing advice and information to support the Ministry of Health to undertake its role of secretariat for the Ministerial Forum on Alcohol Advertising and Sponsorship
- providing advice to the Ministry for Primary Industries on health advisory warning labels on alcohol products
- participating in a Ministry of Social Development-led interagency group that is developing an integrated, whole-of-government approach to reduce family violence and achieve intergenerational change
- contributing to the development of Ministry of Health-led interagency policy work on a new national drug policy that includes alcohol
- providing advice on 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 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.

Research about attitudes and behaviours on consuming alcohol during pregnancy was begun. This research will inform a substantial alcohol and pregnancy programme commencing in 2014/15.

Community action

The Community Action on Alcohol Fund (CAAF) enables communities to undertake activities that will contribute to changes in New Zealand's drinking culture, reduce alcohol-related harm, and contribute to the effective implementation of the Sale and Supply of Alcohol Act 2012 and the achievement of its objectives.

Nine groups were supported to undertake two-year community action projects from the 2013/14 and 2014/15 Community Action on Alcohol Fund. The projects range from addressing issues around youth access to alcohol in Waimakariri to engaging the community of Otara in decision making around the Sale and Supply of Alcohol Act 2012.

A practical guide *Have your say about alcohol in your community* was developed and published to provide tips to help community groups to write submissions and appear at council hearings. Two community workshops were also held.

Early intervention and addiction

HPA's *Early Intervention Addiction Plan 2013-2017* was developed to guide HPA's work. It identifies where HPA can contribute to achieving a broader and more integrated addiction interventions system.

HPA has provided advice to support the roll out of alcohol screening and brief intervention (SBI) in several primary health organisations. Two projects have been funded that demonstrate how the health system can be more effective and responsive to pregnant women who are continuing to drink alcohol and also have other high and complex needs.

- For further information on progress towards achieving impacts see page 25.
- Further detail of performance against specific output measures for activities undertaken in 2013/14 is outlined in the Statement of Service Performance tables (see pages 35 to 45).

TOBACCO CONTROL

HPA, alongside many other organisations, is working toward the Government's goal that New Zealand be smokefree by 2025 – with a smoking prevalence of less than 5% of the population.

HPA's contribution to this change focuses on key audiences – young adults and youth, with a particular emphasis on Māori – and providing support to the sector through a range of resources, information, and tools.

Smokefree homes and cars

In December 2013, HPA relaunched a smokefree homes and cars campaign. The campaign refreshed former Health Sponsorship Council radio and television commercials and included other channels such as unpaid media.

Smokefree homes and cars advertising aired again for two week periods in February, March and May 2014, with television, radio (in multiple languages) and online advertising. The campaign will run again in September 2014 to align with other tobacco control organisations' campaigns eg, Stoptober and Quitline.

Smokefreerockquest and Smokefree Pacifica Beats

Smokefreerockquest and Smokefree Pacifica Beats are New Zealand's only nationwide, original live music youth events that provide opportunities for secondary school students to showcase their musical talents in their regions and, if successful, at the national finals. These events help connect young people to their peers, schools and family, which are all important protective factors in developing healthy young people who are more likely to stay in school and less likely to be involved in risky behaviours such as smoking.

In 2013, a total of 654 bands, 273 schools and 12,672 people took part in Smokefreerockquest and 90 bands, 52 schools and 1,700 people participated in Smokefree Pacifica Beats.

World Smokefree Day

World Smokefree Day is about celebrating and working towards smokefree/auahi kore lives for New Zealanders and progresses New Zealand toward being smokefree by 2025.³ World Smokefree Day is celebrated on 31 May each year.

HPA is responsible for the national facilitation and coordination of World Smokefree Day in New Zealand. HPA supports the tobacco control community by providing promotional material, guidance on potential initiatives, a media guide and template media releases, and physical resources to enhance delivery. Regional teams provide a collaborative and relevant approach at a local level and typically use World Smokefree Day to highlight local priorities, celebrate success and engage their community in current issues and challenges for tobacco control. In 2013/14, 30 communities were supported through a network of 21 facilitators.

Sector support

The Oceania Tobacco Control Conference was held in Auckland in October 2013. HPA was a sponsor of the event and part of the planning committee and abstract review panel, and two HPA researchers presented on HPA's research.

In February 2014, nearly 400 people attended HPA's tobacco control seminar series, which showcased national and regional activities supporting the Government's goal of being smokefree by 2025. From the seminar evaluation, 87% of respondents either 'agreed' or 'strongly agreed' that the seminar was useful and gave them a greater understanding of the steps needed to achieve a Smokefree Aotearoa by 2025.

HPA was a main sponsor of the 2013 Aims Games (for students in years 7 and 8). Some 6,500 competitors, coached by 1,500 coaches, from 196 schools competed in 19 different team and individual sports over five days in Tauranga. Smokefree, SunSmart, and healthy food messages were widely promoted. The games were supported by local Quitcard providers.

³ The New Zealand Government committed to the goal of a Smokefree New Zealand by 2025 in its response to the Māori Affairs Select Committee Inquiry into the tobacco industry and the consequences of tobacco use for Māori. Smokefree New Zealand 2025 means that less than 5% of the population will smoke, our children and grandchildren will be free from exposure to tobacco and tobacco use, and tobacco will be difficult to supply and sell.

CASE STUDY

Stop Before You Start

In June 2014, HPA launched Stop Before You Start – an evidence-based mass media campaign to reduce the number of young adults 17 to 24-years-old taking up smoking.

Young adults have never previously been the focus of tobacco control campaigns in New Zealand, yet smoking prevalence is the highest in this age group, with 24% of 18 to 24-year-olds being regular smokers.⁴ Research shows that young adulthood is a key time for establishing smoking behaviours⁵, with a significant proportion of New Zealand's young adults smoking in social settings, despite not identifying as a smoker. Current trends in 'late uptake' smoking are probably due to significant transitions in young adulthood, such as entering the workforce, education and "social and environmental influences such as peer pressure and hazardous drinking".⁶ The campaign will help young adults remain smokefree through these transitional years, as research shows that people are unlikely to take up smoking after the age of 25.⁷

Stop Before You Start highlights the health and social impacts of smoking and asks young adults to think about their relationship with tobacco. It initially targets at-risk smokers – non-daily smokers who may be experimenting with smoking and find themselves in environments where smoking may be common. The campaign challenges young adults to think about their relationship with cigarettes. The objectives of Stop Before You Start are to increase:

- resistance to tobacco, including offers of cigarettes in social settings
- knowledge about tobacco and its harms
- the prevalence of pro-smokefree attitudes.



Stop Before You Start is anchored by a series of five television commercials that illustrate the unhealthy relationship a young adult may find themselves in when smoking. These themes continue in radio commercials, social media content and settings-based promotions such as clubs, cinemas, public outdoor areas, licensed bars, outdoor events, and educational settings.

⁴ New Zealand Health Survey, 2012/13

⁵ Edwards, R., Carter, K., Peace, J., & Blakely, T. (2013). An examination of smoking initiation rates by age: Results from a large longitudinal study in New Zealand. *Australian and New Zealand Journal of Public Health*, 37, 516-519.

⁶ Ibid, p. 518

⁷ Ibid

Tobacco control data repository

Monitoring tobacco consumption and evaluating the effectiveness of tobacco control activities is an important part of the comprehensive approach to tobacco control in New Zealand and will support the achievement of the Government's vision of New Zealand being smokefree by 2025. In addition, under Article 20 of the Framework Convention on Tobacco Control New Zealand is required to make monitoring data accessible and encourage its use by researchers, and government and non-government agencies.

To enable improved access to the many sources of data used in tobacco control, HPA developed the tobacco control data repository. With the launch of the repository in June 2014, New Zealand now leads the way in making data publicly accessible for the purposes of education, intervention planning, research, international cooperation, and exchange of information.

- For further information on progress towards achieving impacts see page 26.
- Further detail of performance against specific output measures for activities undertaken in 2013/14 is outlined in the Statement of Service Performance tables (see pages 35 to 45).

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. HPA's work in this area raises awareness of gambling risks and harms and motivates 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

GAMBLEFREE DAY

The work of frontline minimising gambling harm services is integral to making progress in minimising harm from gambling. These services are key to delivering HPA's national campaign through their regional and local activities. HPA has developed positive working relationships with this sector and will continue to support the sector in delivering the messages locally. Activities include providing services with merchandise and printed resources, up-to-date information, tips and ideas on message delivery at a local level, and links to relevant research.

The annual celebration of Gamblefree Day (1 September) is a key focus of HPA and its gambling sector partners. HPA's involvement in Gamblefree Day 2013 included running the Choice Not Chance Local Legends competition (where people wrote a rap, song, story, or poem about the harm caused by gambling), as well as providing media templates and tools for local services.

VENUES

HPA seeks to help create a safer gambling environment, by promoting venue-based messages and supporting venues to meet existing legal responsibilities and implement best practice. To help inform messaging on host responsibility in Class 4 gambling venues (non-casino venues with electronic gaming machines), qualitative interviews of staff and patrons about their experiences of host responsibility, views on improvements and possible messaging were carried out during the year.

Gambling venues are in a prime position to provide information and/or support for individuals that are at risk. HPA's venue-focused activities provide messages in and around venues to educate the general public on gambling venues' host responsibility requirements, as well as creating an environment that supports venues to make this happen.

- For further information on progress towards achieving impacts see page 27.
- Further detail of performance against specific output measures for activities undertaken in 2013/14 is outlined in the Statement of Service Performance tables (see pages 35 to 45).

CASE STUDY

The Gameshow

As part of stage 4 of the Kiwi Lives series, 2013/14 saw a fresh new look for Choice Not Chance.

'The Gameshow' increases awareness of some early signs of harmful gambling (hiding gambling, chasing losses, and feeling guilty about gambling) and encourages people to seek help and take positive action, both for themselves and for others they care about. It encourages people to take action at an early stage and asks them to visit choicenotchance.org.nz and use one of the self-help tools or call the Gambling Helpline.

HPA's activities include a range of targeted advertising and messaging across a number of channels including television and radio commercials, messaging in and around Class 4 gambling venues and a strong presence online including display, search, social media and mobile channels. Forward planning and media negotiation delivered this advertising at under half of the advertising rate card price. While these activities focus at the prevention/early intervention end of the spectrum, the messages also reach those who are already problem gamblers, as well as the broader public.

To coincide with the new campaign, choicenotchance.org.nz underwent a full rebuild. The new site is clean, modern, easy to use and fully responsive to whatever device its users are on, whether computer, tablet or mobile phone. More than one-third of visitors viewed the site on a mobile or tablet device, which fits with trending data about internet usage in New Zealand.



Both the site and campaign went live in May 2014. The commercials had more than 32,000 views on YouTube and the website received more than 18,000 visits in its first month, with over half the visitors using some form of self help tool while online. In addition, June saw the Gambling Helpline receive its highest number of new callers since June 2010.

NUTRITION AND PHYSICAL ACTIVITY

Good nutrition, regular physical activity, and a healthy body size are important in maintaining health and wellbeing and for preventing serious health conditions such as cardiovascular disease, diabetes, sleep apnoea, and certain types of cancer.⁸

Throughout children's lives parents, caregivers and families directly shape their physical and social environment, and indirectly influence behaviours, habits, preferences and attitudes. Therefore, it is critical to support parents and caregivers to prepare and provide healthy meals for themselves and their children and encourage children to lead active lifestyles.

Breakfast-eaters have it better

In 2013/14, Breakfast-eaters online activity increased from 9,381 engaged users in July 2013 to 32,642 in June 2014. Similarly, Facebook fans increased from 11,611 to 21,669.

Planning has commenced for a new online platform for the nutrition and physical activity programme that can be adapted to support future government priorities eg, Healthy Families New Zealand.

Sector support

To support the work of the sector, a number of nutrition and physical activity resources were developed, including an infographic on sugary drinks, and 'Behind the hype' information sheets on carbohydrates and sports drinks. Resources on infant feeding, reducing sitting time (and increasing moving time) in workplaces, and encouraging water as a first choice are being developed.

HPA continues to work closely with the Ministry of Health on Healthy Families New Zealand, including having staff members on both the advisory and governance groups.

Community action

Nineteen community organisations across New Zealand were awarded community grants of up to \$5,000.

The grants cover a diverse range of activities including swimming lessons, neighbourhood play groups, twilight sports series, walking groups and church-based physical activity groups.

- For further information on progress towards achieving impacts see page 28.
- Further detail of performance against specific output measures for activities undertaken in 2013/14 is outlined in the Statement of Service Performance tables (see pages 35 to 45).

⁸ Ministry of Health. (2013) *The New Zealand Health Survey Annual update of key findings 2012/13*. Wellington: Ministry of Health.

SUN SAFETY

Skin cancer is the most common cancer in New Zealand and we have the highest rates of melanoma skin cancer in the world.

Most skin cancers are preventable by reducing excessive exposure to ultraviolet (UV) radiation via the sun or sunbeds. To encourage more SunSmart behaviours, HPA works directly with the public, as well as sports and recreation organisations and councils.

Sun Protection Alert

The Sun Protection Alert (SPA) is available from September to April each year (daylight savings months) and provides daily information that enables people to identify the times in their own region that they should use sun protection. The SPA is available during the summer period on metservice.com, all major daily newspapers and radio. TV3 displayed the SPA as part of its daily weather bulletin and it was included on MetService's mobile phone app, which was downloaded by more than 100,000 people.

While over-exposure to UV radiation from the sun is greatly reduced during winter months, alpine environments and high altitudes pose a high risk. In order to educate the public to remain sun safe in these environments, sun safety messages were incorporated in the ski fields' section of metservice.com during 2014's winter months. The messages were also available via the MetService's ski fields' app.

The SPA reaches more than 1.1 million people through the MetService's ski fields' and general mobile phone apps, metservice.com, TV3's daily weather bulletin, and newspaper and radio advertising.

Under Your Skin

The Under Your Skin team attended 14 events during the summer months of 2013 and 2014. The events were a mixture of youth and recreational events eg, surfing events and visiting high schools. More than 2,700 UV pictures were taken at these events and shared with participants via social media.

New Zealand Skin Cancer Primary Prevention and Early Detection Strategy 2014-2017

The New Zealand Skin Cancer Primary Prevention and Early Detection Strategy 2014-2017 is a three-year strategy that helps inform programmes and activities undertaken by key agencies to reduce the incidence and impact of skin cancer in New Zealand. Updated in 2013/14, the strategy identifies five intervention pathways for reducing the incidence and impact of skin cancer – primary prevention, early detection, diagnosis and treatment, rehabilitation support and palliative care, and research, evaluation and surveillance. The focus of the strategy is on the primary prevention pathway and, to a lesser extent, the early detection pathway.

Primary prevention activities within the strategy focus on reducing excessive exposure to UV radiation, the overarching risk factor for melanoma and non-melanoma skin cancers. Key medium-term outcomes are “increases in individual behaviours that protect people from excessive UV radiation exposure and increases in the number of effective sun safe settings”.

Other activities

The Melanoma Network of New Zealand (MelNet), with the support of HPA, organised regional courses throughout New Zealand to train health professionals in the diagnosis of skin cancer. To the end of June 2014, 114 health professionals had attended the courses.

Shade assessment workshops were held with a number of territorial authorities. Discussions were held with the Cancer Society Canterbury Division to identify opportunities to work with Christchurch City Council as it progresses with the rebuild of the city. HPA is working with Hastings District Council, Central Hawke's Bay Council, Wairoa Council and Environment Canterbury on the provision of adequate shade in their communities.

- For further information on progress towards achieving impacts see page 29.
- Further detail of performance against specific output measures for activities undertaken in 2013/14 is outlined in the Statement of Service Performance tables (see pages 35 to 45).

RHEUMATIC FEVER

The national incidence of rheumatic fever shows that Pacific and Māori children are most at risk – Pacific children are 44 times more likely to contract rheumatic fever than other children in New Zealand and Māori children are 25 times more at risk.

HPA's work in 2013/14 targeted parents and caregivers of at-risk children and young people, with a focus on Auckland and Wellington.

A baseline survey, undertaken to determine the awareness of rheumatic fever, found Māori and Pacific people had a very high awareness of rheumatic fever, but less than half knew about the relationship between sore throats and rheumatic fever.

HPA delivered two rheumatic fever projects in 2013/14 – in October 2013 and May/June 2014. Both projects aimed to increase awareness of what rheumatic fever is and the link between sore throats and rheumatic fever. There was a strong call to action encouraging at-risk people to have their child's sore throat checked every time to prevent strep throat from leading to rheumatic fever.

Working closely with DHBs and health providers in Auckland and Wellington to develop the key messages, radio commercials, and resources, the first phase launched on 1 October 2013. This consisted of radio advertising, talk-back sessions in Māori and Pacific languages, a toolkit (including a visual aid and parent guide in English, Māori and five Pacific languages, and a wallet card), and promotion of sore throat clinics.

- Further detail of performance against specific output measures for activities undertaken in 2013/14 is outlined in the Statement of Service Performance tables (see pages 35 to 45).

CASE STUDY

The 2014 Winter Rheumatic Fever Awareness Campaign

The second phase of HPA's rheumatic fever work – the 2014 winter rheumatic fever awareness campaign – began on 1 May 2014. The national multi-media campaign was co-designed with the Ministry of Health and delivered in a very tight timeframe by HPA, working closely with Pacific and Māori communities and in partnership with health providers.

In a significant boost to the campaign, the Katoa family from Auckland agreed to share their real life story of having one of their sons develop rheumatic fever following an untreated sore throat. He then had to undergo open heart surgery to repair his damaged heart valves. His twin brother avoided rheumatic fever after taking antibiotics for his strep throat.

The campaign aimed to increase awareness of the link between sore throats and rheumatic fever and to get parents in at-risk groups to get their child's sore throat checked by a doctor or nurse every time. It also promoted the free telephone advice service for families, parents and caregivers concerned about their child's sore throat (Healthline) and sore throat clinics.

The campaign included television, radio, print, online and bus shelter advertising, as well as postcards and magnets, and direct letterbox drops in Auckland, Lower Hutt and Porirua, which have higher rates of rheumatic fever.

Videos featuring the personal stories of Pacific and Māori families dealing with rheumatic fever were also developed. The videos were a new initiative featuring parents' stories of dealing with rheumatic fever, rugby league legend Awen Guttenbeil's story of living with the consequences of rheumatic fever and New Zealander of the Year, Dr Lance O'Sullivan, talking about the dramatic impact rheumatic fever has on the lives of children he treats. The videos and television commercials were all uploaded onto YouTube and were linked to from health sector and government websites.



The campaign has been exceptionally well received, particularly the television commercials and videos. Anecdotal feedback from the sector and stakeholders has been overwhelmingly positive.

The campaign achieved exceptional value for money, achieving a total discount of 51% for media placement. The television advertisements were also viewed online 1.3 million times by the end of July and the YouTube channel had more than 50,000 views by mid August.

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.

National Depression Initiative

The new National Depression Initiative (NDI) Advisory Group, comprising individuals and agencies actively involved in the health sector with a specific focus on mental health and depression, met during the year to develop a strategic framework and stakeholder relationship management plan.

A redevelopment of the Lowdown (youth mental health initiative) has been undertaken. Research commissioned by HPA highlighted the gaps in mental health literacy among young people and recommended that a strong educational focus be developed to ensure the greatest impact on long-term behaviour change. The redevelopment, therefore, focused on increasing awareness of the prevalence of depression and anxiety and guiding implementation of prevention and intervention strategies. This work has strong links to the Prime Minister's Youth Mental Health Project.

Like Minds, Like Mine

In early-September 2013, the Ministry of Health hosted an expert group, including HPA, to provide direction to a refresh of Like Minds, Like Mine. The review resulted in a refreshed *Like Minds, Like Mine National Plan 2014-2019*, which was launched in late May at the Like Minds, Like Mine national seminar. A comprehensive consultation process guided the focus of the refreshed national plan on employment and community social environments. Additionally, the process reinforced the overall programme aim to increase social inclusion for people with experience of mental illness by working directly with people who exclude.

After receiving feedback, the Community Partnership Fund application process opened in early July. The Fund will support innovative projects that reduce stigma and discrimination and increase social inclusion for people with experience of mental illness.

- Further detail of performance against specific output measures for activities undertaken in 2013/14 is outlined in the Statement of Service Performance tables (see pages 35 to 45).

CASE STUDY

Rural Depression

A significant new NDI project developed during 2013/14 focused on supporting rural people who may be experiencing depression. The key target audience was men, because the suicide rate for rural men is higher than that for urban men.

With support from programme ambassador Sir John Kirwan and help from six farmers who told their stories, HPA added videos and written stories to a new rural page, depression.org.nz/rural. The stories describe a range of stressors and risk factors that are common in rural communities. They are personal stories of depression, hope and staying well. The new rural page received 19,000 visits in its first four months.

As part of this work, HPA developed relationships with key networks like the Farmer Mental Wellness Strategy Group. These networks were invaluable in HPA's search for farmers willing to share their stories. They continue to be an important part of HPA's communication mix to raise awareness of the website and the Journal, a free self-help tool.

A highlight of the project was inviting the six farmers who shared their stories to view the videos and website in Wellington. A number of these men and woman continue to help others suffering from depression in rural communities by speaking privately and at gatherings, and by featuring in ongoing media stories.



IMMUNISATION

HPA provides marketing and communications assistance to support the achievement of the Ministry of Health's immunisation goal of "95% of eight-month-old babies fully immunised by December 2014" and its outcome of "Good health and independence are promoted and protected".

HPA was involved with four campaigns in 2013/14:

- the infant immunisation campaign (targeting babies), including national radio promotions supported by online and mobile displays and banner advertisements
- Don't assume you're immune, targeting teenagers before they leave secondary school and first year university students
- the coordination of Immunisation Week, which included distributing resource packs to all DHBs
- the national Don't let the flu knock you campaign. HPA enhanced the National Influenza Specialist Group's campaign by extending the reach of television advertising and running radio, online, print media, bus shelter, bus back and shopping trolley return bay advertising. Tasked with distributing 1.2m doses of the vaccine, the campaign met the target in late July 2014.

Other initiatives

Other immunisation work undertaken in 2013/14 included developing consistency across all immunisation resources to ensure messaging and style support the entire programme. This work included developing and updating more than 60 immunisation resources as a result of changes to the National Immunisation Schedule.

Following the death of a student from meningococcal disease in the Canterbury region in early January and a measles outbreak in Auckland, the Ministry of Health asked HPA to develop resources to target students living independently in close living situations. A meningococcal poster was produced in January and radio advertisements were on air until March 2014. The measles campaign commenced in April 2014.

A message to ensure routine immunisations (such as measles, influenza, tetanus and whooping cough) are up to date was added to 'Tips for safe travel' in the *Before you go...Stop!* booklet for travellers at safetravel.govt.nz.

- Further detail of performance against specific output measures for activities undertaken in 2013/14 is outlined in the Statement of Service Performance tables (see pages 35 to 45).

MORE HEART AND DIABETES CHECKS

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

The campaign ran through to the end of October 2013 and aimed to educate and change attitudes and drive behaviour change. Buck Shelford was again used as the 'hero' to deliver the messaging. Buck is personally committed to promoting men's health in particular and is an engaging and effective ambassador. The campaign included elements of PR, national television, radio and newspaper advertisements, print collateral (posters and flyers), website material, and toolkits for PHOs and workplaces. A vital aspect of this work was the successful working relationship that was fostered with the Ministry of Health, Heart Foundation, Diabetes New Zealand, and interested PHOs.

Post-analyses for the July to October television flights showed the planned targeted audience rating points (TARPS) were exceeded, in addition to meeting all planned media objectives. Each month approximately 70% of the core audience was reached at least once, with 50% of the audience seeing the commercials three times.

ORAL HEALTH

HPA supported the Ministry of Health in its work on oral health, which aimed to:

- convey both the health benefits and social benefits of community water fluoridation in such a way that people in local communities could appreciate the benefits and be aware of them
- develop evidence-based information to inform decision makers (councils and DHBs) about the importance of fluoride in water in promoting oral health
- assist the Ministry of Health, DHBs and public health units to fulfil their obligations to provide advice on the benefit of water fluoridation.

New resources were developed in early September 2013.

PRIMARY HEALTH CARE PROJECT

HPA facilitated a workshop on primary health care on 31 October 2013 to explore innovative ways to deliver more effective health promotion initiatives and build strong relationships in primary health care settings. The workshop identified challenges, barriers, opportunities, and priorities in the health promotion space.

HPA jointly planned a national primary care symposium on 13 March 2014 with the PHO Alliance and the Heart Foundation. The Population Health In Primary Care Symposium – Best Practice and Innovation provided a national forum to share innovation and support better outcomes for patients across the country, with particular reference to the Government's primary care-related health targets. This event provided a good platform for an ongoing positive relationship with the PHO Alliance and to establish a growing reputation in the primary health sector.

BEFORE SCHOOL CHECKS

Before School Checks (B4SCs) are a free, comprehensive child health and development check available for all four-year-olds and are the 12th and final part of the Well Child/Tamariki Ora service offered to all New Zealand children from birth to five years.

During 2013/14, HPA undertook formative development work to inform a Ministry of Health initiative to raise awareness of the importance of B4SCs (with the aim of raising the rate of checks from 80% to 90%). HPA completed a literature review, a series of workshops with B4SC coordinators and a number of focus groups with parents of four-year-old children.

As a result of this work, and to support the promotion of B4SCs in New Zealand, HPA will soon be running a campaign to encourage families with four-year-olds to make sure their child is fit and ready to start school by having a B4SC in their local area.

IMPACT TABLES

Alcohol

HPA plays 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 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 communicating the changes to the legislation on the sale and supply of alcohol.

Impact Measures For Alcohol: Progress Towards 2016

2016 Target	Interim result 30 June 2014 (<i>Trend/comment</i>)
1. New Zealanders lead healthier lives	
Increase in proportion of adult (18+ years) non-drinkers or lower-risk drinkers. ⁹ 2016 target – 78% (2012 Attitudes and Behaviours towards Alcohol Survey – 74%)	There is an indication of positive change. The result from the 2013 ABAS is 76.9%**
Increase in proportion of adult (18+ years) medium to high-risk drinkers report drinking less than the previous year. 2016 target – 47% (2012 Attitudes and Behaviours towards Alcohol Survey – 45%)	The result for 2013 is lower than 2012. The latest result from the 2013 ABAS is 31% (26.9-35.2)
2. People are more aware, motivated and able to improve their own and their family's health and wellbeing	
Increase in proportion of adults (18+ years) who have thought about cutting back on how much they drink. 2016 target – 39% (2012 Attitudes and Behaviours towards Alcohol Survey – 32%)	The result for 2013 is similar to 2012. The latest result from the 2013 ABAS is 34% (31.7-36.3)***
Increase in proportion of drinkers who got drunk on the last occasion and decided to drink less than they used to. 2016 target – 39% (2012 Attitudes and Behaviours towards Alcohol Survey – 31%)	The result for 2013 is similar to 2012. The latest result from the 2014 UMR July Omnibus is 38% (24.8-53.2)***
Increase in proportion of adult (18+ years) medium to high-risk drinkers who report that they sought help. 2016 target – 5% (2012 Attitudes and Behaviours towards Alcohol Survey – 3%)	There is an indication of positive change. The result from the 2013 ABAS is 6% (4.1-8.8)***
3. Physical, social and policy environments and services better promote and protect health and wellbeing	
Increase in proportion of adults (18+ years) who disagree or strongly disagree that drunkenness is acceptable in some situations. 2016 target – 68% (2012 Attitudes and Behaviours towards Alcohol Survey – 66%)	There has been positive change and the 2016 target has been achieved. The result from the 2013 ABAS is 70.6% (69.1-72.0)
Increase in proportion of adult (18+ years) medium to high-risk drinkers who report that they received help. 2016 target – 11% (2012 Attitudes and Behaviours towards Alcohol Survey – 9%)	There is an indication of positive change. The result from the 2013 ABAS is 13.2% (10.6-16.4)***

* ABAS refers to HPA's Attitudes and Behaviours towards Alcohol Survey.

** Confidence intervals are not available for this measure.

*** Indicates that the difference between the 2012 and 2013 measures or the target is within the confidence intervals for the 2013 result and, therefore, there cannot be confidence that the result has changed/improved.

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

Tobacco Control

While HPA plays a key leadership role within the tobacco control sector (particularly around reducing the number of young people taking up smoking), several organisations

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

Impact Measures For Tobacco: Progress Towards 2018 and 2016

2018 Target	Interim result 30 June 2014 <i>(Trend/comment)</i>
1. New Zealanders lead healthier lives	
Decrease in proportion of Year 10 students (14 to 15-year-olds) who are 'current smokers'. 2018 target – 5% All, 8% Māori (2012 Youth Insights Survey – 7.4% All, 16.5% Māori)	All – 7.8% (6.2-9.4), Māori – 14.4% (10.7-18.1)
Decrease in proportion of adults aged 15+ years who are 'current smokers'. 2018 target – 10% All, 20% Māori (2011/12 New Zealand Health Survey – 18% All, 38.4% Māori)	All 17.6% (16.7-18.5), Māori 39.2% (36.8-41.7)
2. People are more aware, motivated and able to improve their own and their family's health and wellbeing	
2016 Target	Interim result 30 June 2014 <i>(Trend/comment)</i>
Increase in proportion of adults aged 15+ years who agree that "Being smokefree is part of the New Zealand way of life". 2016 target – 85% All, 85% Māori (2012 Health and Lifestyles Survey – 60.3% All, 51.1% Māori)	All – 60.5% (56.8-64.3), Māori 50.0% (43.3-56.8)
Increase in proportion of current smokers or recent quitters (quit in the last 12 months) aged 15+ years who made one or more serious quit attempts in the last 12 months. 2016 target – 65% All, 65% Maori (2012 Health and Lifestyles Survey – 53.3% All, 53.1% Māori)	All – 47.9% (41.7-54.1), Māori – 54.0% (44.9-63.0)
3. Physical, social and policy environments and services better promote and protect health and wellbeing	
Increase in proportion of adults aged 15+ years who were aware that the Government wants New Zealand smoking rates reduced to 5% by 2025. 2016 target 80% All, 80% Māori (2012 Health and Lifestyles Survey – 42.8% All, 40% Māori)	All – 47.1% (43.6-50.5), Māori – 49.1% (42.5-55.6)

Minimising Gambling Harm

HPA plays 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, it also works with others to influence gambling environments to help achieve its gambling-related impacts.

Impact Measures For Minimising Gambling Harm: Progress Towards 2016

2016 Target	Interim result 30 June 2014 <i>(Trend/comment)</i>
1. New Zealanders lead healthier lives	
Increase in proportion of at-risk gamblers and people in close contact with them reporting that they monitor their gambling behaviour (Baseline data collected in 2013/14)	32.7% (19.5-45.9) of at-risk gamblers report that they monitor their gambling behaviour
2. People are more aware, motivated and able to improve their own and their family's health and wellbeing	
Increase in awareness of the early indicators of harmful gambling (Baseline data collected in 2013/14)	93.1% (88.7-97.5) of respondents aware of early indicators of harmful gambling
3. Physical, social and policy environments and services better promote and protect health and wellbeing	
Increase in awareness of legal requirements of venues to minimise gambling harm (Baseline to be collected in 2013/14)	60.7% (56.8-64.5) of respondents aware of legal requirements of venues to minimise gambling harm

Nutrition and Physical Activity

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 2016

2016 Target	Interim result 30 June 2014 <i>(Trend/comment)</i>
1. New Zealanders lead healthier lives	
Increase in proportion of parents/caregivers of 2 to 14-year-old children who report that their child eats breakfast at home every day. 2016 target – 89% All, 86% Māori, 85% Pacific (2011/12 New Zealand Health Survey – 87% All, 82% Māori and 83% Pacific)	All – 86.6% (85.2-88.0), Māori – 81.2% (78.5-83.6), Pacific – 80.3% (76.0-84.1)
2. People are more aware, motivated and able to improve their own and their family's health and wellbeing	
Increase in proportion of parents/caregivers ¹⁰ who agree or strongly agree that "What my child eats affects his/her performance at school". 2016 target – 89% All, 80% Māori, 62% of Pacific (2012 Health and Lifestyles Survey – 87% All, 75% Māori and 57% Pacific)	All – 86.1% (80.9-91.2), Māori – 86.8% (81.2-92.4), Pacific – 77.8% (68.9-86.8)

¹⁰ As there is only one year of data to-date, there is no trend data, and the target will need to be reviewed after analysis of the next Health and Lifestyles Survey.

Sun Safety

HPA's current primary focus is on adolescents (aged 13 to 17 years). To achieve its impacts HPA works 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 2016

2016 Target	Interim result 30 June 2014 <i>(Trend/comment)</i>
1. New Zealanders lead healthier lives	
Increase the proportion of youth (13 to 17-years-old) who reported using at least one sun protection item and/or purposely sought shade while outdoors the previous weekend. 2016 target – 83% (2013 Sun Exposure Survey – 81%)	No interim results. Next survey to be undertaken in 2016
2. People are more aware, motivated and able to improve their own and their family's health and wellbeing	
Reduction in proportion of youth (13 to 17-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". 2016 target – 69% (2013 Sun Exposure Survey – 73%)	No interim results. Next survey to be undertaken in 2016
Increase in proportion of adults who report they have seen the Sun Protection Alert. ¹¹ 2016 target – 55% (2013 Sun Exposure Survey – 50%)	No interim results. Next survey to be undertaken in 2016
3. Physical, social and policy environments and services better promote and protect health and wellbeing	
Increase in the number of territorial local authorities have completed shade audits. 2016 target – 12 (Administrative data 2012 – one)	Four completed in 2013/14

¹¹ The Sun Protection Alert is a visual tool that enables people to identify the times in their own region that they should seek protection from the sun.

ORGANISATIONAL HEALTH AND CAPABILITY

HPA continues to look for opportunities to improve its organisational health and capability to align with, and support, its functions.

Leadership, accountability and culture

Open communication with staff is fostered at all times. In addition to regular formal and informal team meetings, there are quarterly staff meetings and six-weekly management team meetings. The development of an intranet has improved internal communications.

Throughout 2013/14 HPA has worked to embed the values (developed in consultation with staff in 2012/13) into a number of organisational processes and activities.

During the year, a number of HPA's policies and procedures were updated, incorporating feedback from staff. Work is continuing to update others on a 'rolling' basis.

Recruitment, selection and induction

HPA's process for recruiting and inducting new staff means it advertises, recruits and appoints the best candidate for the role. HPA advertises widely (internally and externally) to ensure it employs a high calibre of diverse staff. All staff undergo a formal induction process, which is continually developed and refined.

Employee development, promotion and exit

HPA supports professional development and promotion and identifies training and development needs as a formal part of the annual performance appraisal process.

During the year, HPA increased internal capability to respond to Māori and Pacific populations.

Work areas are continuously reviewed to take into account changes in workloads. Slight structural alignments are made to ensure the organisation is operating effectively, with the right resources. Exit interviews are offered to departing staff.

Flexibility and work design

Flexible working hours and conditions, where practicable, help staff meet work and family commitments. Technology is available to assist remote working.

Remuneration, recognition and conditions

Remuneration is reviewed annually in conjunction with a performance review. A development needs assessment is also conducted in conjunction with the annual performance planning processes. External and internal development opportunities are provided and actively supported by managers.

Harassment and bullying prevention

The policy to prevent bullying and harassment was reviewed during the year and HPA continues to have a zero tolerance for these behaviours. HPA expects staff to comply with the State Services Standards of Integrity and Conduct.

Safe and healthy environment

There continues to be a strong focus on employee health, safety and wellbeing. The health, safety and wellbeing committee meets regularly and the health, safety and wellbeing policy acknowledges that a well and healthy staff makes the organisation stronger and more successful. Free influenza vaccinations are offered and HPA has introduced the opportunity for staff to work standing up, which has proved popular. Support for health and wellness activities is provided and staff are able to use an external company that offers confidential counselling.

Staff profile

HPA employed 81 full-time equivalents (FTEs) located in Wellington, Auckland and Christchurch against budget of 90 at year end.

	2013/14 %
Female	76
Male	24
Māori	8
Pacific	3
Asian	5
New Zealand European	70
Other ethnicity	9
Not declared	5
Under 30-years-old	7
30 to 39	31
40 to 49	25
50 to 59	28
60 +	9
People with disabilities (injury, illness or disability)	5

Procurement

HPA is using all-of-Government suppliers for procured services including advertising and travel, continues to work closely with the Property Management Centre of Expertise, and works closely with the Department of Internal Affairs on its computer/IT systems.

STATEMENT OF RESPONSIBILITY

HEALTH PROMOTION AGENCY STATEMENT OF RESPONSIBILITY FOR THE YEAR ENDED 30 JUNE 2014

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

- preparing these financial statements, the 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.



Dr Lee Mathias
Chairman
Health Promotion Agency
24 October 2014

Rea Wikaira
Deputy Chairman
Health Promotion Agency
24 October 2014

INDEPENDENT AUDITOR'S REPORT

To the readers of Health Promotion Agency's financial statements and non-financial performance information for the year ended 30 June 2014

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 46 to 64, that comprise the statement of financial position as at 30 June 2014, 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 35 to 45 and the report about impacts on pages 25 to 29.

Opinion

In our opinion:

- the financial statements of the Agency on pages 46 to 64:
 - comply with generally accepted accounting practice in New Zealand; and
 - fairly reflect the Agency's:
 - financial position as at 30 June 2014; and
 - financial performance and cash flows for the year ended on that date.

- the non-financial performance information of the Agency on pages 35 to 45 and pages 25 to 29:
 - 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 2014, 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 24 October 2014. This is the date at which our opinion is expressed.

The basis of our opinion is explained below. In addition, we outline the responsibilities of the Board of Directors 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 of Directors;
- 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 of Directors

The Board of Directors 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 of Directors 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 of Directors is also responsible for the publication of the financial statements and non-financial performance information, whether in printed or electronic form.

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

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 2014

HPA has three interconnected outputs under one output class. While the nature of the work in each one differs, together they help achieve HPA's impacts.

Output 1 – Promoting health and wellbeing – education, marketing and communications

HPA designs and delivers a range of education, marketing, and communications strategies that inform, motivate and enable New Zealanders to lead healthier lives.

Activity	Performance measures	Result
Alcohol		
Activating choice marketing campaign	<p>1.1 Awareness of the campaign marketing and communication messages will be maintained</p> <p>1.2 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"> • Achieved – 89% total awareness of the campaign marketing and communication messages (compared with 93% in 2012/13 – 89% is within margin of error) • Achieved – 57% of the target audience consider the campaign messages are relevant to themselves or someone they care about
Marketing campaign to improve understanding of the legal requirements in relation to the supply of alcohol to under 18-year-olds	1.3 At least 60% of adults (18+ years) are aware that it is now a legal requirement that they gain permission from a parent before providing their teenager with alcohol (40% awareness in November 2012)	<ul style="list-style-type: none"> • Achieved – 75% of adults (18+ years) are aware that it is now a legal requirement that they gain permission from a parent or legal guardian before providing their teenager with alcohol
Alcohol helpline marketing	1.4 Alcohol-related calls to the Alcohol Drug Helpline increase by at least 15% in 2013/14 compared with 2012/13	<ul style="list-style-type: none"> • Partially achieved – alcohol-related telephone calls to the Alcohol Drug Helpline increased by 4.1% in 2013/14 and online contact increased by 202%

Activity	Performance measures	Result
Alcohol, continued		
Information for the public on reducing alcohol-related harm	<p>1.5 New or updated online and print resources for the public on reducing alcohol-related harm, including self-help resources, and uptake of resources</p> <p>1.6 Number of visitors to www.alcohol.org.nz is maintained</p> <p>1.7 75% of resource user respondents indicate satisfaction (top two categories of a five-point scale) with alcohol resources and websites</p>	<ul style="list-style-type: none"> A number of new and updated resources were produced. Distribution figures indicate 58,325 resources ordered during the year Achieved – 285,478 visitors compared with 203,366 visitors in 2012/13 Not achieved – 65% of respondents indicate satisfaction
Tobacco Control		
Youth targeted strategy (12 to 16-year-olds)	<p>1.8 Smokefreerockquest attendance figures are maintained or increased (2012: 630 bands; 291 schools; and 12,500 people in attendance at regional finals)</p> <p>1.9 Smokefree Pacifica Beats attendance figures are maintained or increased (2012: 72 bands; 45 schools; and 1,900 people in attendance at regional finals)</p>	<ul style="list-style-type: none"> Partially achieved – 654 bands, 273 schools, 12,672 people in attendance at regional finals Partially achieved – 90 bands, 52 schools and 1,700 in attendance at regional finals
Young adult strategy (17 to 24-year-olds)	1.10 A marketing and communications strategy, including a stakeholder engagement plan, developed and campaign launched	<ul style="list-style-type: none"> Achieved – a marketing and communications strategy, including a stakeholder engagement plan, was developed and mass media campaign went live on 15 June 2014
Minimising Gambling Harm		
Choice Not Chance Campaign	<p>1.11 At least 10% of visitors to the Choice Not Chance website use an online self-assessment/self-help tool</p> <p>1.12 Calls to the Gambling Helpline are 30% higher at times when mass media advertising is running compared with when it is not (29% in 2009/10, 2010/11, 2011/12)</p>	<ul style="list-style-type: none"> Achieved – 54% of visitors to the Choice Not Chance website used an online self-assessment/self-help tool Achieved – calls to Gambling Helpline were 50% higher when mass media was running compared with times without

Activity	Performance measures	Result
Nutrition and Physical Activity		
Healthy eating promotions	1.13 Average total reach for all online activity is maintained (average of 1,091,410 per month in 2012)	<ul style="list-style-type: none"> • Achieved – average total reach for all online activity for 2013/14 was 2,272,525 per month
Sun Safety		
Youth-targeted sun safety campaign	1.14 At least 2,500 youth engage directly with sun safety messages through use of UV camera (1,850 in 2012/13)	<ul style="list-style-type: none"> • Achieved – 2,700 youth engaged directly with sun safety messages through the use of the UV camera
Sun Protection Alert	1.15 Development of new Sun Protection Alert smart phone application	<ul style="list-style-type: none"> • Achieved – phone app was launched at the end of September 2013 to coincide with the start of daylight saving
Mental Health		
National Depression Initiative marketing campaign	<p>1.16 At least 18,000 contacts made with the depression helpline services (excluding the youth-specific Lowdown website) (27,261 in 2011; 18,437 in 2012)</p> <p>1.17 At least 10,000 people register to use the Journal (an online self-help programme) to help them manage their depression (10,711 in 2011; 10,056 in 2012)</p>	<ul style="list-style-type: none"> • Achieved – 21,854 contacts were made with the depression helpline • Not achieved – 7,659 people registered to The Journal. An upgrade to the site's IT platform to provide an improved user experience is to be implemented in early 2014/15

Activity	Performance measures	Result
Mental Health, <i>continued</i>		
Like Minds, Like Mine marketing campaign	<p>1.18 Prompted recall of Like Minds, Like Mine advertising is maintained or improved (90% in 2013)¹²</p> <p>1.19 Proportion of people expressing disagreement with the statement “I would feel uncomfortable talking to someone who had a mental illness” is maintained or increased (79% in 2011)</p>	<ul style="list-style-type: none"> • Partially achieved – while overall prompted recall of Like Minds, Like Mine advertising decreased since the 2013 survey (78% compared with 83% for the total group), and recall has been maintained or increased for targeted groups – Māori males 89% in 2014 compared with 86% in 2013, Pacific 88% compared with 88% in 2013. Other improvements achieved since the last survey are: <ul style="list-style-type: none"> – an increase in the number of people finding out more information about mental illness, such as from a website (from 20% to 32%) – an increase in the number of people that behaved in a way that ensured someone with mental illness was treated with respect (from 60% to 66%). <p>The Like Minds, Like Mine national campaign has not been updated for more than four years. Research has shown that the campaign needs to be refreshed to keep the audience engaged. HPA will launch a new campaign in 2015 that aligns with the National Plan 2014-2019</p> <ul style="list-style-type: none"> • Achieved – 82% of respondents expressed disagreement with this statement
Immunisation		
Provide marketing support to national immunisation initiatives	<p>1.20 Service is delivered to agreed timeframes, standard and budget</p> <p>1.21 Ministry of Health contact people indicate satisfaction (top two of a five-point scale¹³) with the service provided by HPA</p>	<ul style="list-style-type: none"> • Achieved. All tasks were completed within budget and on time • 80% of respondents indicate satisfaction

¹² Note – updated analyses show that the result was 83% in 2013.

¹³ Measurement is the level of agreement with the statement “I am satisfied with the service provided by the HPA” (1) strongly disagree; (2) disagree; (3) neither agree nor disagree; (4) agree; and (5) strongly agree.

Activity	Performance measures	Result
Health Education Resources		
Management and monitoring of contracts for production and distribution of nationally available health education resources	1.22 Contracts are actively managed according to specifications of each contract	<ul style="list-style-type: none"> • Achieved
	1.23 Service specifications are met on time, at agreed cost and to required quality	<ul style="list-style-type: none"> • Achieved
Other Public Health Initiatives		
Provide health promotion, communications and marketing support to other public health initiatives	1.24 Service is delivered to agreed standard, within agreed timeframes and within budget	<ul style="list-style-type: none"> • Achieved
	1.25 Ministry of Health contact people indicate satisfaction (top two of a five-point scale) with the service provided by HPA	<ul style="list-style-type: none"> • 67% of respondents indicate satisfaction

Output 2 – Enabling health promoting initiatives and environments – advice, resources and tools

HPA's ability to inspire New Zealanders to lead healthier lives is greatly extended when it works with and through others. To achieve this, HPA provides advice, resources and tools to a wide range of individuals, groups and organisations to enable health and other sectors and communities to take action and to help improve environments so that they better promote and protect health. HPA also promotes best practice.

Activity	Performance measures	Result
Alcohol		
Stakeholder magazines and newsletters	<p>2.0 Two <i>AlcoholNZ</i> magazines and 11 <i>Ease up</i> e-newsletters are produced</p> <p>2.1 At least 75% of stakeholder respondents indicate satisfaction (top two categories of a five-point scale) with alcohol magazines and newsletters</p>	<ul style="list-style-type: none"> • Achieved – two <i>AlcoholNZ</i> magazines and 11 <i>Ease up</i> e-newsletters were produced • Not achieved – 65% of respondents indicate satisfaction
Resources and advice for alcohol legislation requirements	<p>2.2 New or updated online and print resources consistent with the new alcohol legislation for regulatory agencies and premises and uptake of resources</p> <p>2.3 At least 75% of stakeholder respondents indicate satisfaction (top two categories of a five-point scale) with resources and advice for alcohol legislation requirements</p>	<ul style="list-style-type: none"> • A number of new and updated resources were produced. Distribution figures indicate 123,817 resources were ordered during the year • Achieved – 86% of respondents indicate satisfaction
Resources and advice for health professionals and others to better enable them to help people who need help with their drinking	<p>2.4 New or updated online and print resources for primary healthcare and other settings and uptake of resources</p> <p>2.5 At least 75% of stakeholder respondents indicate satisfaction (top two categories of a five-point scale) with resources and advice to better enable health professionals and others to help people who need help with their drinking</p>	<ul style="list-style-type: none"> • A number of new and updated resources were produced. Distribution figures indicate 32,572 resources were ordered during the year • Achieved – 91% of respondents indicate satisfaction

Activity	Performance measures	Result
Alcohol, continued		
Alcohol Drug Helpline	<p>2.6 At least 40% of all Alcohol Drug Helpline alcohol-relevant calls answered receive either an individual or family brief intervention</p> <p>2.7 At least 75% of Helpline caller respondents indicate (top two categories of a five-point scale) that they received the help they were looking for when they called the Alcohol Drug Helpline</p>	<ul style="list-style-type: none"> • Achieved – across the year an average of nearly 50% of callers received an individual or family brief intervention • Achieved – a caller satisfaction survey has been undertaken. The results show 87% caller satisfaction with the Alcohol Drug Helpline service
Supporting the Cutting Edge national addictions conference for the addiction treatment sector	2.8 Evaluation results show overall satisfaction with the conference (75% score in top two categories of a five-point scale)	<ul style="list-style-type: none"> • Achieved – survey results show 76% of attendees enjoyed attending Cutting Edge
Community-led action on alcohol projects	<p>2.9 All funded community-led action projects are monitored on a biannual basis</p> <p>2.10 At least 90% of community-led action projects funded in 2012/13 meet specified reporting requirements</p>	<ul style="list-style-type: none"> • Achieved – HPA regional managers regularly monitor contracts with providers to ensure effective implementation of projects • Achieved – 14 out of 15 (93%) community-led projects met reporting requirements
Resources and advice for community action on alcohol	2.11 At least 75% of stakeholder respondents indicate satisfaction (top two of a five-point point scale) with resources and advice for community action on alcohol	<ul style="list-style-type: none"> • Achieved – 90% of respondents indicate satisfaction
Tobacco Control		
Sector support	<p>2.12 At least 30 communities are supported to implement local World Smokefree Day initiatives</p> <p>2.13 At least 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)</p>	<ul style="list-style-type: none"> • Achieved – 30 communities were supported to implement World Smokefree Day initiatives on 31 May 2014 • Not achieved – 83% (24 out of 29) respondents confirm their work is more effective

Activity	Performance measures	Result
Minimising Gambling Harm		
Supporting frontline services	<p>2.14 Health promotion resources and advice are provided to all (21) minimising gambling harm service providers</p> <p>2.15 At least 70% of respondents to a survey of public health minimising gambling harm services indicate (top two categories of a five-point scale) that they are better able to do their job as a result of HPA support (70% in 2012)</p>	<ul style="list-style-type: none"> • Achieved – resources and advice were provided to all service providers (21) during July 2013 to support Gamblefree Day activities • Not achieved – 52% of respondents confirm they are better able to do their work
Supporting local services	<p>2.16 At least 10 regions use tools provided by HPA to support their Gamblefree Day activities in order to raise the profile of gambling harm in their community</p> <p>2.17 At least 50 local gambling-related media stories are generated as a result of community activities supported by HPA (35 in 2012/13)</p>	<ul style="list-style-type: none"> • Achieved – 14 regions used tools provided by HPA to support their Gamblefree Day activities • Achieved – 53 stories generated as a result of HPA support
Nutrition and Physical Activity		
Sector support	<p>2.18 Advice and support are provided to at least six Ministry of Health-funded providers working to improve maternal and infant nutrition</p> <p>2.19 At least 85% of resource users indicate (top two categories of a five-point scale) that they are better able to do their job as a result of HPA support</p>	<ul style="list-style-type: none"> • Achieved • Achieved – survey results show 85% of respondents indicated they are better able to do their job as a result of HPA support

Activity	Performance measures	Result
Sun Safety		
Support skin cancer sector planning	2.20 New Zealand Skin Cancer Control Strategic Framework 2015-2018 completed ¹⁴	<ul style="list-style-type: none"> • Achieved – the Strategy 2014-2017 is completed and has been posted on the SunSmart and MelNet websites
Promotion of shade audits	2.21 At least three workshops promoting the shade audit tool are delivered 2.22 Shade audits completed with at least two territorial authorities 2.23 At least 80% of participants attending the workshops report that they would include shade in their long-term council plans	<ul style="list-style-type: none"> • Achieved – five workshops were delivered • Achieved – shade audits were held with four territorial authorities • Achieved – 83% of participants who attended the workshop reported that they would include shade in their long-term council plans

¹⁴ The correct title of this document is *New Zealand Skin Cancer Primary Prevention and Early Detection Strategy 2014-2017* (to cover years 2014/15 to 2017/18).

Output 3 – Informing health promoting policy and practice – policy advice and research

HPA provides policy advice and research to inform decision making on best practice and policy to improve New Zealanders' health and wellbeing and reduce injury and other harm.

Activity	Performance measures	Result
Alcohol Policy Advice		
Policy advice/submissions	3.0 Number of submissions 3.1 Submissions are provided by the specified timeframes	<ul style="list-style-type: none"> • Thirty-two written submissions and nine oral submissions • Achieved
Research		
New Zealand Smoking Monitor (NZSM)	3.2 The NZSM is in field continuously during 2013/14 3.3 Data from the NZSM is reported to the Ministry of Health monthly, quarterly and annually 3.4 Analysis of data is provided to the Ministry of Health's satisfaction	<ul style="list-style-type: none"> • Achieved. NZSM has been in field continuously during 2013/14 • Achieved • Achieved
New Zealand Youth Tobacco Monitor (NZYTM)	3.5 Preparation for the 2014 Youth Insight Survey is completed to the satisfaction of the Ministry of Health	<ul style="list-style-type: none"> • Achieved – preparation completed and field work successfully completed on 4 July 2014
Health and Lifestyles Survey	3.6 Development and data collection commenced of a nationally representative survey of more than 2,000 households oversampling Māori and Pacific people with an expanded module for gambling harm 3.7 Reports for the 2012 Health and Lifestyles Survey are produced in 2013/14 3.8 Dissemination of research findings through reports and other materials delivered on time	<ul style="list-style-type: none"> • Achieved – survey was developed and fieldwork commenced in May 2014 • Achieved • Achieved

Activity	Performance measures	Result
Research, <i>continued</i>		
Research to collect nationally representative information on alcohol attitudes and behaviour	<p>3.9 Alcohol attitudes and behaviour information collected through nationally representative surveys</p> <p>3.10 Reports for the 2012 Annual Attitudes and Behaviour Survey are published in 2013/14</p> <p>3.11 Dissemination of research findings through reports and other materials delivered on time</p>	<ul style="list-style-type: none"> • Achieved – nationally representative survey of 4,001 people completed in February 2014. Datasets provided to HPA in April 2014 • Achieved – first report on drinking behaviour of adults 18 years and over was published online in June 2014 • Achieved – first report on drinking behaviour of adults 18 years and over was published online in June 2014

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2014

Actual 2013 \$000		Notes	Actual 2014 \$000	Re-forecast Budget 2014 \$000	SOI Budget 2014 \$000
Revenue					
12,021	Alcohol levy income		11,649	12,226	11,967
16,298	Crown income		21,540	21,540	14,564
282	Interest		356	228	150
332	Other income	2	236	–	–
28,933	Total Revenue		33,781	33,994	26,681
Expenditure					
6,076	Personnel expense	3, 17	7,481	7,623	6,912
136	Depreciation and amortisation	8, 9	73	75	100
2,035	Other operating expenses	4, 18	1,564	1,392	1,669
20,420	Programme expenditure		24,632	24,904	18,000
28,667	Total Expenditure		33,750	33,994	26,681
266	Surplus (Deficit)		31	–	–
266	Total Comprehensive Income for the Year		31	–	–

Explanations of major variances against the SOI are provided in note 21.

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 2014

Actual 2013 \$000		Actual 2014 \$000	SOI Budget 2014 \$000
–	Balance at 1 July	3,690	2,658
2,124	Capital introduced from predecessor entities	–	–
266	Comprehensive income for the year	31	–
1,300	Capital contribution	–	–
3,690	Balance at 30 June	3,721	2,658

Explanations of major variances against the SOI are provided in note 21.

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

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2014

Actual 2013 \$000		Notes	Actual 2014 \$000	SOI Budget 2014 \$000
Assets				
Current assets				
280	Cash and cash equivalents	5, 19	8,416	518
5,634	Trade and other receivables	6	3,821	900
5,500	Investments	7	2,500	4,500
–	Prepayments		3	–
11,414	Total current assets		14,740	5,918
Non-current assets				
164	Property, plant and equipment	8	149	260
27	Intangible assets	9	21	–
191	Total non-current assets		170	260
11,605	Total assets		14,910	6,178
Liabilities				
Current liabilities				
6,434	Trade and other payables	10, 19	10,557	3,300
538	Employee entitlements	11	558	220
658	Income in advance		23	–
219	Provisions	12	–	–
7,849	Total current liabilities		11,138	3,520
Non-current liabilities				
66	Employee entitlements	11	51	–
66	Total non-current liabilities		51	–
7,915	Total liabilities		11,189	3,520
3,690	Net assets		3,721	2,658
Equity				
3,424	Accumulated funds		3,690	2,658
266	Comprehensive income for the year		31	–
3,690	Total equity		3,721	2,658

Explanations of major variances against the SOI are provided in note 21.

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

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2014

Actual 2013 \$000		Notes	Actual 2014 \$000
	Cash flows from operating activities		
12,978	Receipts from levies		12,048
13,266	Receipts from the Crown		22,653
668	Receipts from other income		319
242	Interest received		356
127	Goods and services tax (net)		122
(19,866)	Payments to suppliers		(22,840)
(6,017)	Payments to employees		(7,476)
1,398	Net cash flow from operating activities	13	5,182
	Cash flows from investing activities		
(134)	Purchase of property, plant and equipment		(49)
(28)	Purchase of intangible assets		(8)
–	Sale of property, plant and equipment		11
(12,900)	Acquisition of investments		(19,450)
7,400	Reduction of investments		22,450
(5,662)	Net cash flow from investing activities		2,954
	Cash flows from financing activities		
1,530	Transfer of funds from the Alcohol Advisory Council		–
1,714	Transfer of funds from the Health Sponsorship Council		–
1,300	Capital contribution		–
4,544	Net cash flow from financing activities		–
280	Net increase (decrease) in cash and cash equivalents		8,136
–	Cash and cash equivalents at beginning of the year		280
280	Cash and cash equivalents at the end of the year		8,416

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 2014

Note 1: Statement of accounting policies

REPORTING ENTITY

Health Promotion Agency (HPA) is a Crown entity as defined by the Crown Entities Act 2004 and is domiciled in Wellington, New Zealand, with offices in Auckland and Christchurch.

HPA was established on 1 July 2012 by the New Zealand Public Health and Disability Act 2000, and its ultimate parent is the New Zealand Crown.

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.

HPA 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 are 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 24 October 2014.

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

There have been no significant changes in accounting policies since the date of the last audited financial statements. All policies have been applied on bases consistent with last year.

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

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.

Levy income

Levy income is received from New Zealand Customs Service, assessed on locally produced beer, spirits, grape wine, fruit wine and imported liquor.

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 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.

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 uncollectible, 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 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 consist of artwork, library books and films, leasehold improvements, computer equipment, furniture, office equipment, 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.

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 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:

Computer Equipment	3 years	33.3%
Furniture	10 years	10%
Leasehold Improvements*	3 years	33.3%
Motor Vehicles	5 years	20%
Office Equipment	5 years	20%

* 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 as it is incurred.

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

Acquired software	3 years	33.3%
Developed software	4 years	25%

Impairment of non-financial 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 revalued 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 revalued 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 of balance date are measured at nominal values 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 of balance date, 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.

Superannuation schemes

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 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.

Budget Figures

The budget figures are derived from the Statement of Intent 2013-2016 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 for the preparation of the financial statements.

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.

Goods and Service Tax (GST)

All items in the financial statements are presented exclusive of 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 an operating cash flow.

Commitments and contingencies are disclosed exclusive of GST.

Foreign Currency Transactions

Foreign currency transactions are translated into New Zealand dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in the Statement of Comprehensive Income.

Cost Allocation

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

Direct costs are those costs directly attributed 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 costs are charged on the basis of time spent on the output. Other indirect costs are assigned to outputs based on the proportion of direct staff costs for each output.

There have been no changes to the cost allocation methodology since the date of the last audited financial statements.

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 programs
- review of second hand market prices for similar assets; and
- analysis of prior asset sales.

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

Comparatives

When presentation or classification of items in the financial statements is amended or accounting policies are changed voluntarily, comparative figures are restated to ensure consistency with the current period unless it is impracticable to do so.

Critical judgements in applying HPA's accounting policies

Management has exercised the following critical judgements in applying HPA's accounting policies.

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.

Changes in Accounting Policies

The accounting policies set out above are applied consistently to all periods presented in these financial statements.

Note 2: Other income

	Actual 2014 \$000	Actual 2013 \$000
Sales of merchandise	–	83
Conference registrations	–	248
Net gain on sale of property, plant and equipment	11	–
Sublease of predecessor organisation building	225	–
Other income	–	1
Total Other income	236	332

Note 3: Personnel expense

	Actual 2014 \$000	Actual 2013 \$000
Salaries and wages	6,502	5,548
Temporary and contract staff	597	221
Increase/(decrease) in employee entitlements	5	–
Defined contribution plan employer contributions	237	167
ACC	36	36
FBT	2	1
Recruitment expenses	28	54
Other	74	49
Total Personnel expense	7,481	6,076

Note 4: Other operating expenses

	Actual 2014 \$000	Actual 2013 \$000
Fees to Audit New Zealand for audit of financial statement	60	65
Onerous contracts	–	219
Operating lease expenses	617	833
Other expenses	887	519
Formation costs	–	399
Total Other operating expenses	1,564	2,035

Note 5: Cash and cash equivalents

	Actual 2014 \$000	Actual 2013 \$000
Cash at bank and on hand	1,466	48
Term deposits with maturities less than 3 months	6,950	232
Total Cash and cash equivalents	8,416	280

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

Note 6: Trade and other receivables

	Actual 2014 \$000	Actual 2013 \$000
Trade debtors	30	93
Crown funding receivable from Ministry of Health	441	1,953
Levies receivable from NZ Customs Service	2,210	2,868
GST receivable	1,100	674
Other receivables	40	46
Total Trade and other receivables	3,821	5,634

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

	Gross 2014 \$000	Gross 2013 \$000
Not past due	2,351	4,107
Past due 1-30 days	1,083	1,527
Past due 31-60 days	361	–
Past due 61-90 days	1	–
Past due over 90 days	25	–
	3,821	5,634

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

Note 7: Investments

Investments comprise term deposits with registered New Zealand banks, with a term greater than three months and with carrying amounts that approximate their fair value.

Note 8: Property, plant and equipment

	Artwork books & films \$000	Furniture and office equipment \$000	Computer equipment \$000	Leasehold improvements \$000	Motor vehicles \$000	Total \$000
Cost						
From ALAC at 1 July 2012	110	306	190	305	45	956
From HSC at 1 July 2012	–	76	120	54	–	250
Additions	–	26	107	–	–	133
Disposals	(2)	(68)	(65)	(359)	–	(494)
Balance at 30 June/1 July 2013	108	340	352	–	45	845
Additions	–	3	9	12	24	48
Prior year adjustment	–	–	2	–	–	(2)
Disposals	–	–	–	–	(45)	(45)
Balance at 30 June 2014	108	343	363	12	24	850
Accumulated depreciation						
From ALAC at 1 July 2012	(93)	(277)	(181)	(305)	(33)	(889)
From HSC at 1 July 2012	–	(56)	(97)	(14)	–	(167)
Depreciation expense	–	(16)	(36)	(5)	(5)	(62)
Elimination on disposal	1	52	60	324	–	437
Balance at 30 June/1 July 2013	(92)	(297)	(254)	–	(38)	(681)
Depreciation expense	–	(11)	(44)	(1)	(5)	(61)
Prior year adjustment	–	–	(1)	–	1	–
Elimination on disposal	–	–	–	–	41	41
Balance at 30 June 2014	(92)	(308)	(299)	(1)	(1)	(701)
Carrying amounts						
1 July 2012	17	49	32	40	12	150
30 June/1 July 2013	16	43	98	–	7	164
30 June 2014	16	35	64	11	23	149

Note 9: Intangible assets

	Total \$000
Cost	
From ALAC at 1 July 2012	332
From HSC at 1 July 2012	20
Additions	28
Disposals	(140)
Balance at 30 June/1 July 2013	240
Additions	8
Balance at 30 June 2014	248
Accumulated depreciation	
From ALAC at 1 July 2012	(318)
From HSC at 1 July 2012	(18)
Amortisation expense	(17)
Elimination on disposal	140
Balance at 30 June/1 July 2013	(213)
Amortisation expense	(12)
Prior year adjustment	(2)
Balance at 30 June 2014	(227)
Carrying amounts	
1 July 2012	16
30 June/1 July 2013	27
30 June 2014	21

Note 10: Trade and other payables

	Actual 2014 \$000	Actual 2013 \$000
Trade creditors	10,021	5,830
Accrued expenses	450	525
Other payables	86	79
Total Trade and other payables	10,557	6,434

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

Note 11: Employee entitlements

	Actual 2014 \$000	Actual 2013 \$000
Current portion		
Accrued salaries and wages	244	188
Annual leave	283	322
Sick leave	17	23
Long service leave	14	5
Total Current portion	558	538
Non-current portion		
Long service leave	51	66
Total Non-current portion	51	66
Total Employee entitlements	609	604

The present value of long service leave obligations depend 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 salary inflation factor of 2.1% 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 12: Provisions

	Actual 2014 \$000	Actual 2013 \$000
Non-cancellable lease	–	219
Total Provisions	–	219

HPA had a non-cancellable lease for office space previously used by ALAC. The lease expired on 31 March 2014. A provision was recognised for the obligation of the future payments in the 2013 financial year prior to the lease expiring in the 2014 financial year.

Note 13: Reconciliation of Net surplus (deficit) with net cash flows from operating activities

	Actual 2014 \$000	Actual 2013 \$000
Net Surplus (deficit)	31	266
<i>Add (less) non-cash Items</i>		
Depreciation and amortisation expense	73	136
Total Non-cash items	73	136
<i>Add (less) movements in working capital items</i>		
Decrease (increase) in receivables and prepayments	1,164	(1,993)
(Decrease) increase in trade and other payables	4,139	2,930
(Decrease) increase in provisions	(219)	–
(Decrease) increase in employee entitlements	5	59
Net Working capital movements	5,089	996
<i>Add (less) Items classified as investing activities</i>		
Gain on sale of property, plant and equipment	(11)	–
Total Investing activities	(11)	–
Net Cash flow from operating activities	5,182	1,398

Note 14: Contingencies

CONTINGENT LIABILITIES

There are no contingent liabilities at balance date (2013 \$0).

CONTINGENT ASSETS

There are no contingent assets at balance date (2013 \$0).

Note 15: 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 2014 \$000	Actual 2013 \$000
Office rental leases		
Not later than one year	396	543
Later than one year and not later than two years	340	500
Later than two years and not later than five years	1,009	824
Later than five years	–	–
Total Office rental leases	1,745	1,867
Office equipment leases		
Not later than one year	10	10
Later than one year and not later than two years	10	10
Later than two years and not later than five years	5	15
Later than five years	–	–
Total Office equipment leases	25	35
Total Commitments	1,770	1,902

HPA has three leased properties as at 30 June 2014.

The Wakefield Street property has been sublet due to it being surplus to requirements. Both the lease and the sublease have been renegotiated during the year to expire on 30 September 2014.

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 has been renegotiated to expire on 4 May 2019.

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 2014 are \$56,265.

Note 16: Related party transactions

HPA is a wholly owned entity of the Crown.

All related party transactions have been entered into on an arm's length basis.

SIGNIFICANT TRANSACTIONS WITH GOVERNMENT-RELATED ENTITIES

HPA has been provided with funding (\$21,540,000) from the Ministry of Health (2013 \$16,298,000) 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 2014 totalled \$527,000 (2013 \$500,000) and included air travel from Air New Zealand, levy collection fees from the NZ Customs Service, weather advice from the Meteorological Service and NIWA, postal services from NZ Post, statistical data from Statistics NZ and audit services from Audit New Zealand.

KEY MANAGEMENT PERSONNEL

The following transactions were entered into during the year with key management personnel:

HPA contracted with Pacific Inc Ltd, a company of which board member Monique Faleafa is one of the five directors. The value of the contract works totalled \$5,000 (2013 \$0).

	Actual 2014 \$000	Actual 2013 \$000
Board members' fees	127	126
Salaries and other short term employee benefits	922	892
Post-employment benefits	33	25
Other long-term benefits	–	–
Termination benefits	–	–
Total Key management personnel compensation	1,082	1,043

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

Note 17: Employee remuneration

Total remuneration paid or payable (\$000):	2014	2013
\$100 – 110	7	2
\$110 – 120	1	–
\$130 – 140	1	–
\$140 – 150	–	2
\$150 – 160	2	1
\$160 – 170	1	1
\$170 – 180	1	1
\$180 – 190	1	–
\$240 – 250	–	1
\$250 – 260	1	–
Total	15	8

During the year ended 30 June 2014, zero (2013, three) employees received compensation and other benefits in relation to cessation totalling \$0 (2013 \$47,000).

Contribution to defined contribution schemes during the year ended 30 June 2014 was \$237,000 (2013 \$167,000).

Note 18: Board member remuneration

	Actual 2014 \$000	Actual 2013 \$000
Lee Mathias (Chair)	31	31
Rea Wikaira (Deputy Chair)	19	19
Barbara Docherty	16	16
Grant Schofield	16	16
Jamie Simpson	16	16
Katherine Rich	16	16
Monique Faleafa (Appointed July 2013)	14	–
Susan Devoy (Retired April 2013)	–	12
Total Board remuneration	128	126

HPA has not provided any indemnity nor insurance cover during the year ended 30 June 2014 (2013 \$0) to any Board member.

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

Note 19: Financial instruments

FINANCIAL INSTRUMENT CATEGORIES

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

	Actual 2014 \$000	Actual 2013 \$000
Loans & receivables		
Cash & cash equivalents	8,416	280
Trade & other receivables	3,821	5,634
Investments	2,500	5,500
Total Loans & receivables	14,737	11,414
Financial liabilities at amortised cost		
Trade and other payables	10,557	6,434
Total Financial liabilities at amortised cost	10,557	6,434

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 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 2014, 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 \$10,000 higher or \$10,000 lower. (2013 \$11,000 higher or \$9,000 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 Poors 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 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.

	Actual 2014 \$000	Actual 2013 \$000
Trade & other payables		
Carrying amount	10,557	6,434
Contractual cash flows	10,557	6,434
Less than 6 months	10,557	6,434
6-12 months	–	–
Later than 1 year	–	–
Total	10,557	6,434

Credit facilities

HPA did not have bank overdraft facilities as at 30 June 2014 (2013 \$0).

Note 20: 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 21: 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 due to monies received from NZ Customs Service arising from the ALAC alcohol levy prior to the formation of HPA. Plans have been developed to spend this additional equity in the 2015 financial year.

PO Box 2142
Wellington
New Zealand 6140
hpa.org.nz