



Annual Report

For the year ended 30 June 2018

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



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October 2018

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Foreword

We are pleased to present the annual report of the Health Promotion Agency (HPA) for 2017/18.

Most New Zealanders live long and healthy lives. However, some New Zealanders, especially Māori, Pacific and people living in lower socioeconomic areas, experience poorer health outcomes.

HPA's work programme for 2017/18 gave priority to achieving greater health outcomes for these people, while ensuring that all New Zealanders are able to access information that supports them to maintain and improve their health. Our work continues to focus on:

- ensuring people have what they need to help them make good decisions about their health
- improving physical, social and policy environments and settings.

HPA's work in alcohol, health education, immunisation, mental health, nutrition and physical activity, minimising gambling harm, skin cancer, tobacco control and wellbeing all influence behaviour change. All our activities are underpinned by research and evaluation.

Collaboration is key to our work. We have strong relationships across the health and other sectors. Our health promotion expertise and experience are increasingly called on to help influence the lives of communities and we often work in partnership with a range of organisations to ensure positive health outcomes for New Zealanders.

This document reports on the work outlined in the 2017/18 Statement of Performance Expectations. We also report on additional work undertaken at the request of the Ministry of Health that reflects Government priorities or a particular health issue. In 2017/18 this work included projects to promote oral health for children and Health Star Ratings front-of-pack labelling, as well as promoting Quitline's phone and non-phone channels and the HPV vaccination programme.

The Board would like to thank HPA staff for their expertise, effort and dedication, which ensure we are an effective organisation as we strive to improve New Zealanders' health and wellbeing. We are proud of HPA's achievements in 2017/18.



Dr Lee Mathias
Chairman
Health Promotion Agency

Clive Nelson
Chief Executive
Health Promotion Agency

Presentation of 2017/18 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 2018.



Dr Lee Mathias
Chairman
Health Promotion Agency
15 October 2018



Dr Monique Faleafa
Deputy Chairman
Health Promotion Agency
15 October 2018

HPA Board

HPA is governed by a Board appointed by the Minister of Health. Board members are:

- Dr Lee Mathias (Chairman)
- Dr Monique Faleafa (Deputy Chairman)
- Catherine Abel-Pattinson
- Dr Mataroria Lyndon
- Tony O'Brien
- Professor Grant Schofield
- Jamie Simpson.

The Chief Executive is Clive Nelson.



Health Promotion Agency

Our 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.

Our mission is:

Inspiring all New Zealanders to lead healthier lives.

HPA is a Crown agent established by the New Zealand Public Health and Disability Act 2000.

Our overall function is to lead and support activities to:

- promote health and wellbeing and encourage healthy lifestyles
- prevent disease, illness and injury
- enable environments that support health and wellbeing and healthy lifestyles
- reduce personal, social and economic harm.

We have alcohol-specific functions to:

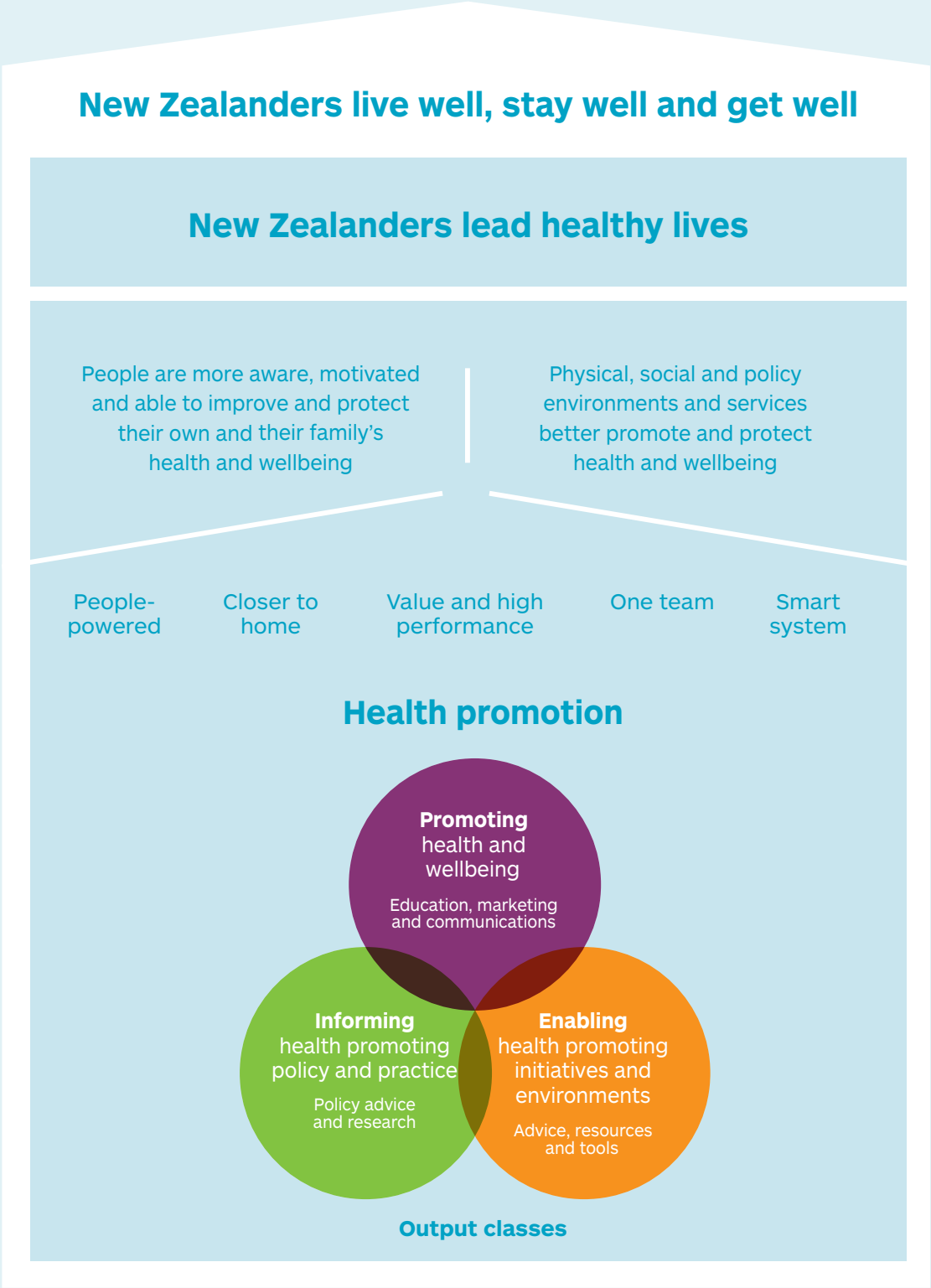
- give advice and make recommendations to government, government agencies, industry, non-government bodies, communities, health professionals and others on the sale, supply, consumption, misuse and harm of alcohol as those matters relate to HPA's general functions
- undertake, or work with others, to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

As a Crown agent, HPA is required to give effect to Government policy when directed by the responsible Minister. In delivering its alcohol-specific functions, HPA must have regard to Government policy if directed to do so by the Minister.

HPA leads and supports national health promotion activities and initiatives. We manage a number of high-profile campaigns and enjoy strong relationships with many organisations, providing leadership, acting as a catalyst for change, and encouraging collaboration.

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

Strategic Framework



The figure above shows HPA's strategic framework, including HPA's strategic intentions and output classes.

HPA's Work 2017/18

For New Zealanders to lead healthier lives, individuals and families need to be aware, motivated and able to improve and protect their own and their family's health and wellbeing.

HPA's work spans a range of major issues including:

- alcohol
- mental health and wellbeing
- tobacco control
- minimising gambling harm
- immunisation
- skin cancer prevention
- nutrition and physical activity.

HPA also manages the Ministry of Health's health education catalogue and undertakes work in other areas when requested to do so by its Ministers or the Ministry of Health. In 2017/18 we contributed to work programmes in stroke, oral health, HPV immunisation, and Health Star Ratings.

HPA leads and supports national health promotion initiatives through:

- marketing and communications
- health education
- policy and advice
- resources, events and online tools
- strategic relationships
- research and evaluation.

HPA is uniquely placed as a Crown agent with considerable expertise to lead and deliver evidence-based health promotion, education, marketing and communications initiatives. This work includes national media campaigns that inform, motivate and enable New Zealanders to lead healthy lives. A key feature of our approach is that it is based on an in-depth understanding of our audiences, which helps ensure our messages and tools work for them. We cannot be successful in our role on our own. Working with communities is essential to ensure messages are appropriate and delivered efficiently and consistently across New Zealand.

Our work focuses on making an early investment in people's lives to improve and protect their health and wellbeing to reduce future long-term impacts, taking into account populations with higher needs. Identifying and focusing health promotion activities to help improve the health and wellbeing of Māori, Pacific peoples and youth is a crucial focus for HPA.

In practical terms HPA provides advice, resources and tools to a wide range of individuals and groups. Strong partnerships are key to our success. HPA is well connected and has established a large number of successful working relationships across sectors and communities, in a range of environments and settings.



These include:

- health sector agencies, particularly the Ministry of Health, district health boards (DHBs) including public health units, primary health organisations, primary health services, iwi and Māori health providers, and health professional associations
- the community and voluntary sector
- non-government organisations
- central and local government agencies
- education sector agencies
- businesses
- policy makers, academics and researchers.

An equally important part of HPA's work is ensuring the environments where New Zealanders live, work and play support and promote health and wellbeing.

To achieve this, we:

- work with communities to help them develop local solutions to local problems
- undertake and support research and provide advice to inform our work and the work of others
- offer specialist knowledge and undertake work to improve how health promotion is incorporated into workplace, sport and education settings
- influence the development and implementation of policies and laws by contributing to interagency processes and making submissions to central and local government, and by providing evidence-based research.

HPA has a Statement of Intent for 2017-2021 and a Statement of Performance Expectations for 2017/18.

The following pages outline our key results for 2017/18.

Alcohol

Alcohol impacts New Zealanders in many ways, so a range of sectors, agencies and groups have a role in reducing alcohol-related harm. HPA works in partnership with health and social services, justice sector agencies, central and local government agencies, community organisations, alcohol producers and the hospitality sector.

Our work continues to focus on shifting the alcohol drinking culture towards more people drinking at low-risk levels or not drinking, and less tolerance of high-risk drinking. Other priorities include supporting the safe and responsible sale and supply of alcohol, making it easier for people with alcohol-related problems to get help, and preventing alcohol use in pregnancy.

Our focus 2017/18

Alcohol-free pregnancies

HPA's alcohol and pregnancy work forms part of the Government's *Taking Action on Fetal Alcohol Spectrum Disorder: 2016–2019: An action plan*.

HPA leads the prevention part of the action plan.

HPA's work focuses on:

- increasing awareness of risks of drinking while pregnant, and support for women to have alcohol-free pregnancies
- ensuring women, their partners, whānau and friends understand the risks of pregnancy and women are supported to have healthy, alcohol-free pregnancies
- increasing consistency of messaging and support from health professionals, whānau and friends for women to drink at low-risk levels or not drink while pregnant.

We have two related streams of work:

- Don't Know? Don't Drink is a marketing and communications approach that focuses on young women who drink moderately to hazardously, their friends, whānau and partners.
- We work with the primary health care sector to increase:

- > effective alcohol screening and intervention for pregnant women and women of child-bearing age
- > awareness of, and knowledge about, the risks of drinking in pregnancy
- > support for women who may have drug and alcohol issues.

The Don't Know? Don't Drink online campaign focuses on encouraging young women to stop drinking alcohol if there is any chance they could be pregnant. During the year social media posts on the Don't Know? Don't Drink Facebook page were organised under four content pillars:

- Healthy debate – facts, articles, myths to get people talking.
- Party support – tips for supporting a pregnant friend eg, ways to avoid alcohol in social situations.
- How to be a good friend – ways to help a friend who might be pregnant eg, buy tests, be kind/supportive etc.
- Freak-outs and symptoms – relatable, funny symptom-based moments eg, period late, food baby etc.

Of people who saw the campaign in 2017/18:

- 89% had supported someone who was pregnant to stop drinking (compared with 58% in 2015/16)
- 60% encouraged others to consider if they were pregnant before drinking (compared with 52% in 2015/16)
- 59% considered if they were pregnant before drinking (compared with 49% in 2015/16).



The Good Vibes guide to alcohol-free events.



Emergency department t-shirts helped to open conversations about drinking.

Alcohol-free teenagers

Risky drinking by young people, both male and female, is common practice. Among 12 to 17-year-olds, of the 32% who indicate that they are drinkers, 15% engage in risky drinking.¹ This age group is a key audience for HPA.

HPA, alongside the Ministries of Education and Health and New Zealand Police, is part of the Tutaru pilot project. Tutaru encourages schools to take a whole-school approach to student wellbeing that prepares students for a world where drugs and alcohol exist.

Key elements of Tutaru in 2017/18 include:

- creating teaching and learning resources that use alcohol harm as the context for learning in English, Mathematics and Geography classes
- supporting schools to evaluate and improve their school environment, in conjunction with local support services.

HPA supported Zeal (a New Zealand not-for-profit youth organisation) to develop *Good Vibes – Your guide to alcohol-free events*, which provides useful ideas for organising a successful alcohol-free event for young people, such as school balls, music or sports events, and family gatherings.

HPA also supported Zeal and the organisers of Homegrown to develop their Youth Safety Strategy 2018. This strategy was implemented at the Homegrown event held in Wellington in early April 2018 to ensure minors attending the event (20% of the audience) did not purchase or consume alcohol (via social supply) and that their safety was a priority.

Alcohol behaviour change

HPA's alcohol behaviour change programme is a significant part of our work to reduce and prevent alcohol-related harm. The marketing component of this programme is the award-winning Say Yeah, Nah initiative, which has been running since May 2013. The initiative is evidence based and informed by what we know about New Zealanders' drinking through the New Zealand Health Survey and our Attitudes and Behaviour towards Alcohol Survey. See the case study on page 12.

Help seeking

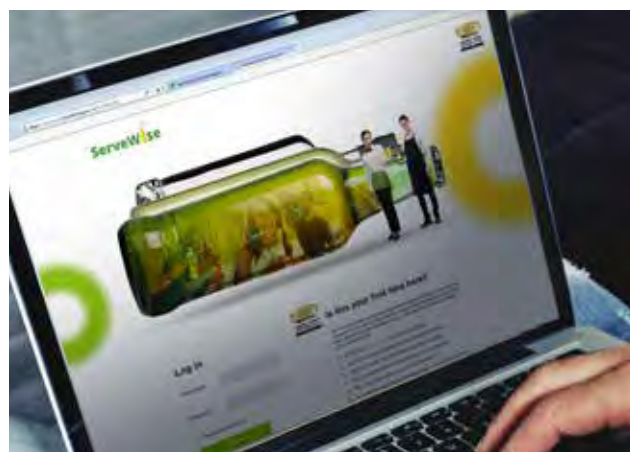
HPA undertakes a range of activities to support people suffering from alcohol-related harm. Our work in this area focuses on:

- support for the Alcohol Drug Helpline
- support for the addiction sector, primarily through Cutting Edge (the national addiction sector conference)
- the Help Seekers marketing campaign, which directs people who are concerned about their own or someone else's drinking to seek help via the Alcohol Drug Helpline. The primary audience is high-risk drinkers aged 18 to 39.

¹ Carter, K., & Filoche, S., & McKenzie, S. (2017). *Alcohol and young people: A review of New Zealand and other international literature*. Report commissioned by the Health Promotion Agency. Wellington: Health Promotion Agency.



The On-licensed premises toolkit is now available to bars and taverns.



The ServeWise e-learning tool.

Research and resources

During 2017/18 we undertook research and developed useful tools and resources to help our partners in the hospitality sector, event managers, community groups, local authorities, clubs and regulatory agencies.

Examples include the following:

- *The drinking patterns of older New Zealanders: National and international comparisons* report presents a review of drinking patterns in older adults as well as a comparison of the alcohol use patterns of older New Zealanders and older adults in eight other countries.
- *Trends and affordability of alcohol in New Zealand* investigates trends in alcohol prices and affordability in New Zealand to inform government policy and decision making on the price of alcohol for sale in New Zealand.
- The *On-licensed premises toolkit* was printed and distributed to bars and taverns.
- Advice and support were provided to venues hosting Rugby League World Cup matches.
- The *Alcohol Game Plan for club committees* and *Alcohol Game Plan for bar staff* were developed to help club committees and bar staff manage the sale and supply of alcohol in their club environment.
- A comprehensive online *Alcohol licensing & hearings guide* is available to help regulatory agencies prepare for district licensing committee hearings.
- Following a review with stakeholders and end users, ServeWise (HPA's national e-learning tool for sellers and servers of alcohol) was upgraded with more than 30 improvements. This improved the user-friendliness and relevance of the

training, which has been completed by more than 6,000 people since it launched in 2016.

- In 2018 HPA began a partnership with Sidekicker, a company that supplies more than 2,000 hospitality staff to large and small venues across New Zealand. The partnership ensures that all their hospitality staff are fully trained in host responsibility using ServeWise.

Policy and advice

HPA contributed to major policy development during 2017/18 including:

- sending a submission covering excise tax on alcohol and the alcohol levy to the Tax Working Group to inform its work on the future of tax
- making written and oral submissions to the Governance and Administration Select Committee on the Sale and Supply of Alcohol (Renewal of Licences) Amendment Bill (No. 2) and the Supplementary Order Paper No. 14
- making a submission on the Australian Food Regulation Standing Committee's Targeted consultation paper – Energy labelling of alcoholic beverages, as part of its policy development process to identify and explore potential regulatory and non-regulatory policy options
- providing comment to the Ministry for Primary Industries on the New Zealand position on a World Health Organization (WHO) discussion paper on alcoholic beverages' labelling.

We also continued to make submissions and provide advice to territorial authorities about local alcohol policies and individual licence application processes. During 2017/18 this included HPA's involvement in the Auckland local alcohol policy appeals.

HIGHLIGHTS

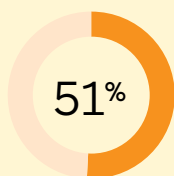
Department of Lost Nights

In February 2018 we launched the fifth phase of the Say Yeah, Nah initiative, called the Department of Lost Nights. The target audience is younger adults, as they drink more frequently and at riskier levels than other populations. Māori and Pacific young people in this age group are a priority.

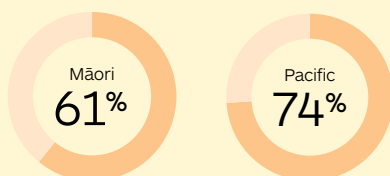
The work is based on the insight that younger adults may drink too much because they think it leads to good times. But, instead, drinking too much can keep you from being part of the action and lead to you forgetting the good times.

The campaign featured a range of communications including the video appearing on television and online, and messaging being delivered digitally, via social media, and through posters in bars and on the street. In addition, a digital toolkit of resources was developed for health and community organisations to promote key messages regionally and locally.

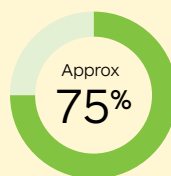
The video was viewed more than 1.2 million times during the year.



18 to 44-year-old adults said the campaign helped or encouraged them to accept others who say no to a drink.



This result increased with Māori and Pacific respondents.

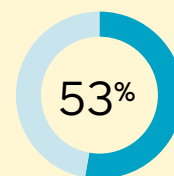


18 to 44-year-old adults said the campaign encouraged at least one positive behaviour.

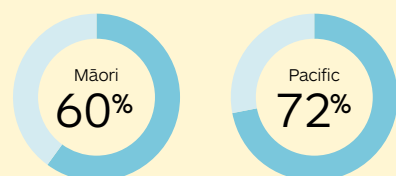


1,200,000

campaign video views.



18 to 44-year-old adults said that they would encourage others to ease up.



This result increased with Māori and Pacific respondents.



The Good One Party Register.



Objecting to a licence resource is supporting community consultation.

Working with partners

HPA enters into a range of partnerships with community organisations. These groups have important local relationships and are well placed to customise HPA messaging for their communities.

- The Good One Party Register involves Canterbury Police, local student associations, ACC, public health associations and party organisers working together to reduce incidents relating to heavy drinking in public places and residential areas. The register is an online site targeted primarily at tertiary students to allow them to register their planned house parties with local police and access advice on being a responsible host. During the year the project won the Excellence in reducing harm from crime award at the NZ Police Problem Oriented Policing Awards for the Canterbury District Police. The project was so successful it has been picked up by Otago University, which has introduced a Dunedin Good One register.
- HPA formed a one-year partnership with Counties Manukau Rugby Football Union (CMRFU) to deliver activities to reduce alcohol-related harm across the South Auckland region. This provided HPA with direct access to the 17 regional clubs CMRFU is affiliated with, 8,000 registered players, and great opportunities to reach a large target audience at a grassroots level.
- Following work undertaken with Community Law Canterbury, HPA approached Community Law Centres to increase the skills of six communities to enable them to participate more effectively in decision making on local alcohol policies, including making objections and appearing at hearings.

Our results 2017/18

OUTPUT CLASSES 2017/18 – KEY:

P Promoting **E** Enabling **I** Informing

ACTIVITY	MEASURE	COMPARATIVE DATA	RESULTS
Develop and deliver a marketing campaign that supports young women to stop drinking if there is a chance they could be pregnant. P	Increase in the proportion of people who have seen the campaign that have considered if they could be pregnant before drinking, or have supported someone who is pregnant to stop drinking or encouraged others to consider if they are pregnant before drinking.	Of people who had seen the campaign (2015/16): <ul style="list-style-type: none"> • 58% supported someone who was pregnant to stop drinking • 52% encouraged others to consider if they were pregnant before drinking • 49% considered if they were pregnant before drinking. No comparative measure in 2016/17 as campaign in that year did not include video or advertising content.	Achieved Of people who saw the campaign in 2017/18: <ul style="list-style-type: none"> • 89% supported someone who was pregnant to stop drinking • 60% encouraged others to consider if they were pregnant before drinking • 59% considered if they were pregnant before drinking. Source: Campaign Monitor by Kantar TNS.
Design and implement a marketing campaign that builds social support for drinking less or being alcohol-free. P	Increase in the proportion of people who saw the campaign that agree it helped or encouraged them to accept others who say no to a drink.	49% in 2016/17.	Achieved 51% of adults aged 18 to 44 years agreed the campaigns helped or encouraged them to accept others who say no to a drink. Source: Campaign Monitor by Kantar TNS.

ACTIVITY	MEASURE	COMPARATIVE DATA	RESULTS
Communities and health promoters are supported to deliver activities and interventions close to home. <div>E</div>	At least 20 locally delivered initiatives are supported by HPA.	Comparative information not available.	Achieved 20 initiatives were supported.
	Those receiving support agree HPA made a positive contribution to their activities.	In 2015/16, 95% of stakeholder respondents indicated they were satisfied with resources or advice. Note: The 2017/18 measure targets a different aspect of support.	Achieved <ul style="list-style-type: none"> 95% agreed the interactions they had with HPA staff made a positive contribution to their activities. 93% agreed the resources and tools they accessed made a positive contribution to their activities. <p>Source: Survey of external stakeholders via Survey Monkey.</p>
Provide alcohol policy, research and advice, including evidence-based information, resources and tools and regular stakeholder communications. <div>I</div>	The proportion of stakeholders who have used the resources or received advice that indicate satisfaction with the resources or advice is maintained or improved.	97% in 2016/19.	Achieved <ul style="list-style-type: none"> 99% satisfied or very satisfied with resources and tools they accessed. 99% satisfied or very satisfied with advice they received. <p>Source: Survey of external stakeholders via Survey Monkey.</p>

Mental Health

Mental distress² is common, with about four in five adults (aged 15 years or more) having experience of mental distress either personally or among people they know. However, mental distress is not evenly distributed across the population.

Māori have significantly higher scores for depression, anxiety and psychological distress than non-Māori, and Pacific peoples have significantly higher depression scores compared with non-Pacific.³

HPA has an important role in minimising the impact of mental distress on the wellbeing of New Zealanders and enhancing social inclusion opportunities for people with experience of mental distress. HPA is responsible for the development and delivery of the National Depression Initiative (NDI) and the Like Minds, Like Mine programme.

The NDI is part of the Government's ongoing commitment to preventing suicide. The programme works to reduce the impact of depression and anxiety on New Zealanders. At the core of the NDI are two comprehensive websites, which are supported by a free, confidential, 24/7 helpline and separate text services for adults and young people (administered by Homecare Medical, the provider of national telehealth services for New Zealand).

Fronted by Sir John Kirwan, depression.org.nz aims to support adults at risk of or experiencing depression and anxiety, along with their family and friends. The depression.org.nz website includes a clinically overseen online self-help tool (The Journal), stories from people with lived experience of mental distress, and Māori and Pacific content developed with the help of cultural experts, as well as content for other specific groups such as LGBTI. Research undertaken in 2017/18 indicated that 95% of all users of depression.org.nz found the website useful. Figures were similar for Māori (95%) and Pacific peoples (93%).

For youth, thelowdown.co.nz offers information and tools for dealing with life issues and recognising and recovering from depression and anxiety. It aims to improve help seeking, increase mental health knowledge, and reduce stigma. During the year there were 104,359 visits to thelowdown.co.nz. Research indicated that 88% of respondents found the website useful. The priority audiences of Māori (87%) and Pacific respondents (83%) also found the website useful.

Our focus 2017/18

[Depression.org.nz](http://depression.org.nz)

A new campaign to promote a refreshed depression.org.nz went to air in August 2017. The campaign shows simple, positive actions that New Zealanders can take on the path to recovery from depression and anxiety, as well as encouraging help seeking by visiting depression.org.nz.

Small Steps commenced in August 2017 and included television advertising as well as digital advertising and a Small Steps Facebook page. The use of Facebook allowed us to target our priority audiences, including Māori and Pacific peoples. Our partners, Homecare Medical, provided clinical moderation of the page.

During 2017/18 six new 'steps' were developed specifically for digital channels. These added to the suite of nine steps that featured across the three television commercials that had been produced. The new steps were developed to appeal to the priority populations of Māori, Pacific peoples, people living rurally, men, and young adults.

² The term 'mental distress' is used in this report in place of 'mental illness and distress.'

³ Kvalsig, A. (2018). *Wellbeing and mental distress in Aotearoa New Zealand: Snapshot 2016*. Wellington: Health Promotion Agency.



*Take a small step
towards wellbeing*

depression.org.nz



*Take a small step
towards wellbeing*

depression.org.nz



*Take a small step
towards wellbeing*

depression.org.nz

Over the course of 2017/18 the campaign reached 1.51 million people aged 25 to 54 years (78.9% of that audience). Research indicates that the Small Steps marketing campaign is effective, as:

- 68% of those surveyed have seen the Small Steps campaign
- awareness of the campaign is higher among key groups of Māori (76%) and those who have previously experienced depression or anxiety (76%)
- 66% are motivated by the campaign, which means they have a better idea of ways to manage anxiety and depression and are likely to discuss the campaign with others
- 72% of those who have experienced anxiety or depression are motivated by the campaign, which is significantly higher than all New Zealanders
- 81% of those shown it can later recall the website mentioned in the campaign
- 71% of those surveyed and 81% of those who have experience of anxiety and depression feel the campaign message is an important message to promote.

The Lowdown

The Lowdown marketing campaign ran during 2017/18 across digital and social media channels and in cinemas. The messaging encourages young people to start conversations about issues they are facing to help reduce the impact of depression and anxiety, and raise awareness of thelowdown.co.nz as a place to go for help. Issues covered include study stress, relationships, breakups, friends, and identity.

Complementing The Lowdown is a Facebook page, which aims to engage with young people on the serious topics of anxiety and depression through

the vehicle of humour. With 34,327 followers, the Facebook page continued to be an effective channel for these important messages.

The Lowdown sponsored the I AM UNBREAKABLE Streetdance School Tour, which promoted key messages about anxiety and depression, and reaching out for help. The tour visited 29 schools and held four free community shows in May and June 2018, with a total show attendance of approximately 15,000 people. The shows were very well received by students and teachers – there was 100% positive feedback from schools. They also enjoyed resources promoting The Lowdown, which were distributed at the school and community events.

Like Minds, Like Mine

Like Minds, Like Mine is a programme to end discrimination and increase social inclusion for people with experience of mental distress.

The community action component of Like Minds, Like Mine includes a community fund to support anti-stigma and discrimination education projects in settings where discrimination most occurs. In late 2017 five projects were approved to receive funding for a three-year period. The projects range from a toolkit of resources for employers to an education package that includes face-to-face workshops plus e-learning support and consultation.

In late 2017 Rākau Roroa – the lived experience leadership initiative – began. It supports people to use their story of mental distress and recovery to address stigma and discrimination and give others a better understanding of mental distress from those who have experienced it. Throughout New Zealand, training facilitators and mentors are supporting emerging leaders to engage with and communicate key messages for both Like Minds, Like Mine and the NDI.

Development of a new Like Minds, Like Mine campaign was undertaken in 2017/18. The audience will be family/whānau/friends of people experiencing mental distress. The campaign will include tools and resources for communities and is due to 'go live' in 2018/19.

Research and resources

- The *Wellbeing and Mental Distress in Aotearoa: Snapshot 2016* report was released publicly in early March 2018 and distributed by HPA through our networks. It was shared with the International Initiative for Mental Health Leadership, which gave access to 4,000 sector leaders across 25 countries. By the end of 2017/18 the report had received 991 page views and set the benchmark for most downloads (507) for a research report on HPA's website. Key findings include social isolation (also known as loneliness) as an important concern. Social isolation is strongly associated with depression, anxiety and other forms of distress, particularly among young people.
- *Te Kaveinga – Mental health and wellbeing of Pacific peoples* was published at the end of June 2018. The findings show that Pacific peoples report high levels of wellbeing and family wellbeing and are well connected socially and culturally. The findings also tell us that Pacific adults experience psychological distress at higher levels than non-Pacific adults.
- *The Five Ways to Wellbeing at Work Toolkit* was produced in partnership with the Mental Health Foundation and launched in October 2017 as part of Mental Health Awareness Week and World Mental Health Day, which had the theme of 'Mental health in the workplace'. See page 34 for further details.
- *Help for the Tough Times* is a pocket guide to four New Zealand websites (The Lowdown, Sparx, Common Ground, and Youthline) especially designed for 12 to 19-year-olds. The guide was co-developed in 2016/17 by year 12 students and provides information about the sites that can help teens when they are feeling stressed, anxious or out of their depth. The resource continued to be in high demand in 2017/18, with 53,475 copies ordered by secondary schools and services supporting young people.
- A new training video for rural health professionals was produced in partnership with the Rural Health Alliance Aotearoa New Zealand (RHĀNZ) and Mobile Health. The video raised awareness of how rural health professionals can use depression.org.nz and The Journal to support their clinical practice.

Government Inquiry into Mental Health and Addiction

HPA supported the Inquiry with a submission, which was divided into three parts:

- HPA's research.
- An overview of HPA's mental health and addiction programmes.
- Recommendations on addressing the current gaps and unmet needs.



1,510,000

25 to 54-year-olds reached
by Small Steps campaign.



100%

Positive feedback from schools
I AM UNBREAKABLE
Streetdance School Tour.



53,475

Help for the Tough Times
pocket guide resource ordered.

Our results 2017/18

OUTPUT CLASSES 2017/18 – KEY:

P Promoting **E** Enabling **I** Informing

ACTIVITY	MEASURE	COMPARATIVE DATA	RESULTS
<p>Promote depression.org.nz and thelowdown.co.nz to encourage help-seeking behaviour.</p> <p>P</p>	<p>Maintain or improve the proportion of visitors to depression.org.nz or thelowdown.co.nz that agree they found the website useful.</p>	<p>91% in 2016/17 for depression.org.nz.</p> <p>No comparative measure for The Lowdown in 2016/17.</p>	<p>Achieved</p> <ul style="list-style-type: none"> 95% found depression.org.nz useful. 88% found The Lowdown useful. <p>Source: Mental Health Dashboard. Data from Survey Gizmo.</p>
<p>The proportion of New Zealanders who know where to get help if they or someone they know has depression is increased.</p> <p>P</p>	<p>65% of New Zealanders can identify at least two sources for where to get help for depression.</p> <p>Note: Being able to identify two sources of help is considered an improvement on identifying just one source of help.</p>	<p>51% could identify at least two sources for where to get help for depression (2016).</p>	<p>Achieved</p> <ul style="list-style-type: none"> 66% of respondents could identify at least two sources for where to get help for depression. <p>Source: Research by UMR Research.</p>

Tobacco Control

Smoking is one of the main preventable causes of early death in New Zealand and HPA is one of the principal organisations 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 contributes to Smokefree 2025 by focusing on key population groups, particularly Māori (with a focus on young Māori women aged 18 to 24 years), Pacific peoples, and young adults.

HPA focus 2017/18

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 final competitions.

HPA continues to support the events as they help build confident, competent, connected young people. The events help students make protective connections to their schools, other students, and their communities, and develop new skills and aspirations for their future. We know that providing young people with the opportunity to perform on stage and enjoy meaningful relationships with their band members increases their self-worth and resilience. Research shows that young people who have these opportunities are less likely to smoke or suffer from mental health issues and are more likely to be open to achieving their full potential.

2017 was the 29th year of Smokefreerockquest, with the event steadily growing over this time. Smokefree Pacifica Beats is the sister event to Smokefreerockquest. It recognises and reflects the unique cultural identity of Aotearoa New Zealand and the South Pacific. When Smokefreerockquest and Smokefree Pacifica Beats are combined, 2017 saw two-thirds of all New Zealand

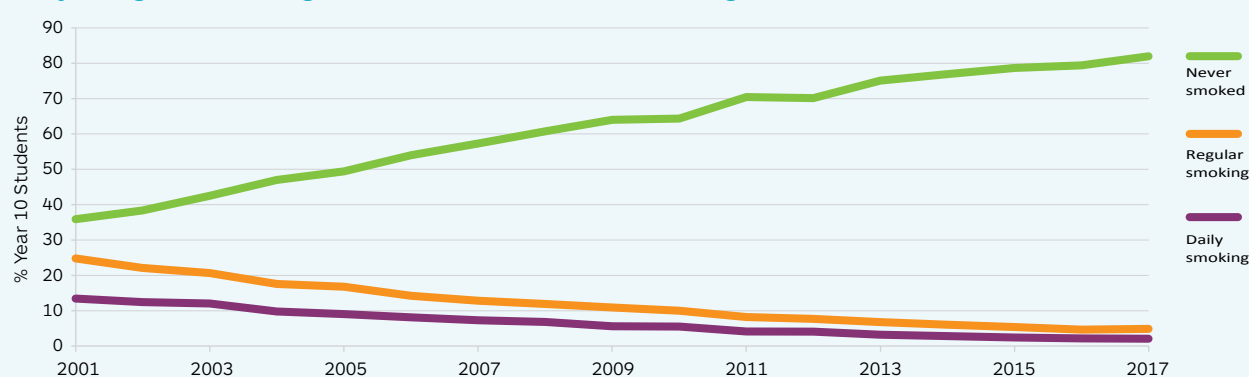
secondary schools and more than 3,000 musicians participating, with audience numbers exceeding 13,000.

Working with partners

HPA supported the wider tobacco control sector with a variety of resources and assistance throughout 2017/18. Supporting the sector to engage more effectively with Māori, and particularly Māori women, is a priority focus for all partnerships. During this year much of what was delivered drew on insights from HPA's work in 2016/17 with Rotorua's Tipu Ora Stop Smoking Service and wāhine Māori.

- HPA held three smokefree seminars in 2017/18, with a total of 214 attendees, approximately 50 people livestreaming the seminars, and more than 1,000 views across the 34 recorded presentations. When asked, 96% of respondents were either satisfied or very satisfied with the seminars.
- The Warehouse Group, which has 250 retail outlets and more than 12,000 employees, went 'live' with its smokefree policy on 1 January 2018. The revised policy meant employees could not smoke on any Warehouse premises, inside or out, nor could they smoke in uniform. Information packs were distributed to all sites and HPA brokered relationships with the 16 regional stop smoking services and Quitline to make support directly available to Warehouse staff wanting to become smokefree. Since then, HPA has been approached by other large national businesses for help to implement similar policies and the Warehouse has shared its story through a series of articles, case studies and videos.

Daily & regular smoking continues to fall; never smoking continues to rise



Result published in the 2017 Factsheet 1: ASH Year 10 Snapshot Survey.⁴

- A photo image library, Facebook posts, and a new Quit Journal were developed for the 16 regional stop smoking services.
- A suite of digital resources was developed for the sector for World Smokefree Day (WSFD) on 31 May. Six videos that celebrated smokefree wāhine, whānau, workplaces, and public places were particularly well received. They were widely used by the sector via their social media channels and websites, and on screens in both primary and secondary care settings. After WSFD the videos were repurposed for general sector use.
- HPA is part of the National Tobacco Network and maintains strong connections across the sector with active participation in a range of sector networking groups.

Stop Before You Start

Phase Two of Stop Before You Start was completed during 2017/18. Stop Before You Start focuses on the smoking behaviours of 17 to 20-year-olds, with the aim of breaking the transition from social to regular smoking. The campaign highlights the health and social impacts of smoking and the challenge to young adults is to understand that 'Social smoking leads to regular smoking. Stop before you start'.

The campaign aims to increase the audience's resistance to tobacco, as research shows if you can get to 24-years-old without smoking it is likely you will never start smoking.

Other aims are to help young adults understand more about tobacco and its harms and increase the prevalence of pro-smokefree and anti-tobacco attitudes. In 2017/18 HPA refreshed the campaign to ensure its relevance and freshness for young adults. Key results of research show that:

- the campaign reached 90% of 17 to 20-year-olds and had strong cut through with the 16 to 21-year-old age group
- two out of three respondents said the campaign made them take at least one action
- 14% of non-daily smokers said they stopped smoking because of the advertisements and 61% worried about the effects of smoking on their health
- 29% of daily smokers said the advertisements made them regret that they had started smoking and 30% had tried to quit smoking at least once.

Smokefree Future

A Facebook page from the Smoking Not Our Future campaign with a large following (80,000+) has been relaunched with fresh, targeted content. Now known as Smokefree Future, the content complements other tobacco control sector Facebook pages. Since its launch in November 2017, the page has grown its audience and is consistently reaching more than half a million young Kiwis each month.

4 Action on Smoking and Health (2018). 2017 Factsheet 1: ASH Year 10 Snapshot Survey: Topline results. Auckland: ASH.

Our results 2017/18

OUTPUT CLASSES 2017/18 – KEY:

P Promoting **E** Enabling **I** Informing

ACTIVITY	MEASURE	COMPARATIVE DATA	RESULTS
<p>From 1 July 2017 phase two of the young adult campaign will be in market with a refined audience of 17 to 20 years.</p> <p>P</p>	<p>Increase in the proportion of people who saw the campaign and are aware of the undesirability and/or negative aspects of smoking.</p>	<p>63.5% in September 2017.</p>	<p>Achieved</p> <p>64.7% of respondents are aware of the undesirability and/or negative aspects of smoking.</p> <p>Source: Research by UMR Research.</p>
<p>HPA will support the health promotion function of stop smoking services and other stakeholders with advice, tools and resources.</p> <p>E</p>	<p>Stop smoking service providers are supported with at least two new or revised resources by 30 June 2018.</p>	<p>Comparative information not available.</p>	<p>Achieved</p> <p>The following resources were updated:</p> <ul style="list-style-type: none"> • 'Cost of smoking' infographics. • Quit Journal. • World Smokefree Day resources.
	<p>Increase or maintain the proportion of users of advice, resources and tools that agree they were useful.</p>	<p>88% of seminar survey respondents in 2016/17.</p>	<p>Achieved</p> <ul style="list-style-type: none"> • 96% of seminar survey respondents were either satisfied or very satisfied with the seminars. <p>Source: Survey of external stakeholders via Survey Monkey.</p>

Minimising Gambling Harm


Māori, Pacific, Asian and low-income New Zealanders are disproportionately affected by gambling harm and are the focus of HPA's efforts. Our strategies target the gambler and those concerned about them, as well as the settings where harmful gambling occurs and where significant opportunity for intervention exists.


HPA focus 2017/18

Choice Not Chance

A new phase of Choice Not Chance launched in 2017/18, showing that gambling can start out as fun, but there is a point for everyone where it can become 'unfun'. Through a combination of social media, digital activity and television commercials, the campaign aims to motivate at-risk gamblers aged 18 to 34 years to check whether their gambling is okay ("Is your gambling still just for fun?") and to seek help earlier (or change their behaviour through self-help).

Choice Not Chance showed strong results throughout 2017/18, with a continuing upward trend in the number of at-risk gamblers checking their gambling. In 2017/18 there was a 29% rise in at-risk gamblers completing the quiz on ChoiceNotChance.org.nz, compared with the equivalent period in 2016/17 (13,626 versus 10,572 at-risk gamblers). Since the website first launched in August 2014, 34,244 people have discovered they are at risk, which is 18.4% of the estimated total at-risk population.


34,244
people who have discovered
that they are at-risk gamblers
since 2014.


18.4%
of the estimated
at-risk population
reached.

Gambling Harm Awareness Week

For Gambling Harm Awareness Week in September 2017, HPA funded 20 minimising gambling harm services to run events nationally, using the theme 'Whānau Fun – we can beat gambling harm together'. HPA supported each service with radio promotion as well as a digital toolkit that included key messages for media, Facebook promotion tips, email signatures, and Facebook cover images.

The theme was brought further to life with a national Facebook competition that encouraged whānau to spend quality time with loved ones they are concerned about. A total of 581 families shared their 'whānau fun' highlights by uploading photos to the Choice Not Chance Facebook page, reflecting a diverse response from Māori, Pacific, and Pākehā families. The competition effectively engaged 20,893 people, reaching around 545,000 people.





Gamble Host initiative

Gamble Host is a multi-agency initiative that aims to minimise the harm caused by gambling on pokie machines in pubs and clubs throughout New Zealand. The initiative helps staff working in pubs and clubs to meet gambling host responsibility obligations and create safer environments for their customers.

In a joint initiative with the Department of Internal Affairs, HPA took part in a regional roadshow for managers of Class 4 (pubs and clubs) venues and minimising gambling harm services in February 2018. The meetings offered an opportunity to train those in the front line of host responsibility and to help build the relationship between minimising gambling harm services and venues. Of the 370 attendees at the roadshow workshops, an average of 92% rated the three sessions as either useful or very useful and 100% reported that they would recommend the regional roadshow to others.

A growing number of Class 4 venues are now integrating the Gamble Host resources into their daily practice. A recent HPA survey of gambling inspectors reported an improvement to harm minimisation practices, with several inspectors mentioning that the Gamble Host resources and training positively contributed to those changes.

Working with partners

- During 2017/18 we began work on the development of Māori and Pacific resources, which will fill an important gap in material for Class 4 venues. Research was undertaken with at-risk Māori and Pacific gamblers and their

whānau. The results provided insights into 'a day in the life' of a gambler, the language people use to talk about gambling, messages that would motivate them to seek help, and channels to reach them. This research has practical implications for the evolution of the Choice Not Chance campaign and efforts to improve harm minimisation in Class 4 venues.

- HPA continues to work with New Zealand Lotto on several projects. Lotto joined HPA during Gambling Harm Awareness Week to encourage people to reflect on whether they are "still playing Lotto just for fun". This messaging was distributed through posters on digital screens in retail outlets, an inclusion in their email newsletter to MyLotto customers, a flyer, and tiles/banners on the MyLotto website. Results were positive, with 674 people clicking from either the MyLotto website banner or the MyLotto email to go to ChoiceNotChance.org.nz. Of this number, 511 MyLotto customers took the quiz, with 64% finding they were experiencing a level of harm.
- During the year we worked with the New Zealand Racing Board (NZRB) to develop online training materials for retail staff in their 600+ TAB sites and 45 pokie venues.
- The Victorian Responsible Gambling Foundation (VRGF) approached HPA for information about the development and evaluation of the Choice Not Chance 'fun/unfun' campaign. HPA provided briefing documents, concept testing research and results to assist the VRGF as it develops messages for future work in Victoria, Australia.

Our results 2017/18

OUTPUT CLASSES 2017/18 – KEY:

P Promoting **E** Enabling **I** Informing

ACTIVITY	MEASURE	COMPARATIVE DATA	RESULTS
Design and implement a refreshed Choice Not Chance marketing campaign, which targets priority audiences.	The number of at-risk gamblers who check their gambling is increased.	10,571 in 2016/17.	Achieved 13,626 at-risk gamblers checked their gambling by 30 June 2018. Source: Google Analytics.
P			
Support implementation of Class 4 Gamble Host materials and best practice within venues.	DIA reports improved harm minimisation practices in Class 4 venues (DIA carries out inspections).	Comparative information not available.	Achieved <ul style="list-style-type: none"> • A survey of all DIA inspectors found 100% of gambling inspectors noted some level of improvement to harm minimisation practices. • 12.5% reported a significant improvement • 37.5% reported some improvement • 50% reported a minimal level of improvement. Source: Survey of external stakeholders via Survey Monkey developed in collaboration with Department of Internal Affairs.
E			

Health Education Resources

HPA manages the health education resources catalogue (HealthEd) on behalf of the Ministry of Health. HealthEd resources aim to improve health literacy so that people can make informed health decisions (by having access to free public health information), which can help them stay well and lead better, healthier lives.

HealthEd is New Zealand's largest collection of prevention-focused public health information and is available for health professionals and the public to access free of charge. The HealthEd website (healthed.govt.nz) features more than 500 health resources covering 44 topic areas in a range of formats including print, web only, audio, video and New Zealand sign language.

HPA focus 2017/18

Key areas of focus for the year have included:

- refining HealthEd resources and related content to reflect technological advances and changing customer needs
- continuing investment in digital resources
- ensuring resources are current, clinically accurate, engaging and fit for purpose
- ensuring the catalogue and website are easily understandable, accessible and efficient, and reflect current health priorities and emerging needs.


2,300,000
resource units
shipped.


595,124
healthed.govt.nz
website visits.


575
resources in the
HealthEd catalogue.

TOP THREE ORDERS



Having a mammogram
285,345 ordered
12% of items shipped



Immunise your child on time
113,526 ordered
5% of items shipped



Newborn hearing screen: Your baby's hearing screen
80,602 ordered
3% of items shipped

TOP THREE VIEWS



BCG Vaccine: Information for parents
61,095 views



Spiders in New Zealand
36,297 views



BCG Vaccine: After care for parents
26,670 views

TOP THREE DOWNLOADS



Infectious diseases
3,994 downloads



The national immunisation schedule
3,680 downloads



Eating for healthy pregnant women
2,559 downloads

Nutrition and Physical Activity

Good nutrition, regular physical activity, adequate sleep and a healthy body size are important for maintaining health and wellbeing both now and in the future.

HPA focus 2017/18

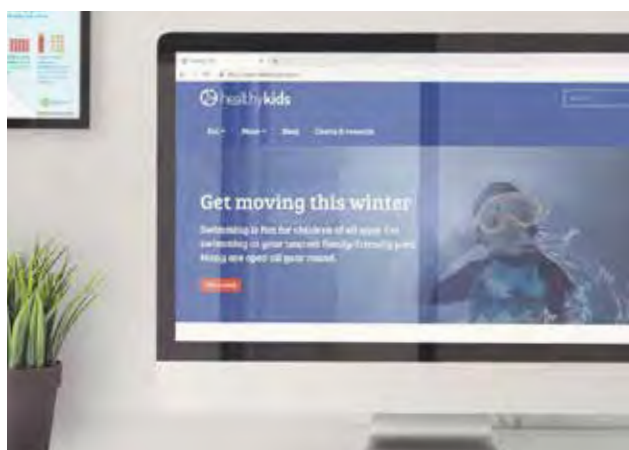
HPA's work aligns with the Ministry of Health's *Sit Less, Move More, Sleep Well: Active Play Guidelines for Under-fives* and *Eating and Activity Guidelines*. The key focus for our nutrition and physical activity programme during 2017/18 was to:

- support families with young children, particularly Māori, Pacific and low-income families
- promote the guidelines to health professionals and the nutrition and activity workforce.

HPA provides evidence-informed resources, tools and advice to support both these audiences.

HPA's website healthykids.org.nz was refreshed in June 2018 and encourages families to prepare healthy meals and be active together. The website is a family and whānau-friendly space full of fun, free and low-cost ideas to get children eating, moving and sleeping well. It consists of recipes and activity ideas, with the addition of a sleep section and a goal chart to help families keep track of progress and set appropriate rewards to keep children motivated.

HPA has been involved in developing content for NZ On Air and TVNZ's new children's platform HEIHEI. HPA supported the development of Kai Five, a project for children aged five to nine years that shows them cooking healthy recipes. The nutrition material promotes healthy eating and activity messages that align with HPA's healthy kids website.



A refresh of healthykids.org.nz website was launched in June.



Healthykids.org.nz offers appropriate rewards to support goal setting.



Easy recipe pads are available to support health promoters.



The recipe pads promote healthy, delicious recipes using simple products.

Working with partners

HPA worked closely with key stakeholders at the Ministry of Health, the Heart Foundation, the University of Otago, Te Taiwhenua o Heretaunga, and Sport New Zealand to create a series of short videos to make conversations about childhood obesity a lot easier. The videos were promoted to the wider nutrition and physical activity sector through newsletters, websites, and social media and covered the following topics:

1. Starting the obesity conversation with families and whānau.
2. Food in Pacific cultures.
3. The role sleep plays in obesity.
4. Building relationships with Māori and whānau.
5. What is healthy eating?
6. Getting children moving more.

HPA has continued to work with the Pacific Heart Foundation to promote better quality and reduced quantity of foods. Phase II of this three-year project has involved working with two Pacific churches that represent two major Pacific ethnic groups in Auckland. The focus over the last year has been on relationship building and developing a greater understanding of the Pacific mind-set and behaviours that can lead to positive, empowering changes for the Pacific communities' health and wellbeing. A number of recommendations were made, which will be implemented during Phase III, including a free two-hour community nutrition course.

Nutrition and physical activity community partnerships

HPA's nutrition and physical activity community partnerships were announced, with 28 organisations successful for 2017/18. Partners are located around New Zealand, from Kaitia to Winton. The partnerships support community projects that provide opportunities for children under five-years-old to engage in active play.

Our results 2017/18

OUTPUT CLASSES 2017/18 – KEY:

P Promoting **E** Enabling **I** Informing

ACTIVITY	MEASURE	COMPARATIVE DATA	RESULTS
Provide health promoters and others with resources to support their work. E	Create at least two new or revised resources for the health workforce by 30 June 2018.	Comparative information not available.	Achieved Two new recipe pads were added to the existing range and a series of short videos were published on YouTube in collaboration with the Heart Foundation and industry partners.
	At least 80% of users of advice, resources and tools agree they were useful and help them to do their work better.	Comparative information not available.	Achieved <ul style="list-style-type: none"> 96.9% agree or strongly agree that HPA's nutrition and physical activity advice, resources and tools are useful. 91.4% agree "I can do my job better as a result of HPA's nutrition and physical activity advice, resources and tools". <p>Source: Survey of external stakeholders via Survey Monkey.</p>

Skin Cancer Prevention

Skin cancer is by far the most common cancer in New Zealand. It has been estimated (using 2005 data) that all types of skin cancer together account for just over 80% of all new cancers diagnosed annually.

HPA's work focuses on motivating higher-risk groups (young people, outdoor workers and people who socialise outdoors) to protect themselves from exposure to ultraviolet radiation (UVR) that causes harm.

To encourage SunSmart behaviour, we work with the public, sports and recreation organisations, health professionals, international agencies and key sector organisations including the Cancer Society of New Zealand, the Melanoma Network of New Zealand Incorporated (MelNet) and Melanoma New Zealand.

HPA focus 2017/18

A SunSmart prevention video aimed at 16 to 24-year-olds was released on the SunSmart website in September 2017 and was also shared with the sector. As a sign of strengthening relations in the sector, the video was hosted and promoted by our sector partner, the Cancer Society of New Zealand. It was promoted online during the summer months of 2017 and 2018 and resulted in more than:

- 1 million video views
- 443,000 of the target audience seeing the video (at a frequency of 8.79 times).

With support from the Cancer Society of New Zealand, Dr Mary Jane Sneyd (Consultant Epidemiologist) and Andrew Gray (Senior Biostatistician) completed a report⁵ in March 2018 that provided a new estimate for non-melanoma skin cancer.

One of the key findings is that more than 90,400 people will be diagnosed with at least one in situ or invasive non-melanoma skin (Keratinocytic) cancer in 2018. The sector continues to work together to address the increasing rate of cancer, through both early detection and prevention messaging.

During the year we undertook consumer research on the Sun Protection Alert, a communication tool that provides the recommended time of day for sun protection in different towns and cities in New Zealand. As a result of this consumer testing, the design and promotion of the Sun Protection Alert will be refined for the summer of 2018/19 to increase understanding and visibility of the tool.



A new SunSmart video was released in September 2017.

⁵ Sneyd, M.J., & Gray, A. (2018). *Expected non-melanoma skin (Keratinocytic) cancer incidence in New Zealand for 2018*. Wellington: Health Promotion Agency. https://www.hpa.org.nz/sites/default/files/Expected%20Non%20Melanoma%20Skin%20KC%20incidence%20in%20NZ%20for%202018_FinalReport_777173.pdf

Our results 2017/18

OUTPUT CLASSES 2017/18 – KEY:

P Promoting **E** Enabling **I** Informing

ACTIVITY	MEASURE	COMPARATIVE DATA	RESULTS
<p>HPA will work with primary health care professionals and other stakeholders to help them provide advice and information about skin cancer prevention and early detection.</p> <p>E</p>	<p>Develop and implement at least one tool or resource for primary care health professionals or other stakeholders by 30 June 2018.</p>	<p>Comparative information not available.</p>	<p>Achieved</p> <p>A fact sheet outlining the answers to four common sunscreen questions was published in November 2017 and a Slip, Slop, Slap and Wrap online video targeting young people was developed for stakeholders to share across their channels.</p>

Immunisation

The national immunisation programme is led by the Ministry of Health and aims to improve the health of children, adolescents and adults by protecting them from vaccine-preventable diseases. HPA supports the Ministry with public-facing communications and marketing support.

HPA focus 2017/18

HPV

The human papillomavirus (HPV) immunisation campaign targeted parents and caregivers of children aged 11 and 12 years to increase awareness and uptake for the school-based immunisation programme.

To support the national advertising and online activity, a communications resource pack was shared with DHBs, schools and practice nurses to use in their regional promotions. New te reo Māori resources were also developed specifically for Kura Kaupapa Māori immersion schools.

Research data shows positive results from this HPV work. According to provisional Ministry of Health data (released in July 2018), approximately two-thirds of boys and girls born in 2005 received their first dose of HPV vaccine at school – meeting the Ministry's targets.

Older adults

A new resource was developed to promote immunisation for older people. This was to support continued protection for this population as well as outlining changes to the eligibility for the free shingles vaccine.

Immunisation Week

HPA supported the sector for 2018 National Immunisation Week (30 April to 6 May 2018) with advertising, communications, digital resources (including videos, digital advertising, and a digital toolkit). The focus of the week was immunisation across the lifespan, with a particular focus on immunisation for older people. HPA also released resources promoting immunisation during pregnancy.

The sector responded positively to the digital toolkit, with more than half the DHBs using the material in their print, website and online promotions. This helped ensure that immunisation messages were delivered consistently across the country.

Working with partners

- In response to a mumps outbreak, HPA increased advertising in key channels. We also worked with the Ministry of Health and Auckland Regional Public Health to support the MMR (Measles, Mumps and Rubella) school initiative for high-risk schools in Auckland.
- During the year, immunisation promotional material featured in more than 150 regional Work and Income offices.
- In response to a decline in immunisation rates in Northland, Waikato and the Bay of Plenty, HPA increased promotional activity in these regions to help increase awareness. The focus was on parents of children under five years of age (with a particular focus on Māori). To further support the regions, HPA and the Ministry developed a digital communications toolkit, which included resources, creative material and communications information.

Wellbeing Initiatives

In recent years HPA has undertaken work to develop a wellbeing approach, with a primary outcome that New Zealanders lead healthier lives.

As part of this approach two audiences have been identified as being key to our initial focus:

- Two population groups – rangatahi aged 12 to 24 years and wāhine hapū.
- Three different settings – workplaces, communities and primary health care.

In addition to the wellbeing projects outlined below, HPA has been working in partnership with the National Te Kōhanga Reo Trust to develop a project for wāhine hapū and tamariki.

Play Your Best Card

Play Your Best Card is a fun, team-based game that aims to inspire critical thinking and encourage conversations about challenges faced by young people – either now or in the future. It encourages young people to explore practical ways of dealing with situations, both good and bad, as well as raising awareness of youth organisations that may be able to help them. The game was created in conjunction with teenagers, youth facilitators and teachers. At 30 June 2018 more than 900 copies of the game had been distributed to health, education and community organisations.

Good4Work

In 2017 HPA worked with Toi Te Ora Public Health, Auckland Regional Public Health, the Ministry of Health and Healthy FamiliesNZ to develop Good4Work. Good4Work is a free, easy-to-use online tool to assist small to medium-sized business owners to support wellbeing at work. It asks workplaces to rate themselves against 22 statements that cover the

essential elements for a positive workplace culture and environment. It then provides a step-by-step process to complete actions to change the workplace environment and culture.

Following feedback from small businesses, enhancements were made in 2018 so staff in workplaces can also rate their workplaces. At 30 June 2018 Good4Work had 791 registered users, with the greatest numbers in health care and social assistance, construction, education and training, and manufacturing industries.

The Great Mental Health Experiment

HPA supported Zeal Education Trust to produce a second series of its Great Mental Health Experiment (GMHX). The GMHX is a series of online videos that give advice on topics about mental health and general wellbeing including nutrition, physical activity, exam preparation and stress, gaming and gambling, social media, and stigma and discrimination.

The second series launched in July 2017 with videos released every fortnight on YouTube and the Zeal Live for Tomorrow Facebook page. Zeal reported excellent feedback. In total, the videos were viewed 627,946 times (up from the 150,000 views of the series one videos). Research undertaken by Zeal indicates that the GMHX was successful in reaching people who have struggled with their mental health in the past. Respondents also stated that the videos had a positive impact on their wellbeing.

Five ways to wellbeing at work


Mental wellbeing is one of the most valuable business assets. Workplaces that prioritise mental health have better engagement, reduced absenteeism and higher productivity, while people have improved wellbeing, greater morale and higher job satisfaction.

As mentioned on page 18, in 2017/18 HPA and the Mental Health Foundation produced the *Five Ways to Wellbeing at Work Toolkit*. The toolkit offers fact sheets, tips, tools and templates to make it easy for workplaces to support people to build the five simple actions into their daily lives.

The Five Ways to Wellbeing (Connect, Give, Take Notice, Keep Learning, and Be Active) are proven to help people find balance, build resilience and boost mental health and wellbeing. The toolkit can support workplaces to meet their health and safety obligations to manage risks to mental health and wellbeing.

01 Fact sheet
About the Five Ways to Wellbeing

Research shows there are five simple things you can do as part of your daily life - at work and at home - to build resilience, boost your wellbeing and lower your risk of developing mental health problems. These simple actions are known internationally as the Five Ways to Wellbeing¹.



1. The Five Ways to Wellbeing were developed by the New Economics Foundation (NEF) as part of the Foresight Commission in the UK and adopted by the Mental Health Foundation.

FIVE WAYS TO WELLBEING AT WORK TOOLKIT

02 Tool
Promotional material

There's a whole range of free Five Ways to Wellbeing materials - such as posters, bookmarks, postcards - to help you communicate the Five Ways messages across your organisation and reinforce your activities.

Order free Five Ways printed materials
Download free Five Ways materials



FIVE WAYS TO WELLBEING AT WORK TOOLKIT

08 Tool
'Wellbeing bingo' team game

Wellbeing Bingo offers an opportunity to show that mental wellbeing is something to look after, to talk about, and is easy to do each day. Playing this game will help your team practice three of the Five Ways to Wellbeing - Connect, Keep Learning and Take Notice. This activity works well for team building, social events and as a warm up exercise or ice breaker.

Getting ready:
This game is a little different to the usual Bingo. In this version, the players write their own activities on counters that are then used to try and fill the Bingo Card. Instead of reading numbers, the caller calls out one of the Five Ways with a condition (such as **Give** at work or **Keep Learning With family** friends) and the team or individual must match an activity they have written down, to the square.

This means people are thinking about the activities they do that support their wellbeing, linking them to the Five Ways, and noticing if there are activities that they are missing. To win 'Bingo' the player must call out when they have a row finished, and tell the caller and the room what their different Five Ways activities are. This also helps people share ideas with each other about how they practice the Five Ways in their daily activities.

Before the event, print the Bingo Cards & Five Ways Counters.

Equipment:

- Four Bingo Cards (each has a different layout). Caller will need to cut one card up and place in a bag so they can randomly call out the squares.
- Five Ways Counters (these come in sheets and need to be cut up). Each person or team should get four of each of the Five Ways - 20 counters in all - to write their activities on.
- Five Ways to Wellbeing promotional materials and Five Ways information sheets



FIVE WAYS TO WELLBEING AT WORK TOOLKIT


75%

of respondents agreed or strongly agreed that the toolkit could help them focus on promoting positive mental wellbeing in their organisation.


73%

of respondents agreed or strongly agreed that the toolkit could help them feel more confident in planning and delivering mental wellbeing initiatives that focus on the Five Ways.


73%

of respondents agreed or strongly agreed that the toolkit could help them to engage staff in activities around mental wellbeing and the Five Ways.

Additional Projects – Non-baseline Funding

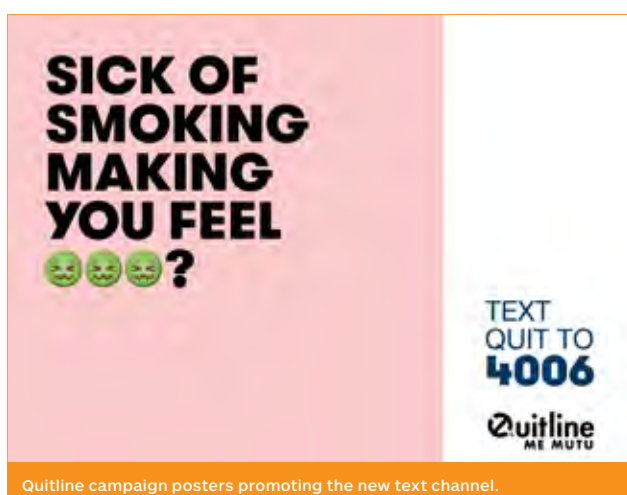
As well as activities in the work programme that are included in HPA's Statement of Performance Expectations for 2017/18, HPA also agrees additional projects, primarily with the Ministry of Health, throughout the year.

Quitline

Homecare Medical and HPA worked together to develop and deliver the Quitline campaign for the financial year. The new messaging promoted Quitline, with a focus on the new text channel as a call to action. Key priority audiences for the work were Māori, Pacific peoples, wāhine hapū and the biggest cohort of smokers in New Zealand – men aged 30 to 50 years.

The campaign used a proven Australian television commercial that focused on smoking being a cause of lung cancer. The commercial was reworked to include a New Zealand voice and Quitline contact details and was complemented with radio, digital, and locally-made posters focusing on the cost of smoking.

Results show the campaign has been particularly effective, increasing text numbers by 262% and Quitline programme registrations by 27%. These figures include a 62% increase in Pacific registrations and a 30% increase in Māori registrations.



Quitline campaign posters promoting the new text channel.



Quitline campaign posters promoting the new text channel.

HIGHLIGHTS

Oral Health

The tooth fairy continued to flit across television, radio and social media screens in the first half of 2017/18. Once again, the campaign aimed to increase twice daily tooth brushing with fluoride toothpaste for children under the age of five.

Evaluation results show the following:

- The target audience (parents and caregivers of children under the age of five) had good awareness of the messages. Unprompted awareness of the Baby Teeth Matter advertising was 60% across all audiences. Prompted awareness among the target audiences of Pacific (88%) and Māori (87%) was significantly higher than for other ethnicities (71%).
- The top three messages taken from the advertising related to generally looking after teeth, brushing teeth twice a day, and that baby teeth matter.
- There was an increased knowledge of the importance of baby teeth and the role of parents doing the brushing when children are young, which were important campaign messages.





20%

of respondents said the advertisement had taught them that the health of baby teeth can affect the health of adult teeth.


35%

of the primary target audience reported that they made a change to the oral health practice for their children in the last month as a result of seeing or hearing the advertisement.


60%

Unprompted awareness of the Baby Teeth Matter advertising across all audiences.

HIGHLIGHTS

Health Star Ratings

Health Star Ratings (HSR) is voluntary front-of-pack labelling that aims to help consumers make healthier food choices.

The final phase of the HSR campaign, developed in association with the Ministry for Primary Industries and the Ministry of Health, concluded in February 2018. Television, in-store and outdoor advertising were used to reach priority audiences (household shoppers with children under the age of 14) and raise awareness of the front-of-pack labelling system and how to use it.⁶

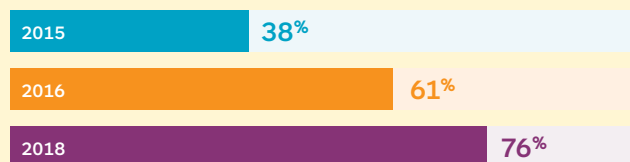


Shoppers who have seen the 2018 campaign have higher levels of awareness, use, trust and understanding of the HSR, and are more likely to find it easy to use than shoppers who have not seen the campaign.

PROMPTED RECOGNITION OF HSR



75% of shoppers recognise the HSR when prompted. This has increased from 40% in 2015.

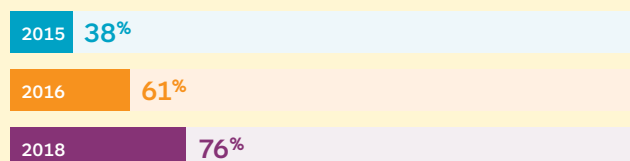


% of shoppers that have seen or heard of Health Star Ratings.

CURRENT USE OF THE HSR



30% of shoppers use the HSR. This has increased from 10% in 2015.



% of shoppers that have seen or heard of Health Star Ratings.

CAMPAIGN IMPACT

Shoppers seen 2018 campaign 89%

Shoppers not seen 2018 campaign 66%

AWARENESS: % prompted awareness of the HSR with more stars is generally the healthier option.

38% Shoppers seen 2018 campaign

21% Shoppers not seen 2018 campaign

USE: % current use of the HSR.

43% Shoppers seen 2018 campaign

37% Shoppers not seen 2018 campaign

AWARENESS: % prompted awareness of the HSR with more stars is generally the healthier option.

UNDERSTANDING

Shoppers seen 2018 campaign 61%

Shoppers not seen 2018 campaign 76%

% of shoppers who correctly believe the product with more stars is generally the healthier option.

6 Colmar Brunton. (2018). 2018 Health Star Rating monitoring and evaluation: Year 2 follow-up research report. Wellington: Health Promotion Agency.

Our results 2017/18

OUTPUT CLASSES 2017/18 – KEY:

P Promoting **E** Enabling **I** Informing

ACTIVITY	MEASURE	COMPARATIVE DATA	RESULTS
Develop and deliver a multi-faceted health and wellbeing programme targeting priority populations. P	At least two health and wellbeing initiatives are developed and delivered. At least 80% of users of advice, resources and tools agree they were useful and helped them to do their work better (or other measure if appropriate) eg, we may work directly with populations rather than with communities or health professionals.	Comparative information not available.	Achieved The two initiatives were The Great Mental Health Experiment and Good4Work. Achieved <ul style="list-style-type: none"> The Great Mental Health Experiment online survey – 429 respondents gave an overall rating of 8.42 out of a possible 10 ie, 84.2%. <p>Source: Research by Zeal.</p> <ul style="list-style-type: none"> A review of Good4Work found “Overall, the majority of stakeholders (83%) and registered workplaces (77%) found Good4Work helps workplaces improve their understanding of how to create a healthy workplace”. <p>Source: Two surveys of external stakeholders make up this result – a Survey Monkey by Toi Te Ora Public Health and a Survey Monkey by HPA.</p>
Increase awareness, understanding and correct use of Health Star Ratings. P	Awareness of Health Star Ratings is increased from 61%.	2015 38%. 2016 61%.	Achieved 76% of respondents were aware of Health Star Ratings. Source: Research by Colmar Brunton.
Increase awareness of important health topics. Contribute to Government priorities. Support the health sector. P	HPA contribution is agreed with the Ministry of Health and/or other agencies. HPA delivers against the intent of the campaign.	Previous annual reports have outlined additional non-baseline funding projects HPA has contributed to eg, Before School Checks.	During 2017/18 HPA undertook oral health, HPV, Health Star Ratings, and stroke (FAST) campaigns.

Research and Evaluation

HPA has a specific statutory function to provide research on alcohol-related issues. Research is undertaken to collect nationally representative information on alcohol attitudes and behaviour in New Zealand.

Other research activity includes trend measurement, expansion of the evidence base for alcohol-related harm, support for legislation change requirements, and operational and programme support.

HPA also undertakes a range of health research, including several national surveys, that is used both internally and externally to inform policy, practice and future research:

- The Health and Lifestyles Survey (HLS) is a nationwide face-to-face monitor of the health behaviour and attitudes of New Zealand adults aged 15 years and over, and of parents and caregivers of 5 to 16-year-olds. The HLS collects information relating to a range of health topics and has been conducted every two years since 2008. The survey will be in field again in 2018, with data delivery expected by October 2018.
- The New Zealand Smoking Monitor (NZSM) is a continuous monitor providing information on smokers' and recent quitters' smoking-related knowledge, attitudes and behaviour.
- The New Zealand Youth Tobacco Monitor (NZYTM) provides information about adolescents' smoking-related knowledge, attitudes and behaviour, and monitors the broad spectrum of risk and protective factors that relate to smoking uptake among young people. The NZYTM comprises the annual ASH Year 10 Snapshot (approximately 30,000 respondents) and HPA's biennial Youth Insights Survey (YIS) (approximately 3,000 respondents). HPA manages the NZYTM as a whole, provides ASH with the Snapshot data, and does analysis and dissemination of the YIS. In 2018 data will be collected for both the Snapshot and YIS.

- The New Zealand Mental Health Monitor collects information about the wellbeing and mental health of New Zealanders aged 15 years and older. This face-to-face survey collects information about depression, anxiety, and discrimination against those who have experienced mental distress, and measures of social connectedness. It was first conducted in 2015 and repeated in 2016. The survey will be in field again in 2018, with data delivery expected by November 2018.

Research and evaluation work completed by HPA between 1 July 2017 and 30 June 2018 includes:⁷

- *The drinking patterns of older New Zealanders: National and international comparisons.*
- *Cutting back on alcohol consumption: Key results from the 2015/16 Attitudes and Behaviour towards Alcohol Survey and the 2016 Health and Lifestyles Survey*
- *Trends in affordability of alcohol in New Zealand*
- Seven reports using information from the Attitudes and Behaviour towards Survey
- *'Baby Teeth Matter': Insights and impacts of the 2016/2017 Oral health campaign*
- *2018 Health Star Rating monitoring and evaluation: Year 2 follow-up research report*
- *Wellbeing and Mental Distress in Aotearoa New Zealand: Snapshot 2016*
- *Te Kaveinga – Mental health and wellbeing of Pacific peoples*
- *New Zealanders' participation in gambling: Results from the 2016 Health and Lifestyles Survey*
- *What wāhine Māori think about smoking and about trying to quit: Findings of Rotorua focus group discussions.*

⁷ All reports available at hpa.org.nz

Our results 2017/18

OUTPUT CLASSES 2017/18 – KEY:

P Promoting **E** Enabling **I** Informing

ACTIVITY	MEASURE	COMPARATIVE DATA	RESULTS
Monitoring, evaluation and information provision. I	Gambling report for the Ministry of Health using Health and Lifestyles data is completed by 30 June 2018.	Comparative information not available.	Achieved Results from the 2016 Health and Lifestyles Survey were published 21 February 2018.
	At least two mental health reports based on analysis of the Mental Health Survey are published on the HPA website by 30 June 2018.	Data collected in the 2015/16 financial year published in 2017/18.	Achieved <ul style="list-style-type: none"> • <i>Wellbeing and Mental Distress in Aotearoa New Zealand: Snapshot 2016</i> was published 6 March 2018. • <i>Te Kaveinga – Mental health and wellbeing of Pacific peoples</i> was published 29 June 2018.
	Tobacco report (using Youth Insights Survey data) is completed by 30 June 2018.	Comparative information not available.	Achieved E-cigarette use report (using Youth Insights Survey data) was published 15 June 2018.
	At least five research reports are produced from HPA's Attitudes and Behaviour towards Alcohol Surveys (ABAS) or from Research Investment Priorities in Alcohol (RIPA) projects by 30 June 2018.	Comparative information not available.	Achieved Seven ABAS research reports and four RIPA reports were published on HPA's website by 30 June 2018.
	At least one report is published from analysis of a major secondary data source not previously analysed by HPA (either the Integrated Data Infrastructure or Growing Up in NZ study).	Nil in 2016/17.	Achieved Report was published on HPA website on 27 June 2018.

Organisational Health and Capability

HPA continues to seek opportunities to improve its organisational health and capability and implement good employer strategies.

Leadership, accountability and culture

HPA promotes open communication, with regular formal and informal team meetings, weekly meetings of the executive team, six-weekly meetings of the management team and quarterly meetings of all staff. HPA's intranet is well used and its functionality is continually being improved.

In consultation with staff, HPA developed a set of values that drive our focus and behaviour. They are:

- Be agile.
- Be approachable.
- Be inspiring.
- Be trusted.

The values are a foundation for the HPA – forming the basis for our culture, our operating style, our priorities, and the performance standards we set for our people.

Recruitment, selection and induction

HPA is committed to being a good employer to ensure staff have the opportunity to achieve and contribute to the organisation's goals. HPA aims to have a workforce that is innovative, can respond quickly to a fast-moving environment and is capable of delivering value-for-money approaches and results.

HPA advertises vacancies widely (internally and externally) to ensure it employs a workforce that is high calibre and increasingly diverse. All new staff undergo a formal induction process that is constantly reviewed.

Employee development, promotion and exit

HPA supports professional development and each year identifies effective and pragmatic training and development opportunities to meet individual development needs that also increase organisational capability. During the year HPA increased internal capability to respond to Māori and Pacific populations.

The performance management system developed in consultation with staff helps to ensure all employees have their performance recognised and they can progress.

Exit interviews are offered to all 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.

Work areas are continuously reviewed to take changes in workloads into account. Structural realignments continue to be made to ensure the organisation operates effectively, with the right resources.

Remuneration, recognition and conditions

Remuneration is reviewed annually in conjunction with performance reviews.

During the year, we continued updating our human resources policies and procedures, incorporating feedback from staff. HPA ensures equal employment opportunities are incorporated into all policies and practices to promote equity and fairness. These are regularly reviewed and refreshed.

Harassment and bullying prevention

HPA continues to have a zero tolerance for these behaviours and, if required, acts quickly to address complaints. HPA expects staff to comply with the Standards of Integrity and Conduct for the State Services.

Safe and healthy environment

There continues to be a strong focus on employee health, safety and wellbeing. The Health, Safety and Wellness Committee meets regularly and the health, safety and wellness 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. All staff have confidential access to an external company that offers confidential counselling.

As part of our ongoing health and safety responsibilities we had an independent contractor lead an audit into HPA's health, safety and wellbeing practice and policy to identify areas for HPA to focus on under the Health and Safety at Work Act 2015. The Safe 365 audit showed that HPA's comprehensive policies and guidelines met 87% of the requirements of the Health and Safety at Work Act 2015. This score places HPA in the top 1% to 2% of organisations that have used the tool. We are now in the process of implementing the recommendations from the review.

Staff profile

HPA employs 89.6 full-time equivalent (FTE) staff located in Wellington, Auckland and Christchurch.

	2017/18 %
Female	71
Male	29
Māori	7
Pacific	5
Asian	7
New Zealand European	60
Other ethnicity	18
Not declared	2
Under 30-years-old	13
30-39	20
40-49	32
50-59	24
60+	11
People with disabilities (injury, illness or disability)	3

Procurement

HPA is using all-of-Government suppliers for procured services including advertising and travel.

Statement of Responsibility

We are responsible for the preparation of the Health Promotion Agency's financial statements and Statement of Performance, and for the judgements made in them.

We are responsible for any end-of-year performance information provided by the Health Promotion Agency under section 19A of the Public Finance Act 1989.

We have responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting.

In our opinion, these financial statements and statement of performance fairly reflect the financial position and operations of the Health Promotion Agency for the year ended 30 June 2018.



Dr Lee Mathias
Chairman
Health Promotion Agency
15 October 2018



Dr Monique Faleafa
Deputy Chairman
Health Promotion Agency
15 October 2018

Independent Auditor's Report

AUDIT NEW ZEALAND
Mana Arotake Aotearoa

To the readers of the Health Promotion Agency's financial statements and performance information for the year ended 30 June 2018

The Auditor-General is the auditor of the Health Promotion Agency (the HPA). 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 the performance information of the HPA on his behalf.

Opinion

We have audited:

- the financial statements of the HPA on pages 58 to 81, that comprise the statement of financial position as at 30 June 2018, the statement of comprehensive revenue and expenses, statement of changes in equity and statement of cash flows for the year ended on that date and the notes to the financial statements including a summary of significant accounting policies and other explanatory information; and
- the performance information of the HPA on pages 47 to 56.

In our opinion:

- the financial statements of the HPA on pages 58 to 81:
 - present fairly, in all material respects:
 - › its financial position as at 30 June 2018; and
 - › its financial performance and cash flows for the year then ended; and
 - comply with generally accepted accounting practice in New Zealand in accordance with the Public Benefit Entity Reporting Standards; and
- the performance information on pages 47 to 56:
 - presents fairly, in all material respects, the HPA's performance for the year ended 30 June 2018, including:

- › for each class of reportable outputs:
 - its standards of delivery performance achieved as compared with forecasts included in the statement of performance expectations for the financial year; and
 - its actual revenue and output expenses as compared with the forecasts included in the statement of performance expectations for the financial year.
- complies with generally accepted accounting practice in New Zealand.

Our audit was completed on 15 October 2018.

This is the date at which our opinion is expressed.

The basis for our opinion is explained below.

In addition, we outline the responsibilities of the Board and our responsibilities relating to the financial statements and the performance information, we comment on other information, and we explain our independence.

Basis for opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of the Board for the financial statements and the performance information

The Board is responsible on behalf of the HPA for preparing financial statements and performance information that are fairly presented and comply with generally accepted accounting practice in New Zealand. The Board is responsible for such internal control as it determines is necessary to enable it to prepare financial statements and performance information that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and the performance information, the Board is responsible on behalf of the HPA for assessing the HPA's ability to continue as a going concern. The Board is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to merge or to terminate the activities of the HPA, or there is no realistic alternative but to do so.

The Board's responsibilities arise from the Crown Entities Act 2004 and the Public Finance Act 1989.

Responsibilities of the auditor for the audit of the financial statements and the performance information

Our objectives are to obtain reasonable assurance about whether the financial statements and the performance information, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered

material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers, taken on the basis of these financial statements and the performance information.

For the budget information reported in the financial statements and the performance information, our procedures were limited to checking that the information agreed to the HPA's statement of performance expectations.

We did not evaluate the security and controls over the electronic publication of the financial statements and the performance information.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements and the performance information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit 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 HPA's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- We evaluate the appropriateness of the reported performance information within the HPA's framework for reporting its performance.

- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the HPA's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements and the performance information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the HPA to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements and the performance information, including the disclosures, and whether the financial statements and the performance information represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Board is responsible for the other information. The other information comprises the information included on pages 2 to 42, but does not include the financial statements and the performance information, and our auditor's report thereon.

Our opinion on the financial statements and the performance information does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements and the performance information, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements and the performance information or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of the HPA in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1 (Revised): Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board.

Other than in our capacity as auditor, we have no relationship with, or interests, in the HPA.



Kelly Rushton
Audit New Zealand

On behalf of the Auditor-General
Wellington, New Zealand

Statement of Performance 2017/18

HPA has three interconnected output classes. While the nature of the work in each one differs, together the three output classes help achieve HPA's strategic objectives.

Output Class One

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	MEASURE	COMPARATIVE DATA	RESULTS
Alcohol			
1 Develop and deliver a marketing campaign that supports young women to stop drinking if there is a chance they could be pregnant.	Increase in the proportion of people who have seen the campaign that have considered if they could be pregnant before drinking, or have supported someone who is pregnant to stop drinking or encouraged others to consider if they are pregnant before drinking.	Of people who had seen the campaign (2015/16): <ul style="list-style-type: none"> • 58% supported someone who was pregnant to stop drinking • 52% encouraged others to consider if they were pregnant before drinking • 49% considered if they were pregnant before drinking. No comparative measure in 2016/17 as campaign in that year did not include video or advertising content.	Achieved Of people who saw the campaign in 2017/18: <ul style="list-style-type: none"> • 89% supported someone who was pregnant to stop drinking • 60% encouraged others to consider if they were pregnant before drinking • 59% considered if they were pregnant before drinking. Source: Campaign monitor by Kantar TNS.
2 Design and implement a marketing campaign that builds social support for drinking less or being alcohol free.	Increase in the proportion of people who saw the campaign that agree it helped or encouraged them to accept others who say no to a drink.	49% in 2016/17.	Achieved 51% of adults aged 18 to 44 years agreed the campaigns helped or encouraged them to accept others who say no to a drink. Source: Campaign monitor by Kantar TNS.

ACTIVITY	MEASURE	COMPARATIVE DATA	RESULTS
Tobacco Control			
3 From 1 July 2017 phase two of the young adult campaign will be in market with a refined audience of 17 to 20 years.	Increase in the proportion of people who saw the campaign and are aware of the undesirability and/or negative aspects of smoking.	63.5% in September 2017.	Achieved 64.7% of respondents were aware of the undesirability and/or negative aspects of smoking. Source: Research by UMR Research.
Minimising Gambling Harm			
4 Design and implement a refreshed Choice Not Chance marketing campaign which targets priority audiences.	The number of at-risk gamblers who check their gambling is increased.	10,571 in 2016/17.	Achieved 13,626 at-risk gamblers checked their gambling by 30 June 2018. Source: Google Analytics.
Mental Health			
5 Promote depression.org.nz and thelowdown.co.nz to encourage help-seeking behaviour.	Maintain or improve the proportion of visitors to depression.org.nz or thelowdown.co.nz that agree they found the website useful.	91% in 2016/17 for depression.org.nz. No comparative measure for The Lowdown in 2016/17.	Achieved <ul style="list-style-type: none"> 95% found depression.org.nz useful. 88% found The Lowdown useful. Source: Mental Health Dashboard. Data from Survey Gizmo.
6 The proportion of New Zealanders who know where to get help if they or someone they know has depression is increased.	65% of New Zealanders can identify at least two sources for where to get help for depression. Note: Being able to identify two sources of help is considered an improvement on identifying just one source of help.	51% could identify at least two sources for where to get help for depression (2016).	Achieved 66% of respondents could identify at least two sources for where to get help for depression. Source: Research by UMR Research.

	ACTUAL \$000	BUDGET \$000		ACTUAL \$000	BUDGET \$000		ACTUAL \$000	BUDGET \$000
Revenue	17,961	14,376	Expenditure	18,060	14,376	Surplus/(deficit)	(99)	0

Output Class Two

Enabling health promoting initiatives and environments

ADVICE, RESOURCES AND TOOLS

HPA's ability to inspire New Zealanders to lead healthier lives is greatly extended if 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	MEASURE	COMPARATIVE DATA	RESULTS
Alcohol			
7 Communities and health promoters are supported to deliver activities and interventions close to home.	At least 20 locally delivered initiatives are supported by HPA.	Comparative information not available.	Achieved 20 initiatives were supported.
8	Those receiving support agree HPA made a positive contribution to their activities.	In 2015/16, 95% of stakeholder respondents indicated they were satisfied with resources or advice. Note: The 2017/18 measure targets a different aspect of support.	Achieved <ul style="list-style-type: none"> 95% agreed the interactions they had with staff made a positive contribution to their activities. 93% agreed the resources and tools they accessed made a positive contribution. <p>Source: Survey of external stakeholders via Survey Monkey.</p>
Tobacco Control			
9 HPA will support the health promotion function of stop smoking services and other stakeholders with advice, tools and resources.	Stop smoking service providers are supported with at least two new or revised resources by 30 June 2018.	Comparative information not available.	Achieved The following resources were updated: <ul style="list-style-type: none"> 'Cost of smoking' infographics. Quit Journal. World Smokefree Day resources.

ACTIVITY	MEASURE	COMPARATIVE DATA	RESULTS
10	Increase or maintain the proportion of users of advice, resources and tools that agree they were useful.	88% of seminar survey respondents in 2016/17.	<p>Achieved</p> <ul style="list-style-type: none"> 96% of seminar survey respondents were either satisfied or very satisfied with the seminars. <p>Source: Survey of external stakeholders via Survey Monkey.</p>
Minimising Gambling Harm			
11 Support implementation of Class 4 Gamble Host materials and best practice within venues.	DIA reports improved harm minimisation practices in Class 4 venues (DIA carries out inspections).	Comparative information not available.	<p>Achieved</p> <ul style="list-style-type: none"> A survey of all DIA inspectors found 100% of gambling inspectors noted some level of improvement to harm minimisation practices. 12.5% reported a significant improvement 37.5% reported some improvement 50% reported a minimal level of improvement. <p>Source: Survey of external stakeholders via Survey Monkey developed in collaboration with Department of Internal Affairs.</p>
Skin Cancer Prevention			
12 HPA will work with primary health care professionals and other stakeholders to help them provide advice and information about skin cancer prevention and early detection.	Develop and implement at least one tool or resource for primary care health professionals or other stakeholders by 30 June 2018.	Comparative information not available.	<p>Achieved</p> <p>A fact sheet outlining the answers to four common sunscreen questions was published in November 2017 and a Slip, Slop, Slap and Wrap online video targeting young people was developed for stakeholders to share across their channels.</p>

ACTIVITY	MEASURE	COMPARATIVE DATA	RESULTS
Nutrition and Physical Activity			
13 Provide health promoters and others with resources to support their work.	Create at least two new or revised resources for the health workforce by 30 June 2018.	Comparative information not available.	Achieved Two new recipe pads were added to the existing range and a series of short videos were published on YouTube in collaboration with the Heart Foundation and industry partners.
14	At least 80% of users of advice, resources and tools agree they were useful and helped them to do their work better.	Comparative information not available.	Achieved <ul style="list-style-type: none"> 96.9% agree or strongly agree that HPA's nutrition and physical activity advice, resources and tools are useful. 91.4% agree "I can do my job better as a result of HPA's nutrition and physical activity advice, resources and tools". <p>Source: Survey of external stakeholders via Survey Monkey.</p>

	ACTUAL \$000	BUDGET \$000		ACTUAL \$000	BUDGET \$000		ACTUAL \$000	BUDGET \$000
Revenue	8,062	9,799	Expenditure	8,241	9,799	Surplus/(deficit)	(179)	0

Output Class Three

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 injury and other harm.

ACTIVITY	MEASURE	COMPARATIVE DATA	RESULTS
Alcohol			
15 Provide alcohol policy, research and advice, including evidence-based information, resources and tools and regular stakeholder communications.	The proportion of stakeholders who have used the resources or received advice that indicate satisfaction with the resources or advice is maintained or improved.	97% in 2016/17.	Achieved <ul style="list-style-type: none"> 99% were satisfied or very satisfied with resources and tools they accessed. 99% were satisfied or very satisfied with advice they received. <p>Source: Survey of external stakeholders via Survey Monkey.</p>
Research			
16 Monitoring, evaluation and information provision.	Gambling report for the Ministry of Health using Health and Lifestyles data is completed by 30 June 2018.	Comparative information not available.	Achieved <p>Results from the 2016 Health and Lifestyles Survey were published 21 February 2018.</p>
17	At least two mental health reports based on analysis of the Mental Health Survey are published on the HPA website by 30 June 2018.	Data collected in the 2015/16 financial year published in 2017/18.	Achieved <ul style="list-style-type: none"> <i>Wellbeing and Mental Distress in Aotearoa New Zealand: Snapshot 2016</i> was published 6 March 2018. <i>Te Kaveinga – Mental health and wellbeing of Pacific peoples</i> was published 29 June 2018.
18	Tobacco report (using Youth Insight Survey data) is completed by 30 June 2018.	Comparative information not available.	Achieved <p>E-cigarette use report (using Youth Insights Survey data) published 15 June 2018.</p>
19	At least five research reports are produced from HPA's Attitudes and Behaviour towards Alcohol Surveys (ABAS) or from Research Investment Priorities in Alcohol (RIPA) projects by 30 June 2018.	Comparative information not available.	Achieved <p>Seven ABAS reports and four RIPA reports were published on HPA's website by 30 June 2018.</p>

ACTIVITY	MEASURE	COMPARATIVE DATA	RESULTS
20	At least one report is published from analysis of a major secondary data source not previously analysed by HPA (either the Integrated Data Infrastructure or Growing Up in NZ study).	Nil in 2016/17.	Achieved Report was published on HPA website in late June 2018.

Across HPA Health Topics

21	At least two health and wellbeing initiatives are developed and delivered.	Comparative information not available.	Achieved The two initiatives were The Great Mental Health Experiment and Good4Work.
Develop and deliver a multi-faceted health and wellbeing programme targeting priority populations.			

22	At least 80% of users of advice, resources and tools agree they were useful and helped them to do their work better (or other measure if appropriate) eg, we may work directly with populations rather than with communities or health professionals.	Comparative information not available.	Achieved <ul style="list-style-type: none"> The Great Mental Health Experiment online survey – 429 respondents gave an overall rating of 8.42 out of a possible 10 ie, 84.2%. <p>Source: Research by Zeal.</p> <ul style="list-style-type: none"> A review of Good4Work found “Overall, the majority of stakeholders (83%) and registered workplaces (77%) found Good4Work helps workplaces improve their understanding of how to create a healthy workplace”. <p>Source: Two surveys of external stakeholders make up this result – a Survey Monkey by Toi Te Ora Public Health and a Survey Monkey by HPA.</p>
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	ACTUAL \$000	BUDGET \$000		ACTUAL \$000	BUDGET \$000		ACTUAL \$000	BUDGET \$000
Revenue	4,403	3,533	Expenditure	3,524	3,533	Surplus/(deficit)	879	0

Non-baseline funding

ACTIVITY	MEASURE	COMPARATIVE DATA	RESULTS
Skin Cancer Prevention			
23 Increase awareness, understanding and correct use of Health Star Ratings.	Awareness of Health Star Ratings is increased from 61%.	2015 38%. 2016 61%.	Achieved 76% of respondents were aware of Health Star Ratings. Source: Research by Colmar Brunton.
Nutrition and Physical Activity			
24 Increase awareness of important health topics. Contribute to Government priorities. Support the health sector.	HPA contribution is agreed with the Ministry of Health and/or other agencies.	Previous annual reports have outlined additional non-baseline funding projects HPA has contributed to eg, Before School Checks.	During 2017/18 HPA undertook oral health, HPV, Health Star Ratings, and stroke (FAST) campaigns.
25	HPA delivers against the intent of the campaign.		

Strategic Intentions

HPA has two strategic intentions and three output classes. The strategic intentions guide our activities, and output classes are categories that we use to account for our expenditure on activities.

Our strategic intentions overlap and strengthen each other, and both contribute to the New Zealand Health Strategy. The five strategic themes of the strategy provide a focus for change in the health sector, and our strategic intentions weave around the five themes.

Strategic Intention One – People are more aware, motivated and able to improve and protect their own and their family's health and wellbeing.

Strategic Intention Two – Physical, social and policy environments and services better promote and protect health and wellbeing.

Progress on our outcomes is reflected in our SPE measures reported on pages 47 to 54.

PROGRAMME	STRATEGIC INTENTION 2017-2021	OUTCOMES FOCUS TO 2021
Alcohol	<ul style="list-style-type: none"> • People are more aware, motivated and able to drink at low-risk levels or choose not to drink. • Physical, social and policy environments and services support New Zealanders to drink at low-risk levels or not drink. 	<ul style="list-style-type: none"> • Build social permission for people to drink at low-risk levels or not drink. • Make it easier to seek and find help early. • Influence policies, practices and the management of drinking environments to support people to drink at low-risk levels or not drink. • Contribute to strengthening protective factors that support low-risk drinking or not drinking.
Tobacco	<ul style="list-style-type: none"> • People are more aware, motivated and able to change their smoking behaviours. • Environments and services better promote and protect New Zealanders from tobacco-related harm. 	<ul style="list-style-type: none"> • Contribute to strengthening protective factors that influence 17 to 24-year-olds to be smokefree. • Support stop smoking services and other stakeholders with quality advice, evidence and resources to support New Zealanders to be smokefree.

PROGRAMME	STRATEGIC INTENTION 2017-2021	OUTCOMES FOCUS TO 2021
Minimising Gambling Harm	<ul style="list-style-type: none"> • People are more likely to check whether their gambling is OK. • People are more aware and motivated to use self-help approaches and seek professional help. • Gambling environments increase the implementation of appropriate harm minimisation practices. 	<ul style="list-style-type: none"> • Make it easier for gamblers and people affected by someone else's gambling to seek and find help early. • Support the minimising gambling harm sector and gambling industry with quality advice, evidence and resources to minimise harm.
Nutrition and Physical Activity	<ul style="list-style-type: none"> • Support New Zealanders to eat healthy foods. • Increase opportunities for New Zealanders to be active. 	<ul style="list-style-type: none"> • Motivate and support communities to eat well, move more, and sit less. • Support the nutrition and physical activity sector with quality advice, evidence and resources to support New Zealanders to eat healthy foods and be active.
Mental Health NDI	<ul style="list-style-type: none"> • People recognise anxiety and depression and know where and how to get help, including self-help. • Communities and social environments are supportive of people who experience anxiety and depression. 	<ul style="list-style-type: none"> • Provide quality advice, information and resources to promote self-help and early intervention for depression and anxiety. • Provide reliable information to influence communities to support people who experience depression and anxiety.
Mental Health Like Minds, Like Mine	<ul style="list-style-type: none"> • New Zealanders demonstrate respectful attitudes and inclusive behaviours towards people with mental distress. 	<ul style="list-style-type: none"> • Support stakeholders with tools and resources to provide policies, structures and cultures that are inclusive and supportive of people with mental distress. • Support communities with resources and tools to take action to increase social inclusion.
Skin Cancer Prevention	<ul style="list-style-type: none"> • People are more aware, motivated and able to increase behaviours that protect from excessive ultraviolet radiation (UVR) exposure. • Environments and services better protect New Zealanders from UVR exposure that causes harm. 	<ul style="list-style-type: none"> • Increase knowledge of risk (and benefits) of UVR among the public, health professionals and policy makers in order to increase individual behaviours that protect them from UVR that causes harm.

Financial Statements

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Statement of Comprehensive Revenue and Expense

For the year ended 30 June 2018

	NOTES	ACTUAL 2018 \$000	REFORECAST BUDGET 2018 \$000	SPE BUDGET 2018 \$000	ACTUAL 2017 \$000
Revenue					
Non-exchange revenue					
Alcohol levy revenue		11,236	11,530	11,530	11,814
Funding from the Crown – baseline		16,048	16,048	16,048	16,048
Exchange revenue					
Funding from the Crown – additional		2,352	2,352	–	4,942
Interest revenue		309	309	130	310
Other revenue	2	481	481	–	380
Total revenue		30,426	30,720	27,708	33,494
Expenditure					
Personnel expenses	3	9,218	9,226	9,289	9,024
Depreciation and amortisation expense	8,9	81	81	81	87
Other operating expense	4	1,746	1,751	2,188	1,804
Programme expense		18,780	19,662	16,150	22,243
Total expenditure		29,825	30,720	27,708	33,158
Surplus/(deficit)		601	–	–	336
Total comprehensive revenue and expense		601	–	–	336

Explanations of major variances against budget are provided in note 17.
The accompanying notes form part of these financial statements.

Statement of Comprehensive Revenue and Expense

For the year ended 30 June 2018

Restated by Revenue Source:

	ACTUAL 2018 \$000	REFORECAST BUDGET 2018 \$000	SPE BUDGET 2018 \$000	ACTUAL 2017 \$000
Alcohol				
<i>Revenue</i>				
Levy	11,236	11,530	11,530	11,814
Interest revenue	71	71	30	71
Other revenue	11	–	–	–
Total revenue	11,318	11,601	11,560	11,885
Total expenditure	11,230	11,601	11,560	11,564
Surplus/(deficit)	88	–	–	321
All other				
<i>Revenue</i>				
Funding from the Crown	18,400	18,400	16,048	20,990
Interest revenue	238	238	100	239
Other revenue	470	481	–	380
Total revenue	19,108	19,119	16,148	21,609
Total expenditure	18,595	19,119	16,148	21,594
Surplus/(deficit)	513	–	–	15
Grand total revenue	30,426	30,720	27,708	33,494
Grand total expenditure	29,825	30,720	27,708	33,158
Grand total Surplus/(deficit)	601	–	–	336

Explanations of major variances against budget are provided in note 17.
The accompanying notes form part of these financial statements.

Statement of Financial Position

As at 30 June 2018

	NOTES	ACTUAL 2018 \$000	SPE BUDGET 2018 \$000	ACTUAL 2017 \$000
Assets				
Current assets				
Cash and cash equivalents	5	508	250	1,668
Receivables	6	2,799	1,900	3,030
Investments	7	9,000	3,750	6,250
Prepayments		623	–	1
Total current assets		12,930	5,900	10,949
Non-current assets				
Property, plant and equipment	8	243	410	266
Intangible assets	9	–	–	–
Total non-current assets		243	410	266
Total assets		13,173	6,310	11,215
Liabilities				
Current liabilities				
Payables	10	7,540	3,250	6,548
Employee entitlements	11	535	402	578
Revenue in advance	10	863	–	481
Total current liabilities		8,938	3,652	7,607
Non-current liabilities				
Employee entitlements	11	95	–	69
Total non-current liabilities		95	–	69
Total liabilities		9,033	3,652	7,676
Net assets		4,140	2,658	3,539
Equity				
Contributed capital		3,424	2,658	3,424
Accumulated surplus/(deficit)		716	–	115
Net assets	13	4,140	2,658	3,539

Explanations of major variances against budget are provided in note 17.
The accompanying notes form part of these financial statements.

Statement of Changes in Equity

For the year ended 30 June 2018

	NOTES	ACTUAL 2018 \$000	SPE BUDGET 2018 \$000	ACTUAL 2017 \$000
Balance at 1 July		3,539	2,658	3,203
Total comprehensive revenue and expense for the year		601	–	336
Balance at 30 June	13	4,140	2,658	3,539

Explanations of major variances against budget are provided in note 17.
The accompanying notes form part of these financial statements.

Statement of Cash Flows

For the year ended 30 June 2018

	NOTES	ACTUAL 2018 \$000	ACTUAL 2017 \$000
Cash flows from operating activities			
Receipts from levy		11,451	11,702
Receipts from the Crown		18,694	20,348
Receipts from other revenue		473	272
Receipts from interest revenue		319	316
GST (net)		(182)	(38)
Payments to suppliers		(19,866)	(23,391)
Payments to employees		(9,242)	(8,956)
Net cash flow from operating activities		1,647	253
Cash flows from investing activities			
Receipts from sale of property, plant and equipment		3	–
Receipts from sale of investments		17,000	19,500
Purchase of property, plant and equipment		(60)	(11)
Purchase of intangible assets		–	–
Acquisition of investments		(19,750)	(22,000)
Net cash flow from investing activities		(2,807)	(2,511)
Net increase (decrease) in cash and cash equivalents		(1,160)	(2,258)
Cash and cash equivalents at the beginning of the year		1,668	3,926
Cash and cash equivalents at the end of the year	5	508	1,668
Reconciliation of net surplus/(deficit) to net cash flow from operating activities			
Net surplus/(deficit)		601	336
Add/(less) non-cash items			
Depreciation and amortisation expense		81	94
Total non-cash items		81	94
Add (less) movements in Statement of Financial Position items			
(Increase)/decrease in receivables		(391)	(472)
Increase/(decrease) in payables and revenue in advance		1,380	227
Increase/(decrease) in provisions		–	–
Increase/(decrease) in employee entitlements		(24)	68
Net movements in working capital items		965	(177)
Net cash flow from operating activities		1,647	253

Explanations of major variances against budget are provided in note 17.
The accompanying notes form part of these financial statements.

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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 and operates in New Zealand, with offices in Wellington, Auckland and Christchurch. The relevant legislation governing HPA's operations includes the Crown Entities Act 2004 and the New Zealand Public Health and Disability Act 2000. HPA's 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.

It also has functions specific to providing advice and research on alcohol issues. HPA does not operate to make a financial return.

HPA has designated itself as a public benefit entity (PBE) for financial reporting purposes.

The financial statements for HPA are for the year ended 30 June 2018, and were approved by the Board on 15 October 2018.

Basis of preparation

The financial statements have been prepared on a going concern basis, and the accounting policies have been applied consistently throughout the year.

Statement of compliance

The financial statements of HPA have been prepared in accordance with the requirements of the Crown Entities Act 2004, which includes the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAAP).

The financial statements have been prepared in accordance with Tier 1 PBE accounting standards.

The financial statements comply with PBE accounting standards.

Presentation currency and rounding

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000).

Changes in accounting policies

There have been no changes in the accounting policies since the date of the last audited financial statements.

Standards issued and not yet effective and not early adopted

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

Financial instruments

In January 2017, the XRB issued PBE IFRS 9 Financial Instruments. This replaces PBE IPSAS 29 Financial Instruments: Recognition and Measurement. PBE IFRS 9 is effective for financial years beginning on or after 1 January 2021, with earlier application permitted.

The main changes under the standard relevant to HPA are:

- New financial asset classification requirements for determining whether an asset is measured at fair value or amortised cost.
- A new impairment model for financial assets based on expected losses, which might result in the earlier recognition of impairment losses.

The Treasury has decided that the Financial Statements of the Government will early adopt PBE IFRS 9 for the 30 June 2019 financial year. HPA will also early adopt PBE IFRS 9 for the 30 June 2019 financial year to be consistent with Crown's accounting policy for financial instruments. HPA has not yet assessed in detail the impact of the new standard. Based on an initial assessment, HPA anticipates that the standard will not have a material effect on HPA's financial statements.

Summary of significant accounting policies

Significant accounting policies are included in the notes to which they relate.

Significant accounting policies that do not relate to a specific note are outlined below.

Foreign currency transactions

Foreign currency transactions are translated into New Zealand dollars (the functional currency) using the spot exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in the surplus or deficit.

Goods and services tax (GST)

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, it is recognised as part of the related asset or expense.

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

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

Commitments and contingencies are disclosed exclusive of GST.

Income tax

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

Budget figures

The budget figures are derived from the Statement of Performance Expectations as approved by the Board at the beginning of the financial year. The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted by the Board in preparing these financial statements.

Note 2: Revenue

Accounting policy

The specific accounting policies for significant revenue items are explained below:

Funding from the Crown

HPA is primarily funded from the Crown. This funding is restricted in its use for the purpose of HPA meeting the objectives specified in its founding legislation and the scope of the relevant appropriations of the funder – Ministry of Health (MOH).

Cost allocation

HPA has determined the cost of its three output classes using the cost allocation system outlined below.

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

Direct costs are charged directly to output classes. Indirect costs are charged to output classes based on cost drivers and related activity or usage information. Personnel and other indirect costs are assigned to output classes based on the proportion of direct programme costs within each output class.

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:

- useful lives and residual values of property, plant, and equipment – refer to Note 8
- useful lives of software assets – refer to Note 9
- retirement and long service leave – refer to Note 11.

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

The fair value of revenue from the Crown has been determined to be equivalent to the amounts due in the funding arrangements.

Alcohol levy

HPA is also funded from a levy imposed for the purpose of recovering the costs it incurs in:

- addressing alcohol-related harm
- its other alcohol-related activities.

This levy is collected by New Zealand Customs acting as HPA's agent.

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

Interest revenue

Interest revenue is recognised using the effective interest method.

Breakdown of other revenue and further information

	ACTUAL 2018 \$000	ACTUAL 2017 \$000
Other revenue includes:		
Programme revenue – third party contracts	470	380
Programme revenue – grants returned	11	–
Total other revenue	481	380

Note 3: Personnel expenses

Accounting policy

Superannuation schemes

Defined contribution schemes

Employer contributions to KiwiSaver and the ASB Group Master Trust are accounted for as defined contribution superannuation schemes and are expensed in the surplus or deficit as incurred.

Defined benefit schemes

HPA makes contributions to the ASB Group Master Trust Scheme (the scheme). The scheme

is a multi-employer defined benefit scheme.

Insufficient information is available to use defined benefit accounting, as it is not possible to determine from the terms of the scheme the extent to which the surplus/deficit in the plan will affect future contributions by individual employers, because there is no prescribed basis for allocation.

The scheme is, therefore, accounted for as a defined contribution scheme.

Breakdown of personnel costs and further information

	ACTUAL 2018 \$000	ACTUAL 2017 \$000
Salaries and wages	8,718	8,390
Temporary and contract staff	26	61
Increase/(decrease) in employee entitlements	(24)	68
Defined contribution plan employer contributions	283	285
ACC	17	35
Recruitment expenses	43	24
Other	155	161
Total personnel expense	9,218	9,024

Employee remuneration

	ACTUAL 2018	ACTUAL 2017
Total remuneration paid or payable:		
\$100,000 – 109,999	13	15
\$110,000 – 119,999	7	6
\$120,000 – 129,999	3	1
\$130,000 – 139,999	1	–
\$140,000 – 149,999	1	1
\$160,000 – 169,999	1	–
\$170,000 – 179,999	–	1
\$180,000 – 189,999	1	2
\$190,000 – 199,999	3	1
\$280,000 – 289,999	–	1
\$290,000 – 299,999	1	–
Total employees	31	28

Employee remuneration figures include Kiwisaver employer contribution. The 2017 figures have been restated to include this.

During the year ended 30 June 2018, 0 (2017, 0) employees received compensation and other benefits in relation to cessation totalling \$0 (2017, \$0).

Board member remuneration

	ACTUAL 2018 \$000	ACTUAL 2017 \$000
Total remuneration paid or payable:		
Dr Lee Mathias (Chair)	31.0	31.0
Dr Monique Faleafa (appointed Deputy Chair June 2017)	19.3	15.8
Professor Grant Schofield	15.5	15.5
Jamie Simpson	15.5	15.5
Tony O'Brien	15.5	15.5
Catherine Abel-Pattinson (appointed October 2016)	15.5	11.6
Dr Mataroria Lyndon (appointed June 2017)	15.5	1.3
Barbara Docherty (retired September 2016)	–	3.9
Rea Wikaira (Deputy Chair) (retired November 2016)	–	8.1
Total Board member remuneration	128	118

There have been no payments made to committee members appointed by the Board who are not Board members during the financial year.

HPA has not provided any deed of indemnity to Directors nor taken out Directors' and Officers'

Liability and Professional Indemnity insurance cover during the financial year in respect of the liability or costs of Board members and employees (2017 \$0).

No Board members received compensation or other benefits in relation to cessation (2017 \$0).

Note 4: Other expenses

Accounting policy

Grant expenditure

Discretionary grants are those grants where HPA has no obligation to award the grant on receipt of the grant application. For discretionary grants without substantive conditions, the total committed funding over the life of the grant is expensed when the grant is approved by the grants approval panel and the approval has been communicated to the applicant. Discretionary grants with substantive conditions are expensed at the earlier of the grant payment date or when the grant conditions have been satisfied. Conditions can include either:

- specification of how funding can be spent with a requirement to repay any unspent funds
- milestones that must be met to be eligible for funding.

HPA provides grants to community-based organisations to enable them to work in partnership with HPA or to progress messages or outcomes that HPA and the community has in common.

HPA makes a large number of small grants in each financial year, across a range of health topics, for purposes that include:

- activities to support national projects
- delivering an event, activity or services to promote HPA's messages
- specific one-off projects.

A letter to the recipient of each grant specifies the purpose of the grant and the requirements for the recipient to provide reports to HPA. Reports are required at project milestones, and/or on completion of projects.

In 2017/18, HPA provided funding for a wide range of groups, totalling \$471,122 (2017 \$1,897,617).

Operating leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset to the lessee. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term. HPA leases office equipment and premises.

Critical judgements in determining accounting policies

Grant expenditure

HPA has exercised judgement in developing its grant expenses accounting policy above as there is no specific accounting standard for grant expenditure. The accounting for grant expenditure has been an area of uncertainty for some time, and, as a result, there have been differing accounting practices by entities for similar grant arrangements. With the recent introduction of the new PBE Accounting Standards, there has been debate on the appropriate framework to apply when accounting for grant expenses, and whether some grant accounting practices are appropriate under these new standards. A challenging area in particular is the accounting for grant arrangements that include conditions or milestones. HPA is aware that the need for a clear standard or authoritative guidance on accounting for grant expenditure has been raised with the New Zealand Accounting Standards Board. Therefore, we will keep the matter under review and consider any developments. Further information about HPA's grants is disclosed above and in the Statement of Performance on pages 47-54.

Breakdown of other expenses and further information

	ACTUAL 2018 \$000	ACTUAL 2017 \$000
Fees to Audit New Zealand for audit of financial statements	56	55
Operating lease expenses	587	557
Other expenses	1,103	1,192
Total other expenses	1,746	1,804

Commitments

The future aggregate commitments to be paid under HPA initiated contracts are as follows:

	ACTUAL 2018 \$000	ACTUAL 2017 \$000
Not later than one year	8,260	3,096
Later than one year and not later than two years	2,307	1,804
Later than two years and not later than five years	558	958
Later than five years	–	–
Total commitments	11,125	5,858

Commitments include contracts entered into and/or underway at 30 June.

Operating leases as lessee

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

	ACTUAL 2018 \$000	ACTUAL 2017 \$000
Office rental leases		
Not later than one year	528	471
Later than one year and not later than two years	57	471
Later than two years and not later than five years	172	–
Later than five years	–	–
Total office rental leases	757	942
Office equipment leases		
Not later than one year	6	9
Later than one year and not later than two years	–	6
Later than two years and not later than five years	–	–
Later than five years	–	–
Total office equipment leases	6	15
Total non-cancellable operating leases	763	957

HPA leases two properties – its main office situated in Wellington and the regional office in Auckland.

A significant portion of the total non-cancellable operating lease expense relates to the lease of three floors of the Wellington office building. The lease expires in October 2025, with an option to renew as at June 2019.

The office equipment that HPA leases are printers. The lease expires in February 2019.

HPA does not have the option to purchase any of these assets at the end of any of the lease terms.

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

Note 5: Cash and cash equivalents

Accounting policy

Cash and cash equivalents includes cash on hand and deposits held on call with banks with original maturities of three months or less.

Breakdown of cash and cash equivalents and further information

	ACTUAL 2018 \$000	ACTUAL 2017 \$000
Cash at bank and on hand	508	168
Term deposits with maturities less than three months	–	1,500
Total cash and cash equivalents	508	1,668

Note 6: Receivables

Accounting policy

Short-term receivables are recorded at the amount due, less any provision for uncollectability.

A receivable is considered uncollectable when there is evidence the amount due will not be fully collected.

The amount that is uncollectable is the difference between the amount due and the present value of the amount expected to be collected.

Breakdown of receivables and further information

	ACTUAL 2018 \$000	ACTUAL 2017 \$000
Receivables (gross)	2,799	3,030
Total receivables	2,799	3,030
Total receivables comprises:		
Receivables from the sale of goods and services (exchange transactions)	2,799	3,010
Receivables from grants (non-exchange transactions)	–	20

The aging profile of receivables at year end is detailed below:

	2018			2017		
	GROSS \$000	PROVISION FOR UNCOLLECTABILITY \$000	NET \$000	GROSS \$000	PROVISION FOR UNCOLLECTABILITY \$000	NET \$000
Not past due	1,873	–	1,873	1,895	–	1,895
Past due 1–30 days	926	–	926	1,040	–	1,040
Past due 31–60 days	–	–	–	95	–	95
Past due 61–90 days	–	–	–	–	–	–
Past due over 90 days	–	–	–	–	–	–
	2,799	–	2,799	3,030	–	3,030

All receivables greater than 30 days in age are considered to be past due.

Movements in the provision for uncollectability of receivables are as follows:

NZ Customs Service (acting as HPA's agent) determines the uncollectability of the alcohol levy receivables.

	ACTUAL 2018 \$000	ACTUAL 2017 \$000
Balance at 1 July	–	2
Additional provisions made during the year	–	–
Receivables written off during the year	–	(2)
Balance at 30 June	–	–

Note 7: Investments

Accounting policy

Bank term deposits

Investments in bank term deposits are initially measured at the amount invested. Interest is subsequently accrued and shown as a receivable until the term deposit matures.

Breakdown of investments and further information

	ACTUAL 2018 \$000	ACTUAL 2017 \$000
Current portion		
Term deposits	9,000	6,250
Total investments	9,000	6,250

The carrying amounts of term deposits with maturities less than 12 months approximate their fair value.

Note 8: Property, plant and equipment

Accounting policy

Property, plant and equipment consists of four asset classes, which are measured as follows:

- Leasehold improvements, at cost less accumulated depreciation and impairment losses.
- Furniture and office equipment, at cost less accumulated depreciation and impairment losses.
- Motor vehicles, at cost less accumulated depreciation and impairment losses.
- Computer equipment, at cost less accumulated depreciation and impairment losses.
- Books and films, at cost less accumulated depreciation and impairment losses.
- Artwork at cost.

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.

In most instances, an item of property, plant and equipment is initially recognised at its cost. Where an asset is acquired through a non-exchange transaction, it is recognised at its fair value as at the date of acquisition.

The costs of day-to-day servicing of property, plant and equipment are expensed in the surplus or deficit as they are incurred.

Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are reported net in the surplus or deficit.

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 property, plant and equipment have been estimated as follows:

Leasehold improvements*	3 years	33%
Furniture	10 years	10%
Office equipment	5 years	20%
Motor vehicles	5 years	20%
Computer equipment	3 years	33%
Artwork, books and films		0%

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

Impairment of property, plant and equipment and intangible assets

HPA does not hold any cash-generating assets. Assets are considered cash-generating where their primary objective is to generate a commercial return.

Non-cash-generating assets

Property, plant and equipment held at cost 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 service amount. The recoverable service amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is the present value of an asset's remaining service potential. It is determined using an approach based on either a depreciated replacement cost approach, a restoration cost approach or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

If an asset's carrying amount exceeds its recoverable service amount, the asset is regarded as impaired and the carrying amount is written down to the recoverable amount. The total impairment loss is recognised in the surplus or deficit.

The reversal of an impairment loss is recognised in the surplus or deficit.

Critical accounting estimates and assumptions

Estimating useful lives and residual values of property, plant and equipment

At each balance date, the useful lives and residual values of property, plant and equipment are reviewed. Assessing the appropriateness of useful life and residual value estimates of property, plant and equipment requires a number of factors to be considered 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 affect the depreciation expense recognised in the surplus or deficit, and carrying amount of the asset in the Statement of Financial Position. HPA minimises the risk of this estimation uncertainty by:

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

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

Breakdown of property, plant and equipment and further information

Movements for each class of property, plant and equipment are as follows:

	ARTWORK, BOOKS AND FILMS \$000	FURNITURE AND OFFICE EQUIPMENT \$000	COMPUTER EQUIPMENT \$000	LEASEHOLD IMPROVEMENTS \$000	MOTOR VEHICLES \$000	TOTAL \$000
Cost or valuation						
Balance at 1 July 2015	108	312	273	12	22	727
Additions	–	197	103	33	–	333
Disposals	(8)	(6)	(64)	–	–	(78)
Balance at 30 June 2016/1 July 2016	100	503	312	45	22	982
Additions	–	–	11	–	–	11
Disposals	–	(136)	(29)	–	–	(165)
Balance at 30 June 2017/1 July 2017	100	367	294	45	22	828
Additions	–	–	48	12	–	60
Disposals	–	(30)	(10)	(12)	–	(52)
Balance at 30 June 2018	100	337	332	45	22	836

	ARTWORK, BOOKS AND FILMS \$000	FURNITURE AND OFFICE EQUIPMENT \$000	COMPUTER EQUIPMENT \$000	LEASEHOLD IMPROVEMENTS \$000	MOTOR VEHICLES \$000	TOTAL \$000
Accumulated depreciation and impairment losses						
Balance at 1 July 2015	(92)	(287)	(235)	(5)	(4)	(623)
Depreciation expense	(8)	(20)	(47)	(9)	(5)	(89)
Elimination on disposal	8	6	64	–	–	78
Balance at 30 June 2016/1 July 2016	(92)	(301)	(218)	(14)	(9)	(634)
Depreciation expense	–	(25)	(44)	(12)	(4)	(85)
Loss on disposal	–	(7)	–	–	–	(7)
Elimination on disposal	–	135	29	–	–	164
Balance at 30 June 2017/1 July 2017	(92)	(198)	(233)	(26)	(13)	(562)
Depreciation expense	–	(22)	(45)	(10)	(4)	(81)
Loss on disposal	–	–	–	–	–	–
Elimination on disposal	–	29	9	12	–	50
Balance at 30 June 2018	(92)	(191)	(269)	(24)	(17)	(593)

Carrying amounts

At 1 July 2015	16	25	38	7	18	104
At 30 June 2016	8	202	94	31	13	348
At 30 June 2017	8	169	61	19	9	266
At 30 June 2018	8	146	63	21	5	243

Restrictions

There are no restrictions on HPA's property, plant and equipment.

Note 9: Intangible assets

Accounting policy

Software acquisition

Computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

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 expensed 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 financial year is expensed in the surplus or deficit.

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

Acquired computer software	3 years	33%
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Impairment of intangible assets

Refer to the policy for impairment of property, plant and equipment in Note 8. The same approach applies to the impairment of intangible assets.

Critical accounting estimates and assumptions

Estimating useful lives and residual values of intangible assets

In assessing the useful lives of software assets, a number of factors are considered, including the:

- period of time the software is intended to be in use
- effect of technological change on systems and platforms
- expected timeframe for the development of replacement systems and platforms.

An incorrect estimate of the useful lives of software assets will affect the amortisation expense recognised in the surplus or deficit, and the carrying amount of the software assets in the Statement of Financial Position.

Breakdown of intangible assets and further information

Movements for each class of intangible asset are as follows:

	TOTAL \$000
Cost or valuation	
Cost	
Balance at 1 July 2015	243
Balance at 30 June 2016	243
Balance at 30 June 2017	243
Balance at 30 June 2018	243
Accumulated depreciation	
Balance at 1 July 2015	(234)
Amortisation expense	(7)
Balance at 30 June 2016	(241)
Amortisation expense	(2)
Elimination on disposal	–
Balance at 30 June 2017	(243)
Amortisation expense	–
Elimination on disposal	–
Balance at 30 June 2018	(243)
Carrying amounts	
At 30 June 2015	9
At 30 June 2016	2
At 30 June 2017	–
At 30 June 2018	–

Restrictions

There are no restrictions over the title of HPA's intangible assets, nor are any intangible assets pledged as security for liabilities.

Note 10: Payables

Accounting policy

Short-term payables are recorded at the amount payable.

Breakdown of payables and revenue in advance and further information

	ACTUAL 2018 \$000	ACTUAL 2017 \$000
Payables and revenue in advance under exchange transactions		
Trade creditors	7,000	5,806
Accrued expenses	425	639
Total payables under exchange transactions	7,425	6,445
Revenue in advance (course fees)	39	6
Revenue in advance (Crown revenue)	824	475
Total revenue in advance under exchange transactions	863	481
Payables under non-exchange transactions		
Taxes payable (GST, PAYE)	115	103
Total payables under non-exchange transactions	115	103
Total payables and revenue in advance	8,403	7,029

Note 11: Employee entitlements

Accounting policy

Short-term employee entitlements

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

A liability and an expense are recognised for bonuses where there is a contractual obligation or where there is a past practice that has created a constructive obligation and a reliable estimate of the obligation can be made.

Long-term employee entitlements

Employee entitlements that are due to be settled beyond 12 months after the end of period in which the employee provides the related service, such as long service leave, have been calculated on an actuarial basis. The calculations are based on:

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

Presentation of employee entitlements

Sick leave, annual leave and vested long service leave are classified as a current liability. Non-vested long service leave expected to be settled within 12 months of balance date is classified as a current liability. All other employee entitlements are classified as a non-current liability.

Critical accounting estimates and assumptions

Measuring long service leave obligations

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

Two key assumptions used in calculating this liability include the discount rate and the salary inflation factors. 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 3.68% (2017 3.68%) and a salary inflation factor of 1.7% (2017 1.67%) 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 \$4,000 higher or \$9,000 lower (2017 \$1,000 higher/lower). If the salary inflation factor were to differ by 1% from that used, with all other factors being constant, the carrying amount of the long service leave liability would be an estimated \$6,000 higher/lower (2017 \$5,000 higher/lower).

Breakdown of employee entitlements

	ACTUAL 2018 \$000	ACTUAL 2017 \$000
Current portion		
Accrued salaries and wages	104	97
Annual leave	400	453
Sick leave	7	6
Long service leave	24	22
Total current portion	535	578
Non-current portion		
Long service leave	95	69
Total non-current portion	95	69
Total employee entitlements	630	647

Note 12: Contingencies

Contingent liabilities

There are no contingent liabilities at balance date (2017 \$0).

Contingent assets

There are no contingent assets at balance date (2017 \$0).

Note 13: Equity

Accounting policy

Equity is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into the following components.

- contributed capital
- accumulated surplus/(deficit).

Breakdown of equity and further information

	ACTUAL 2018 \$000	ACTUAL 2017 \$000
Contributed capital		
Balance at 1 July	3,424	3,424
Balance at 30 June	3,424	3,424
Accumulated surplus/(deficit)		
Balance at 1 July	115	(221)
Surplus/(deficit) for the year	601	336
Balance at 30 June	716	115
Total equity	4,140	3,539

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 imposes restrictions in relation to borrowings, acquisition of securities, issuing guarantees and indemnities, and the use of derivatives.

HPA has complied with the financial management requirements of the Crown Entities Act 2004 during the year.

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

Note 14: Related party transactions

HPA is controlled by the Crown.

Related party disclosures have not been made for transactions with related parties that are:

- within a normal supplier or client/recipient relationship
- on terms and conditions no more or less favourable than those that it is reasonable to expect HPA would have adopted in dealing with the party at arm's length in the same circumstances.

Further, transactions with other government agencies (for example, government departments and Crown entities) are not disclosed as related party transactions when they are on normal terms and conditions consistent with the normal operating arrangements between government agencies.

Key management personnel compensation

	ACTUAL 2018	ACTUAL 2017
<i>Board members</i>		
Remuneration	\$128,000	\$118,000
Full-time equivalent members	0.45	0.45
<i>Executive management team</i>		
Remuneration	\$1,064,000	\$1,056,000
Full-time equivalent members	5	5
Total key management personnel compensation	\$1,192,000	\$1,174,000
Total full-time equivalent personnel	5.45	5.45

The Executive management team remuneration figures include KiwiSaver employer contribution. The 2017 figures have been restated to include this.

The full-time equivalent for Board members has been determined based on the frequency and length of

Board meetings and the estimated time for Board members to prepare for meetings

An analysis of Board member remuneration is provided in Note 3.

Note 15: Financial instruments

15A Financial instrument categories

The carrying amount of financial assets and liabilities in each of the financial instrument categories are as follows:

	ACTUAL 2018 \$000	ACTUAL 2017 \$000
<i>Financial liabilities measured at amortised cost</i>		
Payables (including revenue in advance and taxes payable)	8,403	7,126
Total financial liabilities measured at amortised cost	8,403	7,126
<i>Loans and receivables</i>		
Cash and cash equivalents	508	1,668
Receivables	2,799	3,030
Investments	9,000	6,250
Total loans and receivables	12,307	10,948

15B Fair value hierarchy

For those instruments recognised at fair value in the Statement of Financial Position, fair values are determined according to the following hierarchy:

- Quoted market prices (level 1) – Financial instruments with quoted prices for identical instruments in active markets.
- Valuation techniques using observable inputs (level 2) – Financial instruments with quoted prices for similar instruments in active markets

or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using models where all significant inputs are observable.

- Valuation techniques using significant non-observable inputs (level 3) – Financial instruments valued using models where one or more significant inputs are not observable.

All financial instruments for HPA are level 1 – quoted market prices.

There were no transfers between the different levels of the fair value hierarchy.

15C 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 policies to manage these risks 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 that are held at fixed rates of interest. HPA does not actively manage exposure to fair value interest rate risk.

Cash flow interest rate risk

Cash flow interest rate risk is the risk that the cash flows from a financial instrument will fluctuate because of changes in market interest rates. Investments and borrowings issued at variable interest rates expose HPA to cash flow interest rate risk.

HPA's investment policy requires a spread of investment maturity dates to limit exposure to short-term interest rate movements. HPA currently has no variable interest rate investments.

Credit quality of financial assets

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to Standard and Poor's credit ratings (if available) or to historical information about counterparty default rates:

	ACTUAL 2018 \$000	ACTUAL 2017 \$000
Counterparties with credit ratings		
<i>Cash at bank and term deposits</i>		
AA-	508	7,918
Total cash at bank and term deposits	508	7,918
Counterparties without credit ratings		
<i>Receivables</i>		
Counterparty with no defaults in the past	2,799	3,030
Total receivables	2,799	3,030

Sensitivity analysis

As at 30 June 2018, if the 90-day bank bill rate had been 50 basis points higher or lower, with all other variables held constant, the surplus/deficit for the year would have been \$5,000 higher or \$7,000 lower (2017 \$5,000 higher/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.

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

HPA reviews the credit quality of customers prior to the granting of credit.

Due to the timing of its cash inflows and outflows, HPA invests surplus cash with registered banks. HPA limits the amount of credit exposure to any one financial institution for term deposits to no more than 25% of total investments held. HPA invests funds only with registered banks that have a Standard and Poor's credit rating of at least A2 for short-term and A for long-term investments. 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

Management of liquidity risk

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

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

Contractual maturity analysis of financial liabilities, excluding derivatives

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

The amounts disclosed are the undiscounted contractual cash flows.

	ACTUAL 2018 \$000	ACTUAL 2017 \$000
Payables		
Carrying amount	8,403	7,126
Contractual cash flows	8,403	7,126
Less than six months	8,403	7,126
Total payables	8,403	7,126

Note 16: Events after the balance date

There were no significant events after the balance date.

Note 17: Explanation of major variances against Statement of Performance Expectations budget

Statement of Comprehensive Revenue and Expense

Crown revenue

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

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